



Force majeure clauses allocate risk between parties and are present in contracts of all kinds, ranging from leases, procurement contracts, vendor contracts, and supply agreements to M&A agreements, employment agreements, service contracts, and construction agreements.

With the immediacy of the evolving COVID-19 situation requiring analysis of contractual options, companies must be able to efficiently assess their exposure and risk with a consistent, quality driven process. A fast review, capture and abstraction process can give companies the ability to not only discover actionable information in their contracts, but also the time necessary to develop and implement legal strategies and business continuity plans to weather the current environment.

The Solution

As with most modern legal matters, Legility's solution offers a combination of people, processes and technology. To conduct the targeted contract review and analysis of force majeure provisions, Legility uses small teams of deeply experienced commercial contracts attorneys and, where appropriate, robust artificial intelligence technology. This powerful combination allows for the quick identification of force majeure provisions. Then, team members analyze whether the provisions include language that may excuse performance for disease, epidemic or pandemic; report the same to our clients in real time; and if necessary, assist in the notification of counterparties regarding such provisions, in a two-step process:

Step 1: Review, Capture, Abstract

- Identify if contracts include force majeure provisions of any type;
- Abstract force majeure provisions and identify language which may apply to COVID-19 pandemic;
- Abstract party name, notice provision, address fields; and
- Set up the fields to create a mail merge.

Step 2: Reporting and Notification of Counterparties

This stage is dependent on the universe of documents and content found during Step 1, where Legility attorneys divide the contracts into buckets of those with potentially actionable force majeure provisions and those without. From that point, we assist the client in sending out appropriate notices to counterparties to trigger the relevant provisions.

Legility tracks the sending, receipt, and responses to such notices and reports the same to our clients in real time. Legility attorneys are further available to assist our clients in negotiations with counterparties regarding force majeure notices.