



***BRIDGESTONE***

**EXPERIENCE FROM TESTING AI TOOLS  
FOR CONTRACT ANALYSIS**

**ROMAN KOCH**

**LEGAL COUNSEL, BRIDGESTONE EAST EUROPE LEGAL DEPARTMENT**

# PREREQUISITES FOR A CONTRACT REVIEW TOOL



➤ Minimum 80% accuracy of AI;



➤ Language agnostic – ability to work in different languages (including Japanese);



➤ Key functionalities:

- Red-flagging risky contractual provisions;
- Indicating missing clauses;
- Providing suggestions for alternative clauses;
- Text editor.

**UX**

➤ User friendly, easy to learn and deploy.

---

TESTED OR  
DEMOED  
TOOLS

---



# CATEGORIES OF CONTRACT REVIEW TOOLS

---

## LESSONS LEARNED

---

### **Pre-execution screening**

(identification of risky or missing clauses against a playbook, suggestion of alternative provisions)

### **Post-execution screening**

(analyzing large volume of documentation for due diligence, extracting clauses from legacy contracts)

# BUILDING A PLAYBOOK



---

## LESSONS LEARNED

---

- Most AI – powered tools for contract review require creating a **playbook** of **standard contractual clauses** before the implementation;
- **Some tools can build a playbook more automatically**, based on an uploaded set of legacy contracts;
- **Embedding a playbook** into a contract review tool may be done **by the vendor** (additional cost of implementation) or **by the user** (additional workload for the organization);

# LANGUAGE CAPABILITIES



## LESSONS LEARNED

- Language agnostic tool does mean the same efficiency and accuracy in every language;
- Multilingual tools have **pre-trained models in a few languages** (usually English, French, Spanish and German);
- In case of less frequently used languages (such as Eastern European), **user may „teach“ the software new language models;**
- **Necessity to train the software by a user is an additional workload** for the organization;
- **Language is still a main constraint** for the implementation of contract analysis tools in **Central Eastern Europe.**



---

## LESSONS LEARNED

---

- Suitable for pre-execution contract review;
- High accuracy of the AI model – approx. 90%;
- In spite that the user interface may seem obsolete at first glance, the software is very user friendly; the time necessary to learn how to use the software is short – between 0,5 hour to 4 hours;
- Reasonable price (329\$ per user/month);
- Legal Sifter may be easily customized to local legislation. Users can change help texts (comments to recognized concepts) on their own;
- Legal Sifter is not only a solution for internal use, but also may be offered to law firm's clients.

# KEY FUNCTIONALITIES

- Identification of concepts in contracts, indicating missing clauses.

## LESSONS LEARNED

The screenshot shows a contract document with several annotations:

- Missing clauses:** A red double-headed arrow points to the text "MISSING: Backing Up" and "MISSING: BUSINESS CONTINUITY PLAN" in the right-hand sidebar.
- Customized help texts:** A red arrow points to the text "Include a license grant provision that clearly identifies what is being licensed, clearly defining the 'Software' or 'Services', usually in a separate definitions section. The definition should include a description of the product as well as any documentation, training materials, and the like that the Buyer needs to use." in the right-hand sidebar.
- Concepts found:** A red arrow points to the text "Customer acknowledges that this Agreement is a services agreement and SailPoint will not be delivering copies of the Software to Customer as part of the SaaS Services." in the main document.
- Alternative provisions:** A red arrow points to the text "SOFTWARE: INTENDED USE" in the right-hand sidebar.

The main document content includes:

- MISSING: Backing Up**  
Requiring the Supplier to support a backup data center in the event of a disaster is a frequent requirement of Buyers. Often, such provisions outline the frequency with which backups are made and the speed with which the Supplier must switch to them in the event of a disaster.
- MISSING: BUSINESS CONTINUITY PLAN**
- MISSING: BUYER RIGHTS TO DEFECT GOODS AND SERVICES**
- INTELLECTUAL PROPERTY: LICENSE GRANT**  
Include a license grant provision that clearly identifies what is being licensed, clearly defining the "Software" or "Services", usually in a separate definitions section. The definition should include a description of the product as well as any documentation, training materials, and the like that the Buyer needs to use.  
SAMPLE: General License Grant: Supplier grants to Buyer a nonexclusive and nontransferable (except as otherwise permitted herein) license (with no right to sublicense) to use (i) the Services for Buyer's internal business purposes; and (ii) the Documentation related to Services for the purpose of supporting Buyer's use of the Services.
- SOFTWARE: INTENDED USE**
- SOFTWARE: SERVICE BUREAU OR TIMESHARING**
- SOFTWARE: MODIFICATION**
- SOFTWARE: PROPRIETARY NOTICES**
- REVERSE ENGINEERING**
- DATA OWNERSHIP**
- FEEDBACK RIGHTS**





