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# Introduction and Purpose

This Surety Agreement, effective as of August 9, 2025, sets forth the terms and conditions under which DocuPal Demo, LLC, a United States company with its principal address at 23 Main St, Anytown, CA 90210 ("Surety"), guarantees the performance of certain obligations of Acme, Inc, a business entity with its principal address at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA ("Principal").

## Intent of Agreement

The primary purpose of this Agreement is to provide assurance to any Oblige that the Principal will fulfill its contractual or other obligations. The Surety, by entering into this Agreement, commits to fulfilling these obligations should the Principal fail to do so.

## Scope of Agreement

This Agreement defines the scope of the guaranteed obligations, the extent of the Surety's liability, and the procedures for making claims against the surety bond. It also outlines conditions of default, indemnification responsibilities, and methods for resolving disputes. The agreement further specifies the term, methods for termination, governing law, and procedures for amendments. The base currency for all transactions under this agreement is USD.

# Definitions and Interpretations

## Definitions

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

- **Principal:** Refers to ACME-1, the party whose obligations are being guaranteed by this Surety Agreement. ACME-1 is a business entity organized in the United States, with its principal address at 3751 Illinois Avenue, Wilsonville, Oregon, 97070.
- **Obligee:** Refers to the party to whom the Principal's obligations are owed.



- **Surety:** Refers to DocuPal Demo, LLC, the party providing the guarantee of the Principal's obligations under this Surety Agreement. DocuPal Demo, LLC is a company organized in the United States, with its principal address at 23 Main St, Anytown, CA 90210.
- **Default:** Means any failure by the Principal to perform or observe any of its obligations, covenants, or agreements as outlined in the underlying agreement.

## Interpretations

In this Surety Agreement, unless the context otherwise requires:

- Words importing the singular include the plural and vice versa.
- References to persons include corporations and other legal entities.
- The headings are for convenience only and do not affect the interpretation of this Surety Agreement.
- All references to currency are to United States Dollars (USD), the base currency of DocuPal Demo, LLC.
- Any reference to a "day" means a calendar day unless otherwise specified.
- The term "including" is not limiting and means "including without limitation."
- This Surety 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.

## Parties to the Agreement

### Parties Involved

This Surety Agreement is made and entered into as of August 9, 2025, by and between the following parties:

#### Surety

Docupal Demo, LLC, a company organized under the laws of the United States, with its principal address at 23 Main St, Anytown, CA 90210 ("Surety"). The Surety provides the guarantee for the Principal's obligations, up to the surety bond amount.



## Principal

Acme, Inc (ACME-1), a business entity organized under the laws of the United States, with its principal address at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA ("Principal"). The Principal is the primary party obligated to perform the duties outlined in the underlying contract.

## Roles and Responsibilities

The Principal is responsible for fulfilling all obligations as defined in the underlying agreement, for which this surety bond provides a guarantee. The Surety guarantees that the Principal will perform these obligations. If the Principal fails to meet its obligations, the Surety will be responsible for ensuring the obligations are met, up to the limit of liability defined in this agreement. The allocation of responsibilities mirrors that of the underlying contract. The Surety's liability is capped at the agreed-upon surety bond amount.

## Scope and Conditions of Suretyship

DocuPal Demo, LLC (the "Surety") agrees to act as surety for Acme, Inc ("ACME-1" or the "Principal") under the terms and conditions outlined in this Surety Agreement. This suretyship guarantees the Principal's fulfillment of certain obligations.

## Guaranteed Obligations

The Surety guarantees the following obligations of the Principal:

- Payment of debts owed by the Principal.
- Performance of all contractual duties as defined in the underlying contract.

## Bond Amount

The maximum liability of the Surety under this agreement is limited to the bond amount of \$[Insert Bond Amount]. The Surety's liability will not exceed this amount, regardless of the Principal's total obligations.



## Conditions of the Suretyship

The suretyship is subject to the following conditions:

- **Term:** The suretyship remains in effect for the duration of the underlying contract term, unless terminated earlier as specified in this Agreement.
- **Default:** The Principal must be in default of its obligations before the Surety becomes liable. The Surety's obligations are triggered only upon the Principal's failure to perform.
- **Notice:** The Surety must receive timely notice of any default by the Principal. The claimant must provide sufficient evidence of the default and the amount claimed.
- **Claim Validation:** The Surety reserves the right to investigate and validate any claims made against the bond. The Surety is not obligated to pay claims that are unsubstantiated or outside the scope of the guaranteed obligations.
- **Exclusions:** The Surety is not liable for any consequential, incidental, or punitive damages arising from the Principal's default. The suretyship covers only the direct costs associated with fulfilling the guaranteed obligations.
- **Compliance:** The Principal must comply with all terms and conditions of the underlying contract. Any breach of contract by the Principal may affect the Surety's obligations.
- **Subrogation:** Upon payment of a claim, the Surety is subrogated to all rights of the claimant against the Principal. The Surety may pursue any legal remedies available to recover amounts paid under the bond.
- **Cancellation:** The suretyship may be cancelled under the conditions specified in the "Term and Termination" section of this Agreement. Cancellation may affect the Surety's ongoing liability.

