SpotDraft

Contracting Horror Stories

A casebook of the moments Legal teams would rather forget.

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Introduction

Every Legal Team Has a Horror Story

Somewhere in every Legal team's contract history, there's a deal they'd rather not talk about.

Maybe it was the agreement that spent weeks **wandering the approval maze.** The redline that kept **coming back from the dead.** The contract that vanished without a trace, then reappeared **when nobody needed it.** The renewal that had been quietly **lurking in the background** until someone finally noticed the date. Or the seemingly innocent request that arrived at 5:47 p.m. with the words: *"Should be a quick one."*

These aren't supernatural events. They're contracting.

And while some of the consequences are business-critical, the horror often starts somewhere much more ordinary: a handoff that gets missed, an approval that gets buried, a version that goes astray, or a piece of information that lives in someone's head instead of where everyone can find it.

The result is familiar. Deals slow down. Deadlines creep closer. Questions multiply. And Legal ends up spending another night **putting out fires that should never have started.**

This book investigates some of those cases.

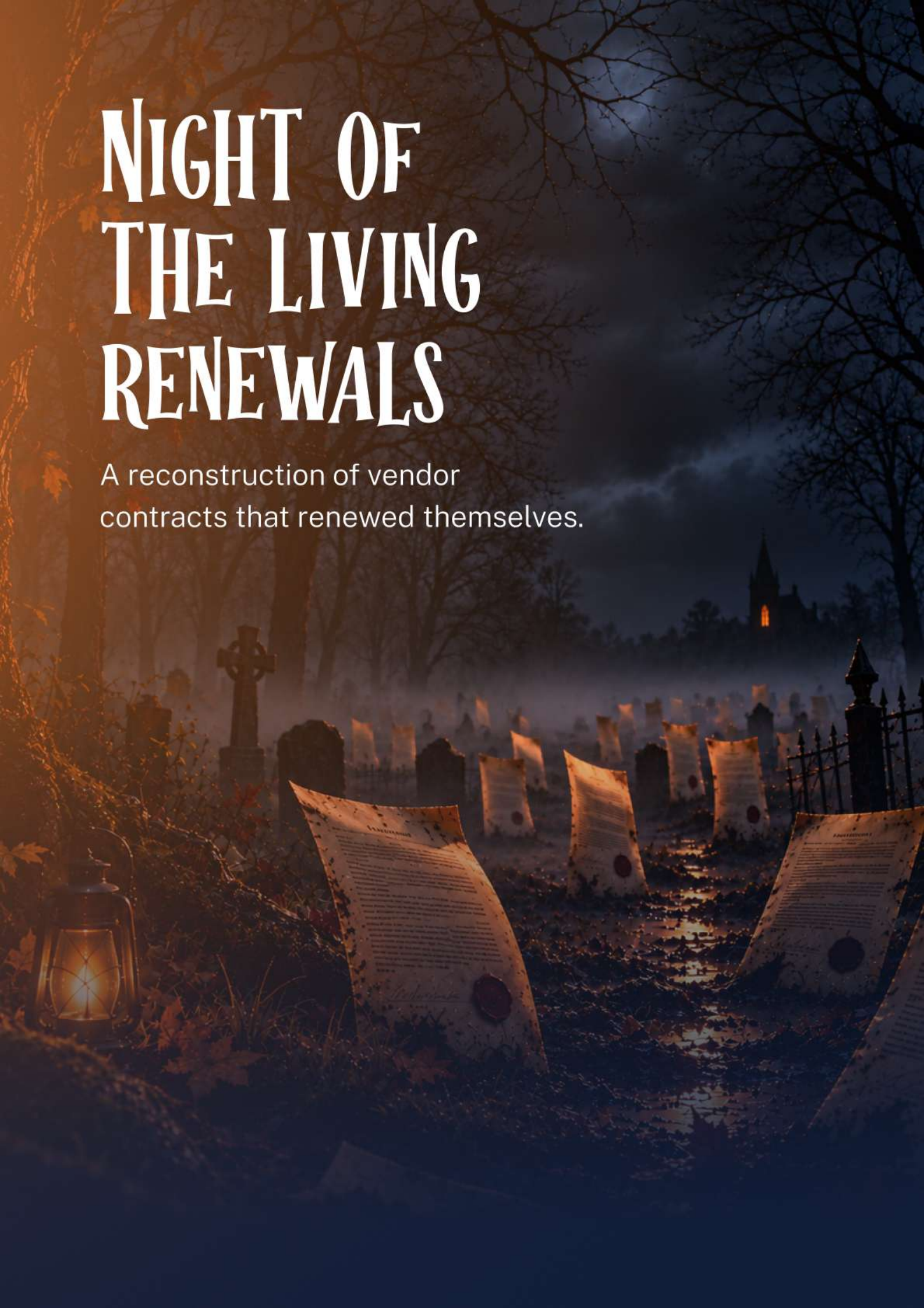
Consider it a tour through the haunted house of contracting: the dead ends, disappearing documents, endless redlines, mysterious delays, and other things that tend to go bump in the workflow.

