

Webinar: Tuesday, July 9



# AI Driven Contract Management - Speed and Control CAN Co-exist

PRESENTED BY



**PEGGY BARBER**  
REGIONAL CEO AMERICAS AND  
GLOBAL GENERAL COUNSEL, IACCM

**ARTHUR RAGUETTE**  
EXECUTIVE VICE PRESIDENT, ULTRIA



## Peggy Chang Barber

Regional CEO Americas and General Counsel, IACCM

Peggy is a passionate advocate for the importance of driving excellence in contracting and the commercial management function to business success.

She joined the International Association of Contract and Commercial Management (IACCM), a global non-profit focused on driving contracting excellence, last October after a long and successful career at HP where she led global strategic initiatives and held many leadership roles that helped her build knowledge and expertise in contracting.

Peggy enjoys developing innovative solutions to complex challenges that drive contracting and commercial excellence, and she looks forward to collaborating with those who share her passion for driving excellence and innovation in contracting and commercial management across functions.



## Arthur Raguette

**Co-founder & Executive Vice President,  
Ultria**

Mr. Raguette is very passionate about the application of innovative technologies to solve real-world business problems with a strong emphasis on enterprise solutions.

Arthur has more than two decades of experience in working in Information Governance domains across industries. Arthur's prior technology passions included high-performance B2B middleware, SaaS deployed master data governance platforms and hybridized SaaS applications for HR, and Employee domains.

# AGENDA

- **The Changing Face of Contract Management**
- **Artificial Intelligence in Contract Management**
- **Predictive AI for contract management**
  - Contract content insights
  - Contracting process insights
- **Robotic process automation (RPA)**
- **Natural language processing (NLP)**
- **Advanced Analytics**
- **About Ultria**
- **Summary and Q&A**



# Factors affecting change in Contract Management

- Growing regulations
- Security threats
- Stricter governance
- Globalization
- Increased responsibilities
- New organizational risks
- Digitization



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# AI driven Contract Lifecycle Management

*According to PricewaterhouseCoopers, an average Fortune 2000 company now maintains 20,000-40,000 active contracts at any given point.*

- Contracts form the foundation of business transactions and if utilized appropriately, can contribute to refined decision making and business growth
- With the immense amount of critical data they hold, having the power to extract and utilize this data can make a huge difference to business efficiencies
- Artificial intelligence turns contracts into a power house of strategic information and enables simultaneous speed & control throughout contract lifecycle

## **AI driven applications in Contract Management:**

- Machine learning powered Predictive AI for 'Contract Content Insights' and 'Contract Processing Insights'
- Natural Language Processing with Semantic analysis
- Robotic Process Automation (RPA)

## **Benefits of applied AI in Contract Management:**

- Increased contract efficiency
- Reduced contract turn-around-time
- Improved contract visibility
- Better compliance management
- Reduced costs and increased revenue

# Speed & Control with AI driven CLM

## **Speeding up the contract lifecycle with AI**

**AI powered CLM speeds up every stage of the contracting process from new request intake to contract sign-off**

- Reducing intake to best first draft time with Robotic Process Automation
- Reducing review and negotiation time with Semantic Analysis and Natural Language Processing
- Reducing time taken for sign-off through automated workflows and digital signatures

*Forrester Research's observation shows that CLM solutions shrink the timeframe required by legal teams to draft and review contracts by up to 80%.*



# Speed & Control with AI driven CLM

## Complete control of contract lifecycle with AI

AI CLM empowers organizations to effectively control the entire contract lifecycle, even post-sign off – *increasing accuracy by up to 40%*

- 360-degree visibility across all contract stages for a real-time view of all crucial contract information
- Third party parsing and auto-tagging for accurate clause comparison and drafting
- Pre-configured, automated workflows for increased transparency and accountability
- Increased pre-award compliance (smart clause library, hints, template library)
- Comprehensive post-award compliance (milestones, metrics, smart analytics and reports)

# POLL QUESTION #1

## Where do you lie in contract management maturity model?

1. We track contracts in Shared Drives or Email Folders
2. We have a Contract Repository solution
3. We have a Contract Authoring technology
4. Our contract technology helps track KPIs and is ERP integrated
5. We leverage Artificial Intelligence at each stage of contract management



# AGENDA

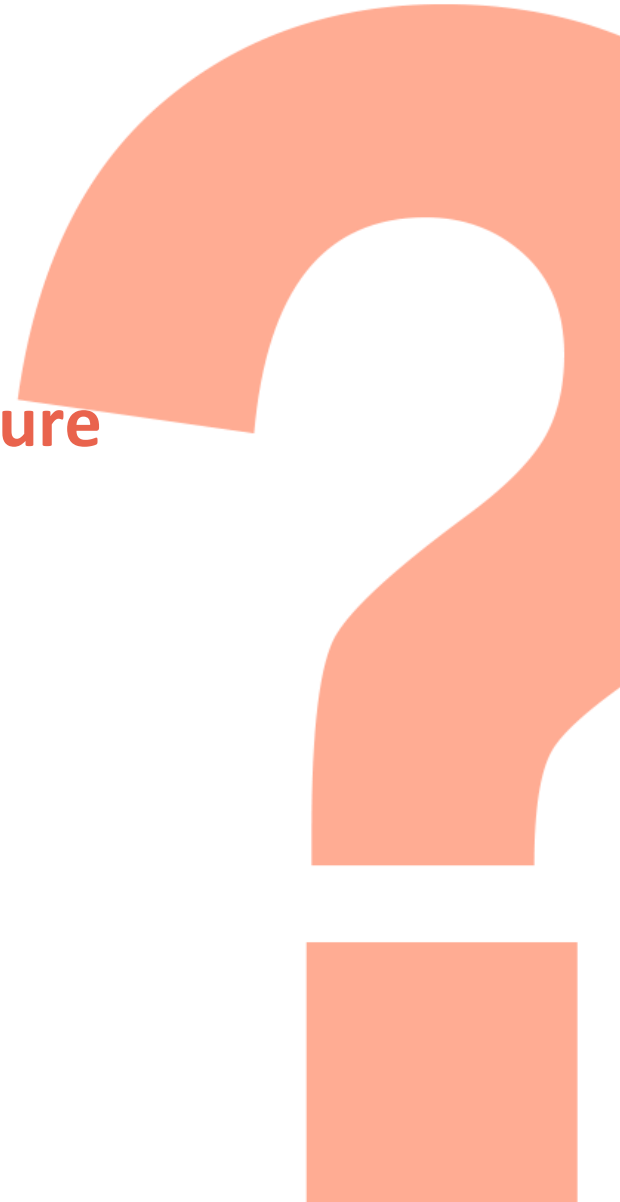
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# POLL QUESTION #2

What concerns do you envision a 'Future Tech AI driven' CLM addressing?

