

OTIS & BEDINGFIELD, LLC

ATTORNEYS AT LAW

2025 SPRING NEWSLETTER



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**INTEGRITY. EXCELLENCE.
LASTING RELATIONSHIPS.**

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Otis & Bedingfield, LLC

Voted “2024 Best of NOCO - Legal Services”

Every year Northern Colorado residents have the opportunity to vote for their favorite people, places, and businesses in the NOCO Style magazine’s “Readers’ Choice Best of NOCO” contest.

The voting for 2024 was finalized in December, and we are very honored to have been voted as Best of NOCO for Legal Services.

Thank you to all the Northern Colorado residents who recognized us in this special way! We appreciate you and look forward to continuing to provide exemplary legal services to the community!



Otis & Bedingfield LLC

Providing a range of legal services throughout Northern Colorado

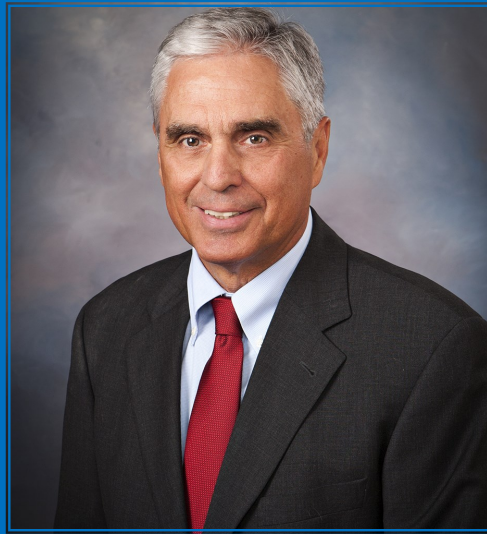


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*Otis & Bedingfield, LLC is
a Better Business
Bureau Accredited
Business*

Retirement of Founding Partner, Jeffrey T. Bedingfield, Esq.



Our named Partner Jeffrey T. Bedingfield, Esq. retired from the practice of law on October 29, 2024.

Jeff's consistent involvement in the northern Colorado community established deep personal connections with individuals, businesses, government and non-profit leaders in the region. His work ethic, intelligence, and integrity built a solid reputation as an honest and wise counselor and very effective legal counsel.

Jeff's community involvement was broad, serving on the boards of the University of Northern Colorado Foundation, the Greeley Downtown Development Corporation, the North Colorado Medical Center, and the Upstate Economic Development Corporation.

Jeff also served as a member of the Greeley Urban Renewal Authority and the Greeley City Planning Commission. Jeff was a member, and subsequently Chairman, of the Colorado Water Quality Control Commission.

In his spare time, Jeff also served on the Greeley Stampede Committee and, along with his beautiful wife Dayna, was appointed Grand Marshal of the Greeley Stampede in 2019!

It would be next to impossible to list all of Jeff's accomplishments and accolades in this small space.

You will be missed sorely, Jeff! We wish you and your family all of life's rewards in retirement!!

"Often when you think you are at the end of something, you are at the beginning of something else."



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This newsletter is not an offer to represent you. You should not act, or refrain from acting based on information in this newsletter. The hiring of a lawyer is an important decision that should be based solely on written information about qualifications or experiences.

Anyone considering hiring a lawyer should independently investigate the lawyer's credentials and ability, and should not rely upon advertisements or self-proclaimed expertise.





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The Pitfalls of Legal AI Tools: Why DIY May Cost You More in the Long Run



By: Lia Szasz, Esq.

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Legal technology has made remarkable strides in recent years, offering affordable, automated solutions for common legal needs. Platforms like LegalZoom, Rocket Lawyer, and others promise quick, low-cost options for forming businesses, drafting wills, or managing contracts. While these tools can be useful for basic tasks, they come with significant limitations that users should not overlook. Relying on legal AI tools for complex issues or nuanced advice can lead to costly mistakes, missed opportunities, and legal vulnerabilities.

Lack of Customization

Legal AI tools rely on standardized templates that may not account for the specific needs or circumstances of individual users. While an AI platform may help you establish an LLC, it might not tailor the operating agreement to your business's specific structure, leaving critical gaps in governance and dispute resolution mechanisms. Similarly, generic real estate contract templates may fail to address local regulations or unique property conditions, leading to enforceability issues or unforeseen liabilities.

Limited Scope of Services.

