

# Table of Contents

<b>Introduction and Purpose</b>	<b>3</b>
Intent	3
Purpose	3
<b>Definitions and Interpretation</b>	<b>3</b>
Definitions	3
Interpretation	4
<b>Standstill Period and Obligations</b>	<b>4</b>
Standstill Period	5
Obligations of the Parties	5
<b>Confidentiality and Data Protection</b>	<b>6</b>
Scope of Confidential Information	6
Data Protection	6
Post-Standstill Confidentiality	7
<b>Termination and Extension Provisions</b>	<b>7</b>
Termination	7
Extension	7
<b>Consequences of Breach</b>	<b>7</b>
Injunctive Relief	8
Monetary Damages	8
Liquidated Damages for Confidentiality Breach	8
Dispute Resolution	8
<b>Dispute Resolution Mechanisms</b>	<b>8</b>
Mediation	9
Governing Law	9
<b>Miscellaneous Provisions</b>	<b>9</b>
Governing Law	9
Entire Agreement	9
Amendments	9
Notices	9
Severability	10
Counterparts	10
Assignment	10
Further Assurances	10



Signatures and Execution .....	10
Signatures .....	11



# Introduction and Purpose

This Standstill Agreement (the "Agreement") is made and entered into as of August 9, 2025, by and between DocuPal Demo, LLC, a company organized under the laws of the United States, with an address at 23 Main St, Anytown, CA 90210 ("DocuPal"), and Acme, Inc ("ACME-1"), a business organized under the laws of the United States, with an address at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA.

## Intent

DocuPal and ACME-1 desire to explore a potential business collaboration. To facilitate constructive discussions and due diligence, both parties agree to establish a standstill period.

## Purpose

The primary purpose of this Agreement is to provide a defined period during which both DocuPal and ACME-1 will refrain from taking certain actions. Specifically, this Agreement aims to prevent either party from pursuing hostile takeover attempts or other disruptive activities that could impede negotiations related to a potential business relationship. The standstill period will commence on the date of this Agreement and continue for ninety (90) days. This duration is intended to provide adequate time for both parties to conduct thorough due diligence, engage in meaningful negotiations, and potentially reach definitive agreements regarding the proposed collaboration. This Agreement outlines the specific obligations, permitted actions, and restrictions applicable to both parties during the standstill period.

# Definitions and Interpretation

## Definitions

For the purposes of this Standstill Agreement, the following terms shall have the meanings set forth below:

- **Confidential Information:** means any and all information, regardless of form, disclosed by either party to the other, either directly or indirectly, relating to its business, technology, finances, or operations, that is designated as confidential



or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure.

- **Permitted Actions:** means actions undertaken by either party consistent with its ordinary course of business, and specifically includes actions such as routine marketing, sales, product development, and operational activities. It excludes any action intended to influence or impede the other party's business operations or strategic decisions, especially concerning a potential business collaboration.
- **Standstill Period:** means the period commencing on August 9, 2025, and continuing until [Insert End Date Here], unless earlier terminated as provided in this Agreement.

## Interpretation

This Agreement shall be interpreted in a manner that facilitates good faith negotiation and promotes mutual benefit between Docupal Demo, LLC, and ACME-1. Any ambiguity in this Agreement shall be resolved by interpreting it in accordance with the principles of fairness and reasonableness. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflict of laws principles.

## Standstill Period and Obligations

This section defines the standstill period and outlines the obligations of both DocuPal Demo, LLC ("DocuPal") and Acme, Inc. ("ACME-1") during this period. The purpose is to ensure a stable environment for good-faith negotiations regarding a potential business collaboration.

### Standstill Period

The standstill period commences on July 1, 2024, and will continue until September 28, 2024, unless terminated earlier as provided in this Agreement.

### Obligations of the Parties

During the standstill period, both DocuPal and ACME-1 agree to the following:



## Prohibited Actions

ACME-1 will not, directly or indirectly, pursue any actions that could be considered a hostile takeover attempt of DocuPal Demo, LLC. This includes, but is not limited to:

- Acquiring additional shares of DocuPal Demo, LLC that would trigger mandatory reporting requirements.
- Soliciting proxies to elect directors not supported by DocuPal Demo, LLC's current board.
- Making a tender offer for DocuPal Demo, LLC's shares without prior written consent from DocuPal Demo, LLC.
- Initiating or participating in any litigation or other action designed to force DocuPal Demo, LLC to agree to a merger, acquisition, or other business combination.

