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# Introduction and Parties

## Introduction

This Engineering Agreement (the "Agreement") is made and entered into as of August 9, 2025. It outlines the terms and conditions governing the provision of engineering services by DocuPal Demo, LLC to Acme Inc. This Agreement defines the scope of work, deliverables, timelines, payment terms, intellectual property rights, and other essential aspects of the engagement. Both parties intend to cooperate and work in good faith. This ensures a successful completion of the engineering project.

## Parties

### DocuPal Demo, LLC

DocuPal Demo, LLC, a limited liability company, is organized and existing under the laws of United States. Its principal place of business is located at 23 Main St, Anytown, CA 90210. In this Agreement, DocuPal Demo, LLC will be referred to as "Provider". The Provider will deliver the engineering services as detailed in this Agreement.

### Acme Inc

Acme Inc, a corporation, is organized and existing under the laws of United States. Its principal business address is 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA. Throughout this Agreement, Acme Inc will be referred to as "Client". The Client will receive the engineering services from the Provider under the terms of this Agreement.

## Scope of Work

DocuPal Demo, LLC will provide engineering services to ACME-1 for the design, development, and testing of a new widget prototype. This section details the specific tasks, responsibilities, and deliverables associated with these services.



## Engineering Services

DocuPal Demo, LLC will perform the following engineering services:

- **Design:** We will create detailed design specifications for the widget prototype. This includes defining the materials, dimensions, functionalities, and performance criteria.
- **Development:** We will build a functional prototype of the widget based on the design specifications. This involves sourcing components, fabricating parts, assembling the prototype, and programming any necessary software or firmware.
- **Testing:** We will conduct thorough testing of the prototype to verify its functionality, performance, and reliability. This includes identifying and resolving any design flaws or manufacturing defects.

## Responsibilities

DocuPal Demo, LLC is responsible for:

- Providing qualified and experienced engineering personnel to perform the services.
- Adhering to industry best practices and all applicable regulations.
- Maintaining accurate records of all design, development, and testing activities.
- Communicating regularly with ACME-1 regarding project progress and any issues that arise.
- Ensuring the prototype meets the agreed-upon specifications and performance criteria.

ACME-1 is responsible for:

- Providing DocuPal Demo, LLC with all necessary information and resources to perform the services.
- Reviewing and approving design specifications and test plans.
- Providing timely feedback on prototype development and testing.
- Making decisions and resolving issues in a timely manner.

## Deliverables

The following deliverables will be provided to ACME-1:



- **Prototype Design Specifications:** A comprehensive document outlining all aspects of the widget prototype design.
- **Functional Prototype:** A fully working prototype of the widget, built to the design specifications.
- **Final Report:** A detailed report summarizing the design, development, and testing activities, including test results, analysis, and recommendations.

## Third Parties

No subcontractors or third parties will be involved in the performance of these engineering services. All work will be performed directly by DocuPal Demo, LLC personnel.

## Project Timeline and Milestones

DocuPal Demo, LLC will perform the engineering services according to the following timeline. ACME-1 and DocuPal Demo, LLC agree to adhere to these milestones to ensure project success.

### Key Milestones

Milestone	Deadline
Design Specifications Complete	July 31, 2024
Prototype Complete	September 30, 2024
Final Report	October 31, 2024

### Timeline Adjustments

Any anticipated delays must be communicated promptly in writing. DocuPal Demo, LLC and ACME-1 will then discuss potential adjustments to the project timeline. These adjustments will be documented and agreed upon in writing by both parties.

### Late Delivery

In the event of late delivery of the final report, DocuPal Demo, LLC will be subject to a penalty. The penalty will be 1% of the total contract value for each week the delivery is delayed. The maximum penalty will not exceed 5% of the total contract



value.

## Project Milestone Schedule

# Payment Terms and Schedule

The total contract value for the engineering services provided under this Agreement is \$50,000 USD. ACME-1 will make payments to DocuPal Demo, LLC according to the schedule outlined below. There are no retention or advance payment clauses in this agreement.

