

# **EXHIBIT BB**

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*Direct Purchaser Plaintiffs*  
*Interim Co-Lead Class Counsel*

**UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF CALIFORNIA, OAKLAND DIVISION**

IN RE LITHIUM ION BATTERIES  
ANTITRUST LITIGATION

CASE NO. 13-MD-2420-YGR (DMR)

MDL No. 2420

This Document Relates to:  
DIRECT PURCHASER ACTIONS

**DECLARATION OF DANIEL D. OWEN  
REGARDING DOCUMENT HOSTING  
EXPENSES**

The Honorable Yvonne Gonzalez Rogers

1           A.     **The Declarant and His Personal Knowledge of These Subjects**

2           1.     I am of lawful age and make this Declaration from personal knowledge.

3           2.     I am an attorney at Polsinelli PC, and have practiced law at this firm, and its  
4 predecessor firm Shughart Thomson & Kilroy, since 1997.

5           3.     I am counsel of record in this case, and have been counsel of record in other  
6 antitrust cases in the Northern District of California including *In Re: LCD Antitrust Litigation*  
7 *MDL No. 1827, and In Re: Cathode Ray Tube (CRT) Antitrust Litigation* MDL No. 1917.

8           4.     I have served as the Supervising Attorney on this case for our firm since the  
9 beginning of our firm's involvement. I have worked closely with the billing attorney on this case,  
10 P. John Brady, and will be submitting a separate declaration regarding the fees and expenses.

11          5.     Our firm currently has over 800 attorneys, most practicing in defense litigation and  
12 corporate work. However, we have always had an active Plaintiffs' contingency practice,  
13 particularly focusing on antitrust class actions.

14          6.     Our firm has comprehensive and strictly enforced policies for the contemporaneous  
15 entry of time worked on each case, as well as expenses incurred on each case.

16          7.     I have personally reviewed the bills associated with this case, which run over 700  
17 pages in length, and contain over 6,500 hourly fee and expense entries.

18           B.     **Document Hosting Charges In This Case**

19          8.     As part of our firm's record keeping, we recorded the expenses associated with  
20 hosting over 36 million pages of discovery documents in this case. We recorded four categories of  
21 document hosting expenses: (1) Relativity searchable data hosting fee, (2) Relativity user access  
22 fee, (3) Data extract without images, and (4) TIFF creation/production image. A copy of our  
23 original billing records, edited only to remove two duplicate charges, is attached hereto as **Exhibit**  
24 **A.**

25          9.     Our firm added the four categories of charges each month, and submitted the totals  
26 to lead counsel on a monthly basis, throughout this litigation.

27          10.    The Relativity searchable data hosting fee is a per gigabyte, per month, charge to  
28

1 recover the actual cost of maintaining a database of discovery documents (which ultimately  
2 contained 36 million pages), in a fully indexed and searchable form, that could be accessed over  
3 the internet and processed using our license Relativity software. These charges totaled  
4 \$603,285.09 from 2014 to 2017. However, at the request of lead counsel, we reduced the per  
5 gigabyte per month charges to \$510,565.83, and seek only reimbursement for this reduced  
6 amount.

7 11. The Relativity user access fee is a per “seat,” per month, charge to recover the  
8 actual cost of licensing each “seat” of the Relativity software from the company that created it and  
9 continuously upgrades it. This fee also recovers the actual cost of deploying the Relativity  
10 software in a high-reliability data center, and supporting that software with trained technical staff.  
11 These charges totaled \$190,875.00 from 2014 to 2017. However, at the request of lead counsel,  
12 we reduced the per seat charges to \$130,625.00, and seek only reimbursement for this reduced  
13 amount.

14 12. The data extract charges are made to recover the actual cost of using our licensed  
15 IPro software, and the necessary computer hardware, to receive discovery documents in many  
16 different formats and process them into a common format, extracting the appropriate meta-data, so  
17 they can be loaded into the Relativity system. This charge is solely for the recovery of actual  
18 computer hardware and software costs, and not for the labor associated with loading the  
19 documents. These charges totaled \$67,406.75 from 2014 to 2017. However, at the request of lead  
20 counsel, we are not seeking reimbursement for them.

21 13. The TIFF creation/production image charges are made to recover the actual cost of  
22 using our licensed software and hardware to create “production sets” that are loaded onto a  
23 separate computer server that can be accessed by opposing counsel. Our software generates  
24 temporary passwords and encryption keys, and our separate computer server allows opposing  
25 counsel to use these passwords and encryption keys to download discovery documents securely.  
26 This charge is solely for the recovery of actual computer hardware and software costs, and not for  
27 the labor associated with creating the production sets. These charges totaled \$32,853.56 from



1 2014 to 2017. However, at the request of lead counsel we are not seeking reimbursement for  
2 them.

