

# Automating decision-making in commercial transactions

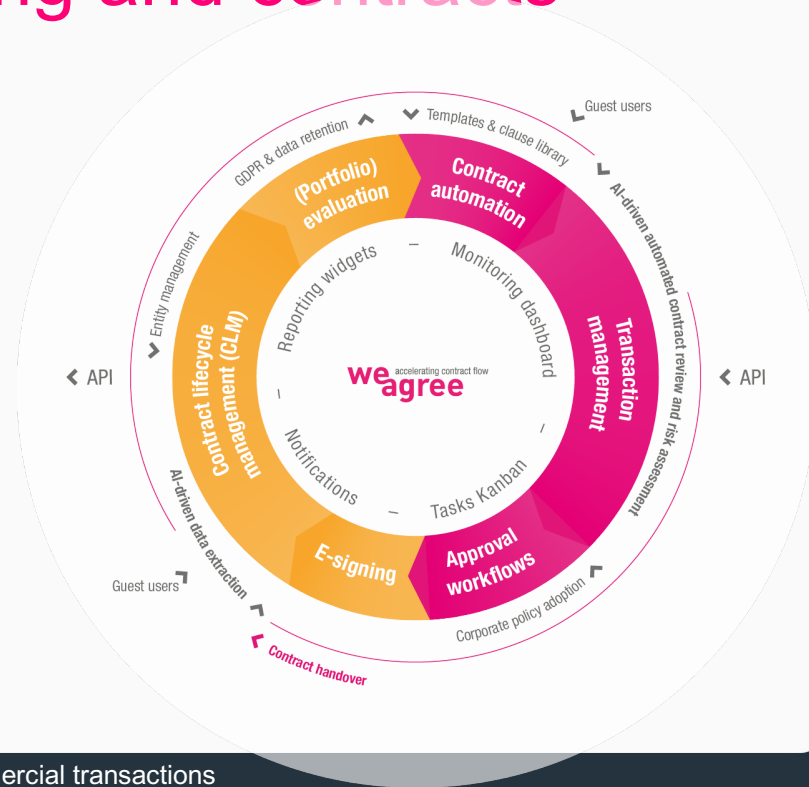
Legal tech point-of-view

Willem Wiggers (Weagree)



# Automated decision-making and contracts

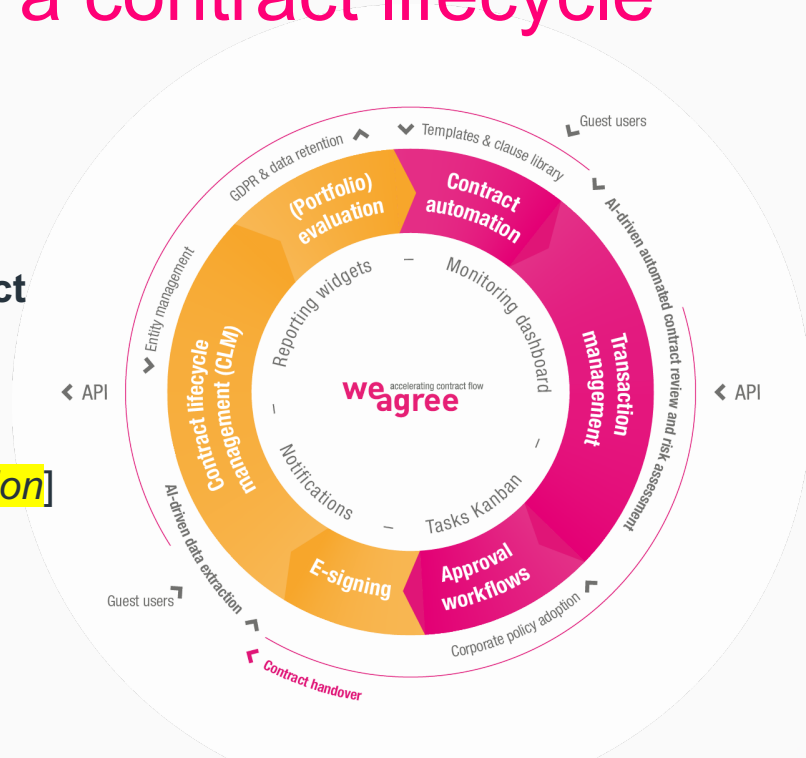
**Contracts** involve many stakeholders and **contracting** many intertwined sub-processes. “Accelerating” means automating every such sub-process: creating flow.