## Payment Schedule

Payments will be made in three installments, each contingent upon the completion of specific milestones:

1. **Initial Payment:** 25% of the total contract value, amounting to \$12,500, is due upon the signing of this Engineering Agreement.
2. **Prototype Completion Payment:** 50% of the total contract value, amounting to \$25,000, is due upon the successful completion and acceptance of the prototype.
3. **Final Report Submission Payment:** The remaining 25% of the total contract value, amounting to \$12,500, is due upon the submission of the final report and its acceptance by ACME-1.

## Invoicing

DocuPal Demo, LLC will submit invoices to ACME-1 upon the completion of each milestone. Each invoice will include a detailed description of the completed milestone and the corresponding payment amount. ACME-1 will remit payment within 30 days of the invoice date.

## Late Payment

In the event of late payment, DocuPal Demo, LLC reserves the right to charge interest on the overdue amount at a rate of 1% per month, or the maximum rate permitted by law, whichever is lower. Continued failure to remit payments may result in suspension of services, until all outstanding amounts, including accrued interest, are paid in full.





# Intellectual Property Rights

## Ownership

DocuPal Demo, LLC retains all rights, title, and interest in and to any and all intellectual property rights, including but not limited to patents, copyrights, trade secrets, and trademarks, created, conceived, or reduced to practice during the performance of the services under this Agreement.

## Pre-existing IP

Each party retains ownership of its pre-existing intellectual property. This Agreement does not transfer any ownership rights in pre-existing intellectual property.

## License Grant

DocuPal Demo, LLC grants to ACME-1 a non-exclusive, perpetual, and royalty-free license to use the intellectual property developed under this Agreement. ACME-1 may use this intellectual property solely for its internal business purposes. This license does not include the right to sublicense, distribute, or otherwise commercially exploit the intellectual property outside of ACME-1's internal operations.

# Confidentiality and Non-disclosure

Both DocuPal Demo, LLC and ACME-1 agree to protect each other's confidential information. This includes all technical, financial, and business data related to this project.

## Scope of Confidential Information

Confidential information includes, but is not limited to, designs, specifications, data, know-how, and business plans shared between the parties. Both parties will treat this information with the same degree of care as they protect their own confidential information.



## Exceptions

The obligations of confidentiality do not apply to information that:

- Is or becomes publicly available through no fault of the receiving party.
- Was already known to the receiving party before disclosure.
- Is independently developed by the receiving party.
- Is rightfully received from a third party without restriction.

## Duration

The obligations of confidentiality outlined in this agreement will continue for a period of five (5) years following the completion or termination of this Engineering Agreement.

# Warranties and Representations

DocuPal Demo, LLC warrants that all engineering services provided under this Agreement will be performed in a professional and workmanlike manner. This means the services will be carried out with the degree of skill and care that is ordinarily exercised by competent engineers in the same discipline and under similar circumstances.

## Compliance and Standards

DocuPal Demo, LLC represents that it will comply with all applicable laws, regulations, and industry standards in performing the services. ACME-1 acknowledges that DocuPal Demo, LLC's compliance is dependent on ACME-1 providing accurate and complete information regarding project requirements and specifications.

## Remedies

In the event of a breach of the above warranties, ACME-1's remedies shall be limited to damages and specific performance. However, DocuPal Demo, LLC will not be liable for any indirect, incidental, or consequential damages arising out of or related to the services provided under this Agreement. This limitation applies regardless of the cause of action, including but not limited to breach of contract, negligence, or strict liability.





# Liabilities and Indemnities

## Liabilities

DocuPal Demo, LLC is liable for damages arising from its negligent acts or omissions in performing the engineering services under this Agreement. Acme, Inc. assumes all liability for any damages, losses, or claims arising from its use of any prototype or deliverables provided by DocuPal Demo, LLC.

The total liability of DocuPal Demo, LLC to Acme, Inc. under this Agreement is limited to the total value of this Agreement. Neither party is liable to the other for any indirect, incidental, consequential, special, or punitive damages arising out of or related to this Agreement, regardless of the cause of action.

