



AN ANALYSIS OF THE CONSENT JUDGMENT DELIVERED BY THE FEDERAL HIGH COURT, ABEOKUTA, BARRING THE BIG 4 (FOUR) (PWC, KPMG, DELOITTE, & EY) FROM PROVIDING LEGAL SERVICES IN NIGERIA.

INTRODUCTION

Hon. Justices M. Shittu Abubakar and O.O Oguntoyinbo of the Federal High Court sitting in the Abeokuta Judicial Division, delivered Consent Judgments in the matter between Mr. Olumide Babalola (a legal practitioner in the state), and the top four accounting and advisory/consultancy firms in Lagos; Price Waterhouse Coopers Limited; Ernst & Young Advisory Service Limited; Deloitte & Touche Consulting Limited; and KPMG Professional Services.

These matters were instituted individually against the firms with their respective Suit Nos. thus; FHC/AB/CS/70/2020, FHC/AB/CS/71/2020, FHC/AB/CS/72/2020, FHC/AB/CS/69/2020.

Mr. Babalola in his originating processes claimed that the four accounting firms were providing legal services reserved for law firms to their clients. He stated that one of the firms (PWC) advertised via their official website that they provide legal advisory services to their clients. In the suit, various reliefs sought from the Court were centered on prohibiting the big four firms from carrying out services that infringe on the Rules of Profession Conduct for Legal Practitioners.

The Court analyzed the Terms of Settlement agreed upon by all parties, and adopted same as Consent judgments in the matters. Some of the terms of settlement included the following;

1. That the accounting firms are not firms of “Legal Practitioners” as defined under section 24 of the Legal Practitioners Act, Laws of the Federation of Nigeria, 2010 and do not, and cannot, practise as Legal Practitioners in any

form or guise in Nigeria or offer services reserved by law for Legal Practitioners. For the avoidance of doubt, the law has reserved the following for legal Practitioners;

- i. Preparation, signing and/or franking of originating Court processes, pleadings and/or Court related applications or filing any such documents as Legal Practitioners in Courts for clients in connection with Court proceedings;
- ii. Representation of clients in Courts as their Legal Practitioners;
- iii. Preparation, signing and/or franking of any agreement, contract, deed, letter or any other document that confers, transfers, limits, charges or extinguishes any interest in any immovable property; and
- iv. Preparation, signing and/or franking of any document relating to, or with a view to, the grant of probate or letters of administration.

WHAT CONSTITUTES LEGAL SERVICES IN NIGERIA UNDER THE RELEVANT LAWS?

As mentioned above in the consent judgment, legal services would ordinarily entail representation of a client in Court by a legal practitioner, preparation, signing and/or franking of Court processes/documents, contracts, deeds, title documents, reports, memoranda etc.

The relevant laws that regulate the legal profession in Nigeria are the **Legal Practitioners Act CAP L11 LFN 2004**, and the **Rules of Professional Conduct for Legal Practitioners (RPC) 2007**. These legislations provide the duties legal practitioners owe to their clients, the Courts and their colleagues in the profession. However, there is no express provision with regards to what constitutes legal services in Nigeria, or whether or not these duties amount to legal services in Nigeria.

It is worthy of note therefore, that a lacuna exists as it pertains to what constitutes legal services in Nigeria, and who can render such services.

WERE THE ACCOUNTING FIRMS (THE BIG 4) RENDERING LEGAL SERVICES TO CLIENTS IN NIGERIA?

The plaintiff (Mr. Babalola) claimed that one of the Defendants (PWC) advertised on their official website that they rendered legal advisory services to clients; this was a clear breach of **Rule 39(2) (b) and 3 (b) of the Rules of Professional Conduct for Legal Practitioners**. It was also contained in the Terms of Settlement agreed by all parties that the following services are rendered by Legal Practitioners;

- i. Preparation, signing and/or franking of originating court processes, pleadings and/or court related applications or filing any such documents as Legal Practitioners in courts for clients in connection with court proceedings;
- ii. Representation of clients in courts as their Legal Practitioners;
- iii. Preparation, signing and/or franking of any agreement, contract, deed, letter or any other document that confers, transfers, limits, charges or extinguishes any interest in any immovable property; and
- iv. Preparation, signing and/or franking of any document relating to, or with a view to, the grant of probate or letters of administration.

The parties reached an agreement (Terms of Settlement) wherein it was stated clearly that the Defendants do not hold themselves out as rendering legal services. It was also stated that the Defendants' personnel who are legal practitioners by virtue of their professional training do not provide, and do not hold themselves out as providing, within Nigeria to the clients of the Defendants any of the services which the law has reserved for Legal Practitioners, and will not do so unless or until the applicable law in Nigeria permits same.

COMMENTARY

The consent judgments delivered by Hon. Justices M. Shittu Abubakar and O.O Oguntoyinbo of the Federal High Court sitting in Abeokuta do not significantly cure the lacuna with the current legislations for legal practitioners with regards to the scope of legal services in Nigeria. The absence of a legal framework defining what a legal service means, is the intricacy that buoyed the action in suit under

review. This was relatively not cured by the ruling of the Court, However, it is worthy of note that the interpretations and pronouncements given by judges in the course of adjudication are laws that are binding.

“The pronouncement and interpretations given by judges are what I mean by law”. – Oliver Wendall Holmes.

We therefore recommend that the services which legal practitioners provide should be encapsulated in a legislation, either by amending existing legislation to make broad definition of legal service, or by enacting a new legislation “Legal services act” which shall specifically provide the scope of legal services in Nigeria.

To download the article, please click [here](#).

For more information please contact:

Blackwood & Stone LP

info@blackwoodstone.com

+234 903 3501 613