AI tools excel at completing straightforward legal tasks but fall short when it comes to interpreting complex laws, providing strategic advice, and anticipating potential disputes or legal challenges. For instance, a platform might generate a non-disclosure agreement (NDA), but it won't advise you on whether the terms are enforceable in Colorado or how they interact with other agreements you have in place. Such gaps can leave businesses and individuals vulnerable to disputes that could have been avoided with proper legal counsel.

Errors and Omissions

Even small mistakes in legal documents can have major consequences. The cost of correcting such errors often exceeds the initial savings from using the tool. AI tools depend on the accuracy of the information input by the user, and errors often go unnoticed until it's too late. Poorly worded clauses can be interpreted in ways that disadvantage the user. Legal AI platforms may not alert users to critical filing deadlines, such as annual reports or tax obligations. Users may overlook essential provisions or terms that a seasoned attorney would catch.

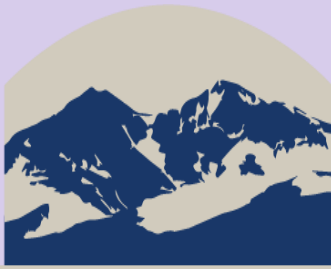
Challenges in Complex Legal Matters

Complex legal situations often require nuanced judgment and a deep understanding of the law. If a contract dispute arises, a document generated by an AI tool may lack the robust terms needed to protect your position in court. Business or estate planning decisions often have tax consequences that require specialized knowledge beyond the scope of automated tools. AI platforms may not update their templates to reflect recent changes in laws or regulations, leaving users with outdated or noncompliant documents.

Legal AI tools offer convenience and affordability, but they are not without significant drawbacks. Investing in legal counsel may seem costly upfront, but it often saves money in the long run by preventing disputes, fines, or other avoidable issues.

IMPORTANT NOTICE FOR LLCs

As of July 1, 2024, the cost for the filing of the Annual Periodic Report has increased to \$25.



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The attorneys at O&B are recognized leaders in real estate law and business law. We advocate for individuals, businesses, and families in the Northern Colorado region. Our clients are landowners, business owners, business professionals, businesses of all sizes, and individual families in need of guidance or representation in court proceedings involving commercial real estate.

For more information about our lawyers or practice areas, please visit our website at www.nocoattorneys.com

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**Our offices will be closed
on Memorial Day,
Monday, May 25th**



Common Contractual Provisions and Their Implications



By: Derrick K. Galantowicz, Esq.
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Business owners deal with a variety of contracts in the course of their operations. Most focus on the main terms in a contract, such as what's being purchased, payment terms, and timing considerations. However, certain contractual provisions with serious legal implications appear frequently across various types of contracts and are commonly overlooked. Following is a discussion of a handful of these contractual provisions and their implications, emphasizing their practical and legal significance.

Indemnity Clauses

The indemnity clause of a contract allocates risk among the contract's parties, sometimes assigning all risk to a single party. An improperly drafted indemnity clause can cause unintended liability for a business owner or a lack of protection against certain claims. For example, in a business sale contract, a buyer will want the seller to indemnify the buyer for causes of action against the business that arose due to the seller's previous operation of the business. An unclear, poorly written indemnity clause could lead to the buyer's being liable for the past actions of the seller, or vice versa.

Representations and Warranties

Indemnity clauses can also provide indemnification for breaches of the representations and warranties contained in the contract. Depending on the transaction, these representations and warranties can comprise a significant portion of a contract. Generally, they are statements of facts and assurances made by a party, such as the condition of an asset or any outstanding liabilities. Business owners need to ensure these statements are accurate as they relate to their business, or they can find themselves quickly in breach of the contract. Precise drafting is key to limit liability exposure and to avoid ambiguity.

Termination and Notice Requirements

Termination and Notice Requirement clauses provide the conditions under which a contract may be concluded. These provisions can assist with the timing expectations of the contract and provide straightforward remedies in case of a breach of the contract. By providing clear language regarding the amount of notice required and when a party has a right to cure any breach, these clauses can avoid disputes over whether a party's actions constitute a breach and whether the contract can be validly terminated.

Conclusion

Common contractual provisions provide essential language for both managing the contract and mitigating the involved parties' risks. However, their implications can extend beyond the mere formality many people view them as. Careful drafting and negotiation of these provisions are necessary to ensure they reflect the parties' intentions and leave no ambiguity about the risks and responsibilities each party agrees to.