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# Introduction and Definitions

## Introduction

This Distribution Agreement (the "Agreement") is made as of August 9, 2025, by and between DocuPal Demo, LLC, a company organized under the laws of the United States, with its principal place of business at 23 Main St, Anytown, CA 90210 ("DocuPal"), and Acme, Inc, also known as ACME-1, a business entity organized under the laws of the United States, with its principal place of business at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA ("Distributor"). This Agreement sets forth the terms and conditions under which Distributor will distribute DocuPal's software products within the United States on an exclusive basis.

## Definitions

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

- **Products:** This refers to the DocuPal software products, including all related documentation and updates, that DocuPal supplies to Distributor under this Agreement for distribution.
- **Territory:** The Territory is defined as the United States of America.
- **Confidential Information:** This includes any proprietary information, technical data, trade secrets, or know-how disclosed by either party to the other, either directly or indirectly, in writing, orally, or by inspection of tangible objects. It also includes, but is not limited to, product specifications, customer lists, pricing, and marketing strategies.

## Appointment and Scope of Distribution

DocuPal Demo, LLC ("DocuPal") appoints Acme, Inc ("ACME-1") as its exclusive distributor for the DocuPal Software within the United States. ACME-1 accepts this appointment and agrees to diligently promote and distribute the DocuPal Software according to the terms and conditions outlined in this Agreement.



## Exclusivity

This distribution agreement grants ACME-1 the exclusive right to market, sell, and distribute the DocuPal Software within the United States. DocuPal will not appoint any other distributor or directly sell the DocuPal Software within the United States during the term of this Agreement.

## Territory

The territory covered by this exclusive distribution agreement is limited to the geographical boundaries of the United States. ACME-1 is authorized to distribute the DocuPal Software to customers located within the United States. Distribution or sales activities outside of the United States are strictly prohibited under this Agreement.

## Products

The products included under this distribution agreement are specifically limited to the "DocuPal Software". This encompasses all current versions and any future updates or releases of the DocuPal Software during the term of this Agreement, unless otherwise agreed upon in writing by both parties.

# Obligations of the Distributor

ACME-1 will act as the exclusive distributor of DocuPal Software within the United States. ACME-1 must use its best efforts to promote, market, and distribute the Software.

## Sales and Marketing

ACME-1 will meet the sales targets agreed upon by both parties. ACME-1 will execute the marketing plan as defined and updated periodically. ACME-1 is responsible for all costs associated with its sales and marketing activities.



## Reporting and Record-Keeping

ACME-1 will provide DocuPal Demo, LLC with monthly sales reports. These reports must detail the quantity of Software sold, revenue generated, and any relevant market feedback. ACME-1 must maintain accurate inventory records of the Software. These records must be available for inspection by DocuPal Demo, LLC upon reasonable notice.

## Compliance

ACME-1 will comply with all applicable laws and regulations related to the distribution of the Software. ACME-1 will obtain and maintain all necessary permits and licenses required to perform its obligations under this Agreement. ACME-1 will not make any false or misleading representations about the Software. ACME-1 will handle all customer inquiries and complaints regarding the Software.

## Obligations of the Supplier

DocuPal Demo, LLC, as the Supplier, agrees to the following obligations:

### Product Supply

The Supplier will ship the DocuPal Software products to ACME-1 on a monthly basis. All shipments are to be delivered Free On Board (FOB) Origin. This means that ACME-1 assumes responsibility for the goods once they leave the Supplier's facility. The Supplier commits to fulfilling all valid purchase orders submitted by ACME-1, subject to product availability. The Supplier will make commercially reasonable efforts to maintain sufficient inventory to meet ACME-1's anticipated demand.

### Support and Training

The Supplier will provide ACME-1 with the necessary support and training to effectively distribute and support the DocuPal Software. This includes:

- **Online Training:** The Supplier will offer online training resources to ACME-1's personnel. These resources will cover product features, sales techniques, and basic troubleshooting.



- **Technical Documentation:** The Supplier will provide comprehensive technical documentation for the DocuPal Software. This documentation will assist ACME-1 in addressing technical inquiries from its customers.

The Supplier will also offer reasonable technical support to ACME-1 via email and telephone during normal business hours (9:00 AM to 5:00 PM Pacific Time, Monday through Friday). The Supplier will use commercially reasonable efforts to respond to ACME-1's support requests within one business day. The Supplier is not responsible for providing direct support to ACME-1's customers. ACME-1 will be the primary point of contact for customer support.

## Pricing, Payment, and Commission

### Pricing and Discount

The price for DocuPal Software distributed by ACME-1 will be the list price less a discount of 20%. This discount reflects ACME-1's role as an exclusive distributor within the United States.

### Payment Terms

ACME-1 will remit payment to DocuPal Demo, LLC within thirty (30) days of the invoice date. This is a Net 30 payment term. DocuPal Demo, LLC will send invoices promptly upon shipment of the software.