# Decision-making points in a contract lifecycle

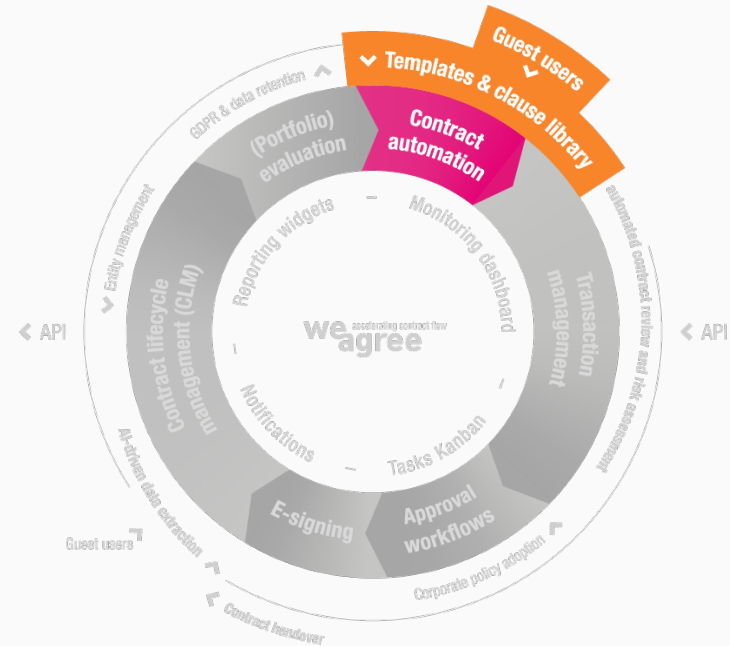
- ☐ **Contract automation** (creation first-draft agreement) [automation]
- ☐ **Review third-party-originating draft contract** [AI-review]
- ☐ **Approval workflows** [automation]
- ☐ **Contract handover** [AI-summary] + [automation]
- ☐ **Contract registration** [AI-data extraction]
- ☐ **Portfolio analysis** [AI-review]





# Contract automation (creation)

- Selection contract type
- Data input (data from ERP, CRM, )
- Questionnaire on transaction-particularities and context
- Data input (clause library)
- Data input (guest users: supplier, customer, partner, etc.)







Head of legal



Services agreement (procurement)

Global questions

- > Parties block - the standard
- > ✓ Whereas
- > ✓ Definitions and Interpretation
- > ✓ Scope of the Agreement
- > Parties block - the standard
- > ✓ Service level
- > ✓ Work changes
- > ✓ Steering committee
- > Parties block - the standard
- > ✓ Delivery and acceptance testing
- > ✓ Reporting and evaluation
- > Parties block - the standard
- > ✓ Payment
- > ✓ Intellectual property rights
- > ✓ Confidentiality short
- > Parties block - the standard
- > ✓ Warranty
- > ✓ Infringement of Intellectual property rights
- > Parties block - the standard
- > ✓ Term and termination
- > Parties block - the standard
- > ✓ Miscellaneous
- > Parties block - the standard
- > ✓ Dispute resolution - complete

Responsible legal counsel: Joop Z. Sweetmilk

Describe this contract entry in a few words (for your Draft or negotiate page):

Development of a contract creation app

Select or enter the details of Customer:

Weagree B.V.

Select or enter the details of Service Provider:

Mont Ventoux Opportunities PLC

The purpose of this agreement entails:

- ☐ The secondment of individuals (or a general, simple scope of services)
- ☒ Project-structured services resulting in a Work
- ☐ Project-structured, with milestones, resulting in a Work

The result or subject of this agreement will be referred to as the:

Contract Creation App

Previous

Next



2. **Mont Ventoux Opportunities PLC**, a public limited company incorporated under the laws of England, with its registered offices at Knob Hill 5, London WV1R 1DP, England (**Service Provider**).

Both parties are collectively referred to as the **Parties** and individually also as a **Party**.

