Smart eBill Team, LLC Outside Counsel Guidelines

Effective January 1, 2024

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I. Introduction

Outside counsel agrees to represent **Smart eBill Team** according to these Outside Counsel Guidelines ("**Guidelines**") and the Engagement ("**Engagement Letter**"). These Guidelines will become effective as of **January 1, 2024** and will replace all guidelines and agreements previously entered into between you and **Smart eBill Team LLC.** Submission of invoices by outside counsel is deemed outside counsel's acceptance to these Guidelines. **Smart eBill Team LLC** reserves the right to modify these Guidelines at any time and will provide outside counsel advanced, written notice prior to any modification taking place. **Smart eBill Team LLC** will not pay for fees or expenses billed in violation of these Guidelines.

Outside counsel may only be retained by an authorized representative of the **Smart eBill Team LLC** legal department. **Smart eBill Team LLC** will assign a supervising attorney to each matter ("Legal Contact"). Unless otherwise agreed to by the Legal Contact, all communication between outside counsel and **Smart eBill Team LLC** personnel should be made through the designated Legal Contact.

II. Billing and Invoice Submission

A. Invoicing and Late Penalties

It is outside counsel's responsibility to submit accurate electronic invoices in **Smart eBill Team LLC** electronic billing system on a monthly basis or via mail to finance@smartebillteam.com, to include all required documentation, and to correct invoicing errors for re-submission. All invoices submitted to **Smart eBill Team LLC** must contain required pieces of information and be submitted in the proper format. A separate invoice is required for each matter and for each month, unless we expressly direct you otherwise.

Smart eBill Team LLC's law department utilizes **QuickBooks Online** software to streamline the process for receiving legal invoices from all outside legal service providers.

Outside counsel must submit all invoices for work performed in a month by no later than the last day of the month after the month in which the work is performed (the "Due Date"). Invoices will generally be paid within **90** days from receipt of a properly submitted and accepted invoice. **Smart eBill Team LLC** will discount every invoice by [5%] per month if received after the Due Date (except in the case where the invoice is for less than $500 in which case you may hold the invoice until aggregate billing exceeds $500).

Smart eBill Team LLC has no obligation to pay for any invoices submitted more than four months after the completion date of a matter, or for any late invoices that cross **Smart eBill Team LLC** fiscal year.

To ensure that any discounts are reflected in your invoices, we require you to enter your bill using the pre-discounted bill rates and reflect the discount as a top-level adjustment on your invoice and in our e-billing system.

Unless required by law, all invoices must be submitted electronically.

B. Line Item Details and Block Billing

We believe that block billing does not provide adequate detail to assess the work that was done and therefore require that timekeepers not block bill their time. We define block billing as when multiple (and different) tasks are aggregated into a single line item. Time spent on tasks should be billed for actual time spent. Timekeepers must accurately record time spent on each task. Unless otherwise authorized by us in advance, each entry should reflect a separate task and must state the nature of the work performed and the time spent by each timekeeper.

Because this practice limits **Smart eBill Team LLC**'s ability to effectively monitor our legal spending, line items that are block billed will either be reduced by **[50%]** automatically or rejected.

C. Fees and Expenses

i. Alternative Fee Arrangements

Smart eBill Team LLC believes in innovation. It is one of our core values and is a trait we not only expect from ourselves, but from our vendors and partners. We believe that pushing past traditional methods of billing based on an hourly rate and instead working towards alternative fee arrangements (AFAs) will lead to a longer, more engaged and predictable relationship with outside counsel. AFAs give outside counsel greater flexibility and reduce the administrative burdens for both **Smart eBill Team LLC** and outside counsel. **Smart eBill Team LLC v**alues AFAs because they focus on efficiency, effectiveness, while still giving outside counsel the ability to demonstrate its expertise and commitment to **Smart eBill Team LLC**'s business.

