



Intelligent Document Markup: Comparing your Document to a Reference Standard

KNOWLEDGE

Create and maintain document templates and clause libraries-- model legal documents containing standard and alternative provisions.

INFORMATION

Collect, organize your precedent and share your best practices through an integrated wiki.

INNOVATION

Your documents can now be compared to your firm's standards and industry norms - how will your documents stack up?

For more information please visit us on the Web at: www.kiiac.com or call (312) 720-9626

Situation: You have just received an assignment from a partner to draft a merger agreement for the acquisition of a rapidly growing software development company. For tax purposes, the merger will be structured as a reverse triangular merger. The partner asks you to pay particular attention to the intellectual property reps and warranties. She gives you a link to her most recent deal involving a high tech company.

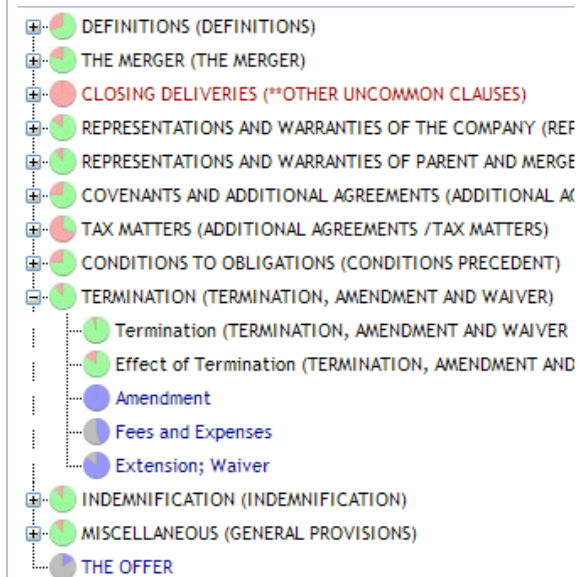
Pre-KIIAC Approach: In the past, you would have carefully reviewed the merger agreement. You would also have compared it to other merger agreements that you found searching your firm's files as well as documents publicly available through the Internet and/or EDGAR. For less experienced attorneys, this process takes days.

However, your firm has kiiac.

KIIAC Solution: kiiac offers the first intelligent document review tool that automatically compares your contract to your firm's baseline standard. KIIAC streamlines document creation, assembly, review and benchmarking. In doing so, KIIAC mitigates risk, improves productivity and ensures consistency while helping you control costs.

- 1 Launch a quick link to kiiac and choose "Merger Agreement" as the deal type.
- 2 Upload the partner's document to kiiac and click Benchmark.
- 3 In a matter of seconds, kiiac analyzes your document, displays an outline of it and tells you how well it stacks up to the Reference Standard. (Figure 1)

Figure 1: Contract Outline



Your merger agreement compared to the firm's standard



AUTOMATE

Create drafting templates and clause libraries from your own documents

DRAFT

Refine the Reference Standard; select default and alternative clauses; and deploy the Reference Standard to a document assembly module

BENCHMARK

Use kiiac's Reference Standards 'as-is' to benchmark a document, quickly identify divergent clauses, and find alternative clause language.

AUDIT

Feed final documents back into the system to audit compliance and capture improvements to the templates and clause libraries

- Which clauses contain standard language and which clauses diverge from market norms? (green-red icon—the more divergent, the more red)
- Which clauses are specific to a prior deal and are not typically found in this type of document? (clause in red font)
- Which clauses may be missing from the contract? (clauses in blue font)

4 Compare the intellectual property warranty given by the seller in your document to the range of clauses. Is it too brief, more appropriate for a company that licenses software from others, rather than a software development company? You determine the intellectual property reps and warranties that best protect your client. (Figure 2)

5 Browse the clause library to find a comprehensive sample intellectual property clause detailing all representations and warranties. You can easily copy and paste selected language into your document.

Or, you can consult the integrated wiki to view practice information.

6 Notice that the "No Additional Representations" clause is flagged as divergent from the standard. You mark this clause for the partner and insert the standard language better protecting your client. (Figure 3)

7 Utilizing the Review Tool, you can examine the entire document and use the clause library to find the terms and provisions that will best meet your client's needs.

Figure 2: Clause Library—Intellectual Property

Clauses: INTELLECTUAL PROPERTY	
10	TECHNOLOGY AND INTELLECTUAL PROPERTY AGREEMENT AND PLAN OF MERGER, NEXTWAVE WIRELESS INC.
11	INTELLECTUAL PROPERTY AGREEMENT AND PLAN OF MERGER, SEMICONDUCTOR HOLDING CORPORATION and ECHO TECHNOLOGY (DELAWARE), INC.
12	INTELLECTUAL PROPERTY AGREEMENT AND PLAN OF MERGER, M2M HOLDINGS, INC and ONYX SOFTWARE CORPORATION
	INTELLECTUAL PROPERTY

Figure 3: Compare or "blackline" your contract language to the standard

Your Contract (Divergent language displayed in black)

No Additional Representations. Buyer acknowledges that neither the Seller nor any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any information regarding the Seller furnished or made available to Buyer, or their respective representatives ... and neither the Seller nor any other Person, shall be subject to any liability to Buyer or any other Person resulting solely from the Company's making available to Buyer such information.

Standard Clause (Consistent language displayed in green)

No Other Representations or Warranties. Except for the representations and warranties contained in this Article IV, the Company acknowledges that none of Parent, Merger Sub or any other person on behalf of Parent or Merger Sub makes any other express or implied representation or warranty with respect to Parent or Merger Sub or with respect to any other information provided to the Company in connection with the transactions contemplated hereunder.

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at www.kiiac.com