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Introduction and Purpose

This Shareholders' 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 United States, with its principal place of business at 23 Main St, Anytown, CA 90210 ("the Company"), and Acme, Inc ("ACME-1"), a business entity organized under the laws of United States, with its principal address at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA.

Purpose of the Agreement

This Agreement defines and governs the relationship between the Company and its shareholders. It is designed to protect the investments of the shareholders and to ensure the stable and successful governance of DocuPal Demo, LLC. The parties intend this Agreement to set forth their respective rights, obligations, and understandings regarding their ownership and operation of the Company.

Scope of the Agreement

This Agreement addresses key aspects of the Company's governance, including the distribution of shareholding, voting rights, and entitlements to dividends. It also establishes restrictions on the transfer of shares, mechanisms for resolving disputes, and provisions regarding confidentiality and non-compete obligations. This Agreement is intended to supplement the Company's articles of association. To the extent there are inconsistencies, the terms of this Agreement shall prevail, as permitted by law.

Definitions and Interpretation

Definitions

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

- "ACME-1" means Acme, Inc, a business entity located at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA.



- **"Agreement"** means this Shareholders' Agreement, including all schedules and exhibits attached hereto.
- **"Confidential Information"** means any information, technical data, or know-how, including, but not limited to, that which relates to research, product plans, products, services, customers, markets, software, developments, inventions, processes, designs, drawings, engineering, hardware configuration information, marketing, finances, or other business information disclosed by one party to the other, either directly or indirectly, in writing, orally, or by inspection of tangible objects.
- **"Docupal Demo, LLC"** means the company located at 23 Main St, Anytown, CA 90210.
- **"Fair Market Value"** means the price at which an asset would change hands between a willing buyer and a willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, both parties having reasonable knowledge of relevant facts.
- **"Material Breach"** means a failure to perform any material obligation under this Agreement that substantially impairs the value of this Agreement to the non-breaching party.
- **"Shareholder"** means any registered holder of shares in the capital of Docupal Demo, LLC.
- **"Change of Control"** means (i) a sale of all or substantially all of the assets of Docupal Demo, LLC; (ii) a merger, consolidation, or other business combination of Docupal Demo, LLC with or into any other entity where the shareholders of Docupal Demo, LLC immediately prior to such transaction do not own more than fifty percent (50%) of the outstanding voting securities of the surviving entity immediately after such transaction; or (iii) a sale, transfer, or other disposition of more than fifty percent (50%) of the outstanding voting securities of Docupal Demo, LLC to a third party.

Interpretation

General

In this Agreement, unless the context otherwise requires:

- Words importing the singular include the plural and vice versa.
- Words importing a gender include every gender.
- References to persons include bodies corporate and unincorporated associations.



- The headings are for convenience only and do not affect the interpretation of this Agreement.

Ambiguities

Any ambiguities in this Agreement shall be interpreted in a manner that reflects the original intentions of the parties and promotes the overall purpose of the Agreement. In resolving ambiguities, the parties may consider prior negotiations, industry standards, and the context in which the Agreement was made.

Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the United States. The base currency for all financial matters related to this agreement is USD.

Share Capital and Ownership Structure

Share Capital

DocuPal Demo, LLC's share capital consists of Common Shares. These shares grant holders standard voting rights and the right to receive dividends as declared by the company's board of directors.

Ownership Structure

Current Shareholding

As of the effective date of this Agreement, the ownership of DocuPal Demo, LLC is as follows:

- Acme, Inc (ACME-1) holds 100% of the issued Common Shares.

Authorized Shares

The company has authorized an unlimited number of Common Shares. The Board of Directors can issue further shares, subject to the terms outlined in this Agreement, and in compliance with applicable laws.



No Other Classes or Options

Currently, there are no other classes of shares authorized or outstanding. There are also no outstanding options, warrants, or other rights to acquire shares of DocuPal Demo, LLC.

Rights and Obligations of Shareholders

Voting Rights

Each shareholder of DocuPal Demo, LLC is entitled to voting rights. For every share held, a shareholder has one vote on any matter presented for a vote of the shareholders.

