

# Table of Contents

<b>Introduction and Purpose</b>	<b>3</b>
Purpose of Agreement	3
<b>Definitions and Interpretations</b>	<b>3</b>
Definitions	3
Interpretation	4
<b>Escrow Instructions and Obligations</b>	<b>4</b>
Depositor's Obligations	5
Beneficiary's Obligations	5
Management of Escrow Property	5
<b>Deposit and Holding of Funds or Assets</b>	<b>5</b>
Deposit Procedure	5
Holding Conditions	6
Interest	6
<b>Conditions for Release of Escrow Property</b>	<b>6</b>
Release Authorization	6
Required Documentation	7
Milestones Triggering Release	7
Non-Conforming Deliverables	7
<b>Term and Termination</b>	<b>8</b>
Termination	8
Termination Procedure	8
<b>Dispute Resolution</b>	<b>8</b>
Mediation	9
Arbitration	9
Conflicting Claims	9
Governing Law	9
<b>Representations and Warranties</b>	<b>9</b>
Authority	10
Existence of Escrowed Property	10
Limitation of Liability	10
<b>Miscellaneous Provisions</b>	<b>10</b>
Amendments	10
Notices	10



Assignment .....	11
Entire Agreement .....	11
<b>Signatures and Execution .....</b>	<b>11</b>
Execution .....	11
Notarization .....	12



# Introduction and Purpose

This Escrow Agreement (the "Agreement") is made and entered into as of August 9, 2025, by and between DocuPal Demo, LLC, a company located at 23 Main St, Anytown, CA 90210, United States, hereinafter referred to as "Escrow Agent," and Acme, Inc, a business located at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA, hereinafter referred to as "Client."

## Purpose of Agreement

This Agreement sets forth the terms and conditions governing the establishment and operation of an escrow arrangement. Escrow is a process where a neutral third party, the Escrow Agent, securely holds funds or assets until specific, pre-defined conditions are met. The purpose of this Agreement is to ensure the secure holding of funds related to transactions where ACME-1 must fulfill contractual obligations. This Agreement outlines the duties and responsibilities of the Escrow Agent, the Client, and any other involved parties, providing a clear framework for the management and disbursement of escrowed items.

# Definitions and Interpretations

## Definitions

For the purposes of this Escrow Agreement, the following terms shall have the meanings ascribed to them below:

- **Escrow Agent** means Docupal Demo, LLC, a company organized in United States, with its address at 23 Main St, Anytown, CA 90210.
- **Client** means Acme, Inc ("ACME-1"), a business entity organized in United States, with its address at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA.
- **Escrow Property** means the funds, documents, instruments, or other items delivered to the Escrow Agent pursuant to this Agreement.
- **Release Conditions** means the specific conditions that must be fulfilled to authorize the Escrow Agent to release the Escrow Property.



- **Termination Event** means the occurrence of circumstances that lead to the termination of this Escrow Agreement.
- **Business Day** means any day other than a Saturday, Sunday, or legal holiday in California.
- **Agreement** means this Escrow Agreement, including all exhibits and schedules attached hereto.

## Interpretation

This Agreement shall be interpreted in accordance with the following 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.
- **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.
- **Fair Interpretation:** Any ambiguities in this Agreement shall be construed in a manner that reflects the parties' intentions and promotes fairness. The language used in this Agreement will be interpreted according to its plain and common meaning.
- **Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- **Headings:** The headings in this Agreement are for convenience only and shall not affect the interpretation of any provision.
- **Currency:** All references to currency in this agreement are to United States Dollars (USD), Docupal Demo, LLC's base currency.

## Escrow Instructions and Obligations

DocuPal Demo, LLC ("Escrow Agent") will hold the Escrow Property securely and release it only upon the satisfaction of the Release Conditions outlined in this Agreement. The Escrow Agent shall act impartially in performing its duties.



## Depositor's Obligations

ACME-1 ("Depositor") is obligated to deposit the Escrow Property with the Escrow Agent according to the terms of this Agreement. The Depositor warrants that they have the right to deposit the Escrow Property and that it is free from any liens or encumbrances.