For every matter, **Smart eBill Team LLC** requires that outside counsel provide a fixed fee or other alternative billing proposal, as the primary method for billing against a matter. So please, be innovative. Some possible AFAs that [XXX] desires you to consider, depending on the matter, are flat or capped fees, blended rates, contingency fees, phased fees or success fees. We look forward to your proposals.

ii. Hourly Fee Arrangements

If it is not possible to put in place an AFA and you are resorting to hourly rates, **Smart eBill Team LLC** expects to be charged the lowest hourly billing rates provided by the law firm to its most valued clients. Hourly rates are locked for 2 years and **Smart eBill Team LLC** will not approve any increases to the hourly rates unless agreed upon in writing by the Legal Operations team in advance of time being billed.

Volume Discount

Smart eBill Team LLC expects outside counsel to provide a volume discount based on **Smart eBill Team LLC** total spend. The discount should be reflected on all bills and entered into **Smart eBill Team LLC**'s e-billing solution in such a matter that may track the discount.

iii. Prohibited Fees and Expenses

If we agreed to an hourly rate arrangement, **Smart eBill Team LLC** will reject costs and expenses pertaining to any of the fees and expenses listed below. **Smart eBill Team LLC** will only pay for actual costs and will never pay for markups.

- Administrative, clerical, and secretarial staff work; word processing, proofreading, and any other non-professional services or service providers such as administrators and document clerks
- Time spent "getting up to speed" for a legal professional due to staff turnover or vacation
- Time spent preparing invoices, discussing or resolving billing inquiries or disputes, utilizing the electronic invoice system, and budgeting tasks.
- Proofreading
- Professional development time
- Graphics and desktop publishing
- Time spent by attorneys performing paralegal work
- Routine administrative tasks incidental to an engagement
- Legal research (time spent or other costs); exceptions require prior approval
- Document translation that has not been requested or pre-approved

- File creation, organization, and maintenance (including file storage)
- Time spent or costs associated with preparing, transferring, closing, or destroying files, research, memoranda, pleadings, communications, records, drafts, and other related material, including electronic copies of documents (including to or new counsel)
- Communication charges including phone, video, word processing, and fax.
- Postage and courier fees, unless pre-approved
- Publications, subscriptions, librarian services, and online databases, such as Lexis and Westlaw, whether cost or time
- Document scanning, unless pre-approved
- Copying (color or otherwise), whether cost or time
- Any items of overhead expenses (e.g. staff overtime, meals, local transportation, conference rooms, calendaring, rental fees, etc.)
- Unauthorized third-party fees

D. Travel Expense Policy

Smart eBill Team LLC requires that all outside legal partners strictly adhere to its travel expense policy which is available upon request.

Please note that the following requirements apply:

- **Air Travel.** All charges for air travel must be at economy or coach rates. We will not reimburse you or third-party vendors for business or first-class air travel. Airline reservations should be made as far in advance as possible to take advantage of early purchase discounts. Airfare for calendared court appearances, mediations, or other scheduled meetings, should be booked at least 14 days in advance. Failure to book air travel sufficiently in advance to take advantage of readily available lower fares may result in reduction of the reimbursement.
- **Hotel.** We will pay for hotels up to **[$250]** per night. Wherever possible, we expect you to use hotels where **Smart eBill Team LLC** has an agreed rate, a list of which is available upon request.
- **Meals.** We will pay for meals up to [**$100]** per person per day.

- **Ground Transportation.** We will pay for rental cars up to **[$100**] per day. We will not pay for ground transportation by limousine unless the charges are equivalent to, or less than, taxi fares.
- **Exceptions.** In certain cities, exceptions to the reimbursable limits are allowable with prior written consent from Legal Operations.
- **Miscellaneous.** We will not pay for mini-bar charges, personal telephone calls, movie rentals, dry cleaning, or similar personal items.
- **Receipts.** Documentation is required for all expenditures. Actual receipts (or facsimiles thereof), e.g. the airline ticket stub showing class and fare, as opposed to an expense report or travel agent summary, must be provided. All travel receipts should be organized and submitted by timekeeper's name in chronological order.

- **Timekeeper Billing During Travel.** We will pay only for time spent working on **Smart eBill Team LLC** matters during travel with customary itemization of the actual work performed. We will not pay for non-working travel time.

