WEBINAR

From Hype To Practicality:

Microsoft AI In Contract Management

March 24, 2026

Russ Edelman | **Founder & Chief Product Evangelist**
russ.edelman@contracts365.com

Dave Sandstedt | **Vice President Marketing**
dave.sandstedt@contracts365.com

Introductions

Russ Edelman

Founder and
Chief Product Evangelist

Dave Sandstedt

Vice President
Marketing

AGENDA

What We'll Cover Today

01

Industry Data

02

The Powerful Building Blocks of Microsoft AI

03

10 Key Business Use Cases That Matter For AI & CLM

04

Contracts 365 Introduction

05

30-Second Contracting Demo With AI

“**AI is not here to replace contract professionals. It’s here to transform them.** Those who embrace the change will move into more valuable roles aligned with business performance.”

Source: World Commerce & Contracting

AI Impact On Legal Professionals

95%

Over 95% of legal professionals expect AI to become central to workflow within five years.

Source: Thomson Reuters

AI “Positive/Beneficial” Sentiment

83%

39%

Source: Stanford University Human-Centered Artificial Intelligence

“Curse Of Knowledge” Tapper Effect With AI

50%

2.5%

Sources:

- Conor Grennan
- Elizabeth Newton
- Chip & Dan Heath

2026 AI Projections

- AI Becomes Invisible
- Make Or Break For AI Agents
- LLMs Drive Scientific Breakthroughs
- Vibe Coding On The Rise
- AI Reasoning "Levels Up"

Source: MIT Technology Review

AGENDA

What We'll Cover Today

01

Industry Data

02

The Powerful Building Blocks of Microsoft AI

03

10 Key Business Use Cases That Matter For AI & CLM

04

Contracts 365 Introduction

05

30-Second Contracting Demo With AI

Poll Question #1

How does your organization approach the use of AI?

- AI usage mandates are in place
- AI can be employed where necessary
- AI is optional
- AI is on a need-to-use basis only
- AI is prohibited from use in your organization