Dividend Entitlements

Shareholders are entitled to receive dividends. Dividends will be distributed proportionally based on the number of shares each shareholder owns. The declaration and payment of dividends remain at the discretion of the DocuPal Demo, LLC Board of Directors. Dividend distributions are also subject to any legal restrictions that may apply.

Obligations of Shareholders

Shareholders have specific obligations to DocuPal Demo, LLC. These obligations include:

- **Confidentiality:** Shareholders must maintain the confidentiality of company information. This includes business strategies, financial data, and other proprietary information.
- **Good Faith:** Shareholders are expected to act in good faith and in the best interests of DocuPal Demo, LLC.
- **Participation in Funding Rounds:** Shareholders may be required to participate in future funding rounds. The terms and conditions of such participation will be mutually agreed upon.
- **Compliance with Laws and Regulations:** Shareholders must comply with all applicable laws and regulations related to their ownership and activities within DocuPal Demo, LLC.



- **Adherence to the Agreement:** Shareholders are obligated to adhere to the terms and conditions outlined in this Shareholders' Agreement.
- **Provide Necessary Information:** Shareholders agree to provide any information reasonably requested by the Company, necessary to comply with legal or regulatory requirements.
- **Attend Meetings:** Shareholders are encouraged to attend shareholder meetings, either in person or by proxy, to exercise their voting rights and participate in company governance.

Other Rights

Shareholders also have the right to:

- Inspect the books and records of DocuPal Demo, LLC, subject to reasonable restrictions and confidentiality obligations.
- Receive notice of shareholder meetings.
- Bring derivative actions on behalf of the company, subject to applicable law.
- Sell or transfer their shares, subject to the restrictions outlined in this Agreement.
- Receive a pro-rata share of the company's assets upon liquidation, after the satisfaction of all debts and liabilities.
- Appoint or remove directors, according to the provisions stipulated in this agreement and the company's governing documents.
- Approve or disapprove of major corporate actions, such as mergers, acquisitions, or sales of substantially all of the company's assets, as required by law and the company's governing documents.
- Receive regular updates on the company's financial performance and strategic direction.
- Be treated fairly and equitably by the company and its other shareholders.
- Access information necessary to make informed decisions regarding their investment in the company.
- Participate in decisions regarding the future direction and strategy of the company, either directly or through their appointed representatives on the board of directors.



Governance and Management Structure

DocuPal Demo, LLC's governance rests with its shareholders and the Board of Directors. Shareholders exercise their governance rights through voting on key matters, attending meetings, and staying informed about company performance.

Board of Directors

The Board of Directors is responsible for the overall management and strategic direction of DocuPal Demo, LLC.

Composition and Appointment

The Board will consist of three directors. The initial directors are listed in a separate schedule to this agreement. ACME-1 holds the right to appoint all three directors to the Board. This appointment right ensures ACME-1's significant influence over the company's strategic decisions.

Board Authority and Decision-Making

The Board possesses the authority to make decisions on significant company matters. These decisions include, but aren't limited to:

- Approving annual operating budgets
- Overseeing major investments or acquisitions
- Setting the strategic direction of the company
- Appointing and removing officers

Key decisions require a majority vote of the directors. The company will meticulously document all decisions in official meeting minutes and resolutions. These records will serve as an accurate account of the Board's actions.

Shareholder Rights and Meetings

Shareholders retain specific rights that ensure their participation in the company's governance. These rights encompass the right to:

- Receive regular company updates on financial performance and strategic initiatives.
- Attend and vote at shareholder meetings.
- Approve certain fundamental changes to the company, as defined by law and this agreement.

Shareholder meetings will occur at least annually. The company will provide shareholders with adequate notice of these meetings. Notice will include the meeting agenda and relevant supporting materials. These measures ensure informed participation.

Transfer of Shares and Restrictions

Share transfers are subject to certain conditions to protect Docupal Demo, LLC and its shareholders. A shareholder cannot transfer their shares without the board's prior written consent. This consent is at the board's sole discretion.

Pre-emptive Rights

Existing shareholders have pre-emptive rights. If Docupal Demo, LLC issues new shares, current shareholders can buy them first. They can purchase a proportion equal to their existing stake in the company. This ensures shareholders maintain their relative ownership.