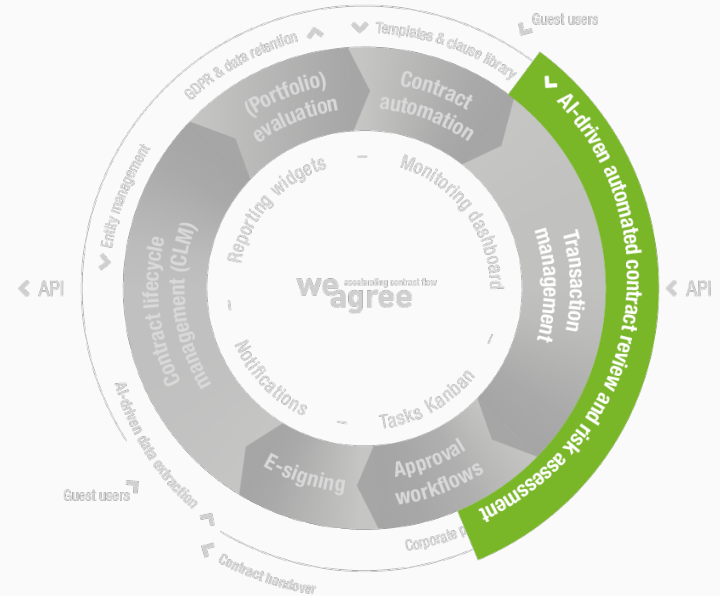
1. **Weagree B.V.**, a private limited company incorporated under the laws of the Netherlands, with its registered offices at Gedempt Hamerkanaal 149, 1021 KP Amsterdam, the Netherlands (**Customer**); and

Automated development of a contract creation app by **Mont Ventoux Opportunities PLC**, a public limited company incorporated under the laws of England, with its



# Review third-party-originating draft contract

- **AI-review** (benchmarked against own policies for the type of contract)
- **AI-risk assessment** (risk rating of relevant clauses and red flags)
- **Add own clauses** where deviations are unacceptable
- **Finetune wording**







AI-review and risk assessment

- This Distribution Agreement
- Interpretation
- Appointment and scope**
  - Appointment
  - Non-exclusive distributorship
  - Webshops and online resale
  - Scope amendments
  - Assistance to Key Customers
- Obligations of Distributor
- Obligations of Supplier
- Ordering and delivery
- Terms of resale
- Prices and payment
- Intellectual property rights
- Limited warranties
- Limitations of liability
- Force majeure
- Confidentiality
- Term and termination
- Consequences of termination
- Miscellaneous
- Applicable law and
- General conditions
- IP Rights

of this Agreement, the latter prevails.

2. Appointment and scope

- 2.1 Appointment. Subject to the terms and conditions of this Agreement, Supplier hereby appoints Distributor as its distributor for the marketing, distribution and resale of the Products for its own risk and account in the Market and the Territory on
- 2.2 Non-exclusive distributorship. Supplier is not restricted in any way from marketing, selling or distributing the Products in the Market and the Territory, through its own operations, operations of its Affiliates or by appointing other distributors, agents or other representatives
- 2.3 Webshops and online resale. Distributor is entitled to resell the products online, via email or any other electronic means in the Territory, provided that any website, e-mail or other electronic means used for this purpose is not specifically targeted at potential customers outside Distributor's scope of distributorship
- 2.4 Scope amendments. Supplier is at any time entitled to reduce or change the Products, (the demarcation of) the Territory or the Key Customers upon reasonable prior written notice to Distributor, if any special circumstances, at the discretion of Supplier make such reduction or change reasonably desirable, provided that Supplier shall not reduce or change the Products the Territory or the Key Customers for the benefit of another distributor, agent or representative of Supplier
- 2.5 Assistance to Key Customers. If so requested by Supplier, Distributor shall assist in keeping up Supplier's contacts with Key Customers by rendering certain general auxiliary services to be agreed between the Parties on a case-by-case basis
- 3. Obligations of Distributor
  - 3.1 General. Distributor shall resell the Products to Customers and actively market the Products in the Market within the Territory. Distributor shall carry out its obligations under this Agreement at its own expense.
  - 3.2 Specific responsibilities. Without limiting the generality of Section 3.1, Distributor shall:
    - (a) As regards sales:
      - (i) establish a sales organisation suitable for the effective sales of the Products;
      - (ii) keep a level of stocks of the Products necessary to meet Customers' requirements;

Delete

Analyse

Click to tag or assess risk

- Parties
- Operational (delivery, training)
- Commercial aspects (non-financial)
  - Market or Territory
  - Territory (geographical scope)**
  - Market description
  - Exclusive or sole
  - Selective distribution
  - Minimum purchase
  - Termination exclusivity
  - Permission for sub-distributors or dealers
- Financial arrangement
- Duration and termination
- Legal aspects and IP
- Miscellaneous provisions

Tagged clause and risk assessment

Selected text: Territory means the territory of France

Selected text classification: Word, phrase or sentence

Contract field: Territory (geographical scope)