1. Predictive content insights
2. Smart contract parsing
3. Automated request intake
4. Risk analysis with smart predictions

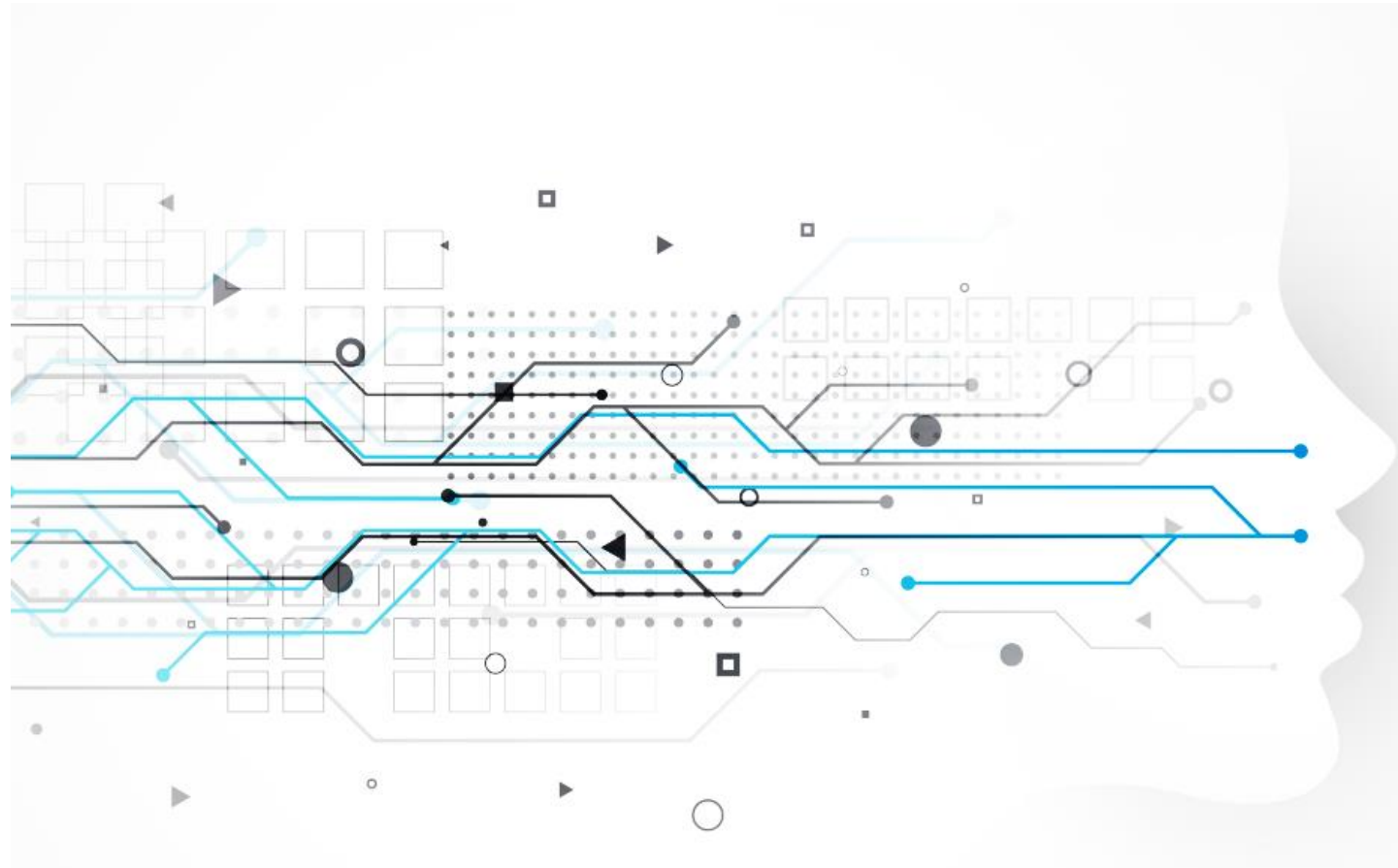


# Predictive AI for Contract Management

- Predictive intelligence, **using patterns discovered from past data to predict the future**, can contribute to at least two different types of insights to help make better decisions and close contracts sooner.

These are:

1. **Contract content insights**
2. **Contracting process insights**



# 1. Contract content insights

- AI-enabled wizard guides users to the right contract template and required clauses
- Machine learning uses past contract data to suggest the right clause to use and predict the time it could take to negotiate a certain clause
- E.g. Past patterns can show that changes to an indemnity clause are likely to require more negotiation and therefore more time





# 1. Contract content insights

## Risk modelling for Clause Variants

Clause variants give visibility into risks associated with each variant and help select the least risky option

The screenshot displays a user interface for reviewing contract clauses. It is organized into three sections, each with a title, a description of the clause, a 'When to use this text?' link, and a risk level indicator in a blue box. The risk levels are 1% for the Default Clause, 5% for the Alternate Clause, and 10% for the Fallback Clause. Each section also includes a 'Replace' button and an 'Actions' dropdown menu.

Clause Type	Risk Level
Default Clause	1% risk
Alternate Clause : 1	5% risk
Fallback Clause	10% risk

**Default Clause** Replace Default

Default Clause

Any notice given pursuant to this Agreement shall be in writing and shall be given by personal service or by XXXX certified mail, return receipt requested, postage prepaid to the addresses appearing at the end of this Agreement, or as changed through written notice to the other party. Notice given by personal service shall be deemed effective on the date it is delivered to the addressee, and notice mailed shall be deemed effective on the third day following its placement in the mail addressed to the addressee.

[When to use this text ?](#)  
Notices

1% risk

**Alternate Clauses** Add Alternate

Alternate Clause : 1

Any notice, statement or demand authorized by this Agreement to be given or made by the Warrant Agent or by the holder of any Warrant to or on the Company shall be sufficiently given when so delivered if by hand or overnight delivery or if sent by certified mail or private courier service within five (5) days after deposit of such notice, postage prepaid, addressed (until another address is filed in writing by the Company with the Warrant Agent)

[When to use this text ?](#)

5% risk

**Fallback Clause** Replace Fallback

Fallback Clause

Any notice, request, claim, demand, document and other communication hereunder to any Party shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by facsimile or certified or registered mail, postage prepaid.

[When to use this text ?](#)

10% risk

## 2. Contract processing insights

- Predictive AI, using past data and behavior, can predict how long a contract process might take to complete and where delays might arise
- This doesn't just help companies get a time estimate but also helps predict the timing impact of contract changes *before* you propose them.
- E.g. AI could tell whether a change suggested by a negotiator is worth incorporating by calculating the actual impact it will have on the contract versus the increase in time it will result in



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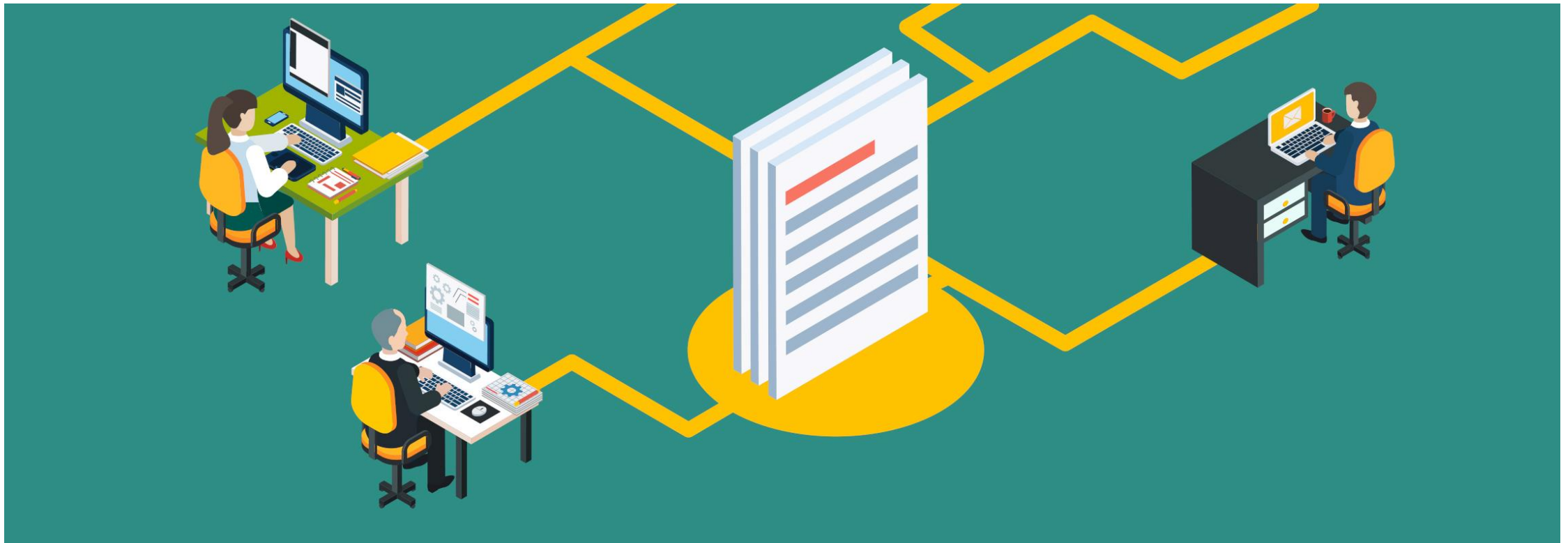
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# Robotic Process Automation

