

Creditable Hours Policy – Associates

This policy outlines the procedures by which Associates may seek and obtain up to a maximum of 150 hours of credit towards the 1950 creditable hours standard for total combined hours spent on pro bono matters, strategic planning and marketing efforts, training and/or specific firm citizenship and DEI activities in the associate evaluation period, running September 1 - August 31.

Pro Bono

Associates can receive credit for time spent on approved pro bono matters. Members of the Pro Bono Committee are eligible to receive credit for up to 300 hours on pro bono matters. Waiver of the 150-hour cap (or 300 hour cap for members of the Pro Bono Committee) on pro bono time will be granted on a limited basis at the discretion of the Associate's Practice Group Leader ("PGL"), the Firmwide Co-Managing Partners ("MP") and the Chairs of the Associate Evaluation and Pro Bono Committees. Waivers must be requested BEFORE the 150-hour cap is exceeded. In addition, waivers will be considered only if the associate's creditable time is comprised primarily of pro bono hours and will be limited to only pro bono hours in excess of the cap. Please note even with a pro bono waiver, creditable hours counted towards a Productivity Bonus will not exceed 150 in total.

Strategic Planning/Business Development ("SP")

LAF – 902908.00000

LSH – 23001-2300

The purpose of SP time is to provide associates with credit for time spent on significant strategic marketing and business development efforts of their respective practice groups. SP matters should involve some form of written work product (e.g., memos, presentations, alerts or articles, books or book chapters, speeches, pitches or presentations, etc.) or active engagement in business development (e.g., client networking/entertainment or industry/practice conferences).

Training

LAF – 902909.00000

LSH – 23002-0030

Providing training and learning opportunities for our associates is, of course, key to their development and success. As summarized in the attached slide that Cristina and Joe presented at a recent associate town hall meeting, the Firm allows associates to receive up to 150 creditable hours for training, pro bono, strategic planning, firm citizenship and/or Diversity, Equity & Inclusion. While an associate could spend all 150 creditable hours in one category, the Firm believes it is appropriate that associates be given the opportunity to participate and receive credit for time spent in multiple categories. Thus, at the same time that we strongly encourage use of training time, we also want to provide some guidance for using it appropriately.

Training hours are specifically for:

- Learning opportunities (e.g., attending client calls/meetings to learn about client's business/new matters, educating Practice Group on new regulations at PGL request)
- Limited on the job training (both trainer/trainee) (e.g., taking instruction from supervising attorney on first time contract drafting, preparation of discovery requests, etc. However, this does not include the time to perform these first time tasks.)
- Shadowing/Observing so associates can "learn how it is done" (e.g., contract negotiations, court hearings, closings, depositions)
- Internal/External Training programs

When the use of training time is appropriate, the associate and supervising partner/counsel should discuss in advance the amount of training time that will be budgeted for the project so that the associate can accurately monitor remaining available creditable time. Supervising attorneys should not simply assume that an associate has training time available within the creditable time allotment; some associates will have already maxed their 150 creditable hours allotment and are no longer eligible to receive training credit for the remainder of the evaluation period. (Note that Firm policy does not permit waivers of the 150-hour creditable hours cap for training time.)

Training hours are not:

- To be used in place of providing a billable number
- Time learning a new substantive area of the law or subject matter in connection with servicing an existing client
- Time "getting up to speed" on a new matter
- Time spent performing first time tasks, such as contract drafting or preparation of discovery requests
- For the transfer of what should be billable time in order to avoid write-offs (If a partner wants to reduce a bill, Firm policy is to write off the time during the billing stage and not to transfer the time to a creditable or non-billable number)

Training time is monitored to ensure that it is used effectively, and consistent with the foregoing guidelines. Time charged to the training number that should have been treated as billable will be reversed and added to the subsequent client pro forma.

Firm Citizenship

LAF – 902908.00018

LSH - 23000-0014

This includes time spent on Firm interviews and official Firm Committees, Firm events, and Practice/Industry Group service. This category also includes creditable time for associates that organize or coordinate a Firm inclusion group/network. This also includes recruitment time, mentor time, travel to clients, and evaluation time.

Diversity Equity & Inclusion

LAF – 902908.00020

LSH – 23000.0024

The purpose of DEI time is to promote awareness of DEI in the legal industry both internally and externally through recruitment, presentations, inclusion networks and events, and/or law school and community outreach.

Guidelines:

- Creditable hours counted towards a Productivity Bonus will not exceed 150 in total.
- Waivers to go beyond the 150 hours cap are limited to pro bono hours only. In addition, waivers will be considered only if the associate's creditable time is comprised primarily of pro bono hours.
- Creditable hours are not intended to be used as a means of giving paying clients free or discounted work or to alleviate partner's realization.
- The expanded creditable categories do not apply to the calculation of the first installment of the Productivity Bonus for LAF associates scheduled to be paid on July 15, 2022.