

Billing guidelines

Chargeable and non-chargeable tasks and activities for Outside Counsel.

Invoices and deadlines

21 days

for invoice submission

Example:

- Firm has an invoice for services rendered during the month of January.
- Invoice must be submitted no later than February 21.
- Late penalty applies 30 days later – March 21.

Timing of Invoice

UBS expects invoices to be submitted no later than twenty-one (21) days following the end of the month in which the services were performed; or, for transactional matters for which the custom and practice is to defer invoicing, no later than twenty-one (21) days following the conclusion of the transaction.

Invoices which are submitted past the 21-days expected timeframe will receive an additional 30-day grace period, after which a 10% penalty will be applied, including 10% for each successive month late.

Client Identifying Data (CID)

No CID: data provided from or relating to clients, prospects or employees should not be included within any invoice (electronic or paper) or within any documents submitted with the invoice. If any CID is included, the invoice will be rejected.

Requests for Reconsideration

Appeals and balance invoices received within 30 days of the firm receiving the UBS Invoice Approval Notification will be given further consideration, however, block billing adjustments cannot be appealed.

Activities and tasks



Chargeable Fees

UBS will pay for time spent on any of the following:

Work

- Fully-described legal work which is not administrative or clerical, and performed at the correct level of expertise (see [Appendix](#), pg. 4 for further details);
- Completed (not attempted) phone calls/voice messages;
- Work that is not duplicated by other firm members;
- Office communications in furtherance of legal tasks (but not internal communications to coordinate matters or to bring a new associate "up to speed");
- All necessary research provided that same is fully described and that the purpose for doing so is stated;
- Conducting 1st and 2nd level document review provided advance UBS approval is received;

Meetings & conferences

- Attendance at meetings, conferences, hearings, depositions, trial, etc. by essential timekeepers;

Time booking

- Time billed in tenths of an hour (0.10, 0.20, 0.30, etc.) which is not blocked (in excess of 0.30), incremental, estimated or rounded up to the hour or half-hour;
 - ✓ Example 1 (proper): Draft Point 1 for Motion for Summary Judgment (5.20 hours)
 - ✗ Example 2 (improper): Draft Point 1 for Motion for Summary Judgment (5.25 hours)
 - ✗ Example 3 (improper): Draft Point 1 for Motion for Summary Judgment (5.23 hours)
- Time billed in excess of 10 hours per day by any timekeeper provided advance UBS approval is received; if no advance approval can be obtained, timely ex post approval will be sufficient;
- Time billed for travel where work is performed;



Non-Chargeable Expenses¹

UBS will not reimburse the following expenses:

Work

- Research tools: (LexisNexis/Westlaw), books, publications, subscriptions, etc.;
- Photocopy expenses exceeding 5 cents USD; standard postage charges;
- Staff overtime and / or temporary secretarial / administrative staff;
- Office supplies; word processing, or secretarial services;

Education

- Continuing Legal Education expenses or licensing fees;

Meetings & conferences

- Conference room charges; fax charges, telephone and internet charges;

Travel

- Local travel (cab, train, ferry or buses for attorneys and staff);
- Per diem expenses, (meals, drinks, and incidentals), exceeding USD 55 (c. GBP 39) –per person per day; expenses for liquor;
- First class airfare at any time or business class for flights less than five hours;
- All charges for air travel must be at economy or coach rates (other than business class for flights more than five hours) and booked sufficiently in advance to take advantage of readily available lower fares;
- Overtime car service, taxi or meals; hotel mini-bar charges, hotel phone, internet, movie charges, dry cleaning, entertainment, or similar personal items;
- In case of overnight stays, hotel rates must be approved by UBS in advance. In addition, whenever possible, the firm should book into hotels from the UBS Global Hotel List and observe the corresponding cap on costs.

¹ Non-Chargeable Expenses: Unless **written approval is separately obtained from the UBS in-house counsel** responsible for the matter or transaction, UBS will not reimburse the disbursements or expenses.

