

Frequently Asked Questions (FAQs)

What is an umbrella agreement and why should we use it?

An umbrella agreement is a standard contract template upon which MLA engages with external parties. An umbrella agreement specifies the legal terms and basis for all engagements between MLA and an external party. The terms are expected to be acceptable as drafted because the umbrella agreement templates MLA uses represent MLA's best offer and have been drafted with the intent to be fair and balanced in the context of the applicable commercial relationships

An umbrella agreement once signed can be used to cover multiple projects or services engagements for the duration of the commercial relationship, speeding up the contracting process and facilitating a quicker start to projects. Only the relevant statement of work needs to be agreed.

What is the difference between the Umbrella Consultancy and Umbrella Research Agreement?

While these agreements have much in common, the nature of the engagements with external parties are fundamentally different, which is reflected in the provisions of these respective agreements. The purpose of the Umbrella Research Agreement is to engage a party to deliver a research project for the benefit of the Australian Red Meat Industry. The Umbrella Consultancy Agreement engages a party to provide services to MLA as per the terms of the engagement. An entity may be required to have both Umbrella agreements signed depending on the nature of the commercial transaction.

Umbrella Consultancy Agreement – Do these clauses apply to me?

The Umbrella Consultancy Agreement has been designed with a broad scope to capture all potentially relevant services MLA may require. Specific clauses have been highlighted under the agreement which only apply where work of the required nature is being contracted. These clauses are limited to s9 – IT Services, s10 – Data Security, s11 – Marketing Services, s12 – Market Research Services and s13 – Photography, Videography and Writing Services.

Why is my Statement of Work blank?

The Statement of Work within the umbrella agreement is only a template for your reference and is not intended to be filled out. The actual Statement of Work will be prepared separately and provided once the umbrella agreement terms have been signed.

What terms are negotiable terms?

MLA's position under the umbrella agreement is generally to be considered its best offer. To the maximum extent permitted by law, the general legal terms associated are expected to not be changed, however the commercial terms of a project or activity may be negotiated. For example, the commercial elements of the work that is set out in the Statement of Work may be negotiable on a case by case basis depending on the work being undertaken and each parties role and contribution to that project or activity.

Where MLA is contracting with a government entity, there may be times where we can negotiate our terms that relate to things such as insurance, reporting or auditing.

Can terms negotiated under the Statement of Work override the Clauses set out under the umbrella agreement?

No. MLA will not agree to terms under the Statement of Work which are intended to override the terms under the umbrella agreement.

Why can MLA terminate for convenience?

MLA's right to terminate is intended to be used to minimise the cost incurred where projects demonstrate they are incapable of completion or the participant is regularly in breach of the agreement. MLA is required under its Statutory Funding Agreement to maintain records and account for all its funding activities to the Australian Government. MLA must maintain an option to respond to any changes the Australian government may make to the Statutory Funding Agreement and/or to mitigate unnecessary expenditure.