Each case file examines what happened, follows the evidence, identifies the usual suspects, and gets to the root of the problem. Because there's usually nothing mysterious about a contracting horror story.

The clues are almost always hiding in plain sight.

And the scariest part?

You've probably seen one before.


Night Of
The Living
Renewals
A reconstruction of vendor
contracts that renewed themselves.

It's late October in Manhattan....

The office has gone quiet, someone has left a bowl of mini chocolate bars by the printer, and it was dark outside before five. You're about to log off when an email slides into your inbox.

You open the invoice. It's for a software tool the business stopped using months ago, and the contract behind it is buried in a shared drive with no record of when notice was due. You find the clause anyway. The window to cancel closed three weeks ago.

Another year of payments for a tool nobody needs.

ANOTHER FULL TERM. ALREADY COMMITTED AND PAID.

Somewhere, faintly, an organ starts to play.

The Burial

Every contract gets a funeral of sorts. Negotiation ends, signatures go on, the file is laid to rest and everyone goes back to their lives.

At Palewick, vendor contracts were laid to rest all over the place, in Google Drive, in spreadsheets, in email threads, each one tucked away, quiet and apparently finished.

But a signed contract with a renewal clause isn't dead. It's dormant. Somewhere in the fine print, it's counting down.

Nobody Hears a Thing.

EXHIBIT A

Vendor renewals, as Legal could see them

Where the contracts lived?
Drive, spreadsheets, inboxes

Who tracked the notice dates?
Whoever remembered

Renewals missed this year?
Rebecca stopped counting

THE HORDE

Every good horror movie has the moment the survivors realize they aren't dealing with one monster.

When the CFO asked Rebecca Shaw, Palewick's senior legal counsel, for the worst renewal of the year, the one that got away, she couldn't pick one. There had been too many, and the truth was worse than that: nobody at Palewick could say how many vendor contracts were live, let alone when each one renewed. There was the tool nobody had used since the previous summer, the vendor that renewed after the business had switched providers, the subscription still billing a team that had been reorganized months ago, and every time she tried to name the worst, another one came to mind. Others were still out there, waiting to be discovered.

One renewal rising from the grave is a bad night. A steady stream of them, shuffling in one at a time, each one small enough to shrug off?

That's the whole film.

The Haunting

So what were these things feeding on?

Tools nobody used anymore.

Palewick wasn't renewing vendors the business needed. It was paying, term after term, for software nobody logged into. **Ghost subscriptions, draining the budget from beyond the grave, because nobody told the contract it had died.**

The Usual Suspects

Every horror story needs someone to blame. Let's round them up.

The Business Owner

Bought the tool, knew the backstory, then changed roles and took the backstory with them. Not guilty. They never held the date.

Legal

Knew the clause was there, but was busy fighting off the next ten contracts. Not guilty. Nobody can guard hundreds of graves from memory.

The Spreadsheet

Knew some of the dates. Nobody opened it after dark. Not guilty. A spreadsheet can't scream.

Everyone has an alibi.

So who let them in?

The call is coming from inside the house

Exhibit B

Rewind to the night each vendor first came through the door. Security had a questionnaire. Legal had its own follow-up questions. The business answered the same things twice, to two teams, in two systems.