### Late Payment

A late fee of 1.5% per month will be applied to any overdue invoice amounts. This fee will accrue from the original due date until the payment is received in full by DocuPal Demo, LLC.

### Volume-Based Discounts

In addition to the standard distributor discount, ACME-1 may qualify for further volume-based discounts. Specific discount tiers will be determined based on quarterly sales volume, as follows:





Sales Volume (USD)	Additional Discount
\$0 - \$50,000	0%
\$50,001 - \$100,000	2%
\$100,001 - \$250,000	3%
Over \$250,000	5%

These additional discounts will be applied retroactively each quarter based on the total sales achieved. DocuPal Demo, LLC will provide ACME-1 with a credit note for the discount amount.

## Delivery and Risk of Loss

### Delivery

Docupal Demo, LLC will deliver the DocuPal Software to ACME-1. Delivery occurs when Docupal Demo, LLC provides the DocuPal Software to the designated carrier.

### Risk of Loss

The risk of loss or damage to the DocuPal Software passes to ACME-1 upon delivery to the carrier. ACME-1 bears all risk of loss during transit.

### Shipping

ACME-1 is responsible for all shipping costs and logistics related to the delivery of the DocuPal Software. ACME-1 will manage the shipping process from the point of delivery to the carrier.

## Intellectual Property Rights

### Ownership

Docupal Demo, LLC retains all right, title, and interest in and to its products, including DocuPal Software. This includes all associated intellectual property rights. These rights encompass, but are not limited to, patents, copyrights, trademarks,



trade secrets, and any other proprietary rights. ACME-1 acknowledges Docupal Demo, LLC's exclusive ownership.

## Trademark License

Docupal Demo, LLC grants ACME-1 a limited, non-exclusive, and non-transferable license to use Docupal Demo, LLC's trademarks. ACME-1 may only use these trademarks in connection with the marketing and distribution of the DocuPal Software within the United States. All use of Docupal Demo, LLC's trademarks by ACME-1 must adhere to Docupal Demo, LLC's trademark usage guidelines. These guidelines will be provided to ACME-1.

## Restrictions

ACME-1 shall not take any action that could infringe upon or dilute Docupal Demo, LLC's intellectual property rights. ACME-1 is prohibited from modifying, reverse-engineering, or creating derivative works based upon the DocuPal Software. ACME-1's license to use Docupal Demo, LLC's trademarks will automatically terminate upon termination of this Agreement.

# Confidentiality

## Definition of Confidential Information

Confidential Information includes, but is not limited to, customer lists, pricing details, and technical specifications related to DocuPal Software. It also covers any non-public information disclosed by either party during the term of this Distribution Agreement.

## Obligations

Both DocuPal Demo, LLC, and ACME-1 agree to protect each other's Confidential Information. ACME-1 will use the Confidential Information solely for internal sales and marketing purposes. Reverse engineering of DocuPal Software is strictly prohibited. Both parties must take reasonable measures to prevent unauthorized disclosure of Confidential Information. This obligation survives the termination of this Distribution Agreement.





# Term and Termination

This Agreement will begin on August 9, 2025, and will continue for an initial term of three (3) years.

## Renewal

After the initial three-year term, this Agreement will automatically renew for additional one-year terms. Either party can prevent automatic renewal by providing written notice to the other party at least sixty (60) days before the end of the current term.

## Termination

Docupal Demo, LLC may terminate this Agreement if ACME-1 breaches any of its obligations under this Agreement. Docupal Demo, LLC will provide ACME-1 with written notice of the breach and a thirty (30) day period to cure the breach. If ACME-1 fails to cure the breach within the thirty (30) day period, Docupal Demo, LLC may terminate the Agreement immediately.

Either party may terminate this Agreement if the other party becomes insolvent, enters into bankruptcy, or makes an assignment for the benefit of creditors.

Docupal Demo, LLC may terminate this agreement if ACME-1 fails to meet the agreed-upon sales targets as defined in Appendix A.

Upon termination of this Agreement for any reason, ACME-1 shall immediately cease all distribution of DocuPal Software.

# Performance Metrics and Reporting

ACME-1 will strive to meet specific performance indicators. These include achieving the quarterly sales quota for DocuPal Software and maintaining high customer satisfaction ratings.



## Sales Quotas

ACME-1 will meet a mutually agreed upon sales quota each quarter. DocuPal Demo, LLC and ACME-1 will discuss and agree upon these quotas at least 30 days before the start of each calendar quarter. These quotas will be based on market conditions, sales forecasts, and other relevant factors.

## Customer Satisfaction

ACME-1 will aim to maintain high customer satisfaction ratings for DocuPal Software. DocuPal Demo, LLC will provide ACME-1 with the metrics and methods used to measure customer satisfaction. ACME-1 will actively collect customer feedback and address any concerns promptly.