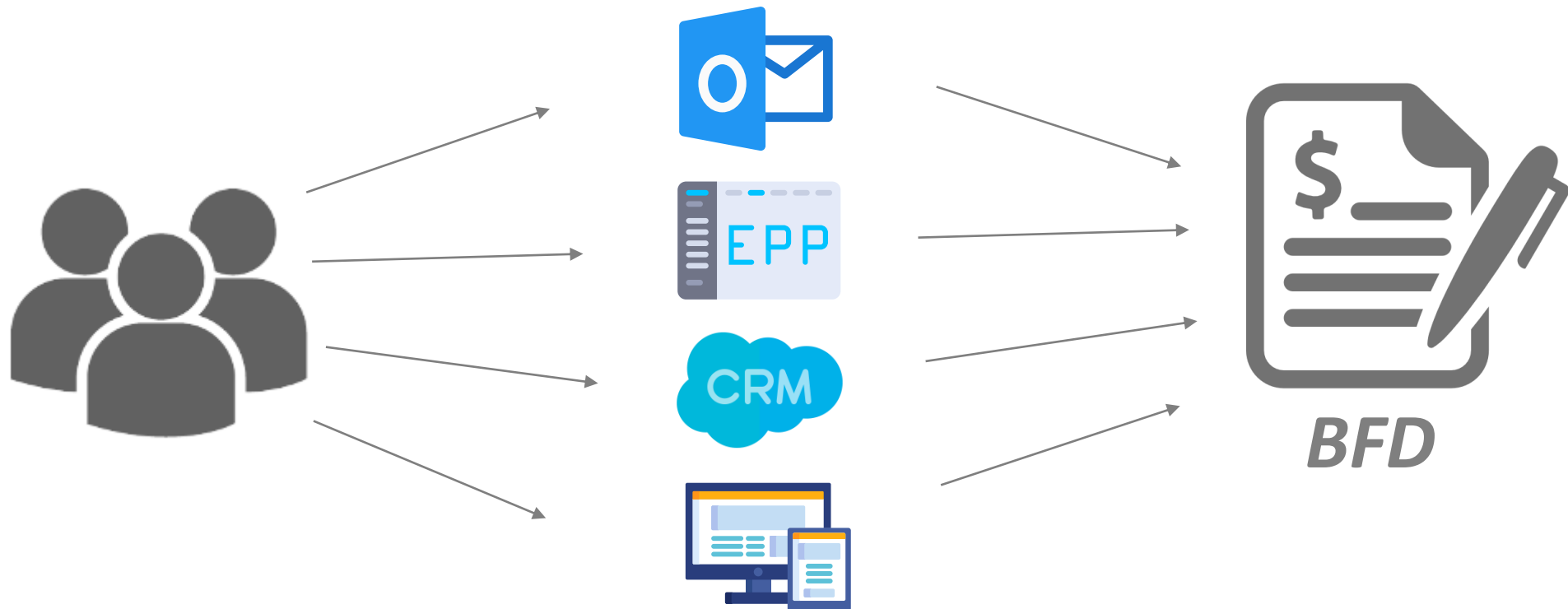
According to the IACCM Benchmark Survey 2018, **more than 60% of respondents** highlight that **automation initiatives are now a priority for their organizations.**

Use RPA to automate request routing to the right desk



# Robotic Process Automation

Robotic Process Automation (RPA) for request intake from everyday business platforms (MS Outlook, CRMs e.g. Salesforce, External Party Portal, Internal Portal etc.)



# Robotic Process Automation

Request generation based on simple guided forms – which auto populate a preapproved template

## Outlook

A screenshot of the Outlook 'Request New Contract' form. The form is titled 'Request New Contract' and includes the ULTRIA logo. It contains several dropdown menus for 'Contract Type\*' (Sales), 'Contract Sub Type\*' (Customer Agreement), 'Contract Party\*' (COOPER CORP (204142342)), and 'Contract Person\*' (Marvin Litz). Below these is a 'CONTRACT HEADER' section with 'Basic Details' including 'Contract Title\*' (Cooper Corp Sales Agreement), 'Sales Order Number', 'Currency', and 'Contract Category\*'. A 'Next' button is visible at the bottom right.