3 14. The remaining document hosting charges, after the reductions described above,  
4 total \$641,190.83. These charges, at their historical rates, are the same, and in some cases less,  
5 than Polsinelli charges its hourly clients. These charges were not adjusted upward because of the  
6 contingent nature of this case, and do not contain any risk premium for the contingency.

7 C. Comparison of our firm's document hosting charges to commercial  
8 vendors

9 15. Beginning in 2014, our Litigation Support Department reviewed proposals from  
10 two commercial vendors to assure that our document hosting charges were competitive with those  
11 offered on the open market. One of those proposals was obtained from lead counsel in this case,  
12 and two additional proposals were obtained directly by our firm.

13 16. On or about September 7, 2016, our billing attorney, P. John Brady, conducted a  
14 review of our current and historical rates for document hosting, going back to 2014. He was  
15 assisted in this review by our Director of Litigation Services, Michael Donlan, and our law partner  
16 who was assigned to oversee litigation support services, Jay Heidrick. Based on information  
17 provided by Mr. Donlan and Mr. Heidrick, our firm created a spreadsheet comparing our charges  
18 for document hosting services to those charges quoted by four commercial vendors. A copy of an  
19 email to Mr. Brady from Mr. Heidrick, with an attached spreadsheet comparing our rates to the  
20 commercial vendors, is attached hereto as **Exhibit B**. By this time in 2016, we believed that we  
21 had saved the plaintiff class approximately \$200,000, as compared to a commercial vendor.

22 17. I later sent a version of this spreadsheet to co-lead counsel in this litigation, to  
23 demonstrate that our charges were reasonable and comparable to commercial vendors – even  
24 though none of the commercial vendors were willing to incur the expenses on a contingent basis.  
25 A copy of my email to lead counsel, attaching a spreadsheet comparing our rates to commercial  
26 vendors, is attached hereto as **Exhibit C**.

27 18. We believe that our document hosting charges are very competitive with – and  
28

1 often below – those of commercial vendors, who have to use similar computer hardware, software,  
2 telecommunications lines, and staff. Our department periodically surveys costs with national and  
3 regional vendors to ensure our rates are competitive with national and regional markets. We  
4 believe that we enjoy economies of scale that some smaller commercial vendors do not, and we  
5 have the added advantage of not having to add a profit margin. However, not all document  
6 hosting operations are of the same quality, and some commercial vendors provide lower quality  
7 services. It is possible for some commercial vendors to save money by compromising physical or  
8 cyber security, using slow telecommunications lines, using outdated or insecure software,  
9 providing little or no telephone support, etc. We have not compromised the integrity and  
10 reliability of our document hosting services in any of these ways, and believe that down time at  
11 our data center would cost far more in lost attorney time than any potential savings on computer  
12 hardware, software or operations.

13 **D. Actual Costs of Document Hosting by Our Firm**

14 19. Our firm stores litigation documents from any of our 26 offices nationwide, or for  
15 class action cases such as this one, in a secure data center in Denver, Colorado. Because these  
16 documents are usually confidential and sensitive, the data center has strong physical security and  
17 cyber security. To ensure that none of these documents, or the attorney work product associated  
18 with these documents (coding and analysis) could be lost, a full back-up of the documents and  
19 associated data is continuously maintained in a secure location.

20 20. The documents and associated data are maintained in databases, which are built on  
21 high-speed, high-reliability computer servers. These servers require continuous cooling by high-  
22 reliability air coolers, which have back-ups in case of failure. Both the computer servers and the  
23 cooling systems require continuous electrical power, which also has a back-up system, in case of a  
24 power failure. The databases also require licenses for SQL software, which must be routinely  
25 upgraded to keep it secure from intrusions and malware. Running on top of the databases is  
26 specialized litigation support software – including systems called IPRO and Relativity. The IPRO  
27 and Relativity software also have to be upgraded periodically, to ensure security and good

1 performance for the attorneys using it.

2 21. In order to make Relativity and its databases accessible to nearly 100 attorneys  
3 outside of the Polsinelli firm who analyzed and coded documents in this case, we paid for very  
4 large and fast telecommunication lines connected to our data center. At the peak, we provided 98  
5 concurrent Relativity licenses for use by attorneys nationwide. Because users of our data center  
6 occasionally need help accessing the software and data, we also provided a telephone help line that  
7 was answered by our trained technical staff. Our technical staff also needed to maintain the  
8 computer server hardware, the database software, the litigation support software, and other  
9 systems necessary to make Relativity usable for the attorneys. Our technical staff also had to  
10 administer use of the data center by attorneys outside the Polsinelli firm by creating and deleting  
11 security profiles, with user names and passwords, and by granting and withdrawing access to  
12 Relativity.