---

## LESSONS LEARNED

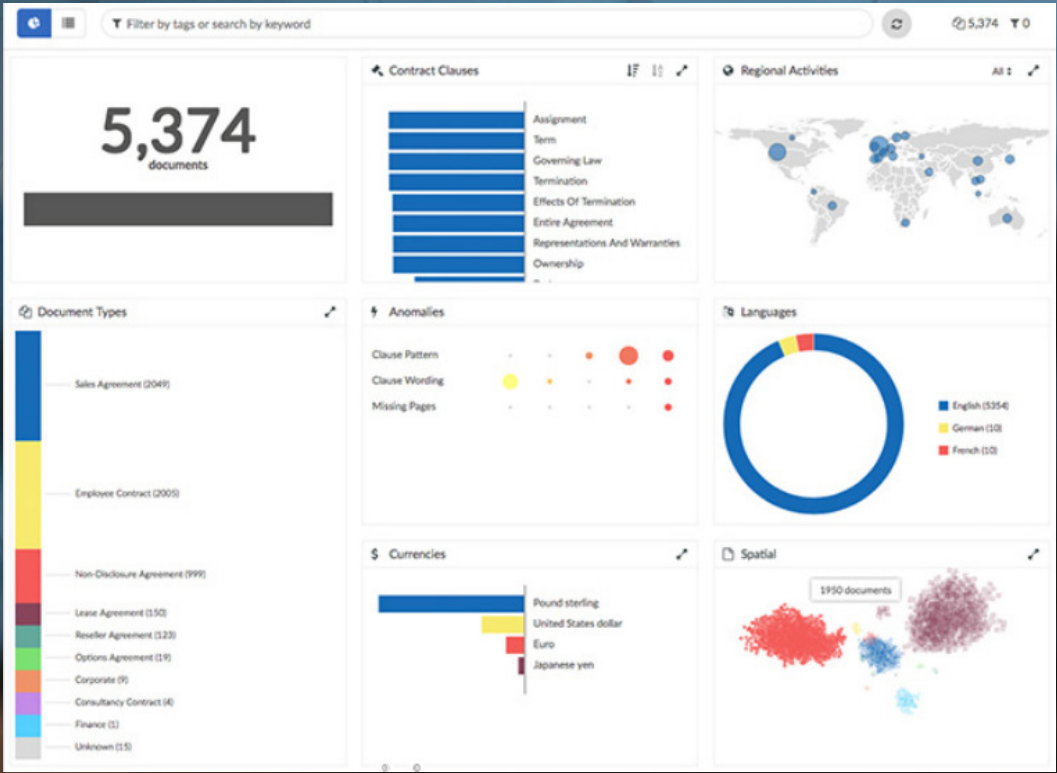
---

- Suitable solution for post-execution contract review (due diligence, legacy contracts analysis etc.);
- In case of the review of large volume of documentation, time savings are significant;
- Language agnostic tool, capable to analyze documents in different languages, including Polish (after training Polish language models);
- Machine Learning algorithms are very powerful and training new concepts is quite fast (approx. 10 examples are enough train a new concept);

# INTERESTING FUNCTIONALITIES

➤ Dashboards showing overview of the details of a contract portfolio.

LESSONS  
LEARNED



## LESSONS LEARNED



## OTHER USEFUL FUNCTIONALITIES

- Contract review tool as a MS Word add-in;
- Automated risk scoring;
- Contract review using questions and answers;
- Exporting key data to MS Excel;
- Useful clause recommendations;
- Integration with contract lifecycle management systems or contract repository;
- Contract review software as an internal collaboration platform for contract review.

---

## LESSONS LEARNED

---



- Significant time efficiency: from approx. 30% (pre-screening) to 70% (due diligence) acceleration of the review of contracts;



- Contract review tools may be used by non-lawyers in case of review of low value contracts;



- Enhanced use of internal playbooks strengthen compliance in the organization.

**THANK YOU FOR YOUR ATTENTION!**



**Roman Koch**

radca prawny / attorney-at-law

Legal Counsel

Mobile: +48 539 997 205

[roman.koch@bridgestone.eu](mailto:roman.koch@bridgestone.eu)