## Portal

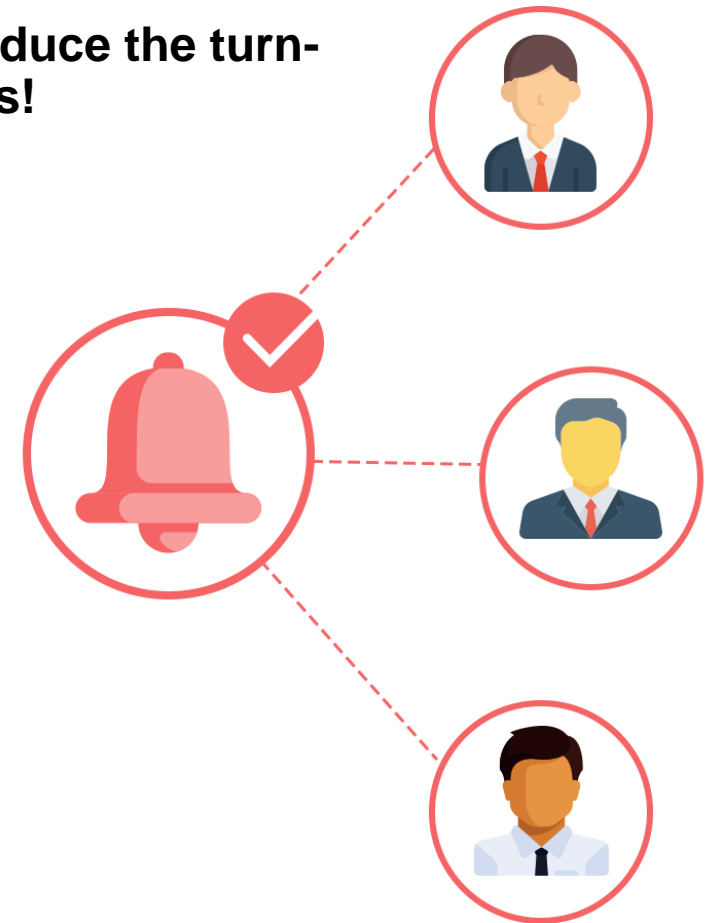
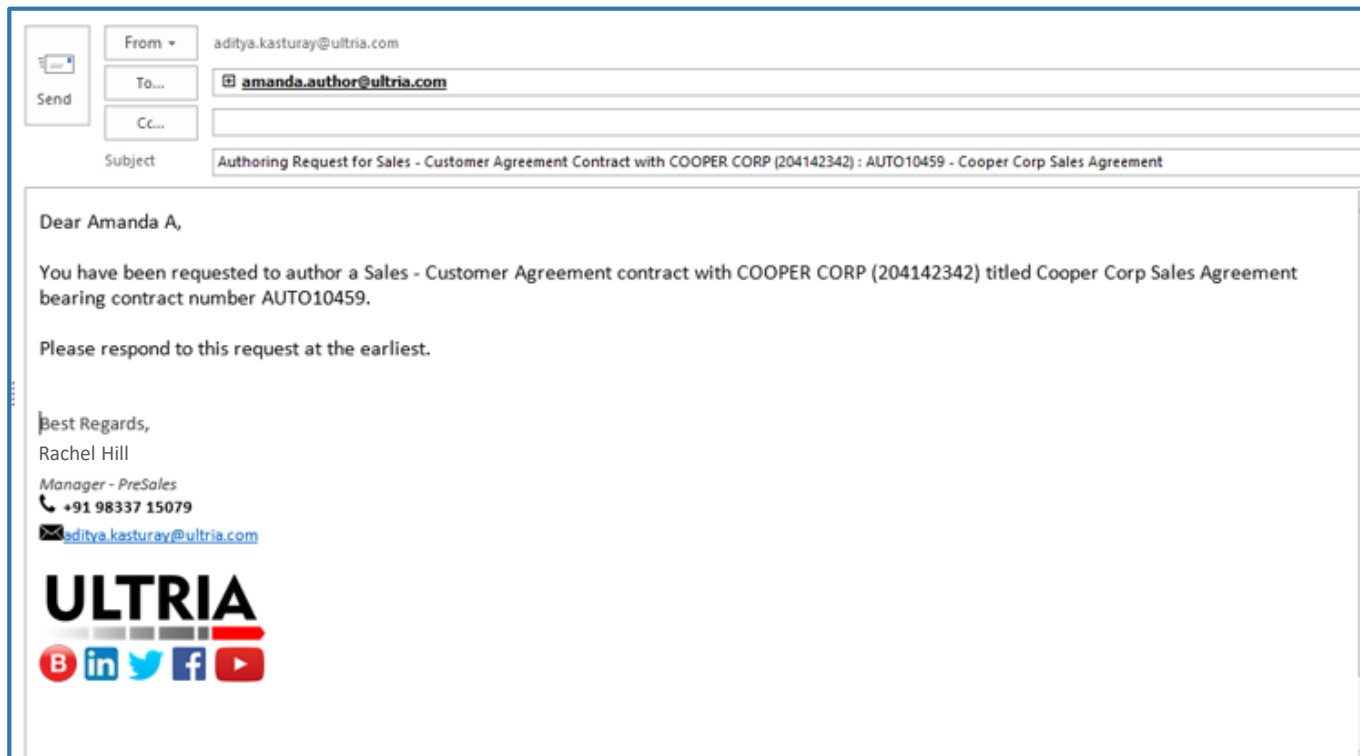
A screenshot of the 'New Contract Request' portal form. The form is titled 'New Contract Request' and includes a progress indicator with six steps: 1. Contract Type, 2. Business Unit, 3. Contracting Party, 4. Contract Details, 5. Supporting Documents, and 6. Contract Template. The 'Contract Type' step is active, showing a question: 'For which department are you requesting an agreement?'. Below this are buttons for 'Sales', 'Procurement', 'Legal' (selected), 'Federal Contracts', and 'Financial'. A second question asks 'What kind of agreement do you need?' with buttons for 'Non Compete Agree...', 'Non Disclosure Agre...' (selected), 'Intellectual Property...', 'Memorandum Of Un...', and 'Trademark License'. A 'Supplier NDA' button is also present. A 'Next' button is at the bottom center.

## CRM

A screenshot of the Salesforce CRM 'Ulria Contract Record' form. The form is titled 'Ulria Contract Record' and includes a 'Customer Contract' section. It contains several fields: 'Contract Title' (Customer Agreement), 'Contract Category' (Direct Goods), 'Special Comments / Considerations' (BU - USA), 'Total Value' (10000000), 'Effective Start Date' (14/11/2018), and 'Is Evergreen?' (checkbox). A 'Next' button is visible at the bottom right.

# Robotic Process Automation

- It then sends review and approval notifications to the right stakeholders, alerting them to respond quickly
- Using RPA for 'Contract request intake to Best First Draft' is known to reduce the turn-around time from a few weeks to as less as a few days or even hours!





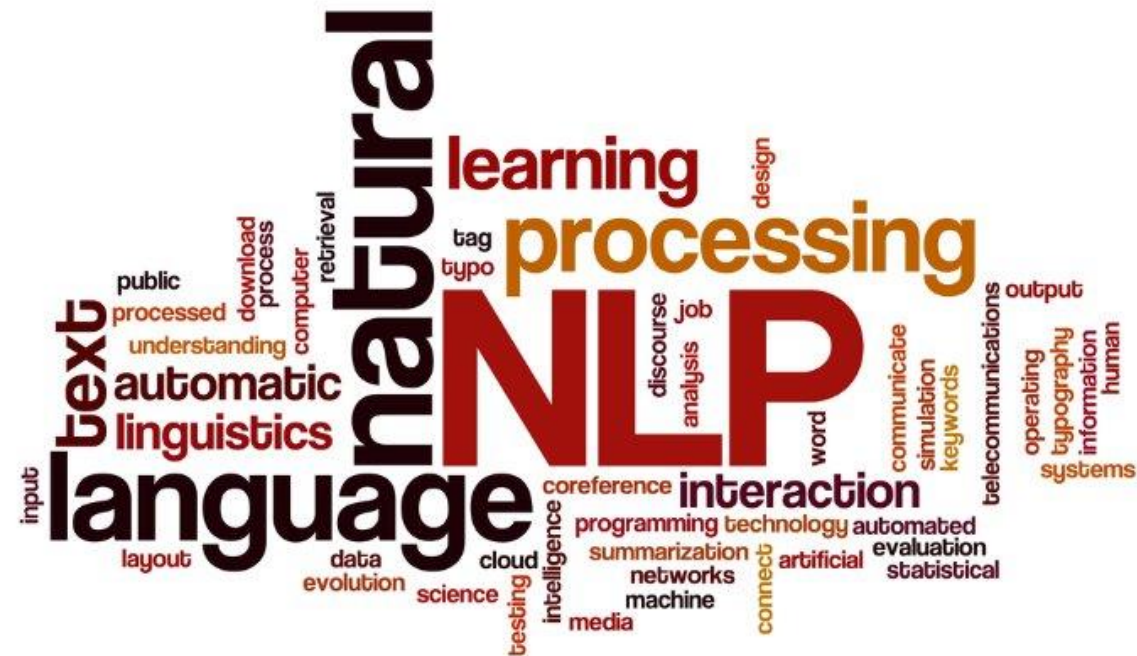
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# Natural Language Processing

