

Exhibit A

## BAYER BILLING GUIDELINES

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## Contents

1. INTRODUCTION .....	3
2. PRINCIPLES OF INVOICING .....	3
3. STAFFING .....	5
4. LINE ITEM ENTRY GUIDELINE .....	8
5. LEGAL RESEARCH .....	10
6. EXPENSES AND OTHER DISBURSEMENTS.....	10
7. THIRD PARTY SERVICES.....	11
9. NON-WAIVER AND AUDIT RIGHTS .....	12
SUMMARY .....	14

## **1. INTRODUCTION**

Bayer Group's Law Patents & Compliance Departments are charged with the responsibility for providing high-quality, cost-effective legal services to Bayer Group. On all Bayer matters assigned by Engagement Letters, external counsel will work based on instructions from and in close consultation with Bayer's in-house counsel.

The purpose of this document is to clarify the billing process and the billable contents of invoices. Bayer expects Outside Counsel to refrain from billing non-billable time or expenses as outlined in these Guidelines. Compliance with this procedure will avoid delays in processing invoices.

These Billing Guidelines are effective as of January 1, 2016 and supersede all prior practices and procedures. Modifications by Bayer shall become effective after notification to Law Firm. Deviations from the Guidelines must be expressly approved by the responsible Bayer Counsel after approval of Bayer's Legal Spend Management Department in advance.

## **2. PRINCIPLES OF INVOICING**

### **2.1 General Remarks**

If project names or code names are used for certain projects by Bayer, Law Firm will use these project names or code names consistently in the billings.

Law Firm will open new matters as appropriate and will minimize the use of general matters. General or miscellaneous bills shall only be submitted with the approval of Bayer Counsel.

### **2.2 Billing Cycle**

Unless otherwise agreed,

- i. Services rendered shall be invoiced on a monthly basis and within thirty (30) calendar days of the end of the calendar month in which the Services were provided, and
- ii. Bayer reserves the right to not pay any invoices received for Services older than one-hundred and twenty (120) calendar days after the end of the calendar month in which the Services were provided.

### 2.3 Billing Format

All bills must be submitted in the English language or – if legally required – in a country specific language as well as in English and include the following information to enable proper payment:

- Name of Engagement
- Legal Matter Type
- In-house Counsel Name
- Engagement Reference Number or for matters invoiced through Bayer's e-billing system, the Bayer Matter Number:

Law firm shall submit invoices using the LEDES-Standard whenever possible.

Each Engagement shall be invoiced on a separate invoice.

A recapitulation of the total Services billed, or timekeeper summary, must also be included in Law Firm's invoice for each matter. The recapitulation should list each individual's name, title, hours billed, hourly rate, total fees billed and any discounts that apply.

Law Firm invoices shall be issued under the responsibility of Law Firm's Lead Counsel. Issuance of an invoice constitutes confirmation by Law Firm's Lead Counsel that such invoice:

- accurately reports the time spent providing a services,
- accurately describes the time spent performing the service,
- accurately itemizes expenses incurred and that such expenses were reasonably and necessarily incurred and directly related to matters listed and includes back-up documentation of such expenses, and, further,
- complies with these Guidelines.

For services and expenses that require prior approval of Bayer Counsel, the counsel approving such services and/or expenses shall be referenced in the line item description of the service and/or expense item.

### 2.4 Invoice Submission

Law Firm shall submit its invoices through the e-billing system in use at Bayer (either in the USA or globally), through the process specified in the Engagement Letter and on **Exhibit C (if applicable)**, or through such other process as the Bayer Counsel shall direct.

## 2.5 Cost allocation

In case of more complex Engagements e.g. engagements involving more than one country or Bayer Affiliate or different functions as Tax and Law, Patents & Compliance, the Client will agree with Law Firm on an adequate cost allocation formula to achieve a breakdown by country, legal entity, function or practice area. Law firm shall apply the agreed allocation formula for a corresponding differentiated entry of tasks in Law Firm's records.