DocuPal Demo, LLC will not take any action that would impede the negotiation process.

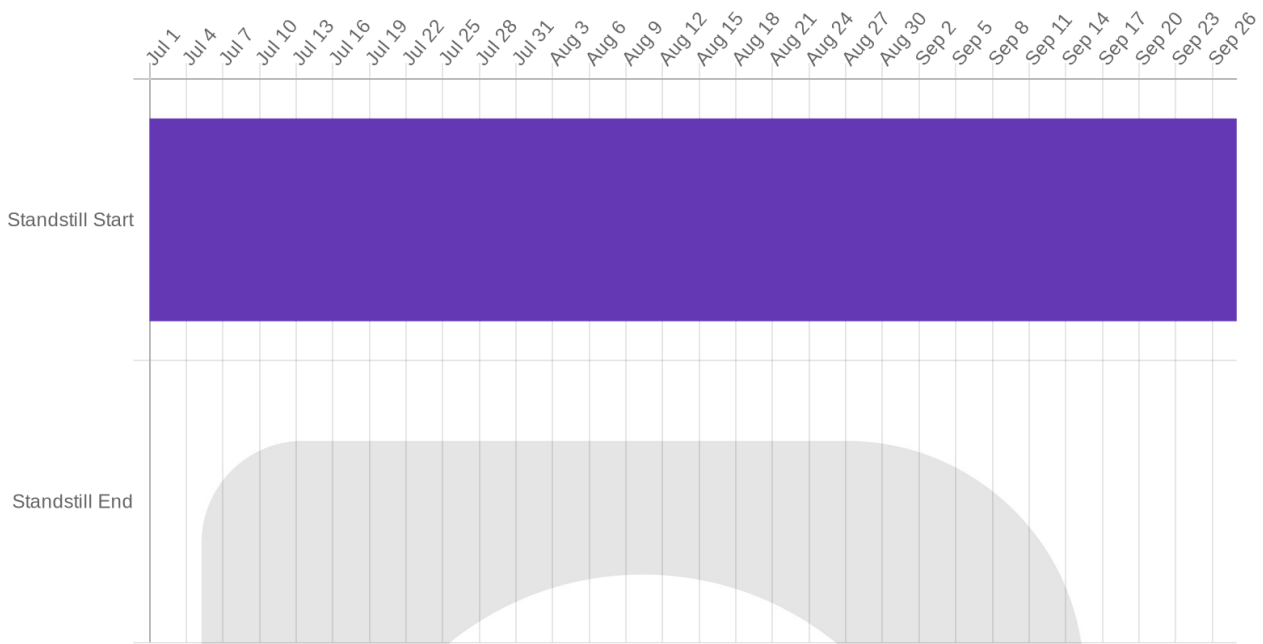
## Permitted Actions

Both parties are permitted to conduct due diligence activities necessary to evaluate the potential business collaboration. Each party will continue to honor all existing contractual obligations unrelated to the potential collaboration under discussion.

## General Obligations

Both DocuPal and ACME-1 will act in good faith to facilitate productive negotiations. This includes making key personnel available for meetings and providing reasonable access to information.





## Confidentiality and Data Protection

Docupal Demo, LLC and ACME-1 acknowledge that during the term of this Standstill Agreement, each party may have access to confidential information belonging to the other party. All information shared between Docupal Demo, LLC and ACME-1 will be considered confidential. Neither party shall disclose such confidential information to any third party.

### Scope of Confidential Information

Confidential information includes, but is not limited to, business plans, financial data, customer lists, strategies, and any other non-public information disclosed by either party.

### Data Protection

Each party agrees to adhere to standard data protection protocols in compliance with all applicable laws and regulations regarding the handling and processing of personal data.

## Post-Standstill Confidentiality

The obligations of confidentiality outlined in this section will continue for a period of three (3) years following the termination or expiration of this Standstill Agreement.