Contract value: the territory of France and Guadeloupe

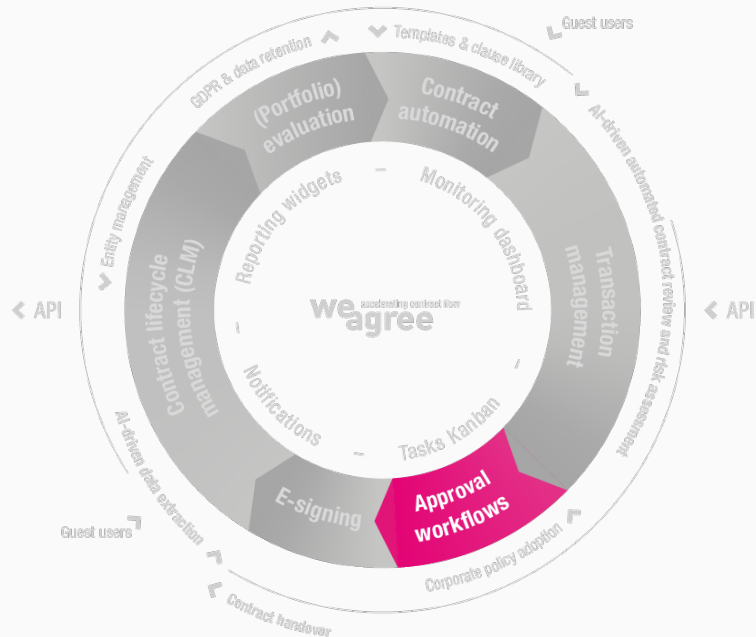
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Remove



# Approval workflows

- Automated involvement of stakeholders
- Corporate policy communications
- Logging (audit trail)





# Risk assessment (professionalising)

Risk categories (example):

- Commercial risk
- Financial risk
- Operational risk
- IT security risk
- Reputation
- Non-compliance (laws and regulations)
- Compliance risk (quality assurance)
- IP-rights risk
- Legal risk
- GDPR risk (data protection, retention, integrity)
- Compliance risk (laws and regulations)

The **risk exposure** is expressed as a factor of:

- the **likelihood that the risk materialises** and
- its **potential impact**.

Likelihood / Impact	High	Medium	Low
High	H	H	M
Medium	H	M	L
Low	M	L	L



Discuss with a colleague (type @ to see and select who) or leave a note-to-self

Save

Garree Knetemann (Legal)

30 July 2021 12:53

OK. Let's see what @ChronoJ and @CEOF decide. Note that a duration of 5 years seems excessive (may be problematic under competition law – I will get back on that).

Reply

Garree Knetemann (Legal)

30 July 2021 12:39

@VroomC Can you explain why this should be exclusive?

Regarding question:  
The appointment will be:

Reply

Chris Vroom

@Garree Knetemann (Legal) 30 July 2021 12:41

It is probably our only chance to enter the US market through a distributor with such sales channel. Because there are no such opportunities to be expected in the next few years, an exclusivity does not harm. Their reputation is impressive.

Reply

Chris Vroom

30 July 2021 12:34

This is the opportunity I was talking about. They want to start next week and work with us exclusively. This will accelerate entering the American market – not to be missed!

Reply

EN FR NL Eddy Mr X 3 logout

my wizard tasks draft or negotiate approve contract my signed contracts search analyse or report

Contract approval status ☐ Approved by Eddy Mr X on 7/30/2021

	Date	Reviewer	Contract approval	Approval unit
●	30.7.2021	Eddy Mr X		
●	30.7.2021	Eddy Cannibale (Fin)	Sales - High-value contracts	Finance - Senior controller (TCV)
●	30.7.2021	Raymond Poupou (Fin)	Sales - High-value contracts	Finance - BU controller (TCV)
●	30.7.2021	Fausto Coppi (CEO)	All contracts - General check and fin...	Approval CEO
●	30.7.2021	Jacques A. Chrono (CFO)	Sales - High-value contracts	Finance - CFO on Total contract valu...
●	30.7.2021	Garree Knetemann (Legal)	All contracts - Legal check	Legal - Compliance with policies and...
●	30.7.2021	Chris Vroom		

	Workflow	Question
***	All contracts - General check and final approval	
***	All contracts - Legal check	Change of control (Clause Inclusion)
***	All contracts - Legal check	Exclusive or sole (global question, C...
***	Sales - High-value contracts	DA_Total contract value (global que...