13 22. Our firm spends considerable resources on the items listed in paragraphs 19  
14 through 21, above, to meet client demands and industry expectations. For example, for FY'17, the  
15 Litigation Services Department had a total budget of approximately \$2.7 million to handle all  
16 cases within the firm including this litigation. Software maintenance for licenses to platforms like  
17 Relativity and other software described above cost approximately \$435,000 just for FY'17. The  
18 amount spent on hardware for document storage as described above totaled approximately  
19 \$685,000 just for FY'17. As with most departments, labor is the largest cost to the Litigation  
20 Services Department. In FY'17 costs for labor in the Litigation Services Department were  
21 approximately \$1.5 million.

22 23. We bill all of our clients, both hourly and contingency, the same rates for hosting  
23 documents at our data center, and providing outside access to software, if required. These rates  
24 charged for Litigation Services are set by the Director of our Litigation Services Department,  
25 Michael Donlan, in conjunction with Jay Heidrick, the shareholder who oversees the Department.  
26 The rates are then approved by our Chief Financial Officer and his staff, after calculating the total  
27 cost of operation of the data center, with its computer hardware, software, telecommunications



1 lines, staff, and other cost items. All of the rates are intended to apportion these costs pro rata,  
2 based on the amount of resources each client actually uses. Our firm follows the ethical guidelines  
3 for the billing of costs. Specifically, our primary goal with the Litigation Services Department is  
4 to only bill enough to cover our average costs, and we do not add a profit margin. Our firm's  
5 profits are primarily derived from the sale of legal services, not from the sale of ancillary services,  
6 such as document hosting.

7  
8 

9  
10 Daniel D. Owen

11 Feb. 7, 2018

12 Date



# **EXHIBIT A**

Billing Atty: #0108 P.J. Brady Run Date: 01/31/18 Entries Through: 01/01/00 Prebill Index: 3573772  
 Supervising Atty: #0147 D.D. Owen  
 Assigned Biller: #4446 Tonya L. Singleton

**Client/Matter No.:** KLU002-454326  
**Client Name:** Edward Klugman  
**Matter Name:** Lithium Ion Batteries

Client Reference Number:

Related Matter Number: 000000-000001 Name: New Client/Matter

Client Address:	Klugman, Edward Battery Components Dist., Inc. 5805 W. 90th Terr. Shawnee Mission, KS 66207	<i>Origination for this matter</i>		
		<u>Timekeeper</u>	<u>%</u>	<u>Effective Date</u>
		0108 P. J. Brady	50.00	01/01/1901
		0147 Daniel D. Owen	50.00	01/01/1901
Matter Address:	Klugman, Edward Battery Components Dist., Inc. 5805 W. 90th Terr. Shawnee Mission, KS 66207			

**Matter Level Billing Instructions:**

Joint Statements: *No* Joint Number:

Other: *Contingent - submit spreadsheets by the 15th of every month - doc number 13257595*

**Matter Level Billing Parameters:**

Bill Frequency:	<i>M</i>	Bill Arrangement:	<i>Contingent</i>
Bill Template:	<i>DF</i>	Matter Rate Code:	<i>1 Standard Rate</i>
Time Format:	<i>7</i>	Timekeeper Summary:	<i>Y</i>
% Discount at time of billing:		Exception Rate(s) in effect?	<i>Y</i>
E-billed:		<b>Exception Rate Review Date:</b>	<i>12/31/25</i>
Estimated Bill Date:			

RE: Lithium Ion Batteries

Total Professional Services	\$0.00
Total Current Disbursements	\$1,083,243.65
Total Current Charges	\$1,083,243.65
Previous Balance as of 01/31/18	\$0.00
Less Unallocated Credits	0.00
Total Balance Due	\$1,083,243.65

Current Balance in Trust Account \$0.00

**Account Receivable Aging for this Matter:**

<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91-120 Days</u>	<u>121+ Days</u>	<u>Total Due</u>
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00

**Unbilled Aging for this Matter:**

<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91-120 Days</u>	<u>121+ Days</u>	<u>Total Unbilled</u>
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

**History to Date Write Offs:**

	<u>FEES</u>	<u>COSTS</u>	<u>TOTAL</u>
UNBILLED WRITE UP/WRITE DOWNS	-\$175.00	-\$634.38	-\$809.38
A/R WRITE OFFS	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL WRITE OFFS	-\$175.00	-\$634.38	-\$809.38

FISCAL YEAR TO DATE WRITE OFFS: \$0.00

Inception to Date Hours by Title  
**Total 0.00**

Billing Atty: #0108 P.J. Brady Run Date: 01/31/18 Entries Through: 01/01/80 Prebill Index: 3573772  
 Supervising Atty: #0147 D.D. Owen  
 Assigned Biller: #4446 Tonya L. Singleton

Client/Matter No.: KLU002-454326  
 Client Name: Edward Klugman  
 Matter Name: Lithium Ion Batteries

*Detail of Time Entries:*

<u>Date</u>	<u>Timekeeper</u> <u>Description</u>	<u>Status</u>	<u>Index No.</u>	<u>Hours</u>	<u>Amount</u>	<u>Code</u>	<u>ABA</u> <u>Task</u>	<u>ABA</u> <u>Act</u>
SUBTOTAL OF BILLABLE HOURS AND FEES:			0.00	0.00				