Vendor questionnaire

Owner
Security

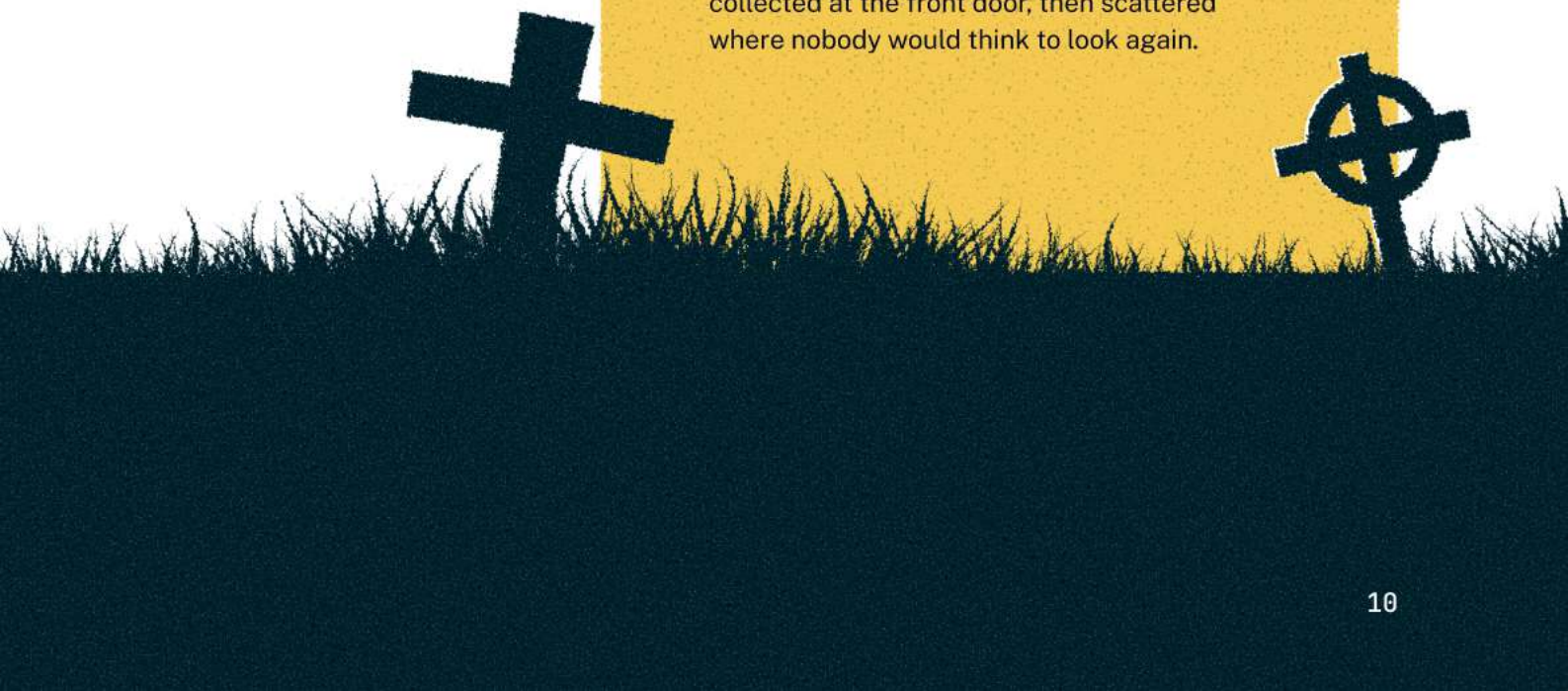
Format
Excel

Answers kept for next time
None

Once the review was over, those answers were buried along with everything else.

That's where the curse began. Not on renewal day. **On the day the vendor was let in.**

Every clue that could have saved them was collected at the front door, then scattered where nobody would think to look again.



The exorcism

Rebecca started by sealing the front door. Legal and Security now share one intake, so vendors answer once and the answers stay.

Then she dug up the graveyard. Every contract moved into one place, with the terms that matter, renewal dates included, pulled out where anyone could see them.

Then she set a night watch. Before a contract renews, Legal gets an alert, and so does the business owner, both of them, ahead of the deadline, while there's still time to say no.

