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Introduction and Background

This Business Transfer Agreement (the "Agreement") is made and entered into as of 2025-08-09 by and between DocuPal Demo, LLC, a company organized and existing under the laws of the United States, with its principal place of business at 23 Main St, Anytown, CA 90210 ("DocuPal"), and Acme, Inc, a company organized and existing under the laws of the United States, with its principal place of business at 3751 Illinois Avenue, Wilsonville, Oregon - 97070 ("Acme").

Purpose of Agreement

DocuPal is engaged in the business of software development and related services. Acme desires to acquire substantially all of the assets and assume certain liabilities of DocuPal related to its software development business (the "Business"). This Agreement sets forth the terms and conditions under which DocuPal will transfer the Business to Acme.

Transaction Background

Acme's acquisition of DocuPal's software development business allows Acme to expand its software capabilities and market presence. DocuPal believes that transferring the Business to Acme will provide greater opportunities for the Business's continued growth and success. Both parties enter into this Agreement with the intention of creating a mutually beneficial outcome through the transfer of the Business.

Definitions

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

Key Definitions

- **Business** means the software development business of DocuPal Demo, LLC, as it exists on the date of this Agreement.



- **Assets** means all properties, rights, and interests of DocuPal Demo, LLC related to the Business, including tangible and intangible assets.
- **Liabilities** means all debts, obligations, and responsibilities of DocuPal Demo, LLC related to the Business, whether known or unknown, contingent or absolute.
- **Intellectual Property** means all patents, trademarks, copyrights, trade secrets, and other proprietary rights owned or licensed by DocuPal Demo, LLC and used in connection with the Business.
- **Closing Date** means the date on which the transfer of the Business from DocuPal Demo, LLC to ACME-1 will be completed, as specified in this Agreement.

Transfer of Assets and Liabilities

DocuPal Demo, LLC agrees to transfer, and ACME-1 agrees to accept, all of DocuPal Demo, LLC's right, title, and interest in and to the assets and liabilities of the software development business, except as expressly excluded below. This transfer will be effective as of the closing date of this Agreement.

Transferred Assets

The assets being transferred include both tangible and intangible assets.

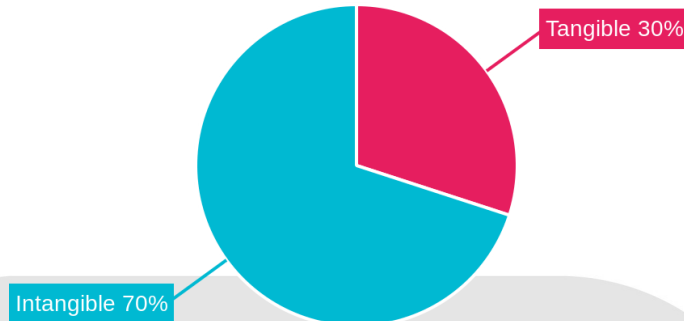
Tangible assets consist of:

- All equipment used in the software development business.
- All software owned by DocuPal Demo, LLC, and used in the software development business.

Intangible assets consist of:

- All intellectual property rights related to the software development business, including patents, copyrights, trademarks, and trade secrets.
- All customer contracts related to the software development business.





Assumed Liabilities

ACME-1 will assume the following liabilities of DocuPal Demo, LLC:

- All accounts payable directly related to the transferred software development business operations.
- All contractual obligations directly related to the transferred software development business operations.

Excluded Assets

The following assets are specifically excluded from this transfer and will remain the property of DocuPal Demo, LLC:

- Cash reserves held by DocuPal Demo, LLC as of the closing date.

Excluded Liabilities

The following liabilities are specifically excluded from this transfer and will remain the responsibility of DocuPal Demo, LLC:

- Any liabilities arising from pre-existing litigation against DocuPal Demo, LLC.

Purchase Price and Payment Terms

The purchase price for the transfer of the Business from DocuPal Demo, LLC to ACME-1 will be \$5,000,000 (the "Purchase Price"). ACME-1 will pay the Purchase Price according to the schedule outlined below.

