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Introduction and Purpose

This Debt Settlement 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 United States, with its principal address at 23 Main St, Anytown, CA 90210 ("Creditor"), and Acme, Inc, a company organized under the laws of United States, with its address at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA ("Debtor").

Purpose of Agreement

The purpose of this Agreement is to set forth the terms and conditions under which Creditor agrees to settle certain outstanding debts owed by Debtor. These debts relate to outstanding invoices for software development services previously rendered by Creditor. This Agreement outlines the settlement amount, the payment schedule, and other obligations of the Debtor, as well as the consequences of failing to meet those obligations. Both parties desire to resolve the outstanding debt in a mutually agreeable manner, avoiding further legal action. This Agreement is a legally binding contract.

Definitions and Interpretations

Definitions

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

- **Settlement Amount** means the agreed-upon sum of money, less than the total outstanding debt, that DocuPal Demo, LLC will accept from ACME-1 to fully satisfy the debt obligations, as specified in Schedule A.
- **Effective Date** means the date on which this Debt Settlement Agreement becomes legally binding, which shall be the date when both parties duly sign this agreement.
- **Default** means the failure by ACME-1 to comply with any of the terms and conditions outlined in this Debt Settlement Agreement, including, but not limited to, the failure to make payments according to the agreed-upon schedule. A default will trigger the remedies as detailed in Section [Relevant Section Number].



Interpretation

Throughout this Debt Settlement Agreement, unless the context requires otherwise: words importing the singular include the plural and vice versa; words importing a gender include every gender; and references to persons include bodies corporate, unincorporated associations, partnerships, and individuals. Section headings are for convenience only and shall not affect the interpretation of this agreement. The Schedules form an integral part of this agreement and shall be interpreted accordingly. 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.

Settlement Terms and Conditions

DocuPal Demo, LLC agrees to settle the outstanding debt of Acme, Inc. for a total settlement amount of \$50,000. This amount represents the full and final satisfaction of all outstanding obligations.

Payment Schedule

Acme, Inc. will remit the settlement amount according to the following schedule:

Payment	Amount	Due Date
Initial Payment	\$10,000	Upon Signing
Payment 2	\$10,000	2025-09-09
Payment 3	\$10,000	2025-10-09
Payment 4	\$10,000	2025-11-09
Payment 5	\$10,000	2025-12-09

All payments shall be made via wire transfer to the account designated by DocuPal Demo, LLC. Details for the wire transfer will be provided separately.

Early Payment

Acme, Inc. may make payments earlier than the scheduled due dates without incurring any penalties. Early payments will be credited towards the outstanding settlement amount.



Late Payment

If any payment is not received within ten (10) days of its due date, a late payment fee of five percent (5%) will be applied to the overdue amount. Continued failure to adhere to the payment schedule may result in default, as outlined below.

Default

Failure by Acme, Inc. to make any payment within thirty (30) days of its due date will constitute a default under this Agreement. In the event of default, DocuPal Demo, LLC reserves the right to pursue all available legal remedies to recover the full outstanding balance of the original debt, less any amounts already paid by Acme, Inc., plus all applicable interest, fees, and legal costs.

Payment Plan and Schedule

ACME-1 will adhere to the following payment schedule to satisfy the debt settlement outlined in this Agreement. Payments will be made in monthly installments, as detailed below.

Installment Details

The settlement amount will be paid in monthly installments of \$10,000. Each payment is due on the 15th of each month, starting on September 15, 2025. The payment schedule continues on the 15th of each month thereafter until the settlement amount is paid in full.

Payment Schedule

Installment Number	Due Date	Amount (USD)
1	2025-09-15	\$10,000
2	2025-10-15	\$10,000
3	2025-11-15	\$10,000
4	2025-12-15	\$10,000
5	2026-01-15	\$10,000
6	2026-02-15	\$10,000



Installment Number	Due Date	Amount (USD)
7	2026-03-15	\$10,000
8	2026-04-15	\$10,000
9	2026-05-15	\$10,000
10	2026-06-15	\$10,000

Late Payment

Payments must be made on the specified dates. Late payments are not permitted under this agreement. Should ACME-1 fail to make a payment on the due date, DocuPal Demo, LLC reserves the right to declare a default. Upon default, DocuPal Demo, LLC may pursue legal action to recover the full original debt amount, less any payments already made.

Representations and Warranties

Authority and Capacity

Acme, Inc. represents and warrants that it is a duly organized and validly existing entity in good standing under the laws of the United States. Acme, Inc. has the full right, power, and authority to enter into this Debt Settlement Agreement. The execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate action on the part of Acme, Inc.

DocuPal Demo, LLC represents and warrants that it is a duly organized and validly existing limited liability company in good standing under the laws of the United States. DocuPal Demo, LLC has the full right, power, and authority to enter into this Debt Settlement Agreement. The execution, delivery, and performance of this Agreement have been duly authorized by all necessary action on the part of DocuPal Demo, LLC.

Disclaimer

DocuPal Demo, LLC will not be liable for any indirect or consequential damages arising out of or related to this Debt Settlement Agreement.



Release and Discharge

Scope of Release

Upon DocuPal Demo, LLC's receipt of the final settlement payment as outlined in this Debt Settlement Agreement, Acme, Inc. will be fully and irrevocably released from any and all claims, demands, actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, and liabilities of every kind and nature whatsoever, whether known or unknown, suspected or unsuspected, both in law and in equity, which DocuPal Demo, LLC ever had, now has, or may hereafter have against Acme, Inc., for, upon, or by reason of any matter, cause, or thing whatsoever arising from all outstanding invoices for software development services rendered up to the date of this agreement.