*Time and Fee Summary:*

<u>Timekeeper</u>	<u>Hours</u>	<u>Std. Rate</u>	<u>Contract Rate</u>	<u>Contract Dates</u> <u>Effective Expiration</u>	<u>Fees</u>	<u>Override Hours</u>	<u>Override \$ Rate</u>	<u>Override \$ Fees</u>
TOTALS	.00				\$0.00			

\* Indicates Client Rate (all matters ) change requires approval of Client Relations Manager  
**Bold** indicates Premium Rate

Reason for Billing Write-Down/Hold (required)

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*Discovery Services Incurred:*

<u>Date</u>	<u>Status</u>	<u>Description</u>	<u>Index</u>	<u>Units</u>	<u>Quantity</u>	<u>Rate</u>	<u>Amount</u>
05/31/14	B	Hard Drive	15589888	Drive	3.00	75.00	225.00
05/31/14	B	Data Extract without Images	15589889	GB	0.02	200.00	4.00
12/31/14	B	Data Extract without Images	15690286	GB	0.07	200.00	14.00
01/30/15	B	Data Extract without Images	15716390	GB	0.32	200.00	64.00

Billing Atty: #0108 P.J. Brady Run Date: 01/31/18 Entries Through: 01/01/80 Prebill Index: 3573772  
 Supervising Atty: #0147 D.D. Owen  
 Assigned Biller: #4446 Tonya L. Singleton

**Client/Matter No.:** KLU002-454326  
**Client Name:** Edward Klugman  
**Matter Name:** Lithium Ion Batteries

03/31/15	B	15731140	GB	51.64	200.00	10,328.00
PT110	Data Extract without Images					
04/30/15	B	15747740	GB	213.85	200.00	42,770.00
PT110	Data Extract without Images					
05/27/15	B	15761864	GB	18.12	200.00	3,624.00
PT110	Data Extract without Images					
06/30/15	B	15777499	GB	0.10	200.00	20.00
PT110	Data Extract without Images					
06/30/15	B	15777500	GB	323.32	10.00	3,233.20
PT140	Relativity-Searchable Data Hosting					
06/30/15	B	15777501	Seat*	57.00	115.00	6,555.00
PT150	Relativity User Access Fee					
07/31/15	B	15795851	GB	2.44	200.00	488.00
PT110	Data Extract without Images					
07/31/15	B	15795852	GB	533.08	10.00	5,330.80
PT140	Relativity-Searchable Data Hosting					
07/31/15	B	15795853	Seat*	8.00	115.00	920.00
PT150	Relativity User Access Fee					
08/31/15	B	15811022	Drive	10.00	75.00	750.00
PT040	Hard Drive					
08/31/15	B	15811023	GB	0.13	200.00	26.00
PT110	Data Extract without Images Page					
08/31/15	B	15811024	Page	16.00	0.01	0.16
PT130	Tiff Creation/Production Images					
08/31/15	B	15811025	GB	735.73	14.50	10,668.09
PT145	Relativity-Searchable Data Hosting with Analytic					
09/30/15	B	15826225	GB	74.92	125.00	9,365.00



Billing Atty: #0108 P.J. Brady Run Date: 01/31/18 Entries Through: 01/01/80 Prebill Index: 3573772  
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**Client/Matter No.:** KLU002-454326  
**Client Name:** Edward Klugman  
**Matter Name:** Lithium Ion Batteries

PT110	Data Extract without Images					
09/30/15	B	15826226	GB	1,303.27	15.50	20,200.69
PT145	Relativity-Searchable Data Hosting with Analytic					
09/30/15	B	15826227	Seat*	84.00	140.00	11,760.00
PT150	Relativity User Access Fee					
10/30/15	B	15845914	GB	0.15	125.00	18.75
PT110	Data Extract without Images					
10/30/15	B	15845915	GB	1,432.38	15.50	22,201.89
PT145	Relativity-Searchable Data Hosting with Analytic					
10/30/15	B	15845916	Seat*	91.00	140.00	12,740.00
PT150	Relativity User Access Fee					
11/30/15	B	15865023	Drive	9.00	75.00	675.00
PT040	Hard Drive					
11/30/15	B	15865024	GB	0.19	125.00	23.75
PT110	Data Extract without Images					
11/30/15	B	15865025	GB	1,591.15	15.50	24,662.83
PT145	Relativity-Searchable Data Hosting with Analytic					
11/30/15	B	15865026	Seat*	92.00	140.00	12,880.00
PT150	Relativity User Access Fee					
12/31/15	B	15879768	GB	0.15	125.00	18.75
PT110	Data Extract without Images					
12/31/15	B	15879770	GB	1,595.65	15.50	24,732.58
PT145	Relativity-Searchable Data Hosting with Analytic					
12/31/15	B	15879772	Seat*	91.00	140.00	12,740.00
PT150	Relativity User Access Fee					
01/31/16	B	15894657	GB	0.23	125.00	28.75
PT110	Data Extract without Images					