Payment Schedule

The payment of the Purchase Price will be structured as follows:

- **Initial Payment:** ACME-1 will pay \$4,000,000 to DocuPal Demo, LLC at the closing of this Agreement.
- **Holdback Amount:** ACME-1 will withhold \$1,000,000 (the "Holdback Amount") from the Purchase Price. ACME-1 will hold the Holdback Amount for a period of one (1) year following the Closing Date.

Holdback Release

The Holdback Amount will be subject to release based on the achievement of certain performance targets by the Business during the one-year period following the Closing Date.

- **Performance Targets:** The specific performance targets applicable to the release of the Holdback Amount are detailed in *Exhibit A* attached to this Agreement.
- **Release Conditions:** If the performance targets are met, ACME-1 will release the Holdback Amount to DocuPal Demo, LLC within thirty (30) days following the one-year anniversary of the Closing Date.
- **Non-Achievement:** If the performance targets are not met, ACME-1 and DocuPal Demo, LLC will negotiate in good faith to determine an appropriate adjustment to the Holdback Amount release, if any.

Purchase Price Adjustment

The Purchase Price is subject to adjustment based on the net working capital of the Business as of the Closing Date.



- **Net Working Capital Calculation:** Net working capital will be calculated according to *Generally Accepted Accounting Principles (GAAP)*, consistently applied.
- **Adjustment Procedure:** An independent accounting firm will determine the final net working capital within ninety (90) days after the Closing Date.
- **Adjustment Amount:** If the final net working capital is higher or lower than a mutually agreed-upon target net working capital, the Purchase Price will be adjusted accordingly. The specific adjustment mechanism is described in *Exhibit B*.
- **Payment of Adjustment:** Any adjustment to the Purchase Price will be paid within fifteen (15) business days of the final determination of net working capital by the independent accounting firm.

Employee Matters and Transition

Transfer of Employees

DocuPal Demo, LLC will transfer all of its employees directly involved in the software development business to ACME-1. This transfer will be effective on the closing date of this agreement. ACME-1 will assume responsibility for these employees from that date forward.

Offers of Employment

ACME-1 will make offers of employment to all identified employees of DocuPal Demo, LLC. These offers will be made prior to the closing date. The terms of employment offered by ACME-1 will include comparable benefits to those currently provided by DocuPal Demo, LLC.

Recognition of Service

ACME-1 will recognize the transferring employees' existing length of service with DocuPal Demo, LLC for purposes of benefit eligibility and other relevant policies. This ensures that employees' prior service is acknowledged.



Accrued Vacation

ACME-1 will honor the accrued vacation time of all transferred employees. DocuPal Demo, LLC will be responsible for providing ACME-1 with accurate records of each employee's accrued vacation time as of the transfer date. The financial liability for accrued vacation pay as of the closing date is transferred to ACME-1.

Employee Liabilities

DocuPal Demo, LLC will remain responsible for any employee-related liabilities arising before the closing date, including but not limited to claims related to employment practices, wages, and benefits. ACME-1 assumes no liability for these prior obligations.

Confidentiality

All employee information shared between DocuPal Demo, LLC and ACME-1 during this transition will be treated as confidential. Both parties will comply with all applicable data protection laws and regulations.

Intellectual Property Rights

Transfer of Intellectual Property

DocuPal Demo, LLC hereby transfers to ACME-1 all right, title, and interest in and to all Intellectual Property related to its software development business. This includes, but is not limited to, all software code, patents, and trademarks currently owned or controlled by DocuPal Demo, LLC pertaining to the core business operations being transferred.

Licensed Intellectual Property

Notwithstanding the transfer outlined above, DocuPal Demo, LLC retains a limited, non-exclusive license to use certain software included in the transferred Intellectual Property. This license is restricted to internal use only and will expire [insert timeframe, e.g., six (6) months] from the Effective Date of this Agreement. The specific software covered by this license is detailed in Schedule A. DocuPal Demo, LLC shall not sublicense, transfer, or assign this license to any third party.



Protection of Intellectual Property Post-Transfer

Following the transfer, ACME-1 will be responsible for maintaining and protecting the transferred Intellectual Property. This includes continuing existing protection measures and registering the transferred Intellectual Property in jurisdictions where ACME-1 deems necessary. ACME-1 shall have the sole discretion to determine the appropriate level of protection and registration efforts.