The missed renewals stopped. Contracts still renew, because that's what they're built to do. But at Palewick, **nothing rises from the grave without someone seeing it coming.**

Case closed

So this October, when it gets dark early and the office goes quiet, keep an eye out for that one-line email from Finance.

Better yet, make sure it never arrives.

The Ghost in the Shared Drive

A reconstruction of a non-existing contract

The buyer's diligence list lands at 4:52 on a Monday afternoon in Boston, just as the light outside starts to go thin. You're the entire legal department, and you were one email away from logging off.

"Every customer agreement containing a change of control provision."

Due Friday. The CEO signs on Friday. The buyer will rely on every line. Behind you, a door you didn't know was there creaks open.

THE GRAVEYARD

Nora Quinlan started where everyone starts, in a folder called Contracts, then **Contracts_NEW, then Contracts (2), past PDFs named FINAL, FINAL2 and FINAL_USE_THIS,** through deal rooms that belonged to people who had left two reorganizations ago.

She knew exactly what Friday's signature would mean. Not that Wrenfield's records were complete, because nobody's ever are, but that after reasonable inquiry, the company believed they were.

By Thursday night, she had found almost everything. The exception was the signed agreement with Wrenfield's largest grocery customer, the biggest deal in company history, buried at the bottom of a folder nobody had touched since 2023.

EXHIBIT A

Grocery_MSA_SIGNED.pdf

Owner
Mark Delaney, VP of Sales

Account status
Deactivated

Last opened
2023

THE FIRST GHOST

Everyone at Wrenfield had a Mark story, usually told over drinks, usually starting with the two dinners that won the deal and ending with the cake they bought the week he left.

IT transferred the file to Nora shortly after midnight. She opened it expecting a monster and found thirty-eight pages of perfectly ordinary terms, nothing about exclusivity and nothing about change of control, and she had almost let herself breathe when she found the archived email thread, its last message dated nine days after signature.

"Thanks, Mark. As discussed, we'll keep this one between us."

Attached was a two-page side letter on Wrenfield letterhead, signed by Mark and countersigned by the customer's head of procurement, granting five years of exclusivity and the right to walk away with every prepaid dollar the moment Wrenfield changed hands. It wasn't in the repository, it wasn't in the deal folder, and the agreement it quietly rewrote never mentioned it.

AND NOBODY COULD TELL HER IT WASN'T BINDING.

THE USUAL SUSPECTS

Somebody made this promise. Let's find out who.

Mark. She found him in Vermont, renting kayaks. "Oh, that one," he said. The customer wanted it in writing, Legal was taking forever, and someone was supposed to file it. Did he know it gave them a change of control right? No." Case dismissed. He simply forgot.

The customer. Asked for something in writing, and got it. Case dismissed.

Legal, two years ago. Never saw the letter. Case dismissed. Nobody sent it.

Three suspects. Three clean records.

So who kept the secret?

THE CALL IS COMING FROM INSIDE THE HOUSE

At 1:42 a.m., Nora opened Wrenfield's admin console, and Mark's account was not alone.

It sat among twenty-three suspended accounts that still had files assigned to them, twenty-three people who had walked out of Wrenfield without anyone reading what they left behind. The shared drive had kept every file. It had never kept anyone responsible for them.

She began opening them one by one, the way you open doors in a house you have just been told is not empty.

EXHIBIT B

Suspended accounts with files still assigned: 23

Account 1
Another side letter

Account 2
A pricing commitment Finance had never seen

Account 3
An amendment never attached to the agreement it amended

Account 4
Nothing

Account 5
A letter from a seller who left before Nora joined, to a customer she didn't recognize

Account left
18

THE EXORCISM

By Friday morning, Nora had something she could defend, a disclosure schedule built on every document she had found and an honest note about the ones she hadn't reached yet. Then she started on a rule Wrenfield had never had. When someone leaves, their contracts stay, filed against the agreements they change, where the next person can find them.

CASE CLOSED

Mark had been gone for years. The deal had moved on without him, and so had everyone who signed off on it. But the side letter was still there, patient and signed, waiting for the one week Wrenfield changed hands.

EIGHTEEN ACCOUNTS WERE STILL WAITING TO BE OPENED.