Billing Atty: #0108 P.J. Brady Run Date: 01/31/18 Entries Through: 01/01/80 Prebill Index: 3573772  
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 Assigned Biller: #4446 Tonya L. Singleton

**Client/Matter No.:** KLU002-454326  
**Client Name:** Edward Klugman  
**Matter Name:** Lithium Ion Batteries

01/31/16	B	15894658	Page	36,176.00	0.03	1,085.28
PT130			Tiff Creation/Production Images			
01/31/16	B	15894659	GB	1,601.76	15.50	24,827.28
PT145			Relativity-Searchable Data Hosting with Analytic			
01/31/16	B	15894660	Seat*	91.00	140.00	12,740.00
PT150			Relativity User Access Fee			
02/28/16	B	15937604	GB	0.61	125.00	76.25
PT110			Data Extract without Images			
02/28/16	B	15937605	GB	1,716.02	15.50	26,598.31
PT145			Relativity-Searchable Data Hosting with Analytic			
02/28/16	B	15937606	Seat*	92.00	140.00	12,880.00
PT150			Relativity User Access Fee			
03/31/16	B	15955340	GB	0.01	125.00	1.25
PT110			Data Extract without Images			
03/31/16	B	15955341	GB	1,698.34	15.50	26,324.27
PT145			Relativity-Searchable Data Hosting with Analytic			
03/31/16	B	15955342	Seat*	95.00	140.00	13,300.00
PT150			Relativity User Access Fee			
04/30/16	B	15973898	GB	0.23	125.00	28.75
PT110			Data Extract without Images			
04/30/16	B	15973899	Page	6.00	0.03	0.18
PT130			Tiff Creation/Production Images Page			
04/30/16	B	15973900	GB	1,699.02	15.50	26,334.81
PT145			Relativity-Searchable Data Hosting with Analytic			
04/30/16	B	15973901	Seat*	95.00	140.00	13,300.00
PT150			Relativity User Access Fee			
05/31/16	B	15993090	GB	0.15	125.00	18.75

Billing Atty: #0108 P.J. Brady Run Date: 01/31/18 Entries Through: 01/01/80 Prebill Index: 3573772  
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PT110	Data Extract without Images					
05/31/16	B	15993091	Page	452.00	0.03	13.56
PT130	Tiff Creation/Production Images					
05/31/16	B	15993092	GB	1,810.78	15.50	28,067.09
PT145	Relativity-Searchable Data Hosting with Analytic					
05/31/16	B	15993161	Seat*	96.00	140.00	13,440.00
PT150	Relativity User Access Fee					
06/30/16	B	16013413	GB	0.10	125.00	12.50
PT110	Data Extract without Images					
06/30/16	B	16013414	Page	452.00	0.03	13.56
PT130	Tiff Creation/Production Images					
06/30/16	B	16013415	GB	1,812.04	15.50	28,086.62
PT145	Relativity-Searchable Data Hosting with Analytic					
06/30/16	B	16013416	Seat*	98.00	140.00	13,720.00
PT150	Relativity User Access Fee					
07/31/16	B	16028551	GB	0.33	125.00	41.25
PT110	Data Extract without Images					
07/31/16	B	16028552	Page	4.00	0.03	0.12
PT130	Tiff Creation/Production Images					
07/31/16	B	16028558	GB	1,817.15	15.50	28,165.83
PT145	Relativity-Searchable Data Hosting with Analytic					
07/31/16	B	16028572	Seat*	98.00	140.00	13,720.00
PT150	Relativity User Access Fee					
08/30/16	B	16047230	Drive	4.00	75.00	300.00
PT040	Hard Drive					
08/30/16	B	16047231	GB	2.25	125.00	281.25
PT110	Data Extract without Images					

Billing Atty: #0108 P.J. Brady Run Date: 01/31/18 Entries Through: 01/01/80 Prebill Index: 3573772  
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 Assigned Biller: #4446 Tonya L. Singleton