Further Assurances

DocuPal Demo, LLC agrees to execute all documents and take all actions reasonably requested by ACME-1 to effectuate the transfer and protection of the Intellectual Property contemplated by this Agreement. This includes, but is not limited to, assisting with the assignment of patents, trademarks, and copyrights, and providing any necessary information or documentation related to the Intellectual Property.

Representations and Warranties

Representations and Warranties by DocuPal Demo, LLC

DocuPal Demo, LLC represents and warrants to ACME-1 as of the Effective Date:

- **Organization and Standing:** DocuPal Demo, LLC is a limited liability company duly organized, validly existing, and in good standing under the laws of the United States.
- **Authority:** DocuPal Demo, LLC has the full right, power, and authority to enter into this Agreement and to perform its obligations hereunder. The execution, delivery, and performance of this Agreement have been duly authorized by all necessary action on the part of DocuPal Demo, LLC.
- **Financial Statements:** The financial statements of DocuPal Demo, LLC fairly present the financial condition and results of operations of the software development business as of the dates and for the periods indicated, and have been prepared in accordance with generally accepted accounting principles (GAAP) consistently applied.
- **Contracts:** All contracts related to the software development business are valid and in full force and effect. DocuPal Demo, LLC is not in default under any such contract, and no event has occurred that would constitute a default.



- **Compliance with Laws:** The software development business has been conducted in compliance with all applicable laws and regulations.
- **Title to Assets:** DocuPal Demo, LLC has good and marketable title to the assets being transferred, free and clear of all liens, encumbrances, and other restrictions.
- **Litigation:** There are no pending or threatened legal actions, suits, or proceedings relating to the software development business.
- **Taxes:** All taxes due and owing by DocuPal Demo, LLC in respect of the software development business have been paid in full.

Representations and Warranties by ACME-1

ACME-1 represents and warrants to DocuPal Demo, LLC as of the Effective Date:

- **Organization and Standing:** ACME-1 is a business duly organized, validly existing, and in good standing under the laws of the United States.
- **Authority:** ACME-1 has the full right, power, and authority to enter into this Agreement and to perform its obligations hereunder. The execution, delivery, and performance of this Agreement have been duly authorized by all necessary action on the part of ACME-1.
- **Legal Capacity:** ACME-1 possesses the legal capacity to enter into and be bound by the terms of this Business Transfer Agreement.
- **No Conflict:** The execution, delivery, and performance of this Agreement by ACME-1 will not violate any provision of its organizational documents or any agreement to which it is a party.

Confidentiality and Non-Disclosure

Confidential Information

For the purposes of this Agreement, "Confidential Information" means any and all information relating to DocuPal Demo, LLC, its business, financial information, customer data, and proprietary technology, that is disclosed to ACME-1 in connection with the contemplated transaction. This includes, but is not limited to, technical data, trade secrets, know-how, business plans, marketing strategies, customer lists, financial statements, and employee information.



Non-Disclosure Obligations

ACME-1 agrees to hold the Confidential Information in strict confidence and to protect it from unauthorized disclosure. ACME-1 shall use the Confidential Information solely for the purpose of evaluating and completing the Business Transfer as contemplated by this Agreement. ACME-1 shall not disclose the Confidential Information to any third party without the prior written consent of DocuPal Demo, LLC.

ACME-1 may disclose Confidential Information to its employees, agents, and advisors who have a need to know such information for the purpose of evaluating and completing the Business Transfer, provided that such individuals are bound by confidentiality obligations no less restrictive than those contained herein.

Exceptions

The obligations of confidentiality under this Agreement shall not apply to information that:

- Is or becomes publicly available through no fault of ACME-1.
- Was already in ACME-1's possession prior to its disclosure by DocuPal Demo, LLC, as evidenced by ACME-1's written records.
- Is independently developed by ACME-1 without use of or reference to the Confidential Information.
- Is rightfully received by ACME-1 from a third party without restriction on disclosure.
- Is required to be disclosed by law or legal process, provided that ACME-1 provides DocuPal Demo, LLC with prompt notice of such requirement and cooperates with DocuPal Demo, LLC in seeking a protective order or other appropriate remedy.

