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Introduction

This Partnership Agreement ("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 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 ("Acme").

Purpose

The purpose of this Agreement is to establish a general business partnership between DocuPal and Acme. Both parties intend to collaborate on the development and marketing of a new software product. This Agreement outlines each party's responsibilities, contributions, and share of profits and losses. It also details the governance and operational procedures for the partnership.

Scope

This Agreement defines the terms and conditions governing the partnership, including but not limited to capital contributions, roles and responsibilities, profit and loss sharing, decision-making processes, dispute resolution, confidentiality, term and termination, and governing law. The parties aim to create a clear and comprehensive framework for their collaborative efforts.

Definitions and Interpretations

Definitions

In this Agreement, unless the context otherwise requires, the following terms shall have the meanings ascribed to them below:

- "ACME-1" means Acme, Inc, a company incorporated in the United States of America, with its registered address at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA.



- **"Agreement"** means this Partnership Agreement, including all schedules and exhibits attached hereto.
- **"Capital Contribution"** means the total amount of capital, whether in the form of cash, assets, or other resources, contributed by each Partner to the Partnership as specified in **Exhibit A**. The valuation of non-cash contributions shall be mutually agreed upon in writing by the Partners.
- **"Docupal Demo, LLC"** means Docupal Demo, LLC, a limited liability company incorporated in the United States of America, with its registered address at 23 Main St, Anytown, CA 90210.
- **"Material Breach"** means a significant failure by either Partner to perform its obligations under this Agreement that substantially defeats the purpose of the Partnership. A material breach includes, but is not limited to, failure to make a required Capital Contribution, misappropriation of Partnership funds, or gross negligence in the performance of assigned responsibilities.
- **"Net Profit"** means the Partnership's gross revenue less all operating expenses, including but not limited to, salaries, rent, marketing costs, and depreciation, as determined in accordance with generally accepted accounting principles (GAAP).
- **"Partner"** means either Docupal Demo, LLC or ACME-1, individually.
- **"Partners"** means Docupal Demo, LLC and ACME-1, collectively.
- **"Partnership"** means the business relationship created by this Agreement between Docupal Demo, LLC and ACME-1.
- **"Software Intellectual Property"** means all intellectual property rights associated with the software product developed under this Agreement, including but not limited to copyrights, trade secrets, and any patents or patent applications.
- **"Source Code"** means the human-readable instructions that define the functionality of the software product.

Interpretation

- The headings in this Agreement are for convenience only and do not affect its interpretation.



- Words importing the singular include the plural and vice versa.
- References to any statute or statutory provision shall be construed as a reference to it as it is in force for the time being, taking account of any amendment, extension, or re-enactment and includes any subordinate legislation for the time being in force made under it.
- The exhibits and schedules attached to this Agreement form an integral part of it and shall have the same force and effect as if expressly set out in the body of this Agreement.

Capital Contributions

Initial Contributions

Each partner will contribute to the partnership's capital. DocuPal Demo, LLC will contribute \$50,000. ACME-1 will also contribute \$50,000. These initial contributions will be made within 30 days of the effective date of this agreement.

Types of Contributions

The partners may make contributions in cash or in-kind. In-kind contributions may include, but are not limited to, software development resources. The fair market value of any in-kind contribution will be determined by mutual agreement of the partners.

Additional Capital Contributions

If the partnership needs additional capital, the partners will decide if additional contributions are needed. Any additional capital contributions will be made in proportion to the partners' respective percentage interests in the partnership. The terms of any additional capital contributions will be documented in writing and signed by both partners.



Roles and Responsibilities

This section defines the roles, responsibilities, and authority of each partner within this Partnership. DocuPal Demo, LLC and ACME-1 will each contribute specific expertise and resources to achieve the goals outlined in this Agreement.

DocuPal Demo, LLC

DocuPal Demo, LLC will primarily be responsible for the technical aspects of the Partnership. This includes all software development activities related to the new software product. DocuPal Demo, LLC will oversee the entire product development lifecycle, from initial design and coding to testing and deployment.

Specific duties include:

- Developing and maintaining the software product.
- Providing technical support to ACME-1 and end-users.
- Managing all aspects of the software's architecture and infrastructure.
- Ensuring the software meets required quality standards and performance benchmarks.
- Making decisions related to technology, architecture, and technical design.