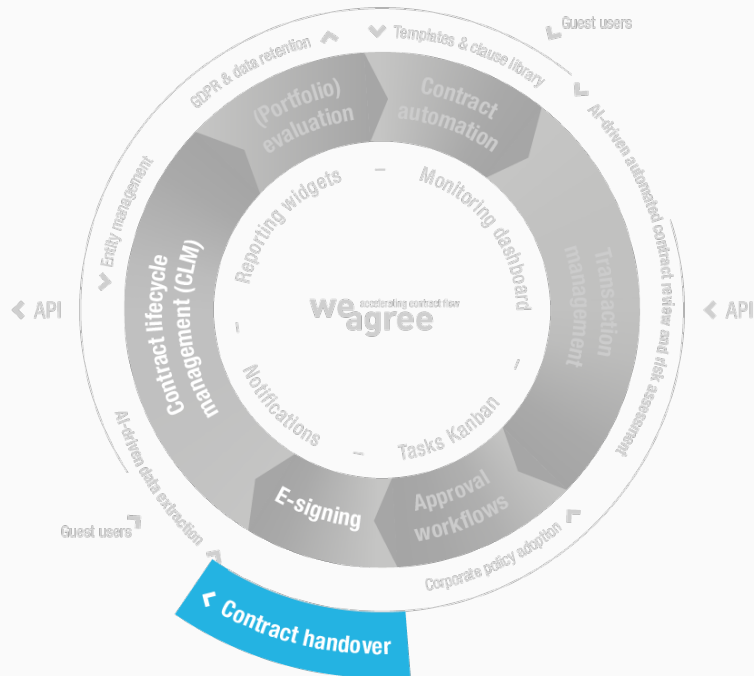
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# Contract handover

Summary of transaction specifics to:

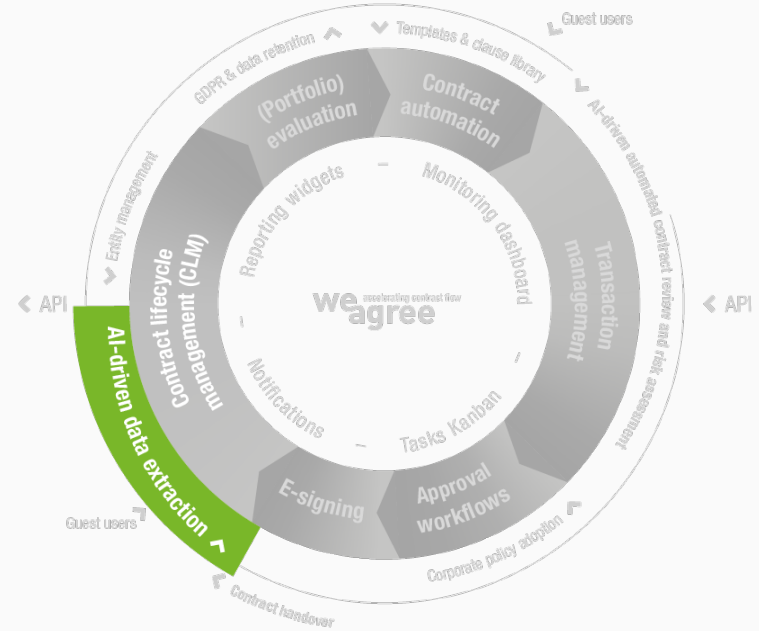
- Operations team
- Service delivery team





# CLM – contract registration

- Extract contract metadata
- Expanded CLM capabilities (extract more metadata thanks to AI-review)