# Termination and Extension Provisions

## Termination

This Standstill Agreement may be terminated under the following conditions:

- **Material Breach:** Either DocuPal Demo, LLC or ACME-1 may terminate this agreement if the other party materially breaches any provision herein.
- **Mutual Consent:** This agreement can be terminated at any time by the mutual written consent of both DocuPal Demo, LLC and ACME-1.
- **Failure to Agree:** If DocuPal Demo, LLC and ACME-1 fail to reach an agreement on definitive terms for a potential business collaboration during the Standstill Period, this agreement will automatically terminate.

## Extension

Either party may request an extension of the Standstill Period. Any such request must be submitted in writing to the other party at least fifteen (15) days prior to the scheduled expiration date. The extension is subject to the approval of both DocuPal Demo, LLC and ACME-1, which will be evidenced by a written addendum to this agreement. If both parties do not agree to an extension, the agreement will terminate on the initially scheduled expiration date.

## Consequences of Breach

In the event either party breaches this Standstill Agreement, several remedies will be available to the non-breaching party.





## Injunctive Relief

DocuPal Demo, LLC and ACME-1 acknowledge that a breach of this Agreement may cause irreparable harm. The non-breaching party is entitled to seek immediate injunctive relief from a court of competent jurisdiction to prevent any further breach or threatened breach. This is in addition to any other remedies available at law or in equity.

## Monetary Damages

The non-breaching party can also pursue monetary damages to recover losses resulting from the breach. This includes direct damages, and any other consequential damages permitted by law.

## Liquidated Damages for Confidentiality Breach

Specifically, a breach of the confidentiality provisions outlined in this Agreement will result in liquidated damages of \$50,000. This amount represents a fair estimate of the potential harm caused by the disclosure of confidential information and is not intended as a penalty.

## Dispute Resolution

All disputes arising from a breach of this Agreement, including the determination of damages, will be resolved through binding arbitration as detailed in the Dispute Resolution section.

# Dispute Resolution Mechanisms

In the event of any dispute arising out of or relating to this Standstill Agreement, DocuPal Demo, LLC and ACME-1 will first attempt to resolve the dispute through good-faith negotiation. Either party may initiate this process by providing written notice to the other party, outlining the nature of the dispute. The parties will then have a period of thirty (30) days from the date of such notice to attempt to resolve the dispute through negotiation.





## Mediation

If the negotiation does not resolve the dispute, the parties agree to submit the dispute to mandatory mediation before resorting to arbitration or litigation. The mediation will be conducted in accordance with the rules of the American Arbitration Association, or another mutually agreed-upon mediation service.

## Governing Law

This Standstill Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to its conflict of laws principles.

# Miscellaneous Provisions

## Governing Law

This Agreement will be governed by and construed in accordance with the laws of the State of Delaware, without regard to its conflict of laws principles.

## Entire Agreement

This Agreement constitutes the entire agreement between Docupal Demo, LLC and Acme, Inc. regarding the subject matter, superseding all prior or contemporaneous communications and proposals, whether oral or written.

## Amendments

No modification or amendment of this Agreement will be effective unless it is in writing and signed by authorized representatives of both Docupal Demo, LLC and Acme, Inc.

## Notices

All notices and other communications under this Agreement must be in writing. Notices will be considered duly given when delivered by certified mail, return receipt requested, or by email, to the addresses specified below:

**If to Docupal Demo, LLC:**



- Address: 23 Main St, Anytown, CA 90210
- Email: [Email Address]

**If to Acme, Inc:**

- Address: 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA
- Email: [Email Address]

**Severability**

If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions will continue in full force and effect. The parties will negotiate in good faith to replace the invalid or unenforceable provision with a valid provision that achieves the original intent.

**Counterparts**

This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Electronic signatures will have the same force and effect as original signatures.

**Assignment**

Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party. Any attempted assignment without such consent will be void.

**Further Assurances**

Each party agrees to execute and deliver such further instruments and take such further actions as may be reasonably necessary to carry out the intent and purpose of this Agreement.

**Signatures and Execution**

This Standstill Agreement is executed on June 28, 2024.



## Signatures

**DocuPal Demo, LLC**

By:

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John Smith

CEO

**Acme Inc.**

By:

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Jane Doe

CEO

Each party has executed this Agreement through its duly authorized representative. This Agreement becomes effective as of the date signed by both parties. No witnesses or notarization are required for this Agreement to be valid.