ACME-1

ACME-1 will focus on the commercialization of the software product. ACME-1 will lead all marketing and sales efforts. ACME-1 will use its expertise to create and implement effective strategies to reach target customers and generate revenue.

Specific duties include:

- Developing and executing the marketing plan.
- Managing the sales process and customer relationships.
- Conducting market research and analysis.
- Creating marketing materials and campaigns.
- Setting pricing and sales targets.
- Making decisions related to marketing, sales, and customer relations.



Operational Responsibilities

DocuPal Demo, LLC will have full authority over product development decisions. ACME-1 will have full authority over sales and marketing decisions. Both partners will collaborate on major strategic decisions. This will ensure alignment and maximize the success of the Partnership.

Profit and Loss Sharing

DocuPal Demo, LLC and ACME-1 will share profits and losses equally. The agreed-upon ratio for profit sharing is 50/50. The allocation of losses will also follow a 50/50 split between the partners.

Profit Distribution

Net profits from the partnership's operations will be calculated on an annual basis. These profits will then be distributed to each partner according to their respective share. DocuPal Demo, LLC will receive 50% of the net profits. ACME-1 will receive the remaining 50% of the net profits. Distributions will be made within 30 days following the completion of the annual financial statements.

Loss Allocation

In the event that the partnership incurs net losses, these losses will also be allocated between the partners. DocuPal Demo, LLC will bear 50% of the net losses. ACME-1 will bear the other 50% of the net losses. Loss allocation will be reflected in the capital accounts of each partner. The partners will address the treatment of losses exceeding their capital contributions as needed.

Decision Making and Governance

DocuPal Demo, LLC and ACME-1 will collaborate on all decisions related to the Partnership. This section outlines how we will make decisions and govern our activities.



Voting Rights and Decision Thresholds

Each partner has voting rights proportionate to their capital contribution. Routine decisions require a simple majority vote to pass. Significant changes to the Partnership require unanimous approval from both partners. Significant changes include, but aren't limited to:

- Changes to the core business strategy
- Major financial commitments
- Admission of new partners
- Sale or transfer of Partnership assets
- Amendments to this Agreement

Meeting Schedule and Protocols

We will hold regular meetings to discuss the Partnership's progress and make necessary decisions. These meetings will occur monthly. Either partner can call additional meetings with reasonable notice. We will distribute an agenda before each meeting. Meeting minutes will be recorded and shared with both partners.

Governance Structure

The partners will jointly manage the Partnership. Each partner will designate a representative to oversee daily operations. These representatives will work together to implement the Partnership's strategies and make operational decisions. Any decisions with significant financial implications or strategic impact must be presented to both partners for approval, adhering to the voting thresholds.

Dispute Resolution

The partners want to resolve any disagreements quickly and cost-effectively. They will use the following methods.

Mediation

First, the partners will try to resolve any dispute through mediation. One partner must give written notice to the other, outlining the issue. Both partners will then have 30 days to find a mutually acceptable mediator. They will share the costs of



mediation equally. If mediation does not resolve the dispute within this timeframe, the partners will move to arbitration.

Arbitration

If mediation fails, the partners will submit the dispute to binding arbitration. Arbitration will occur in accordance with the rules of the American Arbitration Association. A single arbitrator will be selected by mutual agreement. If the partners cannot agree on an arbitrator, the American Arbitration Association will appoint one. The arbitration proceedings must conclude within 60 days of the arbitrator's appointment. The arbitrator's decision will be final and binding. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction. Each partner will bear its own costs and attorneys' fees. The partners will share the arbitrator's fees equally.

Confidentiality

Both DocuPal Demo, LLC and ACME-1 agree to keep partnership information confidential. This includes, but is not limited to, customer lists, pricing strategies, and technical specifications related to the software product. Each party will protect this information from unauthorized use or disclosure.

Scope of Confidential Information

Confidential information encompasses all data, documents, and materials shared between DocuPal Demo, LLC and ACME-1. This includes information created as a result of this partnership. Both parties will use confidential information only for the purposes outlined in this agreement.

Obligations

Both DocuPal Demo, LLC and ACME-1 must take reasonable steps to maintain confidentiality. These steps should be no less protective than those taken to protect their own confidential information.



Breach

A breach of confidentiality may result in financial penalties. It could also lead to the termination of this Partnership Agreement. The breaching party will be responsible for all damages resulting from the breach.