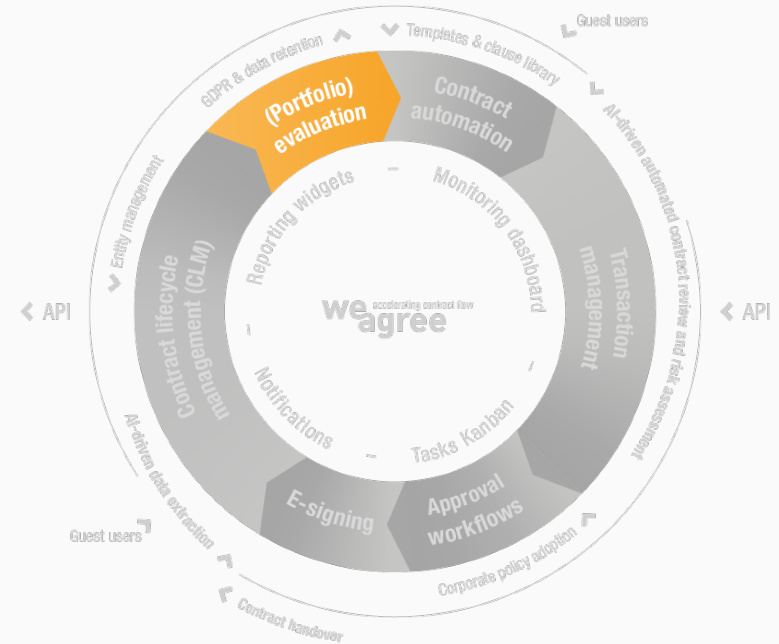




# Portfolio analysis and reporting

AI review of a large volume of contracts:

- Related to a business
- Of a certain contract type
- For a certain value





# Data exchange (and data integrity)

A powerful API (for integration of data):

- A condition for automation
- An accelerator for AI





Average value distributorships

€7,727,188

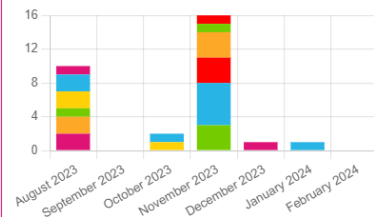
Countries where we do business



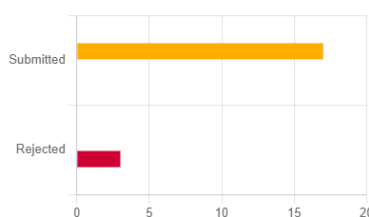
Pending business transactions

633

Contracts in my user groups (templates split)



Contracts pending approval by colleagues



Pending e-signing (status not-signed)

	Description		
	Services agreement AI-development work		
	GPA - Strategic supply of windmill wings		
	NDA (research process elements)		
	NDA for developing tech and assessing a resell...		
	Online communications support (Europe)		

Procurement (supplier location)



Average time to approval

4<sup>h</sup> 5<sup>m</sup>

Average time to e-signing

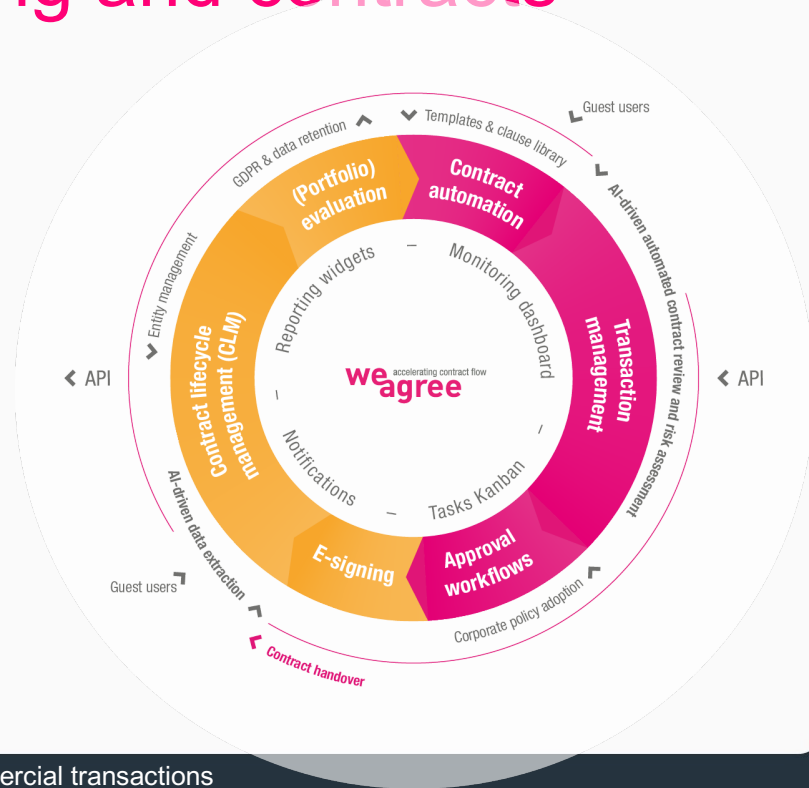
1<sup>h</sup> 13<sup>m</sup>



# Automated decision-making and contracts

**Contracts** involve many stakeholders and **contracting** many intertwined sub-processes.

“Accelerating” means automating every such sub-process: creating flow.





**we** accelerating contract flow  
**agree**