Term

The obligations of confidentiality under this Agreement shall continue for a period of five (5) years from the Effective Date of this Agreement and shall apply worldwide.



Non-Compete and Non-Solicitation Clauses

Non-Compete

DocuPal Demo, LLC agrees not to compete with ACME-1 in the software development business. This restriction is limited to the United States. It will last for a period of two years following the closing date of this agreement. This means DocuPal Demo, LLC cannot engage in any business activities that directly compete with the transferred business.

Non-Solicitation

DocuPal Demo, LLC and ACME-1 are restricted from soliciting each other's employees, customers, or clients. This restriction begins on the closing date. It continues for a period of two years. "Solicit" includes direct or indirect attempts to entice away employees or business relationships. This applies to any employee who was employed during the term of this agreement or during its negotiation. This also applies to any customer or client of either party.

Remedies for Breach

Both parties acknowledge that a breach of either the non-compete or non-solicitation provisions would cause irreparable harm. The non-breaching party is entitled to injunctive relief to prevent further violation. This is in addition to any monetary damages that may be awarded. The prevailing party in any action to enforce these clauses is entitled to recover its reasonable attorney's fees and costs.

Closing Conditions and Procedures

Conditions Precedent to Closing

The closing of the transfer of the Business as contemplated by this Agreement is subject to the satisfaction of the following conditions precedent:



1. **Regulatory Approvals:** All necessary regulatory approvals required for the transfer of the Business must have been obtained.
2. **Due Diligence:** ACME-1 shall have completed its due diligence investigation of the Business to its satisfaction.

If any of the above conditions are not satisfied or waived in writing by the relevant party on or before the Closing Date, then either Docupal Demo, LLC or ACME-1 may terminate this Agreement.

Required Documents and Approvals

At the closing, the following documents shall be executed and delivered:

1. **Bill of Sale:** Docupal Demo, LLC shall deliver a Bill of Sale, transferring title to the Assets to ACME-1.
2. **Assignment Agreements:** Docupal Demo, LLC shall execute and deliver assignment agreements, assigning the Transferred Contracts and other assignable assets to ACME-1.
3. **Board Resolutions:** Each party shall deliver copies of resolutions duly adopted by its Board of Directors authorizing the execution, delivery, and performance of this Agreement and the transactions contemplated hereby.

Closing Date and Location

The closing of the transactions contemplated by this Agreement (the "Closing") shall take place 30 days after the satisfaction of all closing conditions, or at such other time and place as Docupal Demo, LLC and ACME-1 may mutually agree upon in writing (the "Closing Date"). The closing will occur at the offices of ACME-1, located at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA, unless otherwise agreed.

Indemnification

Indemnification by DocuPal Demo, LLC

DocuPal Demo, LLC will indemnify, defend, and hold harmless Acme Inc, its affiliates, and their respective officers, directors, employees, and agents (collectively, the "Acme Indemnified Parties") from and against any and all losses, liabilities,



damages, claims, costs, and expenses (including reasonable attorneys' fees and expenses) (collectively, "Losses") arising out of or relating to:

- Any breach of any representation or warranty made by DocuPal Demo, LLC in this Agreement.
- Any failure by DocuPal Demo, LLC to perform any covenant or obligation required to be performed by it under this Agreement.
- Any liabilities of DocuPal Demo, LLC arising from the operation of the software development business prior to the Closing Date.

Indemnification by Acme Inc

Acme Inc will indemnify, defend, and hold harmless DocuPal Demo, LLC, its affiliates, and their respective officers, directors, employees, and agents (collectively, the "DocuPal Indemnified Parties") from and against any and all Losses arising out of or relating to:

- Any breach of any representation or warranty made by Acme Inc in this Agreement.
- Any failure by Acme Inc to perform any covenant or obligation required to be performed by it under this Agreement.
- Any liabilities arising from the operation of the software development business after the Closing Date.