## Reporting Requirements

ACME-1 will submit monthly reports to DocuPal Demo, LLC. These reports will detail sales performance, customer feedback, marketing activities, and any other relevant information. The reports will be due by the 15th day of the following month. DocuPal Demo, LLC will provide a template for these reports.

# Marketing and Promotional Activities

ACME-1 will be responsible for marketing and promoting DocuPal Software within the United States. ACME-1's marketing activities will include, but are not limited to, participation in relevant trade shows, execution of online advertising campaigns, and deployment of targeted email campaigns.

## Branding and Advertising Guidelines

All marketing and promotional materials created by ACME-1 must adhere to DocuPal Demo, LLC's branding guidelines. ACME-1 is required to obtain prior written approval from DocuPal Demo, LLC for all advertising and promotional materials before their release. This includes, but is not limited to, website content, brochures, advertisements, and social media posts. DocuPal Demo, LLC reserves the right to request modifications to any marketing materials that do not meet its



standards or are inconsistent with its brand image. ACME-1 will ensure that all marketing activities are conducted in a professional manner and comply with all applicable laws and regulations.

## Warranties and Liability

### Warranties

Docupal Demo, LLC warrants that the DocuPal Software will perform substantially in accordance with its documentation for a period of ninety (90) days from the date of delivery. This is a standard software warranty. Docupal Demo, LLC does not warrant that the software will be error-free or that all defects will be corrected. ACME-1's sole and exclusive remedy for any breach of this warranty shall be, at Docupal Demo, LLC's option, either (a) to correct the non-conforming software, or (b) to replace the non-conforming software with conforming software.

### Limitation of Liability

To the maximum extent permitted by applicable law, Docupal Demo, LLC shall not be liable to ACME-1 for any indirect, incidental, special, consequential, or punitive damages arising out of or relating to this Agreement, whether based on contract, tort, or any other legal theory, even if Docupal Demo, LLC has been advised of the possibility of such damages. Docupal Demo, LLC's total liability to ACME-1 for any and all claims arising out of or relating to this Agreement shall be limited to the purchase price paid by ACME-1 for the DocuPal Software giving rise to the claim. This limitation applies regardless of the form of action, whether in contract, tort, or otherwise.

## Dispute Resolution

The parties will try to resolve any dispute arising from or relating to this Agreement through good faith negotiations.



## Arbitration

If the parties cannot resolve a dispute through negotiation, they agree to submit the dispute to binding arbitration in accordance with the rules of the American Arbitration Association. A single arbitrator will conduct the arbitration in Delaware. The arbitrator's decision will be final and binding on both parties. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. Each party will bear its own costs and expenses of the arbitration, and will share equally the fees and expenses of the arbitrator. Arbitration is the sole remedy for any disputes arising under this agreement.

## Miscellaneous Provisions

### Force Majeure

Neither party will be liable for any failure to perform its obligations under this Agreement if such failure results from acts of God, war, riots, fire, explosions, flood, strike, lockout, injunction, governmental action, or any other cause beyond the reasonable control of the party whose performance is affected. The affected party must promptly notify the other party of such an event and make commercially reasonable efforts to resume performance. Obligations will be suspended during the force majeure event.

### Assignment

Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party. Such consent shall not be unreasonably withheld.

### Notices

All notices and other communications required or permitted under this Agreement must be in writing and delivered by hand or sent by registered or certified mail, return receipt requested, or by a recognized overnight courier service, to the addresses set forth in the introductory paragraph of this Agreement. Notices will be effective upon receipt.



## Governing Law

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.

## Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous communications and proposals, whether oral or written, between the parties with respect to such subject matter.

## Amendments

No amendment to or modification of this Agreement shall be effective unless it is in writing and signed by authorized representatives of both parties.

## Severability

If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect. The invalid or unenforceable provision shall be replaced by a valid and enforceable provision that comes closest to expressing the intention of the original provision.

## Waiver

No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent, or subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.

## Relationship of Parties

The parties are independent contractors. Nothing in this Agreement shall be construed to create a partnership, joint venture, agency, or employment relationship between the parties. Neither party shall have any right or authority to assume or create any obligation or responsibility, express or implied, on behalf of or in the name of the other party, or to bind the other party in any manner.



# Signatures and Execution

This Distribution Agreement is effective as of January 1, 2024.

## Signatures

DocuPal Demo, LLC and ACME-1 indicate their agreement to all terms and conditions contained within this Distribution Agreement through their signatures below.

### DocuPal Demo, LLC

By: \_\_\_\_\_

Name: John Smith

Title: \_\_\_\_\_

Date: \_\_\_\_\_

### ACME-1

By: \_\_\_\_\_

Name: Jane Doe

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Each party has caused this Distribution Agreement to be executed by its duly authorized representative as of the date first written above. These signatures serve as confirmation of each party's commitment to uphold their respective responsibilities and obligations as outlined in this agreement.