III. Budgeting, Forecasts and Accruals

A. Budgets and Forecasts

Within 10 days of a new matter being opened in our billing system, outside counsel must submit a detailed budget projecting fees and costs. Thereafter, at least monthly when submitting accrual data (and more frequently should the matter have a material change in the interim), outside counsel must review each matter's monthly budget projections and revise the budget if it recommends any adjustments (up or down). Although legal budget projections are often difficult to make with precision, **Smart eBill Team LLC** always needs to know your current reasonable best estimate by month for at least a rolling 12-month forecast. All budgets must be reviewed and approved by the partner from outside counsel and the lead **Smart eBill Team LLC** attorney responsible for each matter.

When updating budgets, please *do not change the current month's budget* (such updates should be reported as accruals).

B. Accruals

We require outside counsel to submit accruals in a timely manner on a monthly basis. Accruals are unnecessary for matters associated with AFAs. If you are late reporting accruals three or more times in a rolling six-month period, you will credit us back an amount that will start at $10,000 for the third infraction and will increase by $2,000 for each subsequent infraction.

IV. Staffing

A. General.

Smart eBill Team LLC regards staffing as one of the most critical components of the success and cost-effectiveness of a matter. We leverage analytics and other technologies to pinpoint misalignment with these Guidelines.

In general, **Smart eBill Team LLC** requires outside legal partners to:

- Not bill for hours in excess of 8 hours per day, without pre-approval.
- Obtain the Lead **Smart eBill Team LLC** Attorney's approval for staffing prior to commencing any engagement or making any changes in staffing once an engagement has begun.
- Should the assigned lead attorney for a matter give notice of his/her intent to leave your firm, we ask that you notify the **Smart eBill Team LLC** Lead Attorney no later than two days after the lead attorney gives notice of his/her intent to leave.
- Leverage **Smart eBill Team LLC** in-house legal and business resources whenever it is reasonable and cost-effective to do so.

- Leverage **Smart eBill Team LLC**'s preferred alternative legal service partners whenever it is reasonable and cost-effective to do so, but always subject to these terms and Section B specifically.

B. Expertise.

We expect you to work with the **Smart eBill Team LLC** Lead Attorney in determining appropriate staffing (specifically team members and size) to manage our matters in a lean and efficient manner, staffing only as reasonably necessary, and permitting only core team members to attend meetings. Team members must have the appropriate level of experience and expertise, and first year associates may not be staffed to our matters without our prior written approval. We will not pay for staff members to learn substantive areas of law or to ramp up or familiarize themselves if they are replacing another staff member.

C. Diversity.

Smart eBill Team LLC seeks to partner with those outside counsel that believe diversity in representation in all forms results in better outcomes. Creating an environment that emphasizes the professional and personal development of diverse attorneys and non-attorneys fosters a culture of inclusion, collaboration and stability.

D. Engaging Third Party Services.

We do not authorize you to retain any vendor or third-party service provider (including consultants, expert witnesses or local counsel) or enter into any agreement with any vendor or third-party service provider without our prior, written approval. To request approval, you must provide the name of the vendor, the name and expertise/ credentials of individuals who will be providing the services as applicable, and a detailed budget (including rates, performance timelines and anticipated completion). We may elect to retain the vendor directly, or direct you to work with a **Smart eBill Team LLC** preferred provider. We can provide you with a list of our preferred providers.

E. Performance Reviews

Smart eBill Team LLC will conduct regular evaluations on the firm, individual attorneys and other staff. In addition to assessing the quality of service and compliance with **Smart eBill Team LLC**'s guidelines, **Smart eBill Team LLC** will consider accrual submissions, performance to budget, willingness to provide AFAs, staffing efficiency, rates, diversity of staff, and timely submission of invoices when we evaluate outside counsel for future use. Sharing performance information is critical to building and maintaining trusted relationships. If at any time you have concerns or desire feedback, please reach out to Legal Operations.

