

# Client AI Transparency Report – Template

*A one-page report you send a client at matter-end (or quarterly for ongoing relationships) showing exactly how AI was used on their work. Builds trust. Pre-empts panel-RFP questions. Differentiates your firm.*

**From HitLai Institute – Module L3: “Making AI Billable”**

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## WHY THIS EXISTS

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Sophisticated clients in 2026-2028 want three things from outside counsel using AI:

1. **Transparency** – what AI did, what it didn’t do
2. **Verification proof** – that a licensed attorney supervised AI’s work
3. **Privilege protection** – that their data didn’t leak to a third-party AI service

Most firms communicate none of this proactively. The firms that DO send a one-page AI Transparency Report at matter-end are the firms that: - Get re-hired at higher rates - Win panel placements competitors can’t get on - Pre-empt the awkward “wait, was AI involved?” conversation that ends with a fee adjustment

This is the opposite of what most lawyers’ instinct says. Disclosing more, not less, is the differentiator.

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## TEMPLATE – MATTER-END VERSION

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Use this when sending a final invoice or closing a matter. One page, professionally formatted.

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[Firm Letterhead]

**AI-Assisted Services Summary – Matter [Matter Name / Number] Period:** [Start date] – [End date]

Dear [Client Name],

As we close out [Matter Name], we want to share a brief summary of how artificial-intelligence tools were used in support of your matter, consistent with our firm’s AI-disclosure policy and ABA Formal Opinion 512.

**AI was used to assist with the following activities:**

Legal research summarization (cases reviewed: \_\_, summaries verified by associate)

Document drafting starter (documents drafted: \_\_, finalized by [Associate Name] under supervision of [Partner])

Discovery document review (documents tagged: \_\_, all responsive and privilege calls verified by attorneys)

Contract abstraction (contracts processed: \_\_, key terms verified)

Calendar entry generation from extracted dates (deadlines tracked: \_\_)

Internal status updates and matter tracking

Other: \_\_\_\_\_

**AI was NOT used for:**

- Final court filings (drafted and verified by attorneys)
- Strategic litigation decisions
- Client communications regarding substantive legal advice
- Settlement negotiations or fee determinations
- Anything legally binding or executed

**Verification protocol applied to all AI-assisted output:**

- Reviewing attorney: [Name, Bar #]
- Citation verification: every case and authority verified at the source (Lexis/Westlaw)
- Supervising partner: [Name]
- Any AI-assisted output sent externally was reviewed and verified by a licensed attorney before transmission.

**Privilege protection:**

Your matter’s privileged information was processed using [self-hosted AI inside our firm’s network / a private-tenant cloud deployment with contractual no-training and tenant-isolation commitments]. No privileged material was sent to public AI services.

**Time and fee impact:**

AI assistance reduced the time required for routine drafting and research activities by approximately % **on this matter. Your fee reflects the actual time spent, not the time the work would have required without AI assistance. The total fee savings attributable to AI efficiency on this matter: approximately \$\_\_\_\_\_.**

**Questions:**

If you have any questions about how AI was used on your matter, or about our firm’s broader AI policy, please contact [Partner Name] at [email/phone].

Sincerely, [Partner Name] [Title]

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**TEMPLATE – QUARTERLY VERSION (FOR ONGOING CLIENTS)**

For retainer/General Counsel relationships, send a quarterly version covering all matters in the period.

[Firm Letterhead]

**Quarterly AI-Use Summary — [Client Name] Period: [Quarter, Year]**

Dear [Client Name],

As part of our commitment to transparency about how artificial-intelligence tools support your work, we're sharing a quarterly summary covering the matters we handled for you during [period].

**Matters covered in this period:** - [Matter 1] - [Matter 2] - [Matter 3] - [...]

**AI assistance summary:**

- Total AI-assisted activity hours: \_\_
- Total attorney supervision hours on AI-assisted work: \_\_
- Citations verified: \_\_ (100% verification rate)
- Documents tagged in discovery: \_\_ (with \_\_% sample-validation accuracy)
- Drafts generated: \_\_ (all finalized by attorneys)

**Privilege protection during this quarter:**

All work on your matters was processed using [self-hosted / private-tenant] AI infrastructure. Public AI services were not used on any matter-specific data.

**Fee impact this quarter:**

AI efficiency on your matters during this quarter reduced billable time by approximately %, **reflected in your invoices. We estimate total fee savings of approximately \$\_\_\_\_\_.**

**Forward-looking notes:**

[Any changes to the firm's AI policy, new tools deployed, training completed, etc.]