## 2.6 Payment

Invoices will be paid within 30calendar days after proper receipt and approval of the final invoice.

## 3. STAFFING

**3.1** Bayer retains a law firm because of a lawyer's expertise with respect to certain legal issues. Bayer will not pay, without prior approval, for additional lawyers, to gain a similar level of expertise.

**3.2** Bayer will not pay for "getting up to speed" time associated with an intra-firm transfer of the file or in reviewing basic industry practices or fundamental legal concepts.

**3.3** Bayer will not pay for supervisory review other than by the Lead Counsel or a supervisory lawyer who is specified in the Engagement Letter. The time spent on such review shall be reasonable and Bayer will not compensate for time spent reviewing standard or model drafts.

**3.4** Any Engagement should be staffed with persons that possess a level of competence and experience relevant to the complexity of the legal matter and the risk exposure. Where appropriate, work should be delegated to attorneys with lower rates and to other personnel who have subject matter expertise and experience appropriate to the task.

**3.4.1 Legal assistant or Administrative tasks performed by a lawyer:** Bayer will not pay lawyer billing rates for work that can be performed by paraprofessional or administrative staff. Lawyers performing paraprofessional tasks will be compensated at Law Firm's paraprofessional rate. Administrative work is included in Law Firm overhead and will not be compensated.

### **Examples of paraprofessional or administrative tasks:**

- Prepare data room (review and sort documents, prepare lists of documents, etc.);
- Telephone calls and/or correspondence to copy, service, providers, deposition;
- Scheduling/making arrangements for depositions;
- Maintenance of a calendar or tickler system;
- Create due diligence checklists and tracking methods;
- Draft, track and manage due diligence requests and documents;
- Prepare closing agenda or closing checklist;
- Perform Uniform Commercial Code (UCC) financing statement searches and other public records searches;
- Draft assignments, bills of sale, closing certificates, consents, deeds, employment agreements and stock certificates;
- Manage assembly and execution of documents at closing/ obtain signatures;
- Prepare closing files and bound volumes;
- Prepare and check simple annexes for agreements (e.g. lists of inventories);
- Prepare and organize exhibits and witness files;
- Prepare, manage and control documents in eRooms, data rooms and databases (review and sort documents, prepare lists of documents, assemble/compile documents for attorney or client review, redact documents, etc.);
- Coordinate logistics for courtroom and agency proceedings;
- Prepare entry of appearance/Notice of appearance;
- Prepare substitution of attorney;
- Prepare form interrogatories;
- Prepare form expert interrogatories;
- Prepare form request(s) to produce;
- Prepare form demand for statement of damages;
- Prepare form stipulations to extend time to answer;
- Prepare form jury trial demand;
- Prepare form motions to compel responses to discovery;
- Summarize employment records;

**3.4.2 Administrative tasks performed by a paraprofessional or lawyer:** Bayer will not pay for lawyer or paraprofessional time for tasks that can be performed by a secretary or administrative person. Bayer will not pay for individuals who are traditionally construed

to be overhead personnel of the firm, including secretaries, file clerks, administrative, computer data entry, messengers, word processors, librarians, law clerks and summer associates as well as other comparable level individuals.

**Examples of secretarial/administrative tasks (non-compensable):**

- Billing or bill auditing tasks;
- Travel arrangements;
- Conflict checks;
- Index and organize file material;
- Tab file material;
- Routine copying, collating, filing, faxing or binding;
- Retrieving documents from the files;
- Date and bates-stamp;
- Create and organize folders;
- Organize and index for archives;
- Update internal status lists;
- File/refile/log/receive/assemble/index/create/closing;
- Inventory documents;
- Telephone calls or correspondence for status to vendors;
- Process vendor bills;
- Deposit checks;
- Word processing, printing.

**3.5** Bayer will not pay for more than one counsel to participate in a (business) meeting, attend a hearing, deposition, conduct a field investigation or interview, or otherwise handle casework requiring an appearance of counsel unless prior written approval of Bayer Counsel has been given for such services .