## Beneficiary's Obligations

The beneficiary must fulfill the Release Conditions as specified in this Agreement to be entitled to the release of the Escrow Property. Failure to meet the Release Conditions may result in the Escrow Property being returned to the Depositor, subject to the terms outlined herein.

## Management of Escrow Property

The Escrow Agent will manage the Escrow Property with reasonable care and in accordance with this Agreement. This includes maintaining accurate records of all deposits, releases, and any other relevant transactions. The Escrow Agent is authorized to take any actions reasonably necessary to preserve and protect the Escrow Property.

# Deposit and Holding of Funds or Assets

ACME-1 will deposit the agreed-upon funds or assets with Docupal Demo, LLC, according to the terms of this Escrow Agreement. The acceptable forms of escrow deposits include cash, certified checks, or other assets as mutually agreed upon in writing by both parties.

## Deposit Procedure

ACME-1 must deliver the funds or assets to Docupal Demo, LLC at 23 Main St, Anytown, CA 90210, United States, or to such other location as Docupal Demo, LLC may designate in writing. All deposits must be accompanied by written instructions specifying the purpose of the deposit and referencing this Escrow Agreement.



## Holding Conditions

Docupal Demo, LLC will hold the escrow property until the Release Conditions outlined in this Agreement are fully satisfied, or until this Agreement is otherwise terminated according to its terms. Docupal Demo, LLC will maintain the escrow property in a secure manner, protected from loss or damage. Docupal Demo, LLC will not disburse or release the escrow property except as expressly authorized in this Agreement.

## Interest

Any interest earned on the escrow property will be allocated as agreed upon in writing by both ACME-1 and Docupal Demo, LLC. Docupal Demo, LLC is authorized to establish an interest-bearing account for the purpose of holding the funds. The specific details regarding the allocation and disbursement of interest will be documented in a separate written agreement. ACME-1 is responsible for all tax implications related to the interest earned.

# Conditions for Release of Escrow Property

DocuPal Demo, LLC will release the Escrow Property only when specific conditions are met. These conditions are based on the fulfillment of performance standards detailed in Schedule A.

## Release Authorization

DocuPal Demo, LLC needs written authorization from both ACME-1 and the Depositor before releasing any Escrow Property. This authorization confirms that all parties agree the release conditions have been satisfied.

## Required Documentation

To ensure proper verification, the following documentation must accompany the release authorization:





- **Certification of Completion:** A written certification of completion from a qualified inspector. The term "qualified inspector" is specifically defined in Schedule B of this agreement. This certification must clearly state that the Depositor has met the performance standards as outlined in Schedule A.
- **Joint Written Direction:** Joint written direction from ACME-1 and the Depositor to DocuPal Demo, LLC, specifically instructing the release of the Escrow Property.

## Milestones Triggering Release

The Escrow Property will be released upon the Depositor achieving the performance standards set out in Schedule A, verified by the qualified inspector's certification. These milestones could include, but are not limited to:

1. **Project Completion:** Successful completion of the project as defined in the agreement between ACME-1 and the Depositor.
2. **Performance Metrics:** Achievement of specific performance metrics outlined in Schedule A, such as uptime, throughput, or error rates.
3. **Delivery of Goods:** Successful delivery of goods or services as per the agreed-upon specifications and timelines.
4. **Acceptance Testing:** Successful completion of acceptance testing by ACME-1, confirming that the deliverables meet the required standards.

Upon receipt of the written authorization, certification of completion, and joint written direction, DocuPal Demo, LLC will release the Escrow Property to the designated recipient as per the instructions provided in the joint written direction. DocuPal Demo, LLC will act according to the written instruction received by both parties.

## Non-Conforming Deliverables

In the event that the qualified inspector determines that the Depositor has not met the performance standards, or ACME-1 does not provide written authorization for release, the Escrow Property will remain in escrow until the deficiencies are corrected and the release conditions are satisfied.



# Term and Termination

This Escrow Agreement will remain in effect until the Escrow Property is fully released according to the terms outlined herein, or until the agreement is terminated as described in this section.