F. Ownership and Disposition of Documents

All work product created for or utilized in **Smart eBill Team LLC** matters is owned solely by **Smart eBill Team LLC** You will, when requested by **Smart eBill Team LLC** promptly provide **Smart eBill Team LLC** with copies of all legal pleadings, filings, memoranda, settlement agreements, communications, records, drafts, and other documents in electronic form at no cost to **Smart eBill Team LLC** and in the form and manner requested. **Smart eBill Team LLC** will not pay for the preparation of "enclosed please find" letters merely itemizing the requested attachments and you will not undertake to summarize or elaborate on the documents forwarded to [XXX] unless this is requested by **Smart eBill Team LLC**'s Lead Attorney.

G. Media and Other Inquiries

Our outside counsel should never engage in public relation activities that identify **Smart eBill Team LLC** as a client, or comment to the media, investors or others on **Smart eBill Team LLC**-related matters, unless approved in writing in advance by **Smart eBill Team LLC**. Additionally, you may not use any **Smart eBill Team LLC** logos, trademarks, or service marks in your marketing materials without prior written approval, subject to any restrictions and policies **Smart eBill Team LLC** may require in its sole discretion.

H. Litigation Matter Requirements

When working on litigation matters, please know that our litigation team may also impose additional policies and practices for litigation and eDiscovery matter management.

I. Patent Matter Requirements

When working on patent prosecution, please know that our patent team may also impose additional policies and practices for matter management.

V. Appendix

The following sections are optional for inclusion in Outside Counsel Guidelines.

A. Acceptable Currencies

Smart eBill Team LLC's various corporate entities can only pay in specific currencies. Appendix **[Z]** sets out the currencies **Smart eBill Team LLC** will accept and remit payment. To ensure timely payment, outside counsel must confirm with **Smart eBill Team LLC**'s Billing Coordinator before billing in non-authorized currencies. Any invoices submitted using non-authorized currencies will cause a delay in payment.

B. Rate Schedule

Will be provided upon request

C. Information Security Assessments

Smart eBill Team LLC recognizes the critical importance of information security. Just as **Smart eBill Team LLC** makes every effort to ensure the security of confidential information that our customers and partners share with us, we expect that outside counsel will implement adequate controls in order to secure the confidential information we entrust to our law firms for safekeeping.

As outside counsel is often privy to some of the most sensitive data of and/or our customers, we reserve the right to assess the information security practices of outside counsel as we deem necessary. The Information Technology department has developed the **Smart eBill Team LLC** Information Security Review ("ISR") Program to facilitate the assessments. The goal of the ISR Program is to identify existing or potential risks that could adversely affect **Smart eBill Team LLC** its customers, and/or its business activities. The assessments evaluate outside counsel's data and technology related controls. If and when control deficiencies are identified, outside counsel must commit to take corrective action to eliminate, or significantly reduce the associated risk. Periodic re-evaluation of outside counsel's controls helps to assure that adequate security measures remain in place and are adjusted accordingly as the scope or nature of the information being shared evolves.

The following stages form our standard "ISR" process:

- An analyst assesses the nature of the service offering, the associated inherent risk, and determines the type of information security review needed.
- A link to the information security questionnaire is sent via email to the contact(s) to complete and submit the review form via an online web page.
- The analyst reviews the questionnaire submission and generates a report of the findings and sends it to the Relationship Owner ("RO").
- The RO, along with the assistance of the ISR analyst, schedules and conducts a meeting with the service provider to review their survey responses. Any identified information security issues, control deficiencies or areas of concern are discussed, as necessary, and risk ranked.
- A remedial plan for correcting any issues or control deficiencies is obtained from the service provider and reviewed for completeness. Timescales for remediation are set and agreed between the **Smart eBill Team LLC** and the service provider.

- The service provider is monitored by the RO to ensure all issues are corrected according to the agreed plan.

- The service provider is subject to a periodic re-evaluation based on the inherent risk and nature of the services provided to **Smart eBill Team LLC**

Additionally, outside counsel will maintain and enforce at any facilities where any outside counsel services are performed, other than **Smart eBill Team LLC** facilities, safety and information security procedures that are at in line with ISR Program requirements. In addition, when onsite at **Smart eBill Team LLC** outside counsel will comply with all reasonable requirements of **Smart eBill Team LLC** with respect to its facilities.