**3.6** Bayer will not pay for fees associated with services provided by first year associates on an Engagement unless prior written approval of Bayer Counsel has been given for such services.

**3.7** Bayer will ordinarily not pay for trainees' time.

**4. LINE ITEM ENTRY GUIDELINE**

**4.1** Invoices, based on an hourly rate fee structure, shall individually itemize each task on the bill showing the

- Date of service;
- Time to perform that service or task;
- Initials or name of individual providing the service;
- Hourly rate of title/position (partner, associate or legal assistant) of individual providing the service;
- Calculation of rate\hours equalling the charge for the individual entry (the hours and charges shall be totalled for all services).

**4.2 Each task must be adequately described.** The description provided must be specific enough to allow Bayer Counsel and third party reviewer to understand what task is being performed and the necessity of the task to the progress of the case. Time entries must state the task performed, the purpose of the task, any participants and the time it took to complete the task avoiding duplicate entries for a single block of time involving the same activity.

**4.3 Tasks grouped together in a single block of time (no matter how small) (“blocked” or “bundled” entries) will not be approved for payment.** Preparation time and time spent attending meetings, multiple depositions, hearings, etc., are each a separate task and should be separated by an individual time increment.

Separate tasks include:; preparation for \_\_\_\_\_; attend meeting, hearing, Research\_\_\_\_, draft of \_\_\_\_\_etc.

**4.4 Vague entries are not acceptable, descriptions must be specific.** Each entry shall stand on its own. (Telephone conversations and review of correspondence shall list the identity of the other party and the purpose of the call or letter. Preparation shall state what was prepared. A document prepared or reviewed shall be identified so that a person unfamiliar with the matter can find the document. Do not use uncommon or internal acronyms or initials without explanation.)

<b>Examples of Vague Entries</b>	<b>Examples/Questions for descriptive entries</b>
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Trial preparation	Prepare for trial by (simple description of task)
Trial arrangements	Call to clerk of court to coordinate equipment needed for trial
Work on project	“Work on” is a vague term – use review, draft, analyze, etc.
Research	Research (what issue was researched)
Research important issues	Research (what issue was researched)
Conference	Conference with name of party or parties re: issue(s) or matter
Meeting	Meeting with name of party or parties re: issue(s) or matter
Telephone call	Call with name of party or parties re: issue(s) or matter
Review case and issues	Review discovery in matter and prepare a list of docs needed
Update strategy	Conf with to review and discuss new strategy for
Receipt of pleadings	Receipt of motion for continuance from opposing counsel
Receipt of documents	Receipt of Interrogatories from Mr. Smith, counsel for Plaintiff
Review and plan	Review transcript of Dr. Jones and analyze use in trial prep.
Review correspondence items	State correspondence from whom and what it is concerning
Prepare correspondence items	Prepare correspondence to whom and what it is concerning
Discovery	State type of discovery and what task was performed
Pleadings	State type of pleadings and what task was performed
Motion work	State name of motion and what task was performed
Prepare for deposition	Prepare for deposition and state task performed
Prepare pleadings/motion	(State name of pleading or motion prepared)
Prepare brief	Prepare brief for summary judgment
Arrangements with	Arrangements with re: arbitration
Conference with	Conference with re: strategy
Discussion with	Discussion with client re: expert witness, Dr. Miller.
Attend Deposition	Attend deposition of
Attendance to file	Attendance is a vague term, state what task was performed.

**4.5 Time Charges:** Law Firm shall bill actual and reasonable time in 6 minute increments to the nearest 0.10 of an hour.

**4.6** Immediately following the listing of hours and fees and their totals for each matter, the related costs and expenses for that case shall be presented with individual entries dated, charges shown and any necessary itemization required to describe a particular cost and expense. The charges shall be totaled for all costs and expenses.

