

DECISION RULES FOR AUTOMATION

Automating NDAs with Decision Rules

Business Objective

Enable business partners to create multiple versions of NDAs without legal involvement, except where Legal defined decision rules dictate review.

Workflow

Contract Management (NDAs, Letters of Intent, counterparty contracts)

Functionalities used

Document Automation, Decision Rules, Workflows, eSignature, Contract Management

Impact of Functionality on Attainability

Set decision rules allow for the system to translate business responses to simple questions into logic points that are used to craft a customized NDA and determine if Legal review is required (e.g., the NDA is with a competitor). In most cases the business generates and executes NDAs with no Legal review, however, all NDAs are automatically stored on the system, giving Legal visibility into all business transactions. Easily generates documents for business partners at the click of a button.

Value added

- Significant reduction in time by the business to author and execute a contract and by Legal to draft and review contracts that don't require review.
- Increased transparency into legal workflows for business partners and for Legal into business transactions.

Sourcing Strategy

Purchase an integrated automation platform or 'Legal Operating System': which includes document automation, eSignature, contract management, and workflow on one platform.

1. Use Past NDAs to Set Logic Points in System

Sonnedix's NDA Logic Points

Illustrative

- Function
- Information Disclosure
- Signing Entity
- Jurisdiction
- Counter-party Details
- Business Purpose
- Shareholder Consent

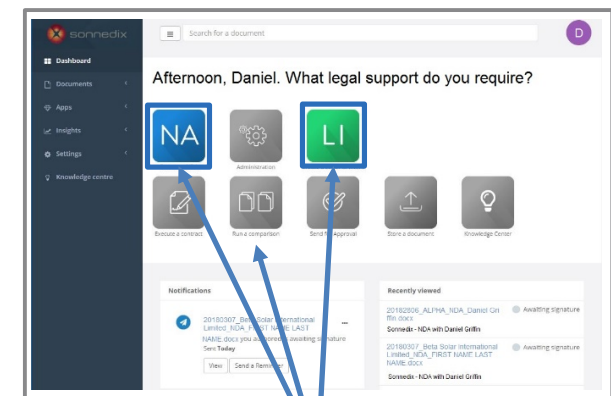
Sonnedix's NDAs were a good candidate for automation because they have defined "logic points" – key phrases that dictate what language is inserted into the document – that the system can recognize and use to generate new NDAs.

Source: Sonnedix; Gartner analysis.

2. Business Partners Generate NDAs Through System Dashboard

Sonnedix's Legal Gateway Dashboard for Business Partner Legal Requests

Illustrative



Business partners access a legal service dashboard from any device that gives them the option to generate an NDA or Letter of Intent that will, depending on decision rules, either be given to the business for execution via eSignature or triaged to legal for review/approval. They can also submit third-party contracts for Legal review or request drafting of a non-automated agreement.

DECISION RULES FOR AUTOMATION (CONT.)

Automating NDAs with Decision Rules

Business Objective

Enable business partners to create NDAs without legal involvement.

Workflow

Contract Management (NDAs)

Functionalities used

Decision Rules

Impact of Functionality on Attainability

Set decision rules allow for the system to recognize logic points in NDAs and easily generate documents for business partners at the click of a button.

Value added

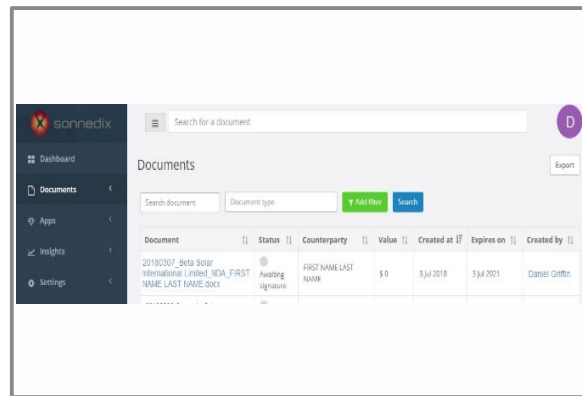
- Significant reduction in time used to author and execute a contract.
- Increased transparency into legal workflows for business partners.

Sourcing Strategy

Purchase an existing vendor solution for contracts management, Legal Gateway.

3. Business Partners Monitor Document Progress in Legal Workflow

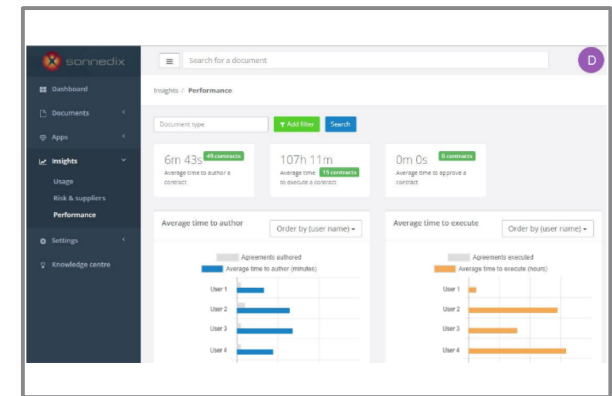
Sonnedix's Legal Gateway Document Status
Illustrative



Business partners can log into Legal Gateway to track the status of the documents (both system generated and counterparty) they have sent to Legal throughout the approval and negotiation process, removing the need for the business "chase" Legal for updates.

4. System Quantifies Transaction Performance

Sonnedix's Legal Gateway Performance Tracking
Illustrative



Legal Gateway measures the organization's legal performance (e.g., time to author, Legal review time, approval time, time to execute), helps to identify bottlenecks for improvement and quantifies the benefits from automation vs previous manual processing.

Source: Sonnedix; Gartner analysis.