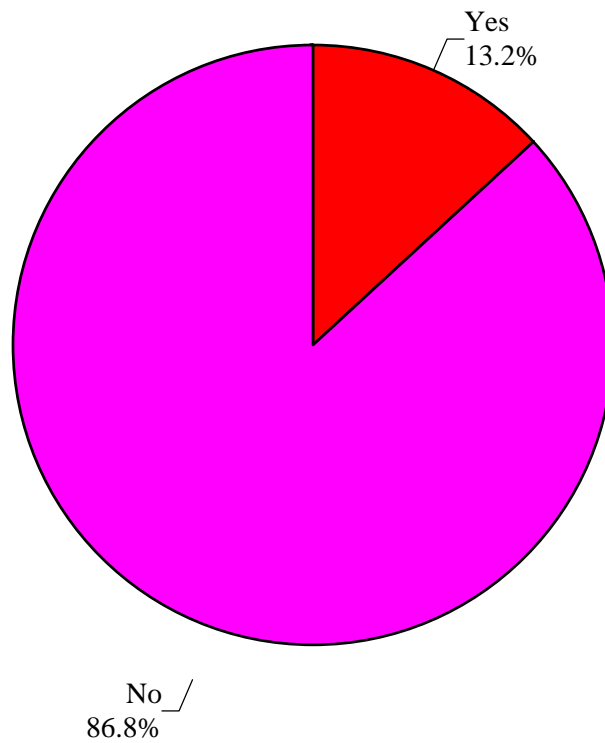


Survey conducted in April 2007
38 participants from the 200 largest U.S. law departments

1. Has the recent round of associate salary increases caused your law department to change its policies with respect to allowing law firms to use first and second year associates?



2. Please check one of the following regarding your policies relative to using first or second year associates on your matters.

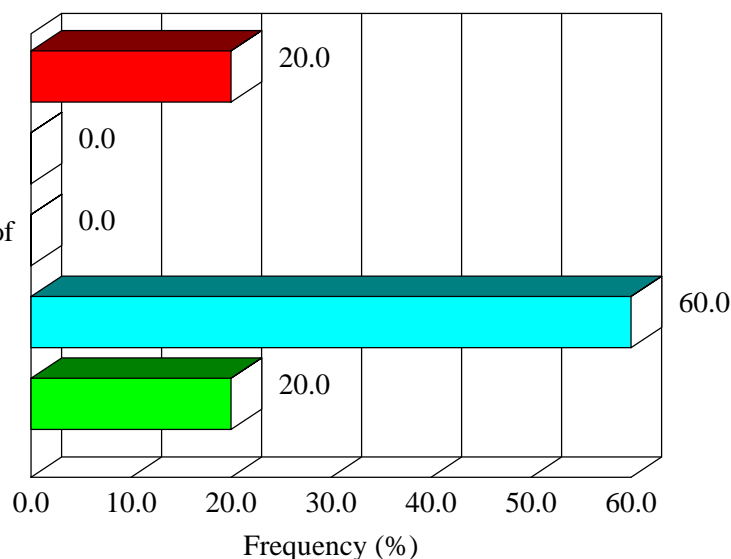
The law firm's first and second year associates are restricted from working on all of our matters.

First and second year associates are not restricted from working on our matters.

The first and second year associates are restricted for some of our matters.

We go on a case-by-case basis.

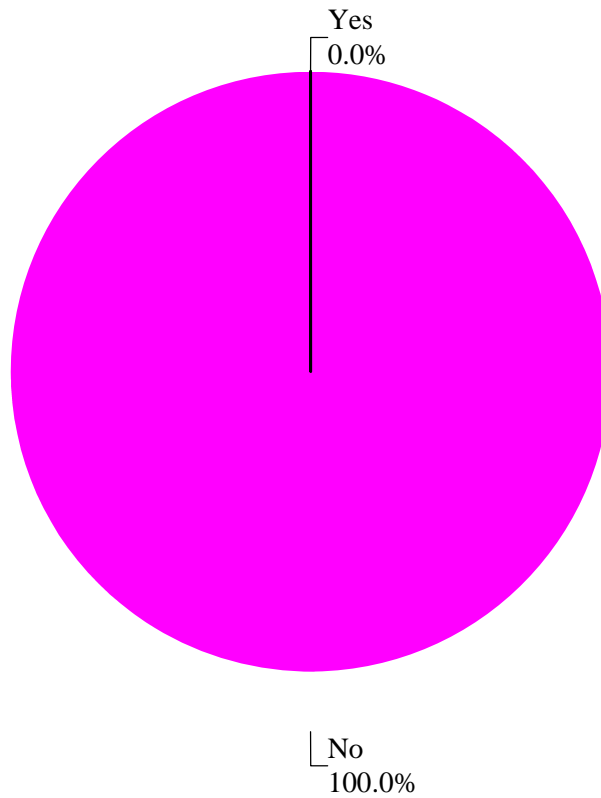
Other (please explain below):



Other policies regarding use of first or second year associates

- We go on a case-by-case basis. -- We control both staffing and workflow. On the workflow front, we are VERY reluctant to allow younger associates to attend meetings, hearings, etc., unless their participation is essential. Additionally, we are requiring life-of-matter rates on all significant new matters to ensure that year-to-year bumps based solely on year of graduation do not get passed on to us.
- We expect the law firm to limit and justify any use of these people and will not pay for "training time."

