

## **STANDARD TERMS OF ENGAGEMENT**

The following Standard Terms of Engagement apply when we are engaged to represent a client. Unless we agree otherwise in writing, these terms will be an integral part of any engagement agreement we have with a client. These Standard Terms of Engagement may be updated from time to time, and any updated version will be made available here. If you wish to engage us, please review these provisions carefully. We are happy to answer any questions you may have about these Standard Terms of Engagement.

These Standard Terms of Engagement, together with the engagement letter, are collectively referred to as this “Agreement.” Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the engagement letter.

### **Payments; Rate Adjustments; Client Billing Guidelines**

Please make all payments to Babst, Calland, Clements and Zomnir, P.C., by wire transfer, electronic funds transfer, credit card, or check. Payment in full is required notwithstanding the fact that our fees may be recoverable from insurance or other sources.

We generally review our hourly rates annually and adjust them effective January 1, to reflect increases in seniority, experience, and other relevant factors. We generally do not send any notices of such changes in hourly rates.

Any billing requirements, outside counsel guidelines, or other terms submitted to us will not apply to the Engagement or be incorporated into this Agreement unless agreed to by us in writing.

### **Dispute Resolution; Venue**

In the event the Client and Babst Calland have any dispute regarding any aspect of this Agreement or the Engagement, including, but not limited to, the payment or amount of legal fees and/or Costs relating to the Engagement, the Client and Babst Calland shall first engage in negotiations to resolve the dispute for thirty (30) days from the initial notice of the dispute. Those negotiations shall be between a duly authorized representative of the Client and the General Counsel of Babst Calland.

If those negotiations are unsuccessful or after the passage of thirty (30) days, whichever occurs first, any suit, action, or proceeding relating to this Agreement or the Engagement shall be brought only in the Court of Common Pleas of Allegheny County, Pennsylvania, or the United States District Court for the Western District of Pennsylvania. The Client and Babst Calland agree to, and waive any objection to, the exclusive personal and subject matter jurisdiction of these courts over any disputes arising out of or relating in any way to this Agreement or the Engagement.

### **Waiver of Jury Trial**

**Both the Client and Babst Calland knowingly, voluntarily, and intentionally waive their right to a trial by jury in any action or other legal proceeding arising out of or relating in any way to this Agreement or the Engagement. This waiver applies to any action or legal proceeding, whether based in contract, tort, or otherwise.**

### **Prevailing Party Attorney Fees and Costs**

The prevailing party in any legal proceeding between the Client and the Firm that arises out of our rendition of legal services shall be entitled to recover its reasonable attorneys' fees and costs incurred, including those reasonable attorneys' fees and costs incurred in enforcing any award or judgment obtained.

### **Client Files; Work Product; File Storage**

We maintain files of the items reasonably necessary to represent you, such as correspondence, pleadings, deposition transcripts, exhibits, physical evidence, expert reports, closing sets, and filings (collectively, "Client Files"). The Client Files are your property. We may also generate documents and materials containing our attorney work product, mental impressions, precedents, research, notes, drafts, and internal firm communications ("Work Product"). You agree that the Work Product is our property.

At your request or upon conclusion of the Engagement, your Client Files will be available for pickup, or arrangements can be made for delivery to you, at your cost, in either case, after receipt of payment for all outstanding legal fees and Costs, provided, that, we have the right to copy any documents or materials from the Client Files that we deem appropriate ("Copied Client Files"). In the event the Client fails to promptly retrieve the Client Files or make arrangements to have the Client Files delivered to the Client, the Firm shall send a written notification (to the address on file at the Firm for the Client) identifying the last date by which the Client Files may be picked up. Should the Client fail to retrieve the Client Files by the due date set forth in the written notice, the Firm shall continue to store only those documents in the Client Files that the Firm is required to keep pursuant to applicable law and the applicable rules of professional conduct, and the Firm may proceed to destroy the remainder of the Client Files. The Client shall have no legal right to claim any injury or damages against the Firm for the destruction of any documents or other materials included in the Client Files that are not required to be kept by the Firm pursuant to applicable law and the applicable rules of professional conduct.

We may implement reasonable retention policies for the Work Product and Copied Client Files, and we have discretion to delete and/or destroy any Work Product or Copied Client Files we retain. Our retention of any of the Work Product or Copied Client Files will not constitute or be deemed to indicate the presence of a continuing attorney-client relationship with you.

### **Alternative Legal Service Providers**

In order to provide cost efficiency to the Client in connection with the Engagement, the Firm may utilize alternative legal service providers with the Client's consent. Our attorneys will maintain oversight over any alternative legal service providers.