- 4.7 A recapitulation of the total services billed, or timekeeper summary, must also be included in Law Firm's invoice for each matter. The recapitulation should list each individual's name, title, hours billed, hourly rate and total fees billed.

## 5. LEGAL RESEARCH

Bayer expects Law Firm to be generally familiar with applicable substantive and procedural law; counsel should not charge for time spent acquiring basic knowledge of law or procedural matters. Any legal research project must be approved by Bayer Counsel. Bayer may request Law Firm to provide copies of completed work product.

Any fees charged by electronic or other research services, e.g. LexisNexis, Westlaw charges and fees, library fees or online connection charges, are considered general law firm overhead and are not reimbursable or chargeable to Bayer.

## 6. EXPENSES AND OTHER DISBURSEMENTS

- 6.1 All general business overhead expenses, which are not expressly approved by Bayer Counsel in advance as being billable, shall not be separately paid for or reimbursed by Bayer. Bayer deems the following type of expenses to be general business overhead and to be included in hourly rates:

- **Telephone charges:** any kind of telephone charges (including long distance, cellular phone calls, telephone calls from an airplane, telephone or videoconference charges);
- **Postage, express mail, messenger services and courier services;**
- **General office surcharges;**
- **Telecopy and facsimile;**
- **Meals,** unless a particular meal is necessitated by travel for Bayer business and is reasonable in cost;
- **Photocopies:** Bayer will not pay for in-firm photocopying. In case of an exception approved by the Bayer Counsel, the invoice must show the number of copies made. If the nature of a photocopying project makes an external copying service more economical and confidentiality is not an issue, Bayer expects the Law Firm to make those arrangements.
- Client will pay for reasonable charges for approved **Third party expenses:** Bayer will reimburse expenses paid to necessary third parties such as consultants, expert witnesses, and

court reporters approved by the Bayer Counsel. Law Firm shall ensure that there is no conflict between any third party and Bayer. Lead Counsel shall also acquaint any third party with the Bayer Outside Counsel Guidelines;

- **Translations services:** Bayer will reimburse for translation services only at the pre-agreed rates.
- register charges, e.g. for commercial register excerpts etc.

**6.2** For billable cost-effective expenses actually incurred on Bayer's behalf, Bayer requires identification by date incurred the timekeeper responsible, and category. Each expense item must be sufficiently detailed to enable Bayer to determine the exact nature, purpose, and necessity of each expense. All routine expenses should be paid directly by the firm and billed to Bayer as disbursements. Receipts for all expenses in excess of EUR 50,00 to monthly billings are to be attached. Any single disbursement in excess of EUR 1,000.00 (other than coach/airfare) such as extensive microfilming or document retrieval requires prior written approval by Bayer Counsel. Law Firm shall state the approving person in the bill entry and attach the appropriate receipt.

## **7. THIRD PARTY SERVICES**

The fee and disbursement policies as outlined in these Guidelines shall be followed by third parties. It is Outside Counsel's responsibility to confirm that all third-party billings are in compliance with these Guidelines. When appropriate, please distribute and/or review these Guidelines with third-party vendors.

Invoices from third-party vendors should be paid directly by Bayer's outside counsel, incorporated into such outside counsel's invoice to Bayer and should include the appropriate detail and disbursement codes. Copies of third-party invoices may be requested by Bayer.

There may be times when it would be more appropriate for Bayer to pay a third-party vendor directly. If a single invoice from a third party vendor is more than 4.500 (Four Thousand, Five Hundred) Euros law firm may choose to request an exception to the general rule described herein and ask **Bayer** to pay the invoice directly. This is not Bayer's preferred method for dealing with third party invoices and should be requested only sparingly.

## **8. TRAVEL**

**8.1** Alternatives to travel such as conference calls or video conferencing should be used whenever possible.

If discussed with and fixed by Bayer Counsel in the respective Engagement Letter, travel time is billable up to 50 % of counsel's hourly rate.

