



"What is an execution version and when do I need to create one?"

- When the parties have reached an agreement on the contract terms, it is time to sign. We prepare what is known as an "execution version." This is the final version of the contract that the parties sign.
- Preparing an execution version involves cleaning up any interim things from the negotiation that shouldn't be there in the final signed copy.
- *There are many fantastic contract tech tools that automate some of these steps. Still, we need to know what to do so we can make sure they are done during any automated process.*

1 Focus first on the section and exhibit numbering

- Start by reading just the section numbers from start to end. Make sure that Section 3.1.1 is followed by Section 3.1.2 and not Section 3.1.3. If there are exhibits, do the same thing there. Fix anything that is improperly labeled.
- *Pro tip: If the contract is long, has been subject to a lengthy negotiation, or there are lots of cross-references that have already been validated, consider inserting a label such as "Reserved" or "Intentionally Omitted" instead of renumbering. This approach avoids the wasted effort of renumbering when the contract is close to signature.*

2 Check all section cross-references

- Most contracts include language that points the reader to another section or exhibit. We call these cross-references. Make sure each one is correct.
- *Pro tip: Use the "Find" function to find each word "section," and check each time it appears.*

3 Verify all external references

- Review the contract for any names of statutes, arbitration entities, people, industry acronyms or standards (like ISO or UL), or other proper nouns. Make sure each one is spelled correctly and used properly.

4 Fix all the formatting details - add missing items, fill in blanks, and remove empty brackets

- Add the effective date in the first paragraph if there's a blank for it. Most companies use the date when it is first signed, but ask the lead attorney if there's a question.
- Check the headers and footers to confirm document names and dates. Verify the pagination isn't messed up. Delete any watermarks, comments, or metadata.
- Scroll or flip through the rest of the contract looking for blanks, unfilled brackets, or references to open tasks such as "XYZ to add product description here."
- *Pro tip: Use the "Find" feature to search for open and closed brackets. Don't just search open ones, or you may leave some orphans. Also, search the word "day" to confirm that each reference has a specific number of days.*

5 Check the definitions very closely

- Search each term defined in the definition section to make sure it is used. Read each instance of its use to make sure it is correct.
- *Pro tip: A shortcut for checking definitions is to read the contract section with the full definition instead of the defined term. Definitions should only define the word, not include additional obligations of the parties.*

6 Verify the names of the entities and critical facts

- Make sure you have the correct legal entity on both sides. Review the dates, quantities, and payment amounts to make sure they are correct in each instance.

7 Read the entire contract carefully

- The goal of this reading is to catch grammatical errors, inconsistent terminology, and mistakes. This review should not reopen the negotiation. At this point, you have finished your negotiation, and the terms are set.
- *Pro tip: I will change substantive concepts even at this late point in the negotiation if (1) it's a deal-breaker kind of issue, (2) there's a clear mutual mistake in drafting, or (3) it is something that I know the other side would want to be fixed too.*

8 Send the counterparty a final Word version

- Send it before you send the PDF for execution. They can do their review and also have a final Word version for their records.