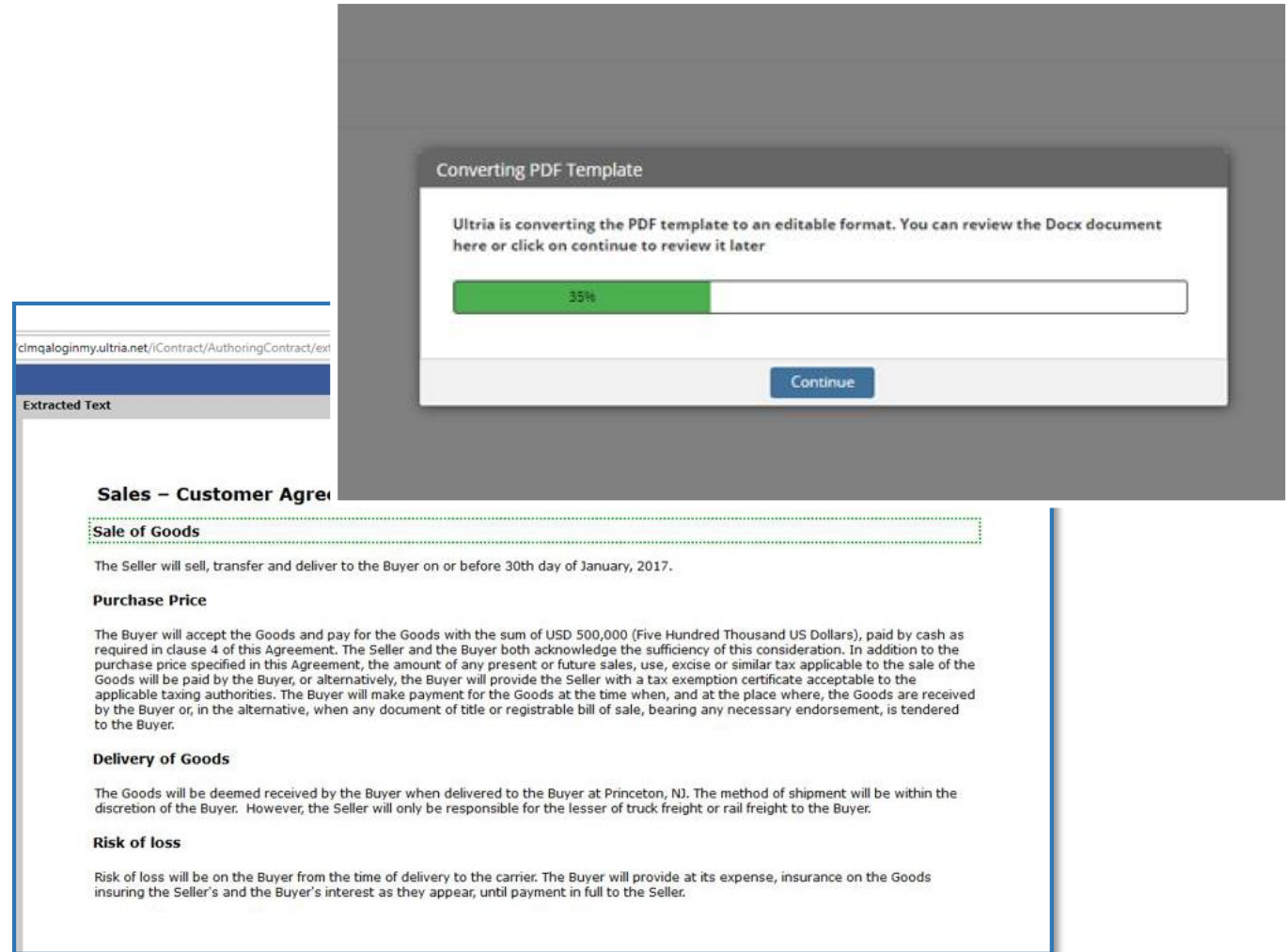
Incorporating Natural Language Processing (NLP) into AI powered contract management increases its efficiency :

- NLP allows contract groups to identify when contracts have deviated from their defined standards.
- The approval process -- and therefore the negotiation process -- moves much faster when negotiators can quickly be informed how close the current version of the contract is to standards.



# Natural Language Processing

- NLP parses External Party paper and legacy documents into different sections and clauses
- It rapidly finds, highlights and parses Terms, Clauses and Sections from Third Party



The image displays a screenshot of the Ultria web application. On the right, a modal dialog box titled "Converting PDF Template" is shown, indicating that the system is converting a PDF template to an editable format. The dialog includes a progress bar at 35% and a "Continue" button. On the left, a document preview is visible, showing the following extracted text sections:

**Sales – Customer Agreement**

**Sale of Goods**

The Seller will sell, transfer and deliver to the Buyer on or before 30th day of January, 2017.

**Purchase Price**

The Buyer will accept the Goods and pay for the Goods with the sum of USD 500,000 (Five Hundred Thousand US Dollars), paid by cash as required in clause 4 of this Agreement. The Seller and the Buyer both acknowledge the sufficiency of this consideration. In addition to the purchase price specified in this Agreement, the amount of any present or future sales, use, excise or similar tax applicable to the sale of the Goods will be paid by the Buyer, or alternatively, the Buyer will provide the Seller with a tax exemption certificate acceptable to the applicable taxing authorities. The Buyer will make payment for the Goods at the time when, and at the place where, the Goods are received by the Buyer or, in the alternative, when any document of title or registrable bill of sale, bearing any necessary endorsement, is tendered to the Buyer.

**Delivery of Goods**

The Goods will be deemed received by the Buyer when delivered to the Buyer at Princeton, NJ. The method of shipment will be within the discretion of the Buyer. However, the Seller will only be responsible for the lesser of truck freight or rail freight to the Buyer.

**Risk of loss**

Risk of loss will be on the Buyer from the time of delivery to the carrier. The Buyer will provide at its expense, insurance on the Goods insuring the Seller's and the Buyer's interest as they appear, until payment in full to the Seller.



# Natural Language Processing

- It can identify the differences in language as compared to the standard contract language
- In cases where contract clauses deviate excessive of certain percentage, these are directly routed to the legal teams for review and modifications

The screenshot displays the 'Contract Outline' view for 'Contract AUTO10768 with Innerwall, Inc., for Procurement - Service Agreement'. The interface includes a sidebar with navigation options like 'Contract Summary', 'Contract Details', 'Contracting Party', 'Contract Outline', 'Line Items', 'Documents', 'Milestones', 'Contract Timeline', and 'Author Review'. The main content area shows a list of contract sections with their respective text. A yellow highlight is placed over a deviation in section 1.12, 'Indemnification', which reads 'Indemnification 86.93%'. The text for section 1.12 includes:

**1.12 11. Indemnification**

(a) **Indemnity by Catcher.** Subject to the liability, remedy and damage limitations set forth in this Agreement, Catcher will indemnify and hold harmless Innerwall and its parent and affiliates, its and their successors and assigns and its and their shareholders, officers, directors, agents, employees and contractors, (collectively, the "Innerwall Indemnitees") from and against any and all loss or liability of any nature whatsoever cognizable at law (collectively, "Losses") resulting from third-party claims (including governmental entities) against a Innerwall Indemnitee, that may be asserted against the Innerwall Indemnitee by such third party, arising out of the breach by Catcher of its obligations under this Agreement or any wrongful act of Catcher in connection with any sale by Catcher of ENCLAVE™.

(b) **Indemnity by Innerwall.** Subject to the liability, remedy and damage limitations set forth in this Agreement, Innerwall will indemnify and hold harmless Catcher and its parent and affiliates, its and their successors and assigns and its and their shareholders, officers, directors, agents, employees and contractors, (collectively, the "Catcher Indemnitees") from and against any and all loss or liability of any nature whatsoever cognizable at law (collectively, "Losses") resulting from third-party claims (including governmental entities) against a Catcher Indemnitee, that may be asserted against the Catcher Indemnitee by such third party, arising out of: (i) the breach by Innerwall of its obligations under this Agreement and (ii) without limiting Innerwall's obligations under Section 12, below, Innerwall IP Claims.

