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MEMORANDUM

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To: ACC Seminar Attendees

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RE: AVOID THE BLOODBATH: EFFICIENT CONTRACT REDLINING – OVERVIEW

1. Purpose and Benefits of Redlining

- Enhances collaboration and streamlines the negotiation process.
- Clarifies ambiguities and highlights unresolved issues or terms.

2. Methods of Revising Documents: Pros and Cons

- **SharePoint:** Allows real-time, concurrent document editing internally; challenges with external sharing.
- **Comparison Software / PDF:** Ensures changes are consistent throughout the document and avoids ambiguity; challenges in managing disagreements on changes.
- **Track Changes:** Offers selective acceptance (or rejection) of changes; challenges in visibility on mobile or other devices.
- **Conceptual Comments:** Maintains control with the drafter; challenges include potential ambiguity.
- Regardless of format, key is to be clear - who has document control, internally and externally.

3. Tips for Efficient Redlining

- Early identification of key deal points and decision-makers.

- Use of an issues list to outline problems, priorities, and solutions.
- Initial comprehensive documentation (issues list) to prevent later disputes.

4. Challenges with Redlining

- Handling multiple reviewers and competing comments.
- Managing complex documents (e.g., transaction circulars) with various stakeholders.

5. When Redlining is Not Worth It

- For substantive changes where revising drafts is inefficient.
- For bespoke agreements. Consider utilizing precedents instead.

6. Seeking External Assistance in Drafting

- Early involvement can lead to better efficiencies and reduced legal fees.
- Useful in substantial transactions to leverage external resources.
- Consider a phone call. It doesn't always have to be complex document review and drafting.

7. Additional Considerations

- Importance of communication within the team and with external parties.
- Keeping a record of versions and comments to track document evolution.
- Prioritizing key issues and potentially knowing when escalating is necessary.