contracts365®

contracts365®

Microsoft

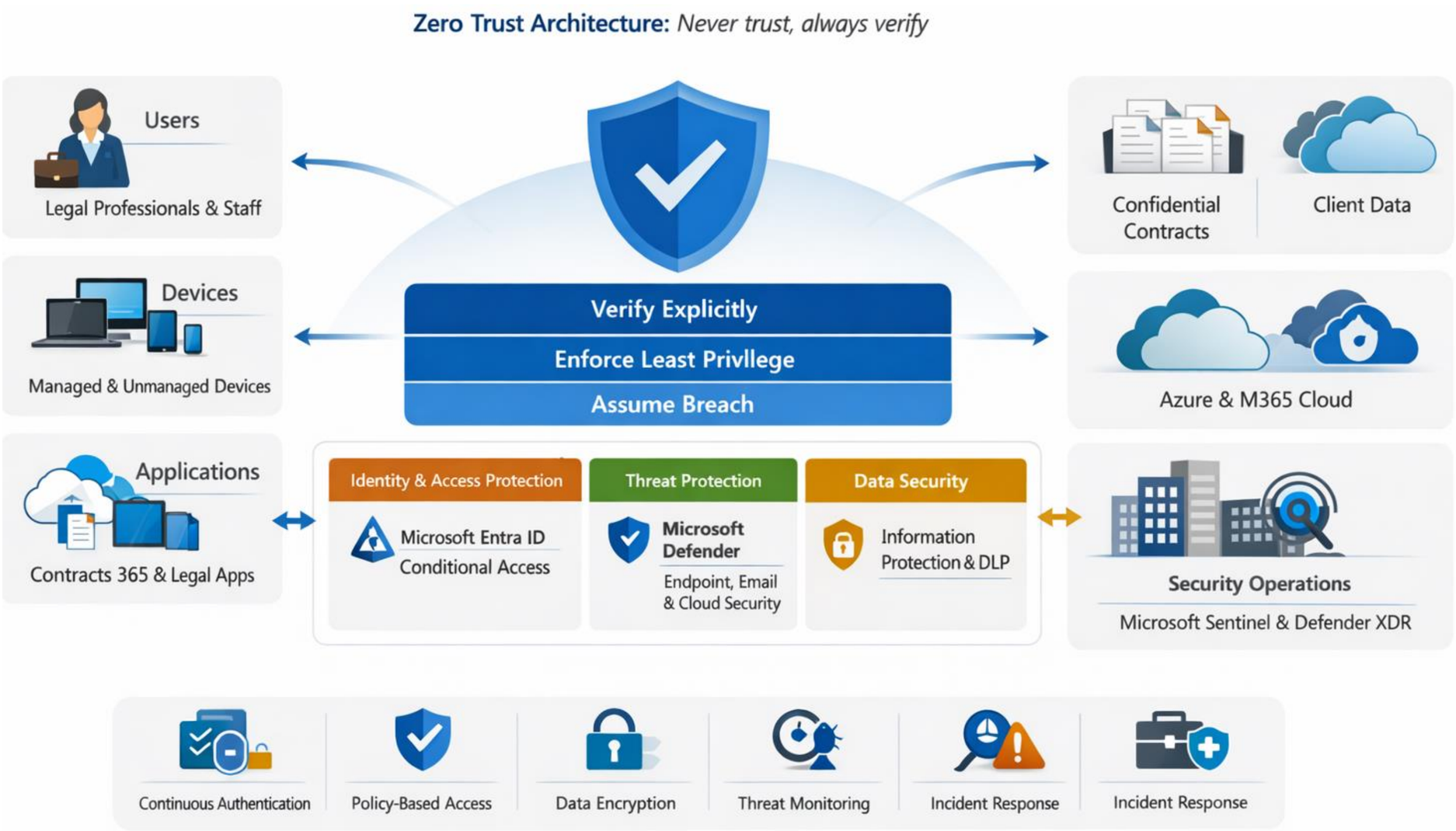
Why We Partnered With Microsoft On AI

#1	Most Secure AI Platform Available
11K	Microsoft Now Supports Over 11,000 Models
100%	AI is IN virtually all Microsoft Products
#1	Largest Developer Community In The World

Microsoft AI:
Where Does It Start?

Forms
OneDrive
Stream
Teams
Calendar
Outlook
Word
SharePoint
M365 Copilot App
Work IQ
Excel
PowerPoint
Agents
OneNote
Microsoft 365
Copilot