(c) **Processing Indemnity Claims.** Whenever a third party makes a claim indemnified hereunder against a Catcher Indemnitee or Innerwall Indemnitee (the "Indemnified Party," as the case may be), upon receipt of such claim, the Indemnified Party will promptly give to the other party (the "Indemnifying Party") notice thereof and will, at no out-of-pocket expense to the Indemnified Party, cooperate with the Indemnifying Party with respect to the investigation and defense or settlement of such matter. The Indemnifying Party will, at its expense, including reasonable attorneys' fees, defend an Indemnified Party against claims for Losses, whether or not frivolous, that may be asserted against an Indemnified Party by such third party. The Indemnified Party shall have the right, without affecting its indemnity hereunder, to participate in the administration, defense and settlement of such matter at its own cost and expense and with counsel of its own choosing, but the Indemnifying Party will have the right in its sole, absolute, discretion to control such administration, defense and settlement in all aspects. The Indemnifying Party will have the sole, absolute right to settle the indemnified claim solely for money to be paid wholly by the Indemnifying Party. Any other settlement may be offered or made only with the prior written consent of the Indemnified Party, and the indemnified claim may, in all events, be settled only upon obtaining a full and unconditional release of the Indemnified Party.

**1.13 12. Third Party Claims of Infringement**

If Catcher receives notice of any claim that Enclave, or any module thereof, infringes a third party's United States patent or copyright or other intellectual property rights (an "Innerwall IP Claim"). Catcher will promptly give written notice of the Innerwall IP Claim to Innerwall in accordance with this Agreement. Innerwall, at its sole cost and expense, shall promptly investigate all such Innerwall IP claims. If Innerwall determines that the Innerwall IP Claim has merit, Innerwall may in its discretion instruct Catcher to cease the sale of Bundled Catcher Devices; Innerwall has no obligation to indemnify Catcher for any sales that occur after Innerwall has instructed Catcher to cease selling Bundled Catcher Devices, except for sales that are required by prior contractual commitments. Thereafter, Innerwall shall either procure Catcher the right to continue using Enclave, and any module thereof, and all rights and licenses necessary for Catcher to continue selling Bundled Catcher Devices; or modify or replace all or part of Enclave, or any module thereof, to avoid infringement. If Innerwall determines that it is not commercially reasonable to do either of the foregoing, as determined by Innerwall in its sole discretion, Innerwall may terminate Catcher's licenses and Catcher may terminate all future obligations of the parties under this Agreement. In the case of such termination, Innerwall shall refund to Catcher the all fees, including without limitation, Service Agreement fees paid to Innerwall in connection with the infringing product.

**1.14 13. Limitation of Liability**

NO PARTY IS LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS, RELATING TO THIS AGREEMENT OR RESULTING FROM A USE OR INABILITY TO USE THE BUNDLED CATCHER DEVICE, HOWEVER CAUSED, ARISING UNDER ANY CAUSE OF ACTION, INCLUDING WITHOUT LIMITATION, BREACH OF CONTRACT, WARRANTY, STRICT LIABILITY, NEGLIGENCE OR OTHERWISE, AND WHETHER OR NOT THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF THE DAMAGES. THE ESSENTIAL PURPOSE OF THIS SECTION 13 IS TO LIMIT THE POTENTIAL LIABILITY OF INNERWALL AND CATCHER ARISING OUT OF THIS AGREEMENT. Notwithstanding the foregoing, the limitation of liability under this Section 13 does not apply to liabilities resulting from actions that infringe a party's intellectual property or violate a party's Confidential Information responsibilities under this Agreement.

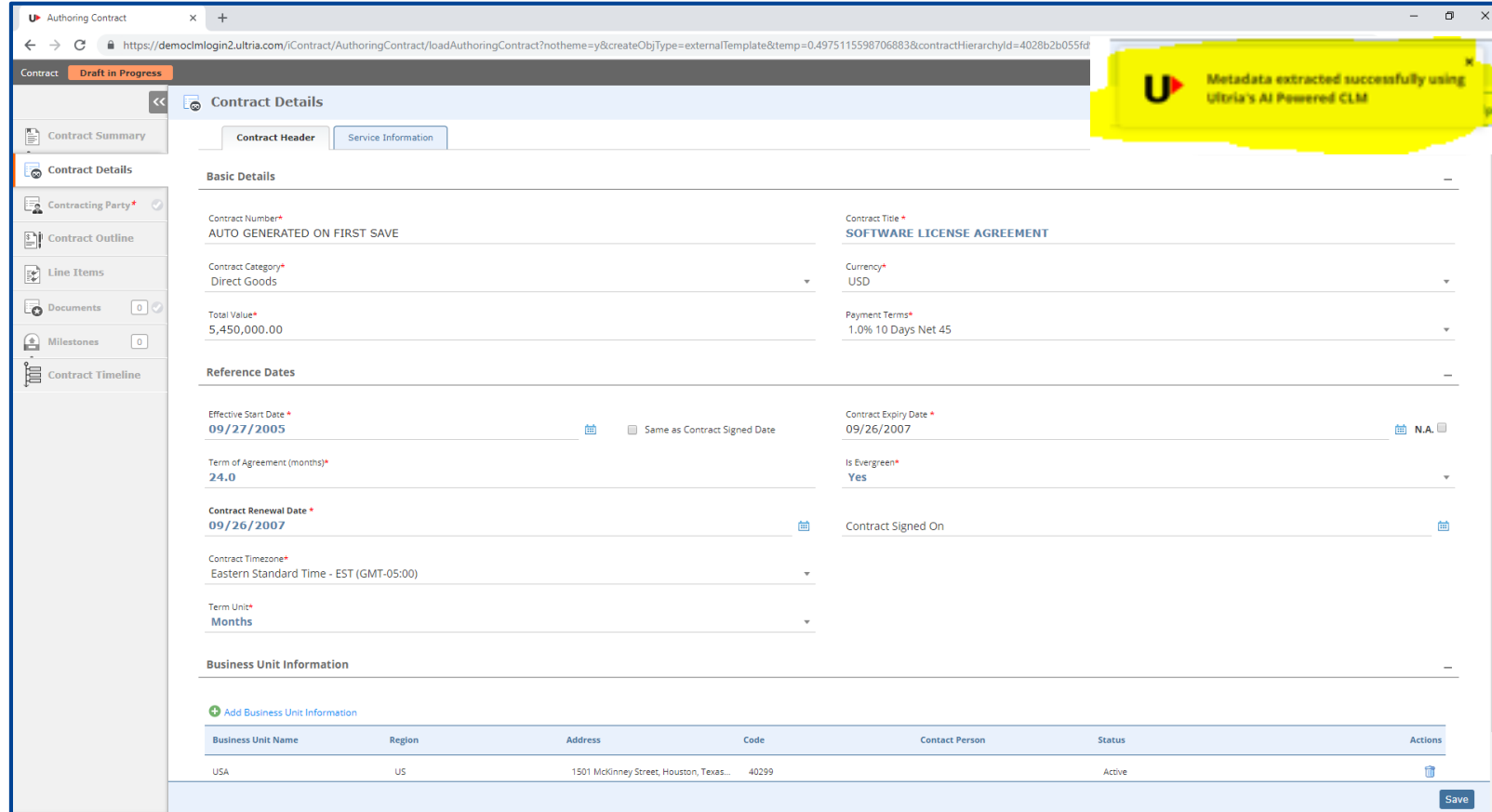
**1.15 14. Confidentiality**

Innerwall and Catcher agree that each of them will, during the term of this Agreement and for so long thereafter as the information remains confidential, take all reasonable steps to safeguard the confidentiality



# Natural Language Processing

- Semantic analysis along with natural language processing can also be used for meta-data tagging in case of updates to regulations
- It can be used to find clusters of related words that are relevant to the issue and in close proximity, surfacing them, and then applying new metadata tags to these clauses
- This is an effective way to ensure meta-data tags are constantly updated thus keeping the contracts from going redundant



The screenshot displays the 'Authoring Contract' interface. A yellow notification box in the top right corner states: 'Metadata extracted successfully using Ultria's AI Powered CLM'. The main content area is titled 'Contract Details' and is divided into several sections:

- Contract Header**: Includes 'Contract Number' (AUTO GENERATED ON FIRST SAVE) and 'Contract Title' (SOFTWARE LICENSE AGREEMENT).
- Basic Details**: Includes 'Contract Category' (Direct Goods), 'Currency' (USD), 'Total Value' (5,450,000.00), and 'Payment Terms' (1.0% 10 Days Net 45).
- Reference Dates**: Includes 'Effective Start Date' (09/27/2005), 'Contract Expiry Date' (09/26/2007), 'Term of Agreement (months)' (24.0), 'Contract Renewal Date' (09/26/2007), and 'Is Evergreen' (Yes).
- Business Unit Information**: Includes a table with columns for Business Unit Name, Region, Address, Code, Contact Person, Status, and Actions.