Restrictions on Transfer

Several restrictions apply to share transfers:

- **Right of First Refusal:** Before selling shares to an outside party, a shareholder must first offer them to the other shareholders. This gives the existing shareholders the chance to buy the shares at the same price and terms.
- **Permitted Transfers:** Transfers to family members or trusts controlled by the shareholder may be permitted under certain conditions, as defined by the board. These transfers may be exempt from some restrictions.
- **Tag-Along Rights:** If a majority shareholder wants to sell their shares, tag-along rights apply. The buyer must also offer to buy the shares of the minority shareholders. The offer must be on the same terms as the majority shareholder's sale. This protects minority shareholders.



Lock-in Period

Shareholders are subject to a lock-in period. During this period, shareholders are restricted from selling, transferring, or otherwise disposing of their shares. The duration of this period is [Specify duration, e.g., two years] from the date of this agreement.

Procedure for Transfer

To transfer shares, the selling shareholder must provide written notice to Docupal Demo, LLC. The notice must include:

- The number of shares to be transferred.
- The proposed transfer price.
- The identity of the proposed buyer.
- Any other relevant terms and conditions of the proposed transfer.

The remaining shareholders then have a specified period (e.g., 30 days) to exercise their right of first refusal. If they do not exercise this right, the selling shareholder may proceed with the transfer to the proposed buyer, subject to board approval.

Compliance

All share transfers must comply with applicable laws and regulations. The board may refuse to approve a transfer if it believes it would violate any law or regulation.

Dividend Policy

DocuPal Demo, LLC's board of directors will determine if and when to declare dividends. These declarations will occur at their discretion.

Dividend Declaration and Restrictions

The board will typically consider dividend declarations annually. However, declarations will be no less frequent than legally required. The company can only pay dividends if it is solvent. Dividend payments must also comply with all applicable laws and regulations.



Dividend Distribution

All shareholders will receive dividends pro rata. The distribution will be based on their respective shareholdings in DocuPal Demo, LLC.

Confidentiality and Non-Compete Clauses

Confidentiality

Each shareholder acknowledges that during their involvement with Docupal Demo, LLC, they will have access to confidential information. This information includes, but is not limited to, technical data, business plans, customer lists, and financial information. All shareholders agree to maintain the confidentiality of this information and to not disclose it to any third party without the express written consent of Docupal Demo, LLC. This obligation extends both during and after their association with the company. Shareholders shall protect confidential information with the same degree of care as they protect their own confidential information, but no less than a reasonable degree of care.

Non-Compete

To protect the legitimate business interests of Docupal Demo, LLC, each shareholder agrees not to engage in any business that competes with the company's activities. This restriction applies during the term of their shareholding and for a period of two years following the termination of their involvement with Docupal Demo, LLC. Competing business includes any entity that offers products or services similar to those offered by Docupal Demo, LLC, within the company's primary market area. This clause aims to prevent shareholders from using knowledge gained during their time with Docupal Demo, LLC, to unfairly compete against the company.

Dispute Resolution Mechanisms

The parties agree to resolve any disputes related to this Agreement through the following methods.



Mediation

First, the parties will attempt to resolve any dispute through good-faith mediation. One party must give written notice to the other party, if they believe there is a dispute. Within [Number] days of this notice, the parties will meet and try to come to a resolution. Both parties will share the costs of the mediator equally. The mediation will occur in [City, State].

Arbitration

If mediation does not resolve the dispute within [Number] days, the parties agree to submit the dispute to binding arbitration. The arbitration will be administered by [Arbitration Organization] according to its rules. The arbitrator's decision will be final and binding on both parties. A court of competent jurisdiction can enter judgment upon the arbitrator's award. The arbitration will take place in [City, State]. The arbitrator is empowered to award reasonable attorney's fees and costs to the prevailing party.

Governing Law

The laws of the State of Delaware govern the interpretation and enforcement of this dispute resolution section. This choice of law applies without regard to conflict-of-laws principles.

Deadlock Resolution

Definition of Deadlock

A deadlock occurs when the Board of Directors is unable to reach an agreement on a material decision affecting Docupal Demo, LLC, despite making reasonable and good-faith efforts to resolve the matter.