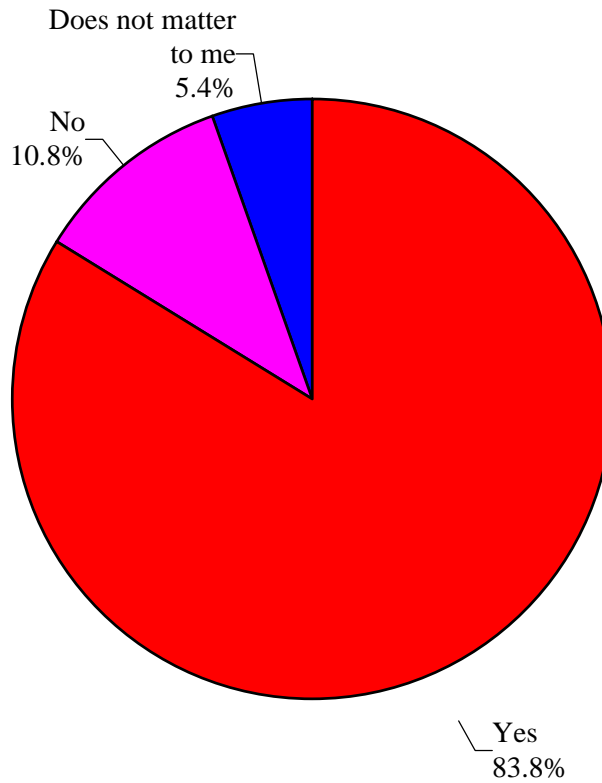
3. Have any of your panel firms contacted you to discuss associate salary increases and what it may mean to you?



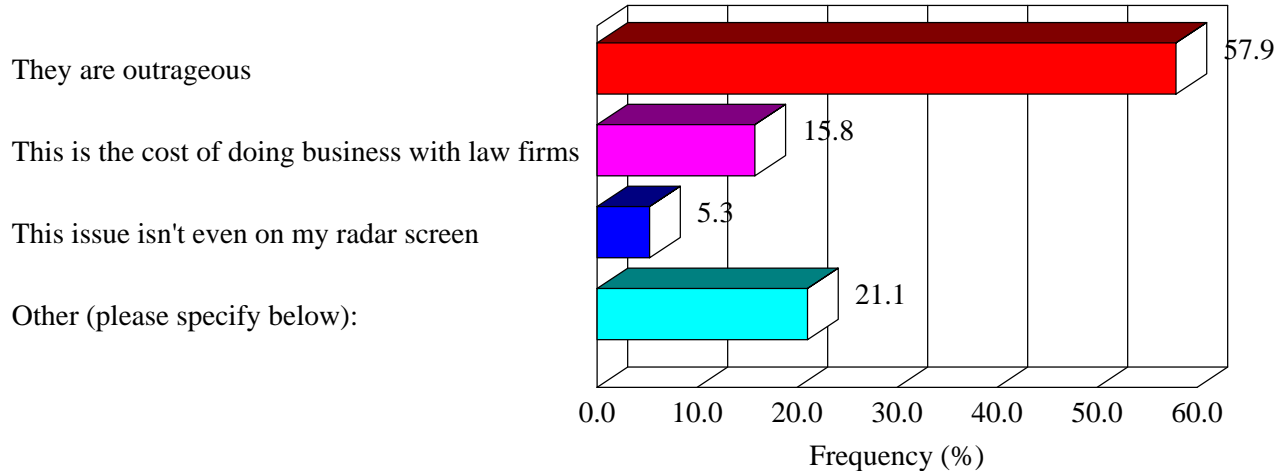
Comments regarding panel firms contact

- I have contacted them to express my concern.

If no, do you think they should contact you?



4. What are your general thoughts regarding this newest round of increases in starting associate salaries?



Other thoughts regarding increases in starting associate salaries

- Law firms are presently riding high on high utilization rates. It will not always be this way. In economic terms, law firms are causing "demand destruction." Over time, clients will learn how to demand less legal services from the major firms, and they will be left with squadrons of over-priced, under-utilized associates who they will have to surplus. Markets have a way of correcting themselves.
- May cause us to use second tier firms more aggressively on certain matters.
- This is just one more factor that goes into the selection of law firms. The big pricey firms are only going to get tapped by us when we absolutely need that kind of lawyering, and we are going to insist on budgets and ridge herd on the process. The tension level just keeps increasing between the outside firms and the inside departments.
- Already limited use of 1st year associates on our matters prior to this increase.
- It's making us seriously evaluate our outside counsel selection more urgently than we have done in the past.
- Affects our ability to recruit talented in-house counsel.
- They need to be discussed, negotiated and part bundled into preferred fixed fee - type arrangements.
- This shows indifference to clients who, unlike hedge funds, etc., have budgets to meet.
- We anticipate some increases, but we are resisting any increases greater than 5%.
- We typically do not hire starting associates, however, attempt to stay abreast of the market.
- The raises are unfortunate and disappointing; in many cases will have unintended consequences for both firms and the associates (making it harder for firms to provide the training they owe to the associates and putting increasing pressure on associates to bill hours) - none of which is in the best interests of the client.
- The issue is not how much entry level attorneys are being paid, but how much I am paying to get certain work done. I expect to pay what the work is worth, and I don't really care about the firm's costs. So I am just as likely to get a very senior person to put in one hour as opposed to a first year putting in 3 hours, and my service providers know that.