Term and Termination

Term

This Partnership will begin on August 9, 2025, and will continue for a term of five (5) years, unless terminated earlier as described in this agreement.

Renewal

At the end of the initial five-year term, this Partnership may be renewed for an additional term, subject to a written agreement by both DocuPal Demo, LLC and ACME-1. This renewal agreement must be executed at least ninety (90) days before the end of the initial term.

Termination

This Partnership may be terminated under the following circumstances:

- **By Mutual Agreement:** DocuPal Demo, LLC and ACME-1 may agree in writing to terminate the Partnership at any time.
- **By Withdrawal:** Either DocuPal Demo, LLC or ACME-1 may withdraw from the Partnership by providing written notice to the other partner. Such notice must be given at least sixty (60) days before the intended date of withdrawal.
- **By Cause:** Either partner may terminate the Partnership immediately upon written notice to the other partner if the other partner breaches any material provision of this Agreement, engages in misconduct that is detrimental to the Partnership, or becomes insolvent or bankrupt.



Partner Exit

Upon a partner's exit, the remaining partner will determine the valuation of the exiting partner's partnership interest. The buyout terms will be negotiated in good faith, considering factors such as capital contributions, profits/losses, and the fair market value of the partnership assets. All exit and buyout procedures will comply with applicable laws.

Dissolution and Winding Up

This section outlines the procedures for dissolving the Partnership and winding up its affairs.

Events Triggering Dissolution

The Partnership will dissolve upon the occurrence of any of the following events:

- The bankruptcy of either DocuPal Demo, LLC or ACME-1.
- A material breach of this Agreement by either DocuPal Demo, LLC or ACME-1, which remains uncured after thirty (30) days written notice.
- The mutual written agreement of DocuPal Demo, LLC and ACME-1 to dissolve the Partnership.

Winding Up Process

Upon dissolution, the remaining Partner or a designated liquidator will be responsible for winding up the Partnership's affairs. This process will include the following steps:

1. **Asset Liquidation:** All Partnership assets will be sold or otherwise converted into cash as expeditiously as possible.
2. **Debt Settlement:** Partnership debts and liabilities to creditors, including Partner loans, will be paid first, according to their priority.
3. **Distribution of Remaining Assets:** After the payment of all debts and liabilities, the remaining assets will be distributed to the Partners in accordance with their capital contributions and profit sharing ratio as outlined in Article 4 of this Agreement. The distribution will be pro-rata based on the capital contributions, taking into account any profit or loss allocations up to the date of dissolution.



The liquidator will provide an accounting of the winding up process to both Partners. Any disputes arising during the winding up process will be resolved in accordance with the dispute resolution provisions outlined in Article 12 of this Agreement.

Amendments

This Partnership Agreement may be amended or modified at any time. Any changes to this Agreement must be made in writing. All partners must provide unanimous consent for any amendment to be valid.

Process for Amendments

To modify this Agreement, a partner must first propose the change in writing to all other partners. Following the proposal, the partners will discuss the suggested amendment. If all partners agree to the proposed change, the amendment will be formalized in a written document. This document must clearly state the specific changes being made to the original agreement. Each partner must then sign and date the amendment. The amendment will become effective on the date specified in the amendment, or if no date is specified, upon the date of the last partner's signature. No verbal agreements or informal modifications will be recognized.

Miscellaneous Provisions

Notices

All notices related to this Partnership Agreement must be in writing. Notices are considered properly given when sent by email and confirmed with certified mail, return receipt requested, to the addresses listed in this Agreement or as subsequently updated by either party via written notice.

Governing Law

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



Severability

If any provision of this Partnership Agreement is deemed invalid or unenforceable, the remaining provisions remain in full force and effect. The parties agree to renegotiate in good faith any invalid or unenforceable provision to achieve as closely as possible the original intent of the provision.

Assignment

Neither party may assign this Partnership Agreement or any of its rights or obligations under this agreement without the prior written consent of the other party. Any attempt to assign this Agreement without such consent is void. This agreement binds and benefits the parties, their legal representatives, successors, and permitted assigns.

Signatures

This Partnership Agreement is effective as of August 9, 2025.

DocuPal Demo, LLC

Signed: _____

Name: John Doe

Title: Authorized Signatory

Date: _____

Acme, Inc

Signed: _____

Name: Jane Smith

Title: Authorized Signatory

Date: _____



Notarization

This agreement must be notarized to be considered fully executed.