Resolution Process

In the event of a deadlock, the following steps will be taken to facilitate a resolution:



1. **Escalation to Mediation:** The parties will first attempt to resolve the deadlock through non-binding mediation. An independent mediator, mutually agreed upon by the shareholders, will be appointed to facilitate discussions and propose potential solutions. The cost of the mediation will be shared equally by the involved shareholders.
2. **Tie-Breaking Director:** If mediation fails to resolve the deadlock within thirty (30) days of the mediator's appointment, a designated tie-breaking director will be appointed. This director, pre-agreed upon by the shareholders, will have the authority to cast the deciding vote on the deadlocked matter.
3. **Arbitration:** If the tie-breaking director mechanism does not resolve the deadlock, or if the shareholders cannot agree on a tie-breaking director, the matter will be submitted to binding arbitration. Arbitration will be conducted in accordance with the rules of the American Arbitration Association, and the decision of the arbitrator will be final and binding on all parties. The location of the arbitration will be Anytown, CA.

The shareholders agree to cooperate fully and in good faith throughout the deadlock resolution process. All information shared during mediation or arbitration will be kept confidential. The shareholders retain the right to seek legal counsel at their own expense during any stage of the deadlock resolution process.

Capital Contributions and Funding

Initial Capital Contributions

ACME-1 has made an initial capital contribution of \$1,000,000 to Docupal Demo, LLC. This contribution establishes ACME-1's initial equity stake in the company.

Future Funding Obligations

Shareholders may be required to contribute additional capital to Docupal Demo, LLC in the future. These contributions will be necessary to fund the company's operations, expansion, or other strategic initiatives. The need for additional capital contributions will be determined by the board of directors. The board will assess Docupal Demo, LLC's financial condition, projected cash flow, and investment opportunities.



If the board determines that additional capital is required, it will propose a capital call to the shareholders. The capital call will specify the amount of additional capital needed, the purpose for which the capital will be used, and the deadline for making the contributions. Each shareholder's obligation to contribute additional capital will be proportionate to their ownership percentage in Docupal Demo, LLC.

A shareholder who fails to make a required capital contribution may be subject to certain penalties. These penalties may include dilution of their ownership stake, restrictions on their voting rights, or other remedies as determined by the board. The specific consequences of failing to meet a capital call will be outlined in detail in the company's operating agreement.

The board will provide shareholders with reasonable notice of any proposed capital call. This notice will include detailed information about the reasons for the capital call, the amount of capital required, and the potential consequences of failing to contribute. Shareholders will have an opportunity to discuss the proposed capital call with the board and to ask questions about the company's financial condition and prospects.

Exit Strategy and Buy-Sell Provisions

This section outlines the procedures for shareholders to exit DocuPal Demo, LLC, and the conditions under which share transfers can occur. It details the mechanisms available for liquidity events and internal share transfers.

Exit Mechanisms

Shareholders recognize that exit opportunities may arise through several avenues:

- **Initial Public Offering (IPO):** The company may pursue a public offering of its shares, subject to market conditions and board approval.
- **Sale of the Company:** DocuPal Demo, LLC, may be acquired by another entity, resulting in a sale of all outstanding shares.
- **Buy-Sell Agreement:** Shareholders may initiate a buy-sell agreement among themselves, allowing for the transfer of shares under predetermined conditions.



Buy-Sell Provisions

This agreement governs the transfer of shares between shareholders. Transfers to outside parties are subject to certain restrictions.

Right of First Refusal

If a shareholder (the "Selling Shareholder") desires to sell their shares, they must first offer them to the other shareholders (the "Remaining Shareholders") pro rata to their existing shareholding. The Selling Shareholder must provide written notice to the company and the Remaining Shareholders, specifying the number of shares for sale and the proposed price and terms. The Remaining Shareholders have [Number, e.g., 30] days from receipt of the notice to elect to purchase the offered shares. If more than one Remaining Shareholder wishes to purchase the shares, they will be allocated pro rata to their existing shareholding. If the Remaining Shareholders do not purchase all of the offered shares, the Selling Shareholder may sell the remaining shares to a third party at a price and terms no more favorable than those offered to the Remaining Shareholders, within [Number, e.g., 60] days of the expiration of the Remaining Shareholders' right of first refusal.