## Indemnification

DocuPal Demo, LLC will indemnify, defend, and hold harmless Acme, Inc., its officers, directors, employees, and agents from and against any and all claims, demands, losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees) arising out of or resulting from the negligence of DocuPal Demo, LLC in connection with the performance of its obligations under this Agreement.

Acme, Inc. will maintain adequate insurance coverage to protect itself from any losses related to its use of the deliverables. This insurance will cover any potential liabilities arising from the operation or application of the engineered solutions. Each party is responsible for securing and maintaining their own insurance policies, including but not limited to general liability and professional liability coverage.

# Dispute Resolution

The parties will attempt to resolve any dispute related to this Agreement through good faith negotiations.

## Mediation

If negotiations fail, the parties will submit the dispute to mediation in Delaware. They will jointly select a mediator. The mediation sessions will be confidential.



## Arbitration

If mediation is unsuccessful, any unresolved dispute will be settled by binding arbitration. Arbitration will occur in Delaware. It will follow the rules of the American Arbitration Association. The arbitrator's decision will be final and legally binding. Delaware law governs this Agreement.

## Termination Conditions

This Agreement may be terminated under the following conditions.

### Termination for Cause

Either party may terminate this Agreement if the other party commits a material breach of its obligations. The party seeking termination must provide written notice of the breach. The breaching party will then have thirty (30) days to cure the breach. If the breach is not cured within this period, the Agreement may be terminated.

### Termination for Insolvency

Either party may terminate this Agreement if the other party becomes insolvent. Insolvency includes filing for bankruptcy or entering into liquidation.

### Effects of Termination

Upon termination, ACME-1 will receive all deliverables due up to the termination date. DocuPal Demo, LLC will be paid for all work completed and expenses incurred up to the termination date. All payments will be made according to the payment terms outlined in this Agreement.

## Force Majeure

DocuPal Demo, LLC will not be liable for any failure to perform its obligations under this Engineering Agreement when such failure is due to force majeure. ACME-1 will equally not be liable for any failure to perform its obligations under this agreement due to force majeure.



## Qualifying Events

Force majeure events include acts of God, natural disasters, war, or government regulations. These events must be unforeseeable and beyond the reasonable control of the affected party.

## Notification

If a force majeure event occurs, the affected party must notify the other party promptly. Notification must be in writing, via both email and certified mail, detailing the event and its anticipated impact on performance.

## Remedies and Extensions

In the event of a force majeure, the affected party's performance will be excused for the duration of the event. The deadlines for performance will be extended by a period equivalent to the delay caused by the force majeure event. Both parties will work together in good faith to mitigate the impact of the force majeure event.

# Miscellaneous Provisions

This section contains standard legal terms. These terms clarify and govern aspects of this Engineering Agreement.

## Contract Integrity

If a court finds any part of this Agreement unenforceable, the remaining provisions will still be valid. The parties agree that the remaining portions of this agreement should remain in full force and effect. This Agreement represents the complete understanding between DocuPal Demo, LLC and ACME-1. It supersedes all prior agreements and discussions, whether written or oral.

## Amendments

Any changes to this Agreement must be in writing. Both DocuPal Demo, LLC and ACME-1 must sign the written amendment.



## Assignment

Neither party may assign its rights or obligations under this Agreement. Any assignment requires the prior written consent of the other party.

## Notices

All notices relating to this Agreement must be in writing. Notices are to be delivered to the addresses listed in the introductory section of this Agreement. Notices could be delivered by mail, email, or in person.

## Signatures and Execution

This Engineering Agreement shall become effective as of June 1, 2024, and will continue as defined within the agreement.

## Agreement

By signing below, the parties acknowledge they have read, understood, and agree to all the terms and conditions of this Engineering Agreement.

### DocuPal Demo, LLC

Signature:	
Name:	
Title:	
Date:	August 9, 2025

### Acme, Inc (ACME-1)

Signature:	
Name:	
Title:	
Date:	August 9, 2025



## Electronic Signatures

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. Electronic signatures shall be accepted as original signatures. The parties agree that a digitally scanned and e-mailed copy or other reliable electronic form of this agreement, bearing the signature of a party, is binding upon the signing party.