Appendix (1/2)

List of Non-Chargeable Fees, Including Examples of Clerical and Administrative Work

List of Non-Chargeable Fees¹

Examples:

Work

- A. Attempted phone calls or leaving voicemail messages;
- B. Any task necessitated by an error caused by your firm;
- C. Audit Letters. During a calendar year, UBS in-house counsel may contact your firm with an audit inquiry request. UBS should not be billed for audit letters unless Outside Counsel's cumulative legal fees for the prior year were less than USD 10,000 (c. GBP 6,000);
- D. Budget preparation and associated tasks;
- E. Duplicative document review without apparent justification or necessity;
- F. Preparation of UBS relationship reports and for UBS relationship meetings;
- G. Research or advice previously prepared for another UBS matter in any UBS division;
- H. Vaguely described tasks. Entries with insufficiently described line-item narratives will not be paid;

Meetings & conferences

- A. Multiple and / or non-essential timekeepers attending the same meeting, conference call, deposition, hearing, or trial, etc.;
- B. UBS does not expect to be billed for routine communications among firm members. Conferences among law firm personnel are viewed as internal firm management tools and are not generally billable. UBS may pay for an in-firm conference if:
 - 1) The specific expertise of another attorney is used to advance the matter in an efficient and cost-effective manner, and
 - 2) The description provides sufficient detail to demonstrate that the in-firm conference is not educational, instructional, or supervisory in nature;

Time booking

- A. Billing entries that are not calculated to the nearest tenth (0.10) of an hour. Quarter-hour (0.25) or other time increments are not allowed;
- B. Block billed time entries. Multiple related tasks and / or communications can be bundled in one entry up to 0.30 hours without penalty. Time entries with multiple tasks billed at 0.40 or more must be broken down further and appear as separate line items;
- C. Embedded time entries. This refers to block-billing wherein the amount of time for each task in the block has been quantified. However, this practice prevents UBS from addressing individual entries within the larger blocked entry. As such, UBS considers embedded time to be unacceptable and a 50% non-appealable adjustment will be applied;
- D. Incremental billing. Billing the same amount of time for a particular task, within and / or across matters, which typically does not reflect actual or reasonable time spent (e.g., time not billed in tenths of an hour and / or rounded up to the hour or half-hour);
- E. Time billed in excess of ten (10) hours per day by any timekeeper, absent extraordinary circumstances. UBS will closely review the productivity and efficiency of any such billing;
- F. Time billed by summer associates or law clerks;
- G. Time incurred when bringing in new personnel (due to firm changes) up to the level of knowledge required to handle the particular matter including any additional task necessitated by a (temporary) staffing issue at your firm, unless otherwise requested by UBS;
- H. UBS will not pay for travel time unless work is performed during travel and specifically described in the time entry. The maximum billable time for work during travel is 8 hours per day.

¹ Non-Chargeable Fees: Unless **written approval is separately obtained from the UBS in-house counsel** responsible for the matter or transaction, UBS will not reimburse the disbursements or expenses.

Appendix (2/2)

List of Non-Chargeable Fees, Including Examples of Clerical and Administrative Work



Administrative Tasks Examples

UBS will not pay for activities involved in the day-to-day operation of a law office.

Such work is considered overhead and is included in the negotiated hourly rates charged by counsel for professional services. Administrative work includes (though not as a complete list):

- A. Assigning tasks to and supervision of firm personnel;
- B. Project coordination;
- C. File opening and closing tasks including preparing documents for storage and shipping;
- D. Performing and resolving conflict checks;
- E. Training and education of firm personnel, including document review platforms;
- F. Conducting file "status" reviews without performing additional work;
- G. Calendaring and / or updating deadlines for matters;
- H. Time incurred for continuing legal education or seminars (including time spent learning newly enacted / amended rules or statutes which are equally applicable to non-UBS clients / matters);
- I. Time related to the transferring of a case file from one law firm to another;
- J. Invoice preparation and review, including reviewing and responding to adjustments made by the CIP team;
- K. Filing documents with the court or regulatory agency, including electronic filing;
- L. Scheduling depositions, conferences, meetings, or other events and making travel arrangements.



Clerical Tasks Examples

UBS will not pay for activities which do not require legal skill or training, which may be effectively performed by support staff, secretaries, file clerks, messengers, or other non-professional staff.

Clerical tasks include (though not as a complete list):

- A. Filing, retrieving, assembling, or searching for documents;
- B. Copying / scanning / printing / labeling / bates-stamping documents;
- C. Creation, preparation, organization, and distribution of binders;
- D. Time relating to trial and / or hearing-related logistics, including work performed in connection with setting up and / or tearing down "war rooms";
- E. Docket checks and contacting court personnel;
- F. Organizing and gathering and / or assembling documents/materials;
- G. Checking for and / or logging receipt of documents
- H. Faxing documents;
- I. Indexing documents;
- J. Researching contact information;
- K. Document transcription;
- L. Pickup or delivery of documents;
- M. Word processing or proofreading;
- N. Time incurred reviewing vendor invoices;
- O. Uploading to, downloading from, or maintaining a document database.