If you'd like a more detailed walkthrough of how AI was used on any specific matter, please let us know.

Sincerely, [Partner Name] [Title]

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**TEMPLATE — PANEL-RFP RESPONSE VERSION**

When responding to a panel RFP that asks about AI use:

**Section: Use of Artificial Intelligence**

[Firm Name] uses AI tools as part of our standard practice, consistent with ABA Formal Opinion 512 and our state bar's guidance. Our approach is structured around four commitments:

**1. Disclosure.** Every engagement letter we issue includes an AI-use disclosure clause. We provide matter-end summaries documenting AI assistance and verification on substantive matters.

**2. Supervision.** All AI-assisted output on your matters will be reviewed and verified by a licensed attorney before any external use. Citations are verified at the source. Partners supervise associate work whether AI-assisted or not.

**3. Privilege.** Privileged material on your matters is processed using [self-hosted infrastructure inside our firm’s network / private-tenant cloud deployment with contractual data-handling protections]. We do not use public AI services on any privileged matter.

**4. Billing.** Our fees reflect actual time spent. When AI reduces the time required for a deliverable, you see it in your invoice — not in our bottom line alone. We track AI-assisted time separately and can provide audit-quality detail on request.

**Documentation we provide on request:** - Firm AI Use Policy (current version) - ABA 512 Compliance Checklist (firm-internal, completed quarterly) - AI Disclosure Clause (template included in engagement letters) - Privilege Protection Setup (deployment details available under NDA) - Sample AI Transparency Report (matter-end summary)

**Point of contact for AI-related questions:** [Name, Title, email, phone]

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## WHEN TO SEND EACH VERSION

When	Template	Goal
Matter close (significant matter)	Matter-end version	Trust + retention
End of each quarter for retainer clients	Quarterly version	Relationship maintenance
Panel/RFP response	Panel-RFP version	Win the placement
Annual GC review	Combined annual version (custom)	Renewal of relationship
When client asks “are you using AI?”	Live walkthrough using these templates	Diffuse anxiety, build trust

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## TONE GUIDANCE

- **Plain language, not legal jargon.** The audience is your client, not your bar association.
- **Specifics, not generalities.** “37 contracts processed, 100% verified” beats “we used AI to help with contracts.”
- **Honest about what AI did and didn’t do.** If you didn’t use AI on something, say so. Empty checkboxes are credibility.
- **No defensiveness.** AI use is a feature, not an apology.
- **Quantify where possible.** Hours saved, citations verified, documents reviewed — numbers build trust.

## WHAT NOT TO DO

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- ✗ **Don't bury AI disclosure in fine print.** Lead with it; don't hide it.
  - ✗ **Don't claim AI did less than it actually did.** If AI drafted, say AI drafted; the safety is in the verification, not in pretending AI didn't help.
  - ✗ **Don't use boilerplate that doesn't fit the matter.** A litigation matter and a transactional matter use AI differently — your reports should reflect that.
  - ✗ **Don't promise privilege protections you can't prove.** If you're using a private-tenant cloud, say so accurately. Don't claim self-hosted if you're not.
  - ✗ **Don't send these to clients who haven't been informed about AI use in advance.** Engagement-letter disclosure (L1-02) comes BEFORE the matter-end report. Reports are confirmation, not first notice.
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## THE COMPETITIVE EDGE

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In 2026, most firms will not be sending these reports. By 2028, sophisticated clients will be requiring them.

Firms that lead the transition: - Win panel placements competitors lose - Charge higher rates than firms that hide AI use - Get re-hired at higher rates by repeat clients - Avoid the awkward fee-adjustment conversation - Build a reputation as the firm clients trust with their most sensitive work

The cost of producing these reports is minutes, not hours, when AI infrastructure is already in place. The cost of NOT producing them — measured in lost panel placements and damaged client trust — is far higher.

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## THE HITLAI / AICTRLNET ANSWER, IN ONE LINE

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AI tools, your team, your systems — running together, safely.

For a law firm: AI logs every interaction with attorney + matter attribution. Verification status tracked per output. Reports auto-draft from the audit log at matter close or quarter end — your billing partner reviews, edits the narrative line, sends. Your DMS, billing, and client-communication systems all coordinate around honest, defensible transparency. Every step auditable.

**Want a partner-meeting-ready walkthrough of how to operationalize transparency reporting for your client base?** That's Module L3 — the 60-minute strategy session. → [hitlai.net/institute](https://hitlai.net/institute)

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*This template is not legal advice. It is operational guidance and should be adapted to your firm's specific practice areas, client base, and jurisdictions under the supervision of your firm's general counsel.*

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