**Client/Matter No.:** KLU002-454326  
**Client Name:** Edward Klugman  
**Matter Name:** Lithium Ion Batteries

08/30/16	B	16047232	Page**** *	***** **	0.03	31,732.80
PT130	Tiff Creation/Production Images					
08/30/16	B	16047233	GB	1,954.48	15.50	30,294.44
PT145	Relativity-Searchable Data Hosting with Analytic					
08/30/16	B	16047234	Seat*	98.00	140.00	13,720.00
PT150	Relativity User Access Fee					
09/30/16	B	16066356	GB	0.19	125.00	23.75
PT110	Data Extract without Images					
09/30/16	B	16066357	Page	39.00	0.03	1.17
PT130	Tiff Creation/Production Images					
09/30/16	B	16066358	GB	2,014.62	11.00	22,160.82
PT145	Relativity-Searchable Data Hosting with Analytic					
09/30/16	B	16066359	Seat*	21.00	140.00	2,940.00
PT150	Relativity User Access Fee					
10/31/16	B	16084096	GB	0.05	125.00	6.25
PT110	Data Extract without Images					
10/31/16	B	16084097	GB	2,075.38	11.00	22,829.18
PT145	Relativity-Searchable Data Hosting with Analytic					
10/31/16	B	16084098	Seat*	20.00	140.00	2,800.00
PT150	Relativity User Access Fee					
11/30/16	B	16099497	GB	0.04	125.00	5.00
PT110	Data Extract without Images Page					
11/30/16	B	16099498	Page	224.00	0.03	6.72
PT130	Tiff Creation/Production Images					
11/30/16	B	16099500	GB	2,075.84	11.00	22,834.24
PT145	Relativity-Searchable Data Hosting with Analytic					



Billing Atty: #0108 P.J. Brady Run Date: 01/31/18 Entries Through: 01/01/80 Prebill Index: 3573772  
 Supervising Atty: #0147 D.D. Owen  
 Assigned Biller: #4446 Tonya L. Singleton

**Client/Matter No.:** KLU002-454326  
**Client Name:** Edward Klugman  
**Matter Name:** Lithium Ion Batteries

11/30/16	B	16099501	Seat*	17.00	140.00	2,380.00
PT150	Relativity User Access Fee					
12/31/16	B	16116419	GB	0.14	125.00	17.50
PT110	Data Extract without Images					
12/31/16	B	16116420	GB	2,075.99	11.00	22,835.89
PT145	Relativity-Searchable Data Hosting with Analytic					
12/31/16	B	16116421	Seat*	17.00	140.00	2,380.00
PT150	Relativity User Access Fee					
01/31/17	B	16131761	GB	1.00	22,837.98	22,837.98
PT145	Relativity-Searchable Data Hosting with Analytic					
01/31/17	B	16131762	Seat*	1.00	2,240.00	2,240.00
PT150	Relativity User Access Fee					
02/28/17	B	16146249	GB	0.01	125.00	1.25
PT110	Data Extract without Images					
02/28/17	B	16146250	Page	0.25	0.04	0.01
PT130	Tiff Creation/Production Images					
02/28/17	B	16146251	GB	2,076.49	11.00	22,841.39
PT145	Relativity-Searchable Data Hosting with Analytic					
02/28/17	B	16146252	Seat*	16.00	140.00	2,240.00
PT150	Relativity User Access Fee					
03/31/17	B	16163618	GB	0.11	125.00	13.75
PT110	Data Extract without Images					
03/31/17	B	16163619	GB	2,076.60	11.00	22,842.60
PT145	Relativity-Searchable Data Hosting with Analytic					
03/31/17	B	16163620	Seat*	16.00	140.00	2,240.00
PT150	Relativity User Access Fee					
04/30/17	B	16180183	GB	0.48	125.00	60.00
PT110	Data Extract without Images					

Billing Atty: #0108 P.J. Brady Run Date: 01/31/18 Entries Through: 01/01/80 Prebill Index: 3573772  
 Supervising Atty: #0147 D.D. Owen  
 Assigned Biller: #4446 Tonya L. Singleton

**Client/Matter No.:** KLU002-454326  
**Client Name:** Edward Klugman  
**Matter Name:** Lithium Ion Batteries

04/30/17	B	16180184	GB	2,079.37	11.00	22,873.07
PT145	Relativity-Searchable Data Hosting with Analytic					
04/30/17	B	16180185	Seat*	12.00	140.00	1,680.00
PT150	Relativity User Access Fee					
05/31/17	B	16201877	GB	2,079.43	11.00	22,873.73
PT145	Relativity-Searchable Data Hosting with Analytic					
05/31/17	B	16201878	Seat*	12.00	140.00	1,680.00
PT150	Relativity User Access Fee					
06/30/17	B	16217481	GB	0.21	125.00	26.25
PT110	Data Extract without Images					
06/30/17	B	16217482	GB	2,079.62	11.00	22,875.82
PT145	Relativity-Searchable Data Hosting with Analytic					
06/30/17	B	16217483	Seat*	14.00	140.00	1,960.00
PT150	Relativity User Access Fee					
07/31/17	B	16241806	GB	2,079.62	11.00	22,875.82
PT145	Relativity-Searchable Data Hosting with Analytic					
07/31/17	B	16241807	Seat*	14.00	140.00	1,960.00
PT150	Relativity User Access Fee					
08/31/17	B	16259726	GB	2,079.62	11.00	22,875.82
PT145	Relativity-Searchable Data Hosting with Analytic					
08/31/17	B	16259727	Seat*	14.00	140.00	1,960.00
PT150	Relativity User Access Fee					
						Page

