

RETAINER SHIP AGREEMENT

THIS AGREEMENT is made at [Name of city] on this _____ day of _____ 200 between _____ (Company's name) a company registered under the Companies Act, 1956, having its registered office at _____ hereinafter referred to as "the party of the first part" and ABC, an advocate/Firm of advocates or solicitors having his/their registered office at _____, hereinafter referred to as "the party of the second part".

WHEREAS the party of the first part is a company and requires the assistance of solicitors and legal advisors for drafting notices to be issued to, correspondence with the government departments/banks/ others, giving advice and solutions to internal problems of the company in accordance with the Companies Act, 1956 and the Articles of the company, etc.

AND WHEREAS the party of the first part has offered to appoint and retain the party of the second part to act for them as legal advisors and solicitors and the party of the second part have agreed to the said appointment and retainer ship;

AND WHEREAS the parties hereto have agreed to record the terms and conditions on which the party of the first part has agreed to appoint and retain the party of the second part to act for them as legal advisors and solicitors and the party of the second part has agreed to accept the said appointment and retainer ship;

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. The party of the first part hereby appoints and retains the party of the second part for drafting notices to be issued to, correspondence with the government departments/banks/ others, giving advice and solutions to internal problems of the company in accordance with the Companies Act, 1956, Income Tax Act, 1961, Local laws relating to labour, P.F, ESI and the Articles of the company, etc....and all ancillary and incidental matters.
2. The party of the first part shall pay to the party of the second part fees of Rs..... (Amount in words) per month. The said fees will be in lieu of and in satisfaction of all professional charges and expenses including the office expenses of the party of the second part but excluding any out of pocket expenses and costs incurred in relation to the assignment.
3. The party of the first part shall also pay to the party of the second part all out of pocket expenses incurred by them in payment of traveling expenses, registration charges, etc. in respect of documents in relation to each transaction etc.
4. The above fee quote is based on the assumption that there will be no material change in the scope. In the event of any material deviation in the foregoing assumption the parties hereto agree to re-assess and mutually revise the fee quote.

5. Invoices will be raised by the party of the second part on a monthly basis and will be payable within 15 days. A detailed narrative stating the nature of the work done will accompany the invoice. The invoice shall also include details of any out of pocket expenses and costs incurred in relation to the assignment.
6. The scope of the above services would not include any regulatory compliance (such as filings, etc. with statutory authorities, etc.), or providing substantive opinions or memoranda on any specific legal issue and the same will be charged separately.
7. This agreement will not extend to any litigation civil or criminal or arbitration whether arising out of any transaction entrusted to the party of the second part or otherwise. If any such matter of litigation or any legal proceedings in a court of law or tribunal or arbitrator is entrusted to them, the party of the second part will be entitled to charge fees according to their usual practice.
8. The party of the second part shall maintain full secrecy and shall not disclose any confidential matter or communication between the party of the first part and themselves to anybody else.
9. The party of the second part shall not act in any matter entrusted to them for any other party concerned or connected with such matter.
10. This agreement may be terminated by any party hereto by giving one month's prior notice to the other without assigning reason and on the expiry of the said period from receipt of the notice this agreement shall stand terminated except in respect of matters which are already entrusted to the party of the second part and are not completed.
11. That on expiry of the said term of the agreement the same shall be renewable with the mutual consent of both the parties. The quoted fees will be enhanced every year by such percentage as related to increase in WPI Index for one year. After a period of 2 years if this agreement is further 4 extended then, the fees will be fixed with mutual negotiation as per scope of work prevailing at that point of time.
12. If any dispute or difference arises between the Parties hereto during the subsistence of this Agreement or thereafter, in connection with the validity, interpretation, implementation or breach of this Agreement, the Parties shall mutually appoint a sole arbitrator. Such arbitration shall be conducted in English Language and the place of arbitration shall be Indore. The arbitration shall be governed by the provisions of the Arbitration and Conciliation Act, 1996 or any re-enactment or modification thereto.

IN WITNESS WHEREOF the parties hereto have put their hands the day and year first hereinabove written.

1.-----

Signature on behalf of Managing Director
[Company Name]

2. -----

Signature of Legal Consultant