

CLIENT BILLING GUIDELINES

Client: ACME Corporation

Effective Date: January 1, 2025

Last Updated: January 15, 2025

1. GENERAL BILLING POLICIES

- Billing frequency: Monthly (by 5th of following month)
- Submission deadline: Last business day of month
- Invoice format: Standard (no LEDES required)
- Currency: USD
- Payment terms: Net 30

2. ACTIVITY CODE REQUIREMENTS

Allowed Activity Codes (with limits):

- RESEARCH: Legal research (max 1.5 hours per issue)
- DRAFTING: Transaction documents only (no internal memos)
- REVIEW: Contract review (must note # pages and issue count)
- CLIENT_COMM: All communication billable (include call duration)
- CONFERENCE: Team meetings billable only if client present

Prohibited Activity Codes:

- ADMIN: Not billable to client
- TRAVEL: Submit via expense report, not time entry
- COURT: Not applicable (transactional work only)

3. HOURLY RATE STRUCTURE

- Partner: \$550/hour (firm)
- Senior Associate (5+ years): \$400/hour (firm)
- Associate (0-4 years): \$275/hour (firm)
- Paralegal: \$150/hour (firm)

Note: Rates are locked for 2025. Any rate adjustments require 90-day notice.

4. TIME ENTRY REQUIREMENTS

Minimum Standards:

- Description must be at least 60 words
- Must include specific document names (e.g., "Purchase Agreement v3")
- Must name individuals involved (e.g., "conference with CFO Jane Smith")
- Must state concrete outcome (e.g., "identified 3 tax issues for follow-up")

Block Billing Prohibition:

- Each distinct task requires separate entry
- Example of prohibited: "Drafted agreement, reviewed exhibits, revised schedules"
- Correct approach: Three separate entries for each task

Time Increments:

- Bill in 0.1 hour (6 minute) increments
- Round up to nearest 0.1 for tasks under 6 minutes
- Entries over 5.0 hours require detailed breakdown

5. TRANSACTION-SPECIFIC GUIDELINES

Due Diligence Reviews:

- State total number of documents in data room
- Specify documents actually reviewed
- Note materiality of findings
- Provide risk categorization (High/Medium/Low)
- Example: "Reviewed 47 material contracts from data room (out of 234 total). Identified 3 high-priority issues..."

Contract Drafting:

- Specify contract type and parties
- Note which template/precedent used
- State number of negotiation rounds
- Indicate sections revised
- Example: "Drafted Series B Stock Purchase Agreement for TechVenture/StartupCo transaction using NVCA template. Customized Sections 2, 4, 7..."

Contract Negotiations:

- List all participants (both sides)
- State specific issues negotiated
- Note any deadlocks or resolutions
- Indicate next steps/follow-up

- Example: "Conference call with TechVenture (John Doe, Jane Smith) and StartupCo counsel re: valuation cap adjustment, anti-dilution provisions..."

6. CLIENT-SPECIFIC PROHIBITIONS

- No billing for training/onboarding of new team members
- No billing for corrections of our errors
- No billing for general industry research (firm development)
- No billing for internal firm meetings unless client agenda item
- No billing for duplicate work by multiple attorneys (coordinate!)

7. WRITE-DOWN RISK FACTORS

Automatic partner review triggered by:

- Any single entry exceeding 6 hours
- Daily total exceeding 10 hours
- Research entries exceeding 2 hours
- Description under 60 words
- Vague language ("various," "several," "multiple")
- Missing document names or party names
- No stated outcome or next steps

8. BUDGET & MATTER MANAGEMENT

- Current matter budget: \$125,000 (Series B transaction)
 - Current utilization: ~\$87,000 (70%)
 - Remaining budget: \$38,000
 - Estimated completion: March 15, 2025
 - Weekly budget calls: Fridays at 2pm ET
- Key Contacts: CIO – Montana Max, CEO – I.M. Ritch

Pre-Approval Required For:

- Any research task over 2 hours
- Third-party vendor costs
- Expert consultations
- Any single entry over \$2,000

9. REPORTING REQUIREMENTS

- Weekly status report to client (Fridays by 5pm)
- Budget utilization report included
- Task completion tracker updated
- Upcoming week forecast provided

10. SPECIAL CLIENT PREFERENCES

- Client prefers concise descriptions (70-100 words ideal)
- Always include business context, not just legal analysis
- Reference internal matter objectives in descriptions
- Use client's defined terminology (e.g., "Portfolio Company" not "Target")
- Copy General Counsel on all significant developments