**Subtotal for Discovery Services**

**896,370.40**

**Costs Advanced and Expenses Incurred:**

<u>Date</u>	<u>Status</u>	<u>Index</u>	<u>Voucher</u>	<u>Vendor Invoice#</u>	<u>Amount</u>
03/22/13	B	15308831	1032362	454326 032	5.00

# **EXHIBIT B**

## Dan Owen

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**From:** Jay Heidrick  
**Sent:** Wednesday, September 07, 2016 10:54 AM  
**To:** Dan Owen; Jack Brady  
**Cc:** Julian Arredondo; Michael Donlan; David Couzins; Aaron Schneider  
**Subject:** Lithium Ion Cases - Vendor comparison...  
**Attachments:** Batteries vendor comparison spreadsheet-c.xlsx

Jack and Dan,

I wanted to follow up on our conversation regarding the Lit Support Services charges for the Lithium Ion cases. Attached is a spreadsheet showing comparison costs of: 1) monthly storage fees; 2) Relativity User Access fees; and 3) Cost to run analytics.

The comparison is of the following companies:

Polsinelli- At the rates you have been billed thus far.

Inventus- Based on the proposal sent on April 10, 2014 to Saveri & Saveri, Inc.

DTI- Based on rates obtained within the past two weeks for volumes reflected in this case.

XACT – Based on rates obtained within the past two weeks for volumes reflected in this case.

Modus – Based on rates in July 2014 for another large matter (~700GB) although not all was handled by Modus.

Some things to note before explaining the findings:

- It is difficult to get an apples to apples comparison. For example, the DTI storage fees are notably cheaper than the other companies. However, DTI's rate is a 2016 rate and is cheaper than what DTI would have charged one or two years ago. That is why we used the Inventus and Modus proposals since both were from 2014.
- None of the companies we discussed would be willing to take the matter on contingency as our firm has done.

How we arrived at these numbers:

- For Relativity Users, I took the total number of users in July 2016 bill and just assumed the same number of users for each month over the past year. While the amount of users may have changed month to month, that doesn't affect the overall price comparison, so long as it is constant when determining the cost.
- For database storage, I assumed 300GB from June 2014 – May 2015; 1432 GB from June 2015-July 2015; and 1817.15 GB from August 2015 – July 2016. Again, the actual size of the DB may have changed month to month, but it does not affect the comparison because it does not affect the rates.
- For Analytics, I took the per GB charge each of the companies would have imposed and ran it against 2600 GB which is roughly the size of the database when we ran analytics on it in September 2015. Polsinelli's charge for that service is reflected in the monthly storage fee while other vendors would have imposed a per GB charge.
- The side by side vendor comparison is on the spreadsheet tab marked "Individual" while the total comparison is on the tab marked "Summary"



Conclusions

As shown on the "Summary" sheet, over the course of the past two years, our charges for these services have been over \$200,000 cheaper than what you could have paid for the same services from the other vendors, with the exception of DTI, which would have been approximately 10% cheaper than Polsinelli. However, two things stand out to me about this fact. Just because one vendor would have been 10% cheaper, does not make the Polsinelli rates unreasonable as shown by the significant savings compared to the three other vendors. Secondly, Polsinelli is handling the matter on contingency whereas DTI would have required payment of roughly ~\$476,000 over the past two years.

I hope this is helpful. If you need me to put this into an affidavit or some type of formal report I'm happy to do it. Just let me know how I can help. I've copied David Couzins, Aaron Schneider and Michael Donlan on the email as they handled getting the various quotes and figures as well have historical knowledge of this matter.

Thanks.

Jay

**Jay E. Heidrick**

*Shareholder*

[jheidrick@polsinelli.com](mailto:jheidrick@polsinelli.com)

**816.572.4765**

900 W. 48th Place, Suite 900  
Kansas City, MO 64112

[polsinelli.com](http://polsinelli.com)



<u>Task</u>	<u>Amount</u>	<u>Polsinelli Rate</u>	<u>Polsinelli Cost</u>
<b>Relativity licenses / month</b>			
Outside user Relativity licenses (based on July 2016 figures)	98	\$140.00	\$13,720.00
In-house Relativity licenses (based on July 2016 figures)	9	\$0.00	\$0.00
		<b><u>Total License Fees:</u></b>	<b><u>\$13,720.00</u></b>
<b>Monthly storage</b>			
DB hosting pre-June 2015 (GB)	300	\$0.00	\$0.00
DB hosting June 2015 - July 2015 (GB)	1432	\$10.00	\$14,320.00
DB hosting Aug 2015 - July 2016(GB)	1817.15	\$15.50	\$28,165.83
<b>Analytics</b>			
Relativity analytics and predictive coding (GB)**	2600	0	\$0.00

\*\* assumes 2600 GB originally loaded in Aug 2015.