Business Unit Name	Region	Address	Code	Contact Person	Status	Actions
USA	US	1501 McKinney Street, Houston, Texas...	40299		Active	

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# Advanced Analytics

Advanced pro-active analytics is a sophisticated technology powered by artificial intelligence that helps analyze risk in contract management and predict future outcome based on the past trends

*A Gartner research shows that nearly 50% of legal departments intend to use analytics for process improvement, and more than a third for legal analysis.*

## The Predictive Analytics Process



### Pull

Extract contract data from the centralized repository



### Prepare

Clean, refine, and hone data



### Pick

Identify what factors to predict (negotiation time, cycle time, contract utilization)



### Predict

Create predictions from past trends, historic data



### Plan

Develop an action plan based on the predictions

# Advanced Analytics

- Studying historic data and past trends, it can accurately predict:
  - Clause level risks
  - Organizational risks
  - Vendor risks
  - Contract delays
  - Obligations with financial costs
  - The effect of new laws or regulations on these factors
  - Contract performance



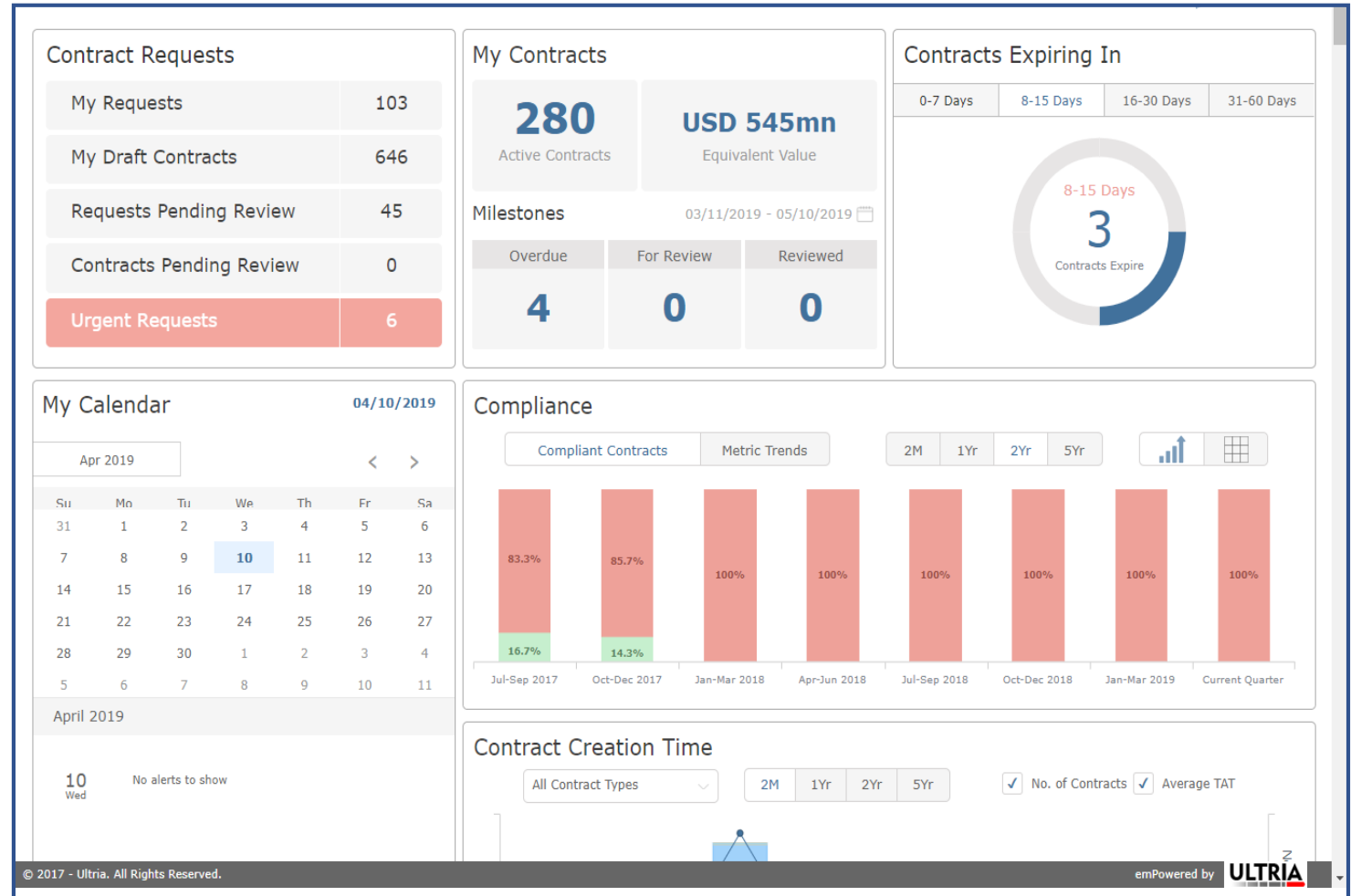


# Advanced Analytics



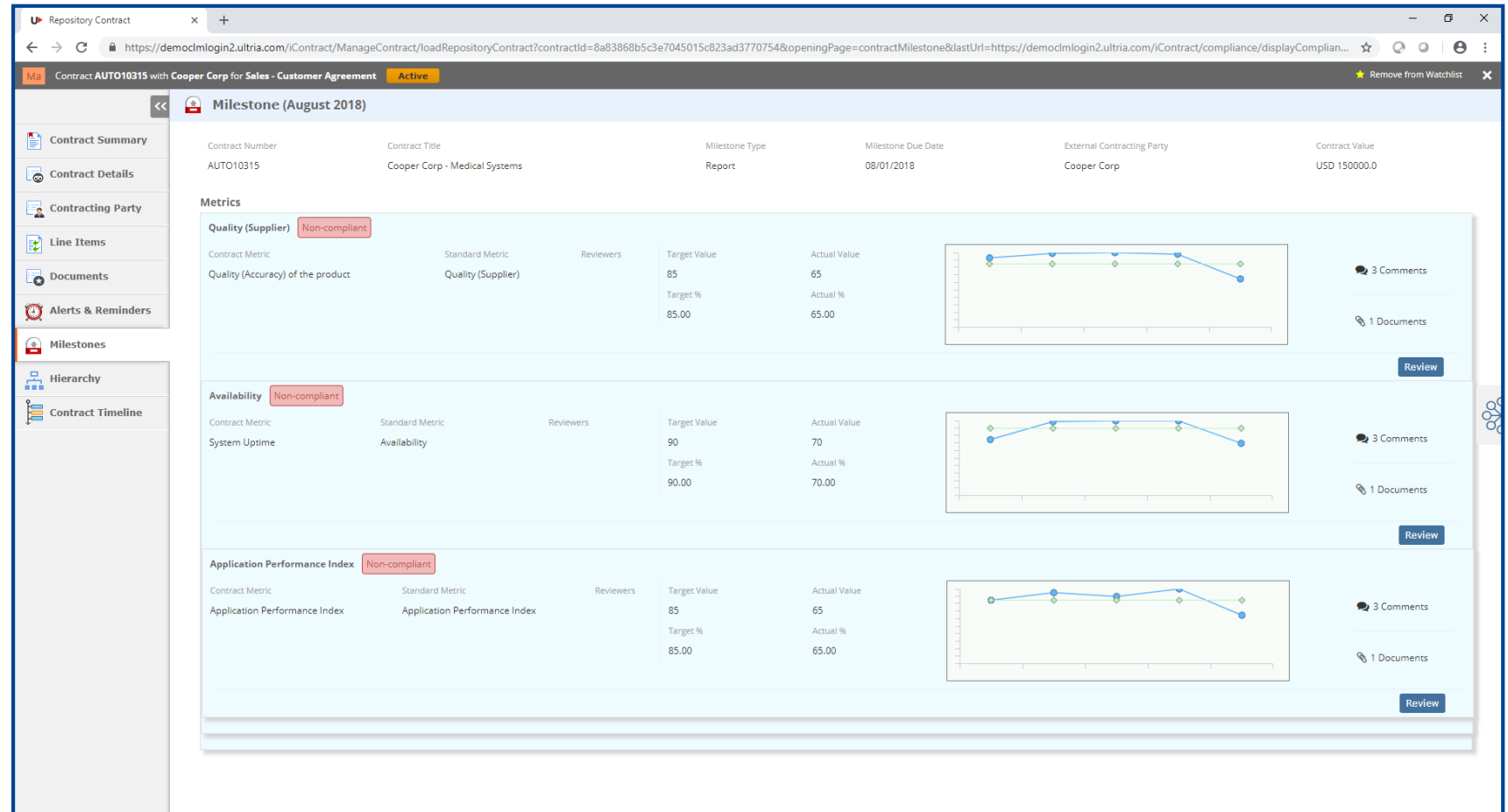
# Advanced Analytics

- Advanced proactive analytics can provide valuable performance insights into all areas of contracts.
- It can analyse contract consumption trends for the next month, quarter, or year
- This enables insights on cycle times, deviations, risks, statistics (expiry, renewal, pending, etc.), procurement and sales business metrics.
- It helps organizations with risk management process and enables prompt remediation and maximum value gain through compliance



# Advanced Analytics

- It enables target and actual value comparison via Tight (real-time) or Light (CSV) integration