Mark was just the one they told stories about.

The Department of The Damned

A reconstruction of an approval signed by an empty chair.

The rain has been coming down soft and grey since dawn, someone in the lobby is still arranging the pumpkins, and at 8:17 your phone lights up with a message from the CEO to the whole company.

"We're live. Huge congratulations to everyone who got this over the line."

It's the biggest launch of the year, a Halloween campaign for the sleep line built on the slogan Nothing to fear but sleepless nights, with a retail partner Sales has chased since spring.

You're the chief legal officer. You were meant to review every word of it. **You have never seen it before in your life.**

In an empty office down the hall, a phone keeps ringing.

THE VANISHING

Daniel Reyes waited a second, trying to remember whether he had ever seen it, then searched his inbox for the campaign and found nothing, then the matter tracker, and found nothing there either, and finally found it the way you find most things in a legal department, by accident, in an email Marketing had sent eleven days earlier to Hannah, a junior lawyer on his team.

EXHIBIT A

Subject:
Quick legal check, launch assets

To:
Hannah

"Would be great to get your eyes on this today."

Automatic reply:
I'm on parental leave until March. For anything urgent, please contact legal@brightmoor.com.

Marketing's reply:
Perfect, looping in legal@ 👍

The Resurrection

Daniel opened the folder.

The headline, now printed on displays in four hundred stores, said the sleep line **was clinically proven to end sleepless nights**, and he knew that sentence, because Hannah had cut it from draft two three weeks earlier.

Nobody had put it back on purpose. The agency had simply worked from an older file, and the line had climbed out of draft two the way things climb out of shallow graves, patient and unhurried and wearing the company's logo.

At 10:06 the retail partner's compliance team wrote, very politely, to ask who had approved the final assets and whether they could see the study behind the word proven.

The Haunting

He asked Marketing for the approval trail, and it came back in pieces, the original email, the agency's folder, a screenshot from a meeting, and last of all, with a note that said see, Legal reviewed it, an old draft with Hannah's comment still glowing in the margin.

"We can't say clinically proven, there's no study."

The only proof that Legal had ever touched the campaign was proof that Legal had said no.

The Usual Suspects

Someone let this through. Line them up.

Marketing

Asked eleven days early, then did exactly what the auto-reply told them to do. No case to answer.

Hannah

Had already said no once, and her out-of-office pointed somewhere sensible. No case to answer.

The Agency

Worked from the file it was given. No case to answer. Nobody told it which draft was alive.

Every one of them did their job.

So where did the request go?

The call is coming from inside the house

Daniel had set up legal@ himself, two years earlier, so the business would always have a front door.

Everyone on the team could see it, which meant everyone assumed someone else was reading it. It had never been anybody's job, because it belonged to all of them, and every out-of-office on his team still sent urgent matters there, faithfully, into a room everyone thought someone else was sitting in.

He logged in, and the launch request was there, unread, flagged urgent, eleven days old.

Exhibit B

Auto-replies, Brightmoor Legal

Hannah:
"For anything urgent, please contact legal@"

Priya:
"For anything urgent, please contact legal@"

Daniel:
"For anything urgent, please contact legal@"

legal@ owner:
Everyone

Last opened:
April

Unread:
312

The exorcism

By morning, legal@ had a single owner with a name, and every out-of-office on the team pointed to a person who would answer.

But the inbox had been filling since April, and **some of what was waiting in it had already happened.**

Case closed

At four o'clock the retail partner pulled the displays from all four hundred stores.

By then the CEO's post from that morning, a photo of the display with the headline glowing above a cardboard ghost and the words special shout out to Legal for turning this around so fast, had collected two hundred reactions from Marketing, Sales, Finance, the agency and half the executive team.

Two hundred people had signed off on it by lunchtime.

Not one of them was Legal.

Before Halloween, find out where your team's out-of-office sends anything urgent. Then go and look.

The House with The Lights Still On

A reconstruction of an abandoned CLM

Slide eleven is the board's favorite. The coffee has gone cold, snow is starting over Minneapolis, and you're the one presenting it.