Microsoft Cloud | Security Framework

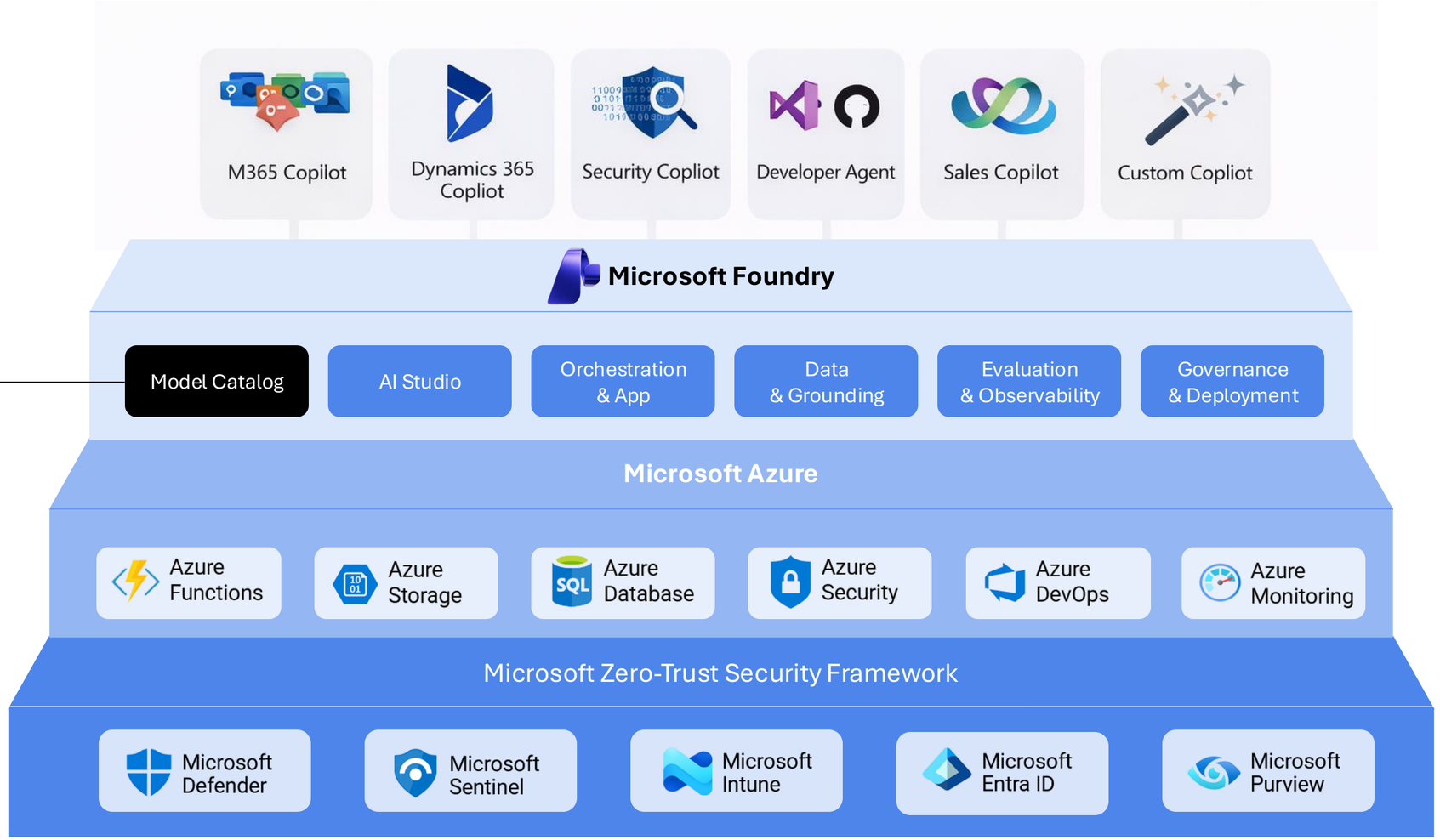


contracts365®

Microsoft AI Capabilities | From the Ground Up

Claude
ChatGPT
Gemini
LLaMA
deepseek
Grok

11,000 Models



Microsoft AI for Contracts | Initial “Needles”

Relevant Use Cases

Summarize Contracts
Draft Contracts (first pass)
Revise Contracts
Basic Document Comparison

Relevant Use Cases

Analyze/Search Contracts
“Enrich” & Populate Metadata
Create Data Structures

Relevant Use Cases

Assemble Documents
Semi-Structured Data Extraction
Convert Files To Different Formats

Copilot Experience	**Agents** (Microsoft Supplied & Custom)	**“Skills” Now Being Introduced**

AGENDA

What We'll Cover Today

01

Industry Data

02

The Powerful Building Blocks of Microsoft AI

03

10 Key Business Use Cases That Matter For AI & CLM

04

Contracts 365 Introduction

05

30-Second Contracting Demo With AI

Poll Question #2

Where is AI functionality important in a CLM system?

- All Aspects of Contracting
- Data Extraction
- Negotiation
- Content Generation
- Not Important Yet

contracts365®

AI Transforming the Foundation of CLM

- AI does not define Contract Management…it helps us to transform it.
- Two dimensions to AI & Contract Management; AI capabilities and CLM infrastructure. Make sure you have a clear grasp on them and how they interact.
- Security, IP & Ethical Protections are vital to the success of AI enabling CLM capabilities.
- “Trust and Validate” mindset critical to confirm that the AI-infused portions of CLM are properly validated before accepting the AI outputs.

Impact On Contract & Legal Professionals

AI Is A Net Positive

Strategic from Admin implications largely hinging upon how thoughtfully it is implemented and adopted.

Agentic AI Is Next Beyond Generative AI

Moving towards “orchestrated systems” acting autonomously which are more dynamic & context aware.