- It links smart clauses with external triggers to have complete control over compliance changes



# POLL QUESTION #3

**Where do you use AI in your contract management processes?**

1. Smart wizards to assist in the intake process
2. Natural Language Processing (NLP) to improve digitization
3. Automating meta-data extraction
4. Clause extraction and advanced analytics
5. We are still exploring options





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## About Ultria

Ultria develops and licenses Ultria CLM - Contract Lifecycle Management for enterprise legal departments.



## Proven CLM Software

Ultria's scalable, SaaS-delivered CLM software leverages Artificial Intelligence and Machine Learning to deliver unrivaled ease of access and ease of adoption in today's complex business landscapes.

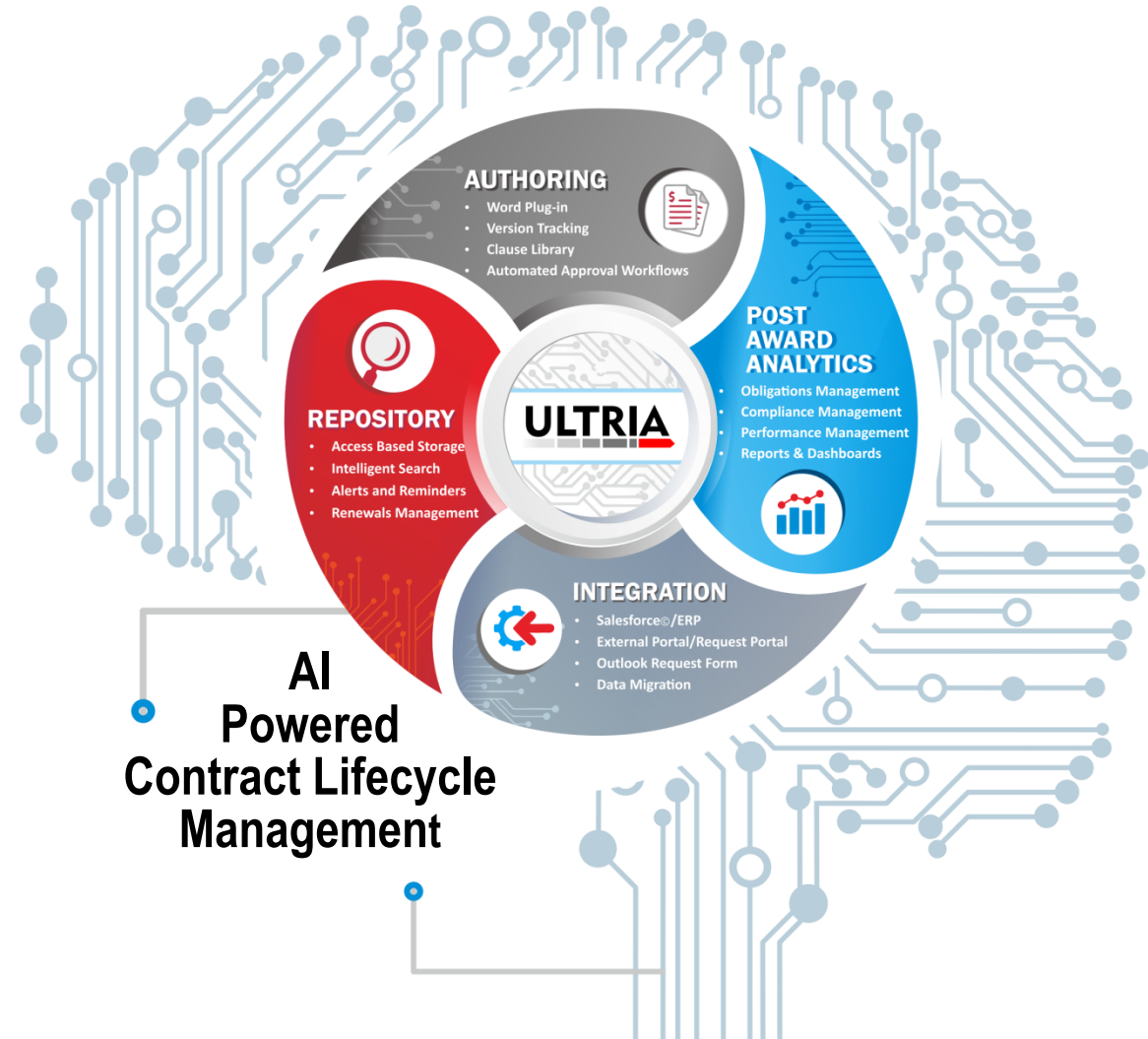
Ultria's CLM technology has been deployed at 100's of large enterprises.



# Ultria Product Overview

Ultria CLM has been designed to give you **speed and control** throughout your contract lifecycle:

- Request
- Draft
- Internal Review
- External Negotiation
- Sign-off
- Compliance
- Renewal







## Why AI-driven Ultra CSM?



**Ease of Access**



**Central Control**



**Powerful**



**Ease of Use**



**Collaborative**



**Connected**

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## Summary & Q/A

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## *Helpful resources on AI in CLM from Ultria*

**AI-Powered Contract Lifecycle Management : Shifting to Contract Intelligence**



<https://www.ultria.com/resources/ai-powered-contract-lifecycle-management-shifting-to-contract-intelligence/>

**Artificial Intelligence Driven Ultria CLM for Legal Operations**



<https://www.ultria.com/resources/ultria-artificial-intelligence-driven-clm-for-legal-operations/>



# Thank You



**Arthur Raguette**  
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