### **Consent to Use of Electronic Communications and Artificial Intelligence**

In order to maximize efficiency in connection with the Engagement, we intend to use state-of-the-art communications devices to the fullest extent possible (*e.g.*, email, document transfer by computer, cellular telephones, and facsimile transfers). The use of such devices under current technology may place your confidences and privileges at risk. However, we believe the

effectiveness involved in the use of these devices outweighs the risk of accidental disclosure. By utilizing our services, you consent to the use of these devices.

The Firm may use artificial intelligence, including generative artificial intelligence (collectively, “AI”), for client work to enhance and streamline certain aspects of our services. The use of AI carries some degree of risk, including the risk of errors in AI-generated content. However, we have implemented guidelines and policies to safeguard against these risks, and our attorneys maintain oversight over AI-generated outputs. Accordingly, we believe, and by utilizing our services you agree, that the benefits of using AI outweigh the related risks, and you consent to our use of AI.

### **No Guarantees; Estimates**

During the course of our representation, the Firm will endeavor to keep the Client fully advised as to the status and progress of the Engagement, including our view of the Client’s rights and potential liabilities or exposure, and our recommendations as to an appropriate course of action in view of the facts, circumstances, and issues involved. Upon the Client’s request, we may provide the Client with an estimate or budget of legal fees and Costs that the Client should anticipate incurring during the Engagement. An estimate or budget is not a fixed fee for the Engagement, a guarantee of the maximum legal fees and/or Costs that the Client will incur during the Engagement, or a commitment by the Firm to perform legal services for the estimated or budgeted amount. The Client will be responsible to pay for the actual legal fees and Costs incurred on the basis described in this Agreement, including legal fees and Costs in excess of the estimate or budget.

### **Inquiries**

The attorney-client relationship is one of mutual trust and confidence. If you have any questions about the provisions of this Agreement or our representation, we invite your inquiries. We encourage our clients to inquire about any matter relating to the Engagement or our monthly invoices that may be unclear or appear unsatisfactory.

### **Termination of Services; Withdrawal from Representation**

If you do not meet your obligation to timely pay our invoices for legal fees and Costs or to deposit or replenish any retainer as provided under this Agreement, we reserve the right to withdraw from representing you on that basis alone, subject to any required judicial, administrative, or other approvals. In any case where Babst Calland’s invoices for legal fees and/or Costs remain outstanding for greater than sixty (60) days, Babst Calland may immediately exercise this right to withdraw from representing you, terminate all legal services to you, and seek any required approvals. We further reserve the right to withdraw our representation in circumstances where a conflict of interest arises and is not waived by a necessary party or is not waivable. This Agreement is also subject to termination by either party upon reasonable notice for any reason. If there is a termination of legal services for any reason, including at the election of either party, you will remain liable for all unpaid legal fees for services rendered, all Costs advanced or incurred prior to termination, and all costs and expenses incurred by Babst Calland in connection with an orderly transition of your matters.

Once we have completed rendition of our services with respect to the Engagement, we are no longer responsible to inform or advise you as to changes in the law or interpretations of the law that might have had an impact on our advice (or the documents we have drafted for or delivered to you). We do not assume any responsibility to remind you in the future of filings or obligations required by contract or by law or necessary to protect your interests. For example, if an agreement provides for a deadline for the exercise of a renewal option, or escrow instructions provide a date when a deposit becomes non-refundable, this will be your responsibility to monitor upon completion of our services.

Our attorney-client relationship will be considered terminated upon our completion of the specific services related to the Engagement and, if the Engagement is open-ended, when more than two (2) years have elapsed from the last time you requested, and we furnished any billable services to you. If you later retain us to perform further or additional services, our attorney-client relationship will be revived, subject to these and any subsequent written terms agreed to by Babst Calland and the Client. The fact that we may inform you from time to time of developments in the law which may be of interest to you, by newsletter or otherwise, should not be understood as a revival of an attorney-client relationship. Moreover, we have no obligation to inform you of such developments in the law unless we are engaged in writing to do so.

### **Severability**

If any provision of this Agreement or the application thereof is held, in whole or in part, to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in full force and effect.

### **No Assignment**

You may not assign, transfer, or otherwise convey your rights or obligations under this Agreement without our consent. If you are an entity and you are acquired by another person or entity, we will not be deemed to represent the acquirer, and no attorney-client relationship will exist between us and the acquirer, absent our written consent.

### **Governing Law; Entire Agreement; Amendments; Authority**

This Agreement is governed by Pennsylvania law and sets forth the entire agreement between Babst Calland and the Client with respect to the Engagement and supersedes any prior written or verbal understanding or arrangement between us. Except for any updates to these Standard Terms of Engagement made from time to time, this Agreement may not be modified or amended except by a written agreement signed by Babst Calland and the Client. Each individual signing this Agreement on behalf of the Client expressly warrants and represents that he or she is authorized to enter into this Agreement on behalf of the Client.

**Last Updated:** March 25, 2025