Contracts under management: 1,912

High-risk clauses flagged: 3

Material contracts expiring in the next 90 days: 0

The chair smiles and says it's good to see the contract platform paying for itself, and someone writes that down.

You smile back. The numbers came straight from the system. That's what the system is for.

On a floor nobody uses anymore, a light is still on.

THE MOVE-IN

Two years earlier, Maya Lindqvist, general counsel at Caldermoor Foods, had fought for that platform the way you fight for a house you love, through three budget cycles, a CFO who called it a nice-to-have and a vendor demo she could still recite.

Sam, her legal operations manager, built it beautifully, the templates, the approval rules, the alerts, the dashboard, and for six good months the business used it.

Then it became slower to use it than to avoid it. Sales found that emailing a Word document got a deal signed by Friday, Procurement found its old spreadsheet was still faster, and nobody enforced the system, because nobody wanted to be the one slowing a deal down. New contracts went back to Drive, one folder at a time, and nobody announced it, because nobody decided it. The house simply emptied, room by room, while the lights stayed on.

EXHIBIT A

Contract dashboard, as shown to the board

Contracts under management:
1,912

Material contracts expiring, next 90 days:
0

Last contract added:
14 months ago

The last line was in small grey type at the bottom of the screen. It had been there at every board meeting since.

THE KNOCK

The CFO caught her in the hallway afterward, coat already on, and asked one small question. Did the zero include the payments processor, the one that ran every transaction the company made? Surely, he said, a contract like that would be on the dashboard. If the processor stopped, the company stopped taking payments.

Maya opened the platform on her phone. The processor was there, one of the few contracts loaded during the good months, marked Active, the auto-renewal field ticked, the record complete right down to the next review date. Nothing on the screen suggested a problem.

Then she remembered contracts@, the address the platform had created for formal notices, and searched it. The processor's letter was there, sent in July, confirming that it would not renew and that service would end on the first of next month. It had arrived on time, exactly where the contract said it should. Nobody had ever connected it to the record.

The zero had never meant nothing was expiring. It meant nobody had told the system.

The zero had never meant nothing was expiring. It meant nobody had told the system.

The Haunting

She came in early the next morning and walked the platform like a house after the movers have gone. Every alert it had sent in fourteen months had gone to a distribution list nobody read. Every approval rule was still waiting for contracts that no longer came in. The dates were still counting down, faithfully, toward agreements that had already ended, while the agreements that mattered lived in folders the system had never seen.

It had not broken. It had simply kept performing, beautifully, for an audience that had left.

The Usual Suspects

Houses don't empty themselves. Let's see who walked out.

The Vendor

Sent its notice exactly where the contract said to. *Acquitted.*

Sam

Still there, still patching templates nobody opened. *Acquitted.*

Sales

Went back to the tool that was faster. *Acquitted.*

No one did anything wrong. That was the problem.

So who kept the lights on?

The Call Is Coming From Inside The House

Maya pulled up the board minutes from the last six meetings and read the same sentence six times, recorded faithfully by the corporate secretary each quarter.

EXHIBIT B

Board minutes, recorded quarterly

"The General Counsel confirmed that no material contracts expire in the next quarter."

She had said it because the dashboard said it, and she had trusted the dashboard because she had fought for it, and nobody wanted to be the person who admitted the house was empty. Not Sam, not the CFO, not her.

THE EXORCISM

That afternoon she called the processor herself, then drafted the hardest email of her career, to the chair, with the CFO copied. From then on, **she would not present a single number she could not trace to a contract.**

At 11:58 that night, an email arrived from the platform's vendor, cheerful and automatic.

CASE CLOSED

"Your subscription will renew on the first of next month for another 12 months. No action required."

On the first of next month, the contract that ran every transaction would end, and the one nobody used would begin again.

IT WAS THE ONLY CONTRACT THE SYSTEM HAD NEVER LOST TRACK OF.

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SpotDraft is an AI-powered CLM platform that accelerates contract creation, analysis, and management, allowing businesses to seal deals twice as fast and with fewer headaches.

Our story? We've been in your shoes. Many of us used to be lawyers juggling endless tasks across teams. We get the challenges and understand the potential legal teams can unlock if equipped with the right kind of tools and systems. So here we are, building them.