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Introduction and Definitions

Introduction

This Patent License Agreement (the "Agreement") is made and entered into as of August 9, 2025, by and between DocuPal Demo, LLC, a company organized under the laws of the United States, with its principal place of business at 23 Main St, Anytown, CA 90210 ("Licensor"), and Acme, Inc, a business organized under the laws of the United States, with its principal place of business at 3751 Illinois Avenue, Wilsonville, Oregon - 97070 ("Licensee").

Definitions

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

- **Licensed Patent:** Refers to the patent owned by Licensor and listed in Appendix A, which is the subject of this license.
- **Licensed Products:** Means any product that, but for this Agreement, would infringe the Licensed Patent.
- **Territory:** The United States of America.
- **Net Sales:** Gross sales revenue received by Licensee from sales of Licensed Products, less customary deductions actually taken for returns, discounts, and allowances.
- **Effective Date:** The date first written above.
- **Royalty Rate:** The percentage of Net Sales payable by Licensee to Licensor as consideration for the license granted herein, as specified in Appendix B.
- **Confidential Information:** Any proprietary information disclosed by either party to the other, either directly or indirectly, in writing, orally, or by inspection of tangible objects.
- **Term:** The duration of this Agreement, as specified in Section X.
- **Party:** Either Licensor or Licensee, individually.
- **Parties:** Licensor and Licensee, collectively