D. Dashboard / Metrics

Suggested for top firms.

Data is powerful. We know that our outside counsel generates and track a significant amount of data about its clients and the matters on which it works. On at least a quarterly basis, **Smart eBill Team LLC** asks that each of its outside counsel prepare and send to Legal Operations a dashboard or report of various metrics highlighting the relationship between the parties. The dashboard should include, at a minimum, the total invoiced amounts across all matters, the timekeepers staffed to matters, and the mix of AFAs provided. Also, outside counsel should include any other metrics that it thinks would be useful in showing the value of services provided and the effectiveness and efficiency of outside counsel.

E. Conflict of Interest

Our outside counsel must not represent a client that has an interest adverse to **Smart eBill Team LLC**, without our advance permission. Prior to agreeing to represent **Smart eBill Team LLC** in a matter, outside counsel must complete, at its expense, a conflict check. The firm must determine that there are no conflicts or potential conflicts of interest with present or former clients of your firm that have not been resolved in writing between **Smart eBill Team LLC** and your firm. We expect that you will immediately inform **Smart eBill Team LLC** of any potential conflicts that may arise during the course of your firm's work for **Smart eBill Team LLC** Should a conflict be discovered at any time after **Smart eBill Team LLC** has engaged your firm and should the conflict result in your firm's withdrawal from a matter (whether at your request or a third party's request), you agree to reimburse **Smart eBill Team LLC** for all costs and fees for work that must be duplicated by **Smart eBill Team LLC** as a result of your withdrawal from the matter.

F. Third Party Providers

a) **Court Reporters.** We have selected [To be provided as needed] as our court reporting service provider. Please remember we will not pay for videotaped depositions without prior, written approval, and we require that you provide us with an electronic copy of any transcripts for court reporter services for our matter(s).

b) **Translation Services.** We have selected [To be provided as needed] as our general translation and interpretation service providers.

G. Dispute Resolution

[Option A]

Escalation of Disputes. The parties agree to escalate any conflicts, disputes, or controversies (collectively "Disputes") arising out of or relating to these Guidelines, the Engagement Letter, any Statement of Work, the Patent Prosecution Outside Counsel Requirements, or other document expressly amending the aforementioned (collectively, the "Engagement Terms"), to their respective managers before filing any legal action. The managers will meet and work in good faith to resolve the Dispute within a reasonable time period.

Mandatory Mediation. If the parties are unable to resolve the dispute as described above, either party may initiate mediation proceedings through the appropriate mediation program offered by the courts of the District of Columbia. The mediation shall take place in Washington, D.C.

The parties will work in good faith to select a mediator who is knowledgeable and experienced in the subject matter. All negotiations in connection with a Dispute, including negotiations with a mediator, will be conducted in confidence and without prejudice to the rights of the parties in any future legal proceedings. Neither party may file a lawsuit until the completion of the mediation described in this section. Each party will be responsible for their respective legal fees, except that the cost of the mediation will be divided equally between the parties.

Choice of Law, Venue, Jurisdiction. After the completion of the mediation described above, if no resolution is reached, a party may file a lawsuit to redress the Dispute at issue in the mediation, as follows:

Choice of Law. The Engagement Terms will be interpreted, construed and enforced in accordance with the laws of the State of California (without giving effect to its conflicts of law principles).

Venue and Jurisdiction. The federal district court in and for the Northern District of California or the Superior Court of Santa Clara County, California will have the exclusive jurisdiction and be the venue for any action initiated to enforce the Engagement Terms. The Parties waive all defenses of lack of personal jurisdiction and forum non-convenience.

[Option B]

Choice of Law and Arbitration. This Agreement is governed by District of Columbia law, and any disputes arising under it will be resolved by binding arbitration according to the rules of the American Arbitration Association, with the arbitration taking place in Washington, District of Columbia.

LEGAL ELECTRONIC BILLING MADE SIMPLE

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