Contracting Is Repositioned Not Replaced

Focus is to move away from the routine activities and focus on proactive and strategic opportunities.

Volume & Complexity Drive AI Value

Organizations with large portfolios of contracts find AI especially useful when looking to streamline.

Contract/Legal Pros Must Upskill

AI fluency is and will continue to become increasingly in demand. Get curious as your first steps to fluency.

Segmentation & Customization Is Critical

Not all contracts are created equal & AI needs to be applied where appropriate for low/high value contracts.

AI Requires Human Oversight/Governance

AI-based systems require training and fine-tuning, monitoring and human-based validation.

Cross-System Data Integration Is Feasible

AI aids in connecting diverse data that is impacted by CLM systems for real-time monitoring & decision making.

Impact On Contract & Legal Professionals

AI Is A Net Positive

Strategic from Admin implications largely hinging upon how thoughtfully it is implemented and adopted.

Agentic AI Is Next Beyond Generative AI

Moving towards “orchestrated systems” acting autonomously which are more dynamic & context aware.

Contracting Is Repositioned Not Replaced

Focus is to move away from the routine activities and focus on proactive and strategic opportunities.

Volume & Complexity Drive AI Value

Organizations with large portfolios of contracts find AI especially useful when looking to streamline.

Contract/Legal Pros Must Upskill

AI fluency is and will continue to become increasingly in demand. Get curious as your first steps to fluency.

Segmentation & Customization Is Critical

Not all contracts are created equal & AI needs to be applied where appropriate for low/high value contracts.

AI Requires Human Oversight/Governance

AI-based systems require training and fine-tuning, monitoring and human-based validation.

Cross-System Data Integration Is Feasible

AI aids in connecting diverse data that is impacted by CLM systems for real-time monitoring & decision making.

The Intersection of AI & CLM

AI Components

Copilot/Agents
Input/Commands
Output/Results
Security & IP
Ethics

10 High-Value Focus Areas

CLM Infrastructure

Metadata Construct
Visualize (Validate/Transform/Place)
Processing & Notification
Analytics & Reporting
Robust Security

Ten High Value Areas For AI & CLM

1. **Metadata Extraction**
   Extract metadata with simplified visualization & data placement

2. **AI Negotiation**
   Compare 3rd party agreement against playbook, gen AI to provide guidance and new language

3. **Clause Extraction**
   Clause extraction for variant analysis, memorialization & processing

4. **Obligation Extraction**
   Obligation extraction with standard attribution, jeopardy management and reporting

5. **Contract Summarization**
   Generate document or metadata-based summaries for workflow review and execs

6. **Contract Language Translation**
   Translate & save documents into alternative languages with auto-detection

7. **Deep Search/Agents & Automation**
   Next gen AI-based search for private and public repositories & process automation

8. **AI-Influenced Workflow**
   Dynamically detect workflow patterns and adjust approval processes accordingly

9. **Contract & Clause Generation**
   “MS Copilot” Generative AI coupled with Appropriate security, IP and ethics protections

10. **Correspondence & Negotiations**
    Generate correspondence and negotiation strategies via memorializing and approvals

Practical Considerations For AI & CLM

1 Quality/Recall Of AI Suggestions/Language

The quality and consistency of the suggestions and revised language varies considerably based upon a number of factors, including LLM's being used, Fine Tuning and other factors.

2 "Training" Or "Skills" | Finding The Balance

For all of the appropriate reasons, few if any organizations want to share their content to train public LLMs or share with other organizations. Yet, there is now a growing need to "train" AI systems (introduce skills) to learn from content.

3 Setup & Maintenance Takes Effort

When preparing to use AI for Contract Management, there is an initial and on-going effort required to ensure that your content (e.g. clause playbooks, fine tuning, etc.) is properly established and remains current.

4 Don't Chase Butterflies | Iterative Innovation

AI is arguably moving faster than any other technology innovation. Stay focused on your primary use cases and plan to iterate and evolve.

Practical Considerations For AI & CLM

5 Confidence Levels

As data is AI-Processed, an indicator should be made available to indicate the confidence level of the extraction. Through “suggestions”, users can easily discern.