Indemnification Procedures

If any Indemnified Party wishes to make a claim for indemnification under this Agreement, it must provide written notice to the Indemnifying Party (the "Notice of Claim") specifying the nature of the claim and the amount of Losses sustained or expected to be sustained as a result of such claim. The Indemnifying Party will have a period of thirty (30) days from the date of receipt of the Notice of Claim to investigate and respond to the claim.

The parties will attempt to resolve any disputes regarding indemnification claims through good faith negotiation. If the parties are unable to resolve the dispute through negotiation, they will submit the dispute to mediation in accordance with the terms outlined in the Dispute Resolution section of this Agreement.



Limitations on Indemnification

The maximum aggregate liability of either party under this Indemnification section will not exceed the Purchase Price as defined in this Agreement.

Dispute Resolution

The Parties will try to resolve any disputes arising from or relating to this Agreement through good faith negotiation.

Negotiation

If a dispute arises, a party must provide written notice to the other party. The parties' authorized representatives will then negotiate to try and resolve the dispute. This negotiation period will be for twenty (20) days, unless both parties agree to an extension.

Mediation

If negotiation fails to resolve the dispute within the specified period, the parties will attempt to settle the dispute by mediation. The mediation will be conducted in accordance with the rules of the American Arbitration Association. A mutually agreed-upon mediator will conduct the mediation. The parties will share the costs of the mediation equally.

Arbitration

If mediation is unsuccessful, any unresolved dispute arising out of or relating to this Agreement will be resolved by binding arbitration. The arbitration will be administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The arbitration will be conducted by a single arbitrator, who will be neutral and independent of both parties. The place of arbitration will be in Delaware. The arbitrator's decision will be final and binding on both parties, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. Each party will bear its own attorneys' fees and costs associated with the arbitration, except that the arbitrator may award reasonable attorneys' fees and costs to the prevailing party. The laws of Delaware will govern the arbitration proceedings and the interpretation of this Agreement.



Miscellaneous Provisions

Notices

All notices relating to this Agreement must be in writing. Notices are considered given when sent by certified mail, return receipt requested, or by email with confirmation of receipt. Notices sent to DocuPal Demo, LLC should be sent to 23 Main St, Anytown, CA 90210. Notices sent to ACME-1 should be sent to 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA. Either party may change its address for notification purposes by giving notice to the other party as described here.

Amendments

This Agreement may be amended or modified only by a written agreement. The agreement must be signed by authorized representatives of both DocuPal Demo, LLC and ACME-1. No modification or waiver of any provision is effective unless it is in writing and signed by the party against whom the modification or waiver is to be asserted.

Entire Agreement

This Agreement constitutes the entire agreement between DocuPal Demo, LLC and ACME-1. It supersedes all prior discussions, negotiations, and agreements, whether oral or written, relating to the subject matter of this Agreement. There are no other promises, conditions, understandings, or other agreements, whether oral or written, relating to the subject matter of this Agreement.

Severability

If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions of this Agreement remain in full force and effect. The parties will negotiate in good faith to replace the invalid, illegal, or unenforceable provision with a valid, legal, and enforceable provision. The new provision will achieve the original intent and economic effect of the original provision.



Signatures and Execution

This Business Transfer Agreement is executed as of August 9, 2025.

Execution

This Agreement shall become effective on the date of signing by both parties. Each party acknowledges that they have read and understood this Agreement. They are fully aware of its contents and legal effect. Each party has the authority to enter into this Agreement.

Signatures

DocuPal Demo, LLC

By:

Name:

Title: CEO

Date:

Acme, Inc

By:

Name:

Title: CEO

Date:

Notarization

The Bill of Sale, required to transfer specific assets under this Agreement, must be notarized. This notarization confirms the authenticity of the signatures. It also ensures the legal validity of the asset transfer.



Guidelines for Execution:

Each party should sign this Agreement in the presence of a witness or notary public. This provides additional verification of the signature. Ensure that all signatories are authorized representatives of their respective companies. Each party should retain a fully executed copy of this Agreement for their records. The notarized Bill of Sale should be attached as an exhibit to this Agreement. This will ensure its proper integration and legal enforceability. This Agreement becomes effective upon the date of the last signature.