## Obligations and Liabilities of the Surety

DocuPal Demo, LLC, as the Surety, guarantees that ACME-1 will fulfill its obligations as outlined in the underlying agreement. If ACME-1 fails to perform these obligations, the Surety becomes liable to ensure the obligations are met.

### Scope of Liability

The Surety's liability is triggered by ACME-1's failure to perform, but it is limited to the penal sum specified in the surety bond. DocuPal Demo, LLC is not liable for any amount exceeding this penal sum. This financial limit represents the maximum





amount the Surety will be required to pay in the event of a default by ACME-1.

## Surety's Recourse

Upon fulfilling its obligations due to ACME-1's default, the Surety shall be entitled to seek recourse and indemnification from ACME-1 for all expenses incurred. This includes, but is not limited to, payments made to satisfy the underlying obligations, legal fees, and any other costs associated with rectifying ACME-1's failure to perform. The Surety's right to seek recourse from ACME-1 is a fundamental aspect of this agreement, ensuring that the ultimate responsibility for the guaranteed obligations rests with ACME-1.

# Default, Claims, and Remedies

## Default

ACME-1 will be considered in default if they fail to meet their payment or performance obligations as outlined in the underlying contract.

## Claims

To make a claim, the obligee must send a written notice to Docupal Demo, LLC at 23 Main St, Anytown, CA 90210, United States. This notice must include detailed supporting documentation. Docupal Demo, LLC will review the claim based on the agreement's terms and the provided evidence.

## Remedies

Upon ACME-1's default, the obligee has the right to demand performance from Docupal Demo, LLC, up to the bond amount specified in this Surety Agreement. Docupal Demo, LLC, at its discretion, may either perform the obligation itself or compensate the obligee for the losses incurred, not exceeding the agreed-upon bond amount. Any disputes arising from this agreement or its performance shall first be attempted to be resolved through good-faith negotiation. If negotiation fails, the parties may pursue other available legal remedies.



# Indemnification and Hold Harmless Provisions

Acme, Inc. ("Principal") agrees to protect Docupal Demo, LLC ("Surety") from any losses. This protection covers all damages, costs, and expenses. It includes legal fees, expert costs, and any judgments. These protections apply if the Surety incurs losses because the Principal fails to fulfill its obligations.

## Indemnity Obligations

The Principal must indemnify the Surety against any claim, demand, loss, damage, cost, charge, or expense of any nature. This includes attorney's fees. It arises out of, or results from:

- The execution of the Surety Bond.
- The failure of the Principal to perform its obligations.
- Any act, error, or omission by the Principal.

The Principal's indemnity obligations extend to any and all liabilities incurred by the Surety. The Surety has recourse against the Principal's assets to cover losses. The Principal must deposit collateral with the Surety if requested. This collateral secures the Principal's indemnity obligations. The amount of collateral will be determined by the Surety. It will be sufficient to cover potential liabilities. The Surety can use the collateral to cover incurred losses.

## Duty to Hold Harmless

The Principal promises to hold the Surety harmless. This means the Principal will prevent the Surety from suffering harm. It applies to all claims, liabilities, and expenses. This includes claims arising from the Surety Bond. The Principal must defend the Surety against any such claims. The Surety has the right to choose its own legal counsel. The Principal is responsible for the fees and costs of that counsel.





# Term, Termination, and Renewal

## Term

This Surety Agreement takes effect on [Start Date] and will continue until [End Date]. The term aligns with the duration of the underlying contract between ACME-1 and DocuPal Demo, LLC.

## Termination

This Agreement will terminate automatically upon the complete fulfillment of ACME-1's obligations under the underlying contract. Early termination is permitted only through the mutual written consent of all parties involved.

## Renewal

Renewal of this Surety Agreement is subject to a comprehensive review by DocuPal Demo, LLC. Any renewal will require a written agreement, executed no later than thirty (30) days before the then-current expiration date. DocuPal Demo, LLC reserves the right to modify the terms and conditions for any renewal term, including, but not limited to, the surety amount and associated fees.

# Governing Law and Dispute Resolution

This Surety Agreement will be governed by and interpreted in accordance with the laws of the State of Delaware, without regard to its conflict of laws principles.

## Dispute Resolution

Any dispute arising out of or relating to this Surety Agreement will be resolved through litigation in the state courts of Delaware. Each party consents to the exclusive jurisdiction and venue of such courts for these purposes.



# Miscellaneous Provisions

## Amendments

This Surety Agreement may be amended only by a written instrument signed by DocuPal Demo, LLC and ACME-1.

## Waiver

No failure to exercise, and no delay in exercising, on the part of either party, any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or power hereunder preclude further exercise of that or any other right hereunder.

## Notices

All notices and other communications required or permitted to be given under this Surety Agreement must be in writing. Notices shall be sent by certified mail, return receipt requested, to the addresses specified in this Agreement, or to such other address as a party may designate by notice to the other party.

The address for DocuPal Demo, LLC is: 23 Main St, Anytown, CA 90210, USA

The address for ACME-1 is: 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA

## Entire Agreement

This Surety Agreement constitutes the entire agreement between DocuPal Demo, LLC and ACME-1 relating to the subject matter hereof, and supersedes all prior or contemporaneous communications and proposals, whether electronic, oral or written, between DocuPal Demo, LLC and ACME-1 with respect to such subject matter.