6 Real-Time Document Access & Highlighting

Users should be able to easily see the source document / content and be taken to immediately to that location for verification and/or action.

7 Hierarchical Data Mapping & Placement

AI-Processed data will be placed into the appropriate hierarchical location. For example, a new counterparty will be added in the counterparty list and Contract Type, Effective Date, Amount will be placed into the Contract Record.

8 Automated Relationship Binding

Once AI-Processed data is written into the correct locations of the hierarchy, the data is then bound together to allow for the necessary and simplified linking experience. This allows users to see actual documents related to contract records which are in turn, related to counterparties.

Practical Considerations For AI & CLM

9 Field Validation

When raw text is AI-Processed, such as a counterparty name and address, the data must be validated against counterparty lists, state/province lists, country lists & more.

10 Date Format Transformation & Validation

AI-Processed date information (spelled out, formatted differently) needs to be transformed into an actual date field & then validated to ensure that the date is accurately stored.

11 Currency Value Format & Validation

Like “date” information, values can be spelled out and formatted differently and these need to be transformed and then validated to achieve a higher level of accuracy.

12 Dynamic Creation Of New Values

When a new AI-Processed value (e.g. new counterparty), the extracted information can automatically populate the validation lists which can influence workflow and other downstream activities.

COMING UP

Our Next Webinar:

contracts365®

WEBINAR

The Deep Dive:

Contracts 365 AI Negotiation Companion

Join us for comprehensive look into how the Contracts 365 AI Negotiation Companion brings structure, speed, and clarity to every negotiation—without leaving Microsoft 365.

