## **INSTRUCTIONS [Delete before uploading]**

* **Formatting:** The preferred format for upload is .docx or pdf without tables or section breaks. **A plain paragraph formatting style is strongly preferred**. This approach ensures that the textual content flows logically and predictably, making it easier for AI algorithms to identify and extract key information. While avoiding intricate layouts, you can still effectively emphasize important points within the text. The use of bold letters, italics, and underlining can add necessary emphasis without disrupting the underlying structural integrity that AI models rely on for efficient data processing. This balance allows for both human readability and optimal AI ingestion, leading to more accurate and reliable data extraction.
* **Rule language:** The Jurist redlining with playbook experience supports both direct legal verbiage and rule explanations. See an example of each below:
	+ **Direct legal verbiage:**
		- **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to its conflict of law principles.
	+ **Rule explanation:**
		- **Governing Law:** Always propose standard Delaware governing law as the primary option which includes adhering to the laws of the State of Delaware.
* **Structure:** To optimize the effectiveness of generative AI in contract negotiation, it is highly recommended that the contract negotiation playbook adheres to a consistent and standardized structure across all its sections. This uniformity is crucial for ensuring that the AI can efficiently and accurately comprehend and process the information presented.

Furthermore, it is imperative to include clear, straightforward, and actionable instructions within the playbook. Rather than merely offering a general negotiation comment explaining a preferred position, the playbook should provide explicit directives on what the LLM should actively verify, scrutinize, or incorporate into the agreement. For example, instead of a general comment like "We prefer strong indemnification," a clear instruction might be: "Check for a mutual indemnification clause that includes gross negligence and willful misconduct, and ensure it covers all third-party claims arising from breaches of the agreement", or more directly include the desired wording to be included in the agreement. Such detailed instructions empower the AI to perform its tasks with greater precision and achieve desired negotiation outcomes more effectively.

* Download this playbook, insert your rules in the below format then upload to Jurist in the +Add files section and ask Jurist to redline an uploaded agreement based on the attached playbook. Also identify if it’s 1PP or 3PP.

##

## **Playbook Context and Purpose**

**Playbook ID:** [Unique ID]
**Owner:** [e.g., Legal Department]
**Last Updated:** [Date]

**Purpose:** This playbook provides a structured set of rules, positions, and fallback options for negotiating our standard [Agreement Name, e.g., Master Services Agreement]. The primary goal is to standardize our contracting process, protect the company's interests, and empower the sales team to negotiate effectively and efficiently. This document is intentionally formatted for automated extraction by Large Language Models (LLMs) to support contract analysis and generation tools. All sections and labels are consistent to ensure accurate parsing.

## **Agreement Type**

**Agreement Name:** [Master Services Agreement]
**Applicable Product/Service:** [Product/Service Name, e.g., "QuantumLeap AI Platform"]

## **Company Information**

**Company Name:** [Your Company Name, Inc.]
**Company Legal Entity:** [e.g., A Delaware Corporation]

**Counterparty Name:** [e.g., ABC Inc.]

### **1. Rule Name:** Limitation of Liability (LoL)

### **Rule Guidance and Context:** This clause is critical for managing our financial risk. The goal is to cap our total potential liability to a predictable and insurable amount. We must avoid exposure to uncapped, consequential, or speculative damages, which could be catastrophic for the business. Our default position ties liability directly to the revenue generated by the customer.

### **Preferred Position:**

* + **Explicit Language:**"In no event will [Company Name]'s aggregate liability arising out of or related to this Agreement exceed the total amount of fees paid or payable by Customer to [Company Name] under this Agreement in the twelve (12) months preceding the event giving rise to the claim. The foregoing limitation will apply whether an action is in contract or tort and regardless of the theory of liability."

"In no event will either party have any liability to the other party for any lost profits, revenues, or for any indirect, special, incidental, consequential, or punitive damages, however caused, and whether or not the party has been advised of the possibility of such damages."

* + **Internal Comment:**This is our gold standard. It caps liability at 12 months of fees and excludes all consequential damages. This is the most defensible and protective position. Do not deviate without moving to a fallback.
	+ **External Comment (to share with customer):**This is a standard market position for SaaS agreements. It ensures that the risk is allocated proportionally to the commercial value of the contract, which is fair for both parties.

### **Fallback 1:**

* + **When and Why to Use This:** Use when the customer argues that 12 months of fees is insufficient for their risk profile, especially on a large initial deal where 12 months of fees might be low. This offers a higher, yet still fixed, cap.
	+ **Explicit Language:**"In no event will [Company Name]'s aggregate liability arising out of or related to this Agreement exceed the greater of (A) the total amount of fees paid or payable by Customer to [Company Name] under this Agreement in the twelve (12) months preceding the event giving rise to the claim, or (B) [Agreed Fixed Amount, e.g., $500,000 USD]."

### **Fallback 2:**

* + **When and Why to Use This:** Use for strategic, high-value customers who demand higher "super-caps" for specific high-risk breaches, such as data security or confidentiality breaches, while keeping the general cap lower.
	+ **Explicit Language:**"Notwithstanding the foregoing, [Company Name]'s aggregate liability for breaches of its obligations under Section [Data Security Section #] and Section [Confidentiality Section #] shall not exceed the greater of (a) two times (2x) the total amount of fees paid or payable by Customer in the preceding twelve (12) months, or (b) [Higher Agreed Fixed Amount, e.g., $1,000,000 USD]."
	+ **Approvals Required:**Legal Counsel

### **Fallback 3:**

* + **When and Why to Use This:** Reserved for major enterprise customers where the deal is highly strategic and they are demanding specific carve-outs from the liability cap. This is a significant concession.
	+ **Explicit Language:**"The limitations on liability set forth in this Section shall not apply to liability arising from (a) a party's breach of its confidentiality obligations, (b) a party's indemnification obligations hereunder, or (c) a party's gross negligence or willful misconduct."
	+ **Approvals Required:**Legal Counsel AND VP of Sales/CRO