Full Satisfaction

The debt will be considered fully satisfied upon the successful completion of all terms and conditions outlined in this Agreement. This includes, but is not limited to, DocuPal Demo, LLC receiving the settlement amount of \$[Amount] according to the agreed-upon payment schedule. Once the final payment is received by DocuPal Demo, LLC, Acme, Inc. is no longer obligated to pay any additional amounts related to the original outstanding debt for software development services. This release and discharge are contingent upon Acme, Inc.'s strict adherence to the payment schedule and other obligations detailed in this Debt Settlement Agreement. Failure to comply with the terms may render this release null and void.

Default and Remedies

Events of Default

The following events shall constitute a default under this Debt Settlement Agreement:

1. Failure by ACME-1 to make any payment when due as outlined in the payment schedule.



2. Breach of the confidentiality obligations as detailed in the Confidentiality section of this Agreement.

Notice and Cure Period

In the event of a payment default, Docupal Demo, LLC will provide ACME-1 with written notice of such default. ACME-1 will have ten (10) days from the date of the notice to cure the payment default. If ACME-1 fails to cure the default within this period, Docupal Demo, LLC will be entitled to exercise its remedies as described below.

Creditor's Remedies

Upon the occurrence of an event of default and the failure to cure within the specified cure period (if applicable), Docupal Demo, LLC will be entitled to exercise any one or more of the following remedies:

1. **Declaration of Default:** Declare the entire remaining balance of the original debt immediately due and payable.
2. **Acceleration of Payments:** Accelerate the due date of all remaining settlement payments.
3. **Legal Action:** Pursue any and all legal remedies available under applicable law to recover the full outstanding debt, including but not limited to filing a lawsuit.
4. **Other Remedies:** Exercise any other right or remedy available at law or in equity.

The remedies outlined above are cumulative and not exclusive. Docupal Demo, LLC's election to pursue one remedy will not prevent it from pursuing any other available remedy. ACME-1 will be responsible for all costs and expenses incurred by Docupal Demo, LLC in enforcing its rights and remedies under this Agreement, including reasonable attorney's fees.

Confidentiality

Both Docupal Demo, LLC and Acme, Inc. agree to keep the financial terms of this Debt Settlement Agreement confidential. They also agree to keep any non-public information about either party's business operations confidential.



Scope of Confidentiality

This confidentiality obligation covers all aspects of this agreement. It includes, but is not limited to, the settlement amount and the payment schedule. It also covers any information exchanged during negotiations.

Exceptions

The confidentiality obligations outlined in this section do not apply when disclosure is required by law. If either party is legally compelled to disclose confidential information, they must provide the other party with prompt notice. This allows the other party to seek a protective order or other appropriate remedy.

Dispute Resolution

Any dispute arising from or relating to this Debt Settlement Agreement will be resolved through binding arbitration.

Arbitration Process

The arbitration will take place in [City, State]. It will be administered by a mutually agreed-upon arbitration service. If DocuPal Demo, LLC and ACME-1 cannot agree on an arbitration service, the matter will be submitted to the American Arbitration Association (AAA) for resolution in accordance with its rules. 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. Each party will bear its own costs and attorneys' fees associated with the arbitration. The parties will equally share the fees and expenses of the arbitrator. This agreement to arbitrate is specifically enforceable under the applicable arbitration law.

Miscellaneous Provisions

Amendments

This Debt Settlement Agreement may be amended only by a written instrument signed by both Docupal Demo, LLC and ACME-1. Any such amendment will become effective on the date specified in the amendment, or if no date is specified, upon the



date of its signing by both parties.

Notices

All notices and other communications required or permitted under this Debt Settlement Agreement must be in writing and delivered by certified mail, return receipt requested, to the addresses set forth in the introductory section of this Agreement, or to such other address as either party may designate by notice duly given in accordance with this section.

Entire Agreement

This Debt Settlement Agreement constitutes the entire agreement between Docupal Demo, LLC and ACME-1 with respect to the subject matter hereof and supersedes all prior negotiations, discussions, understandings, and agreements between the parties, whether written or oral.

Severability

If any provision of this Debt Settlement Agreement is held to be invalid or unenforceable, the remaining provisions will continue in full force and effect. The parties agree to negotiate in good faith to replace any invalid or unenforceable provision with a valid and enforceable provision that achieves, to the greatest extent possible, the economic, legal, and commercial objectives of the invalid or unenforceable provision.

Waiver

No waiver of any provision of this Debt Settlement Agreement will be effective unless it is in writing and signed by the party against whom the waiver is sought to be enforced. No failure or delay by either party in exercising any right, power, or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power, or privilege.



Signatures and Execution

This Debt Settlement Agreement becomes effective on the date both parties sign below.

Signatures

DocuPal Demo, LLC

By: _____

Name: _____

Title: _____

Date: _____

Acme, Inc

By: _____

Name: _____

Title: _____

Date: _____

Notarization

This Debt Settlement Agreement must be notarized to be considered fully executed.

Notary Public Acknowledgement

State of: _____

County of: _____

On this _____ day of _____, 2025, before me, a Notary Public in and for said County and State, personally appeared known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within



instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument, the entities upon behalf of which the persons acted, executed this instrument.

Witness my hand and official seal.

Notary Public

My Commission Expires: _____

Both DocuPal Demo, LLC and Acme, Inc. agree to the terms and conditions within this Debt Settlement Agreement. By signing, each party acknowledges they have read, understood, and agree to be bound by this agreement. Each party warrants that the person signing on its behalf is duly authorized to execute this agreement.