<u>Inventus Rate</u>	<u>Inventus Cost</u>	<u>DTI Rate</u>	<u>DTI Cost</u>	<u>XACT Rate</u>	<u>XACT Cost</u>	<u>Modus Rate</u>	<u>Modus Cost</u>
\$60.00	\$5,880.00	\$75.00	\$7,350.00	\$69.00	\$6,762.00	\$85.00	\$8,330.00
\$60.00	\$540.00	\$75.00	\$675.00	\$69.00	\$621.00	\$85.00	\$765.00
	<b><u>\$6,420.00</u></b>		<b><u>\$8,025.00</u></b>		<b><u>\$7,383.00</u></b>		<b><u>\$9,095.00</u></b>
\$15.00	\$4,500.00	\$14.00	\$4,200.00	\$11.00	\$3,300.00	\$15.00	\$4,500.00
\$15.00	\$21,480.00	\$6.50	\$9,308.00	\$11.00	\$15,752.00	\$15.00	\$21,480.00
\$15.00	\$27,257.25	\$6.50	\$11,811.48	\$11.00	\$19,988.65	\$15.00	\$27,257.25
\$100	\$260,000.00	\$65	\$169,000.00	\$150	\$390,000.00	\$99	\$257,400.00

Summary Comparison Charges since June 2014

	<u>Total Hosting Charges</u>	<u>Total Relativity Access Charges</u>
Polsinelli	\$366,629.90	\$164,640.00
Inventus	\$424,047.00	\$77,040.00
DTI	\$210,753.70	\$96,300.00
XACT	\$310,967.80	\$88,596.00
Modus	\$424,047.00	\$109,140.00

**Total Analytics Charges**

\$0.00  
\$260,000.00  
\$169,000.00  
\$390,000.00  
\$257,400.00

**Total**

\$531,269.90  
\$761,087.00  
\$476,053.70  
\$789,563.80  
\$790,587.00

**Total Savings**

N/A  
\$229,817.10  
-\$55,216.20  
\$258,293.90  
\$259,317.10

# **EXHIBIT C**

<u>Task</u>	<u>Amount</u>	<u>Polsinelli Rate</u>	<u>Polsinelli Cost</u>
<b><i>Relativity licenses / month</i></b>			
Outside user Relativity licenses (based on July 2016 figures)	98	\$140.00	\$13,720.00
In-house Relativity licenses (based on July 2016 figures)	9	\$0.00	\$0.00
		<b><i>Total License Fees:</i></b>	<b><i>\$13,720.00</i></b>
<b><i>Monthly storage</i></b>			
DB hosting pre-June 2015 (GB)	300	\$0.00	\$0.00
DB hosting June 2015 - July 2015 (GB)	1432	\$10.00	\$14,320.00
DB hosting Aug 2015 - July 2016(GB)	1817.15	\$15.50	\$28,165.83
<b><i>Analytics</i></b>			
Relativity analytics and predictive coding (GB)**	2600	0	\$0.00

\*\* assumes 2600 GB originally loaded in Aug 2015.



<u>Inventus Rate</u>	<u>Inventus Cost</u>	<u>DTI Rate</u>	<u>DTI Cost</u>	<u>XACT Rate</u>	<u>XACT Cost</u>	<u>Modus Rate</u>	<u>Modus Cost</u>
\$60.00	\$5,880.00	\$75.00	\$7,350.00	\$69.00	\$6,762.00	\$85.00	\$8,330.00
\$60.00	\$540.00	\$75.00	\$675.00	\$69.00	\$621.00	\$85.00	\$765.00
	<b><u>\$6,420.00</u></b>		<b><u>\$8,025.00</u></b>		<b><u>\$7,383.00</u></b>		<b><u>\$9,095.00</u></b>
\$15.00	\$4,500.00	\$14.00	\$4,200.00	\$11.00	\$3,300.00	\$15.00	\$4,500.00
\$15.00	\$21,480.00	\$6.50	\$9,308.00	\$11.00	\$15,752.00	\$15.00	\$21,480.00
\$15.00	\$27,257.25	\$6.50	\$11,811.48	\$11.00	\$19,988.65	\$15.00	\$27,257.25
\$100	\$260,000.00	\$65	\$169,000.00	\$150	\$390,000.00	\$99	\$257,400.00

Summary Comparison Charges since June 2014

	<u>Total Hosting Charges</u>	<u>Total Relativity Access Charges</u>
Polsinelli	\$366,629.90	\$164,640.00
Inventus	\$424,047.00	\$77,040.00
DTI	\$210,753.70	\$96,300.00
XACT	\$310,967.80	\$88,596.00
Modus	\$424,047.00	\$109,140.00

**Total Analytics Charges**

\$0.00  
\$260,000.00  
\$169,000.00  
\$390,000.00  
\$257,400.00

**Total**

\$531,269.90  
\$761,087.00  
\$476,053.70  
\$789,563.80  
\$790,587.00

**Total Savings**

N/A  
\$229,817.10  
-\$55,216.20  
\$258,293.90  
\$259,317.10