Valuation

In the event of a buy-sell transaction, the fair market value of the shares will be determined by an independent appraiser. The appraiser will be mutually agreed upon by all parties involved in the transaction. The appraisal will follow standard valuation methods, considering factors such as the company's financial performance, market conditions, and comparable transactions. The cost of the appraisal will be shared equally by the parties to the transaction, unless otherwise agreed.

Triggering Events

Buy-sell provisions may be triggered by events such as:

- A shareholder's death or disability.
- A shareholder's voluntary departure from the company.
- A deadlock among shareholders.
- Other events as mutually agreed upon by the shareholders.



Specific terms for each triggering event, including timelines and payment terms, will be outlined in separate schedules attached to this agreement or documented in subsequent amendments.

Shareholder Meetings and Voting Procedures

Convening Shareholder Meetings

Docupal Demo, LLC will convene shareholder meetings by providing written notice to all shareholders. This notice will be delivered no less than ten (10) days prior to the meeting date. The notice must clearly state the date, time, and place of the meeting. It will also include an agenda outlining the matters to be discussed and voted upon.

Quorum

A quorum is necessary for the transaction of business at any shareholder meeting. The presence, in person or by proxy, of shareholders holding a majority of the company's outstanding shares will constitute a quorum. If a quorum is not present, the meeting may be adjourned to a later date. At the reconvened meeting, any business may be transacted that might have been transacted at the original meeting.

Voting Rights and Procedures

Each outstanding share of Docupal Demo, LLC is entitled to one vote on all matters submitted to the shareholders. Decisions will be made by a majority vote of the shares represented at the meeting, unless otherwise required by law or by the Articles of Organization.

Proxy Voting

Shareholders have the option to vote by proxy. To be valid, a proxy must be in writing and delivered to the company prior to the commencement of the meeting. The proxy should clearly identify the shareholder granting the proxy and the



individual authorized to vote on their behalf. The proxy may specify how the shares are to be voted on particular matters. If no specific instructions are provided, the proxy holder may vote as they deem appropriate.

Amendments to the Agreement

This Agreement may be amended or modified at any time. Any such amendment or modification must follow the procedures outlined below to be effective.

Amendment Procedure

To amend this Agreement, the following steps must be taken:

1. **Proposal:** Any shareholder may propose an amendment to this Agreement.
2. **Approval:** The proposed amendment must be approved by shareholders holding at least seventy-five percent (75%) of the Company's outstanding shares.
3. **Documentation:** All amendments must be documented in writing. The written amendment must clearly state the specific changes being made to the original Agreement.
4. **Execution:** The written amendment must be signed by all of the shareholders of Docupal Demo, LLC.
5. **Attachment:** The fully executed amendment will then be attached as an exhibit to this Agreement. This ensures that all shareholders have a record of the changes and that the amendments are easily accessible as part of the complete Shareholders' Agreement.

No modification or waiver of any provision of this Agreement, nor consent to any departure by any party, will be effective unless it is in writing and signed by all shareholders. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it is given.



Miscellaneous Provisions

Notices

All notices relating to this Agreement must be in writing. Delivery may be executed via email, certified mail, or personal delivery to the addresses listed for each shareholder. The specific timeframes for notice are detailed within the relevant sections of this Agreement.

Severability

If any provision of this Agreement is held to be invalid or unenforceable, such provision will be severed. The remaining provisions of this Agreement will continue in full force and effect. This will occur to the extent that the Agreement remains legally and operationally functional.

Entire Agreement

This Agreement embodies the entire understanding between the parties. It supersedes all prior agreements, discussions, and understandings. This includes oral or written, relating to the subject matter of this Agreement.

Governing Law

The laws of the State of California govern this Agreement, without regard to its conflict of laws principles.

Amendments

Any amendment to this Agreement must be in writing. It must be signed by all shareholders to be effective.

Counterparts

This Agreement may be executed in counterparts, each of which will be deemed an original. Together, the counterparts constitute one and the same instrument.



Binding Effect

This Agreement is binding upon and inures to the benefit of the parties. It also applies to their respective heirs, successors, and permitted assigns.