Travel time budgets have to be agreed between Bayer Counsel and Law Firm for the duration of the respective Engagement. Travel time must be itemized separately including time spent, destination and purpose of the trip.

Time spent doing Bayer legal work will be reimbursed according to the terms and conditions of this Agreement.

## 8.2 Reimbursement of Out of Pocket Travel Costs

Travel with anticipated expenses exceeding EUR 1,000.00 (including airfare) shall be approved in advance by Bayer Counsel and comply with the following guidelines:

Bayer will reimburse travel expenses, upon receipt of a properly itemized invoice for lodging and transportation, taking advantage of discounts available to Bayer. Business class may be utilized for international flights only. If the duration of out of town travel will exceed a business week, Bayer shall pay for one trip home for every two weeks of travel.

Mileage will be reimbursed according to the existing local rates for mileage/kilometers as stipulated by local tax law. Law Firm shall state the number of miles/kilometers, rate per mile/kilometer, purpose of travel, and the location in the bill entry. Local automobile travel (less than 30 miles/50 kilometers one way) will not be reimbursed by Bayer.

Charges of a personal nature (such as entertainment, in room movies, newspapers, dry cleaning, and shoe shines) will not be reimbursed.

## 9. NON-WAIVER AND AUDIT RIGHTS

Payment of any invoice by Bayer or a Bayer Affiliate or the acceptance of any non-conforming invoice does not constitute a waiver by Bayer or a Bayer Affiliate of its right to subsequently dispute invoices previously paid or insist on strict compliance with the Guidelines.

Bills for legal services will be reviewed either electronically or by third party review service providers. At its discretion, Bayer or a Bayer Affiliate may conduct more detailed audits of the Law Firm's invoices in Bayer engagements. Therefore, Bayer or a Bayer Affiliate retains the right to

audit all bills, files and supporting documentation and to contact firm personnel concerning any filing. To enable Bayer or a Bayer Affiliate to conduct such audit, Law Firm shall provide all data, documents, reports supporting the billing etc. as reasonably requested by Bayer or a Bayer Affiliate. Law Firm is obliged to retain respective back-up documentation for at least six years.

Law Firm is willing to participate in Bayer's electronic invoicing system or third party review service provider process free of charge.

## SUMMARY

### 1. Non-Compensable items

- Administrative tasks (See detailed list above);
- Secretarial tasks (See detailed list above);
- Resolution of conflicts of interest;
- Intra-office conferences of a status, educational or administrative nature;
- Duplicated tasks;
- Unapproved personnel or legal services;
- Routine file opening or closing charges;
- Time preparing budgets;
- Time associated with invoice review processes and e-billing;
- Full time charges for similar services on multiple cases (state in the bill entry if the time is prorated);
- More than 50 % of time travelling on Bayer business that is not spent performing legal services;
- Routine Postage;
- Any telephone related charges;
- Books, subscriptions, seminars or membership fees;
- Office overhead including office supplies, storage and conference room charges;
- Office equipment;
- Mark-ups or surcharges of any kind added by the firm including mark-ups of subcontractor rates or fees;
- Miscellaneous charges;
- Word processing or scanning expenses;
- In-firm photocopying;
- Meals for lawyers or assistants, unless necessitated by Bayer business;
- Computerized legal research expenses;
- Time training a new staff member, attorney or paralegal or time incurred as a result of staffing changes made by Law Firm.

### 2. Items requiring prior authorization (State the approving person in the bill entry):

- All rate increases;
- All legal research projects;
- More than one lawyer attending trial, meeting, telephone call (including conference call), deposition, field investigation or interview or otherwise handle casework requiring an appearance;
- Any changes in staffing;
- Travel by more than one lawyer on a single matter;
- Any single disbursement including travel expenses in excess of EUR 1,000.00 (any disbursement in excess of EUR 50,00 must have backup documentation, which must be provided if needed to Bayer
- Services to be provided by “Legal Assistants” or 1<sup>st</sup> year’s associates.