## Termination

This Agreement may be terminated under the following circumstances:

- **Mutual Agreement:** All parties—Docupal Demo, LLC, and ACME-1—may agree in writing to terminate this Agreement.
- **Failure to Meet Release Conditions:** If the Release Conditions, as defined in Section [Relevant Section Number], are not met within the timeframe specified, this Agreement may be terminated.

## Termination Procedure

Upon termination of this Agreement, the following procedure will be followed:

1. **Notification:** The party seeking termination will provide written notice to all other parties involved.
2. **Return of Escrow Property:** The Escrow Agent, Docupal Demo, LLC, will return the Escrow Property to the Depositor, less any agreed-upon fees or expenses as outlined in Section [Relevant Section Number]. The return will be made in accordance with the Depositor's written instructions.
3. **Final Accounting:** The Escrow Agent will provide a final accounting of all funds and property held under this Agreement.

# Dispute Resolution

Any dispute arising from this Escrow Agreement will be resolved as described below. This includes disagreements about the Escrow Property or how to interpret this agreement.





## Mediation

First, the parties will attempt to resolve any dispute through mediation. A mutually agreed-upon mediator will conduct the mediation. The parties will share the costs of the mediator equally.

## Arbitration

If mediation fails to resolve the dispute within [Number] days of the initial mediation session, the parties agree to submit the dispute to binding arbitration. The arbitration will be conducted under the rules of the American Arbitration Association. A single arbitrator will be selected by mutual agreement of the parties. If the parties cannot agree on an arbitrator, the American Arbitration Association will appoint one. 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. The arbitration will take place in [City, State]. Each party will bear its own attorneys' fees and costs associated with the arbitration. The parties will share the costs of the arbitrator equally.

## Conflicting Claims

If the Escrow Agent receives conflicting claims regarding the Escrow Property, the Escrow Agent will hold the Escrow Property. The Escrow Agent will continue to hold the Escrow Property until the dispute is resolved. Resolution may occur through mediation, arbitration, or a final order from a court of competent jurisdiction. Docupal Demo, LLC is not responsible for any losses incurred due to conflicting claims.

## Governing Law

The laws of the State of Delaware govern this Escrow Agreement. This includes all matters of construction, validity, and performance.



# Representations and Warranties

## Authority

Each party represents and warrants that it has the full power and authority to enter into this Agreement. Each party also warrants that this Agreement constitutes its legal, valid, and binding obligation, enforceable against it in accordance with its terms.

## Existence of Escrowed Property

Docupal Demo, LLC acknowledges the physical existence of the Escrowed Property as described in this Agreement. However, Docupal Demo, LLC makes no additional warranties or representations concerning the Escrowed Property, including its value, condition, or suitability for any particular purpose.

## Limitation of Liability

The parties agree that the liability of Docupal Demo, LLC under this Agreement shall be limited to the value of the Escrow Property held by it at the time any liability is determined. In no event shall Docupal Demo, LLC be liable for any indirect, incidental, special, or consequential damages arising out of or in connection with this Agreement, even if Docupal Demo, LLC has been advised of the possibility of such damages. ACME-1 agrees that under no circumstance Docupal Demo, LLC will be liable for more than the value of the Escrow Property.

# Miscellaneous Provisions

## Amendments

This Agreement may be amended or modified only by a written instrument signed by all parties.

## Notices

All notices relating to this Agreement must be in writing. Notices can be delivered by certified mail or email to the addresses listed in this Agreement.



## Assignment

No party may assign their rights or obligations under this Agreement without the prior written consent of all other parties. Any unauthorized assignment is void.

## Entire Agreement

This Agreement constitutes the entire agreement between the parties. It supersedes all prior negotiations, discussions, and agreements concerning the escrow arrangement.

## Signatures and Execution

This Escrow Agreement becomes effective on the date of the last signature below. By signing, both parties acknowledge they have read, understood, and agree to all terms and conditions.

### Execution

**DocuPal Demo, LLC**

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

Name:

Title:

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

**Acme, Inc (ACME-1)**

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

Name:

Title:

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



## Notarization

This Escrow Agreement must be notarized to be considered fully executed.