Live: April 28th • 11:00AM Eastern

AGENDA

What We'll Cover Today

01

Industry Data

02

The Powerful Building Blocks of Microsoft AI

03

10 Key Business Use Cases That Matter For AI & CLM

04

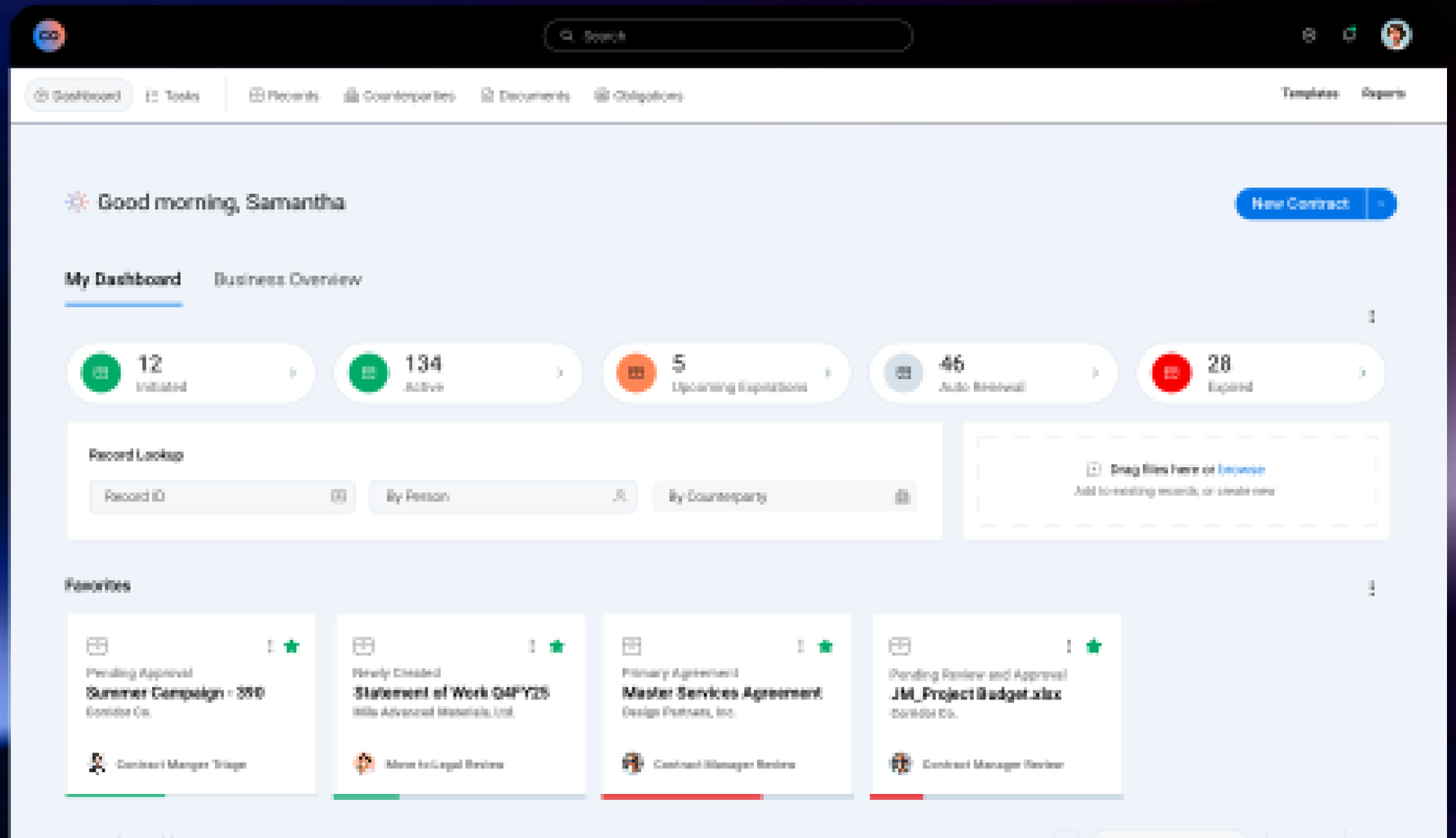
Contracts 365 Introduction

05

30-Second Contracting Demo With AI

contracts365®

Powerful contract management software for businesses that run Microsoft 365.



Where Our Customers Live

- Energy & Utilities
- Entertainment & Hospitality
- Financial Services
- Healthcare
- Manufacturing
- Nonprofits
- Pharma & Life Sciences
- Real Estate
- Retail & CPG
- Technology

After 25 years in business supporting a variety of global brands, we have arrived at one fundamental truth:

Technical success <u>does not equal</u> business success

That’s why we built Contracts 365 differently, from the ground up.

PLATFORM

Microsoft 365®

PEOPLE

User Experience

PROCESS

Customer Success Journey

NO CODE

Ready-To-Use Solution

contracts365®

SAAS USER EXPERIENCE

Architected for organizations that have embraced the Microsoft vision.

- Purpose-built for contract management
- Modern user experience & extremely easy to use
- Highly configurable for most use cases

Microsoft 365

CONTRACT REPOSITORY

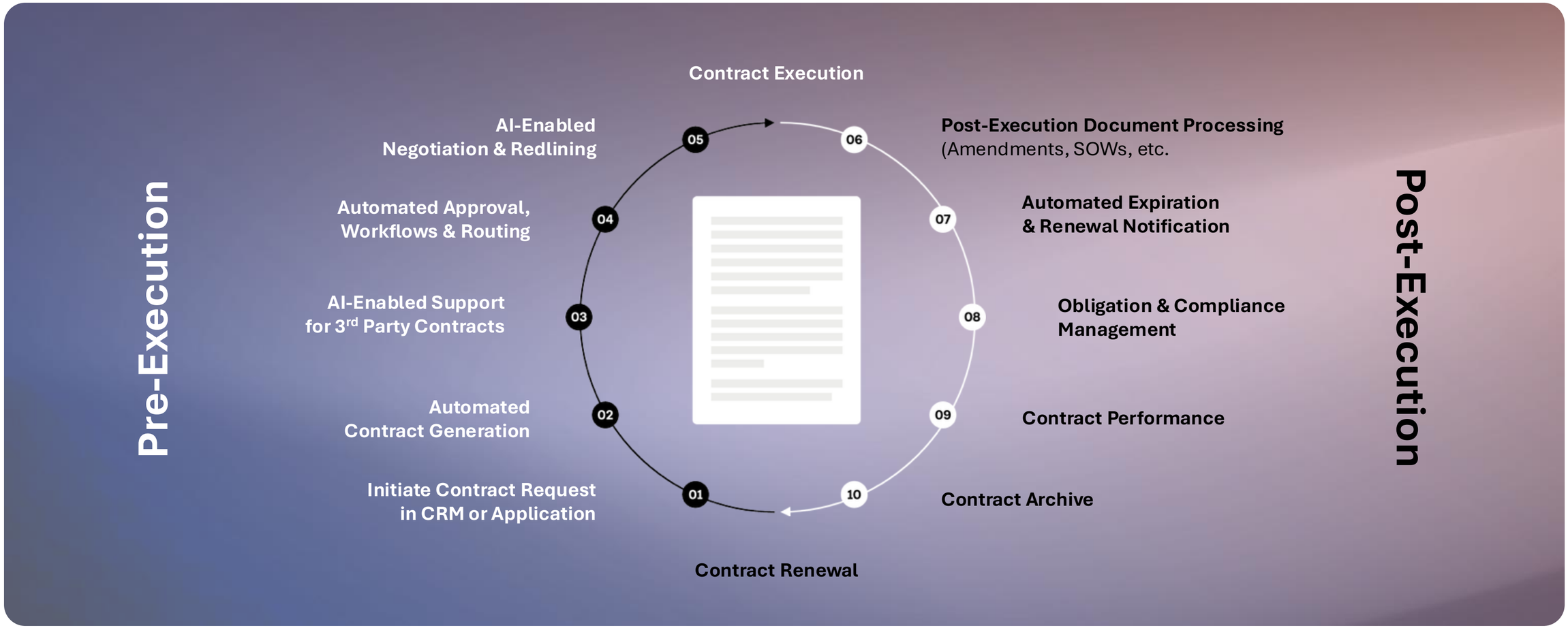
Contract storage in your Microsoft 365 cloud.

- Retain ownership of your contracts & data
- Increased security, visibility, control
- Vetted by your IT & Sec leaders
- Rapid adoption of data governance policies

contracts365®

Works in all Microsoft cloud environments	Dynamics 365, Power Platform, Microsoft 365, Microsoft Entra ID, Microsoft Azure
Leverages apps people use every day	Outlook, OneDrive, Word, Excel, PowerPoint, OneNote, SharePoint, Teams
Key integrations make contract workflow easier	salesforce, Adobe Sign, DocuSign
Advanced AI, data and security services	Microsoft Foundry, Microsoft Defender, Microsoft Sentinel

Delivers greater efficiency for all contract lifecycle activities



Centralized & Secured Repository	Dynamic Reporting	Role-Based Dashboards	Integration With Other Systems

Easily handles any type of contract.

Buy Side

Agency Agreements
Business Associate Agreement
Clinical Trial Agreement
Confidentiality (Non-Disclosure) Agreement
Consulting Agreement
Equipment Purchase Agreement

Sell Side

Confidentiality (Non-Disclosure) Agreement
Customer Master Services Agreement
Equipment Sales Agreement
Framework Agreement
Settlement Agreement

Employment

Employment Agreement
Employment Services
Separation Agreement

Distribution & Partnerships

Distribution Agreement
Partnership Agreement
Resell Agreement

Real Estate

Construction Agreement
Facilities Agreement Investor Side
Letter Lease Agreement Property
Mgmt. Agreement Property
Services Agreement

Corporate

Banking Services Capital
Investment Agreement Joint
Venture Agreement

AGENDA

What We'll Cover Today

01

Industry Data

02

The Powerful Building Blocks of Microsoft AI

03

10 Key Business Use Cases That Matter For AI & CLM

04

Contracts 365 Introduction

05

30-Second Contracting Demo With AI

Demonstration

DEMO

AI Extraction Companion

- Receive a Contract in Email
- Access Portal
- Run AI Extraction
- Review Extraction Experience

DEMO

AI Negotiation Companion

- Clause Playbook Intro
- Reviewing A Contract With AI
- Obligations Extracted With AI
- Deviations Extracted With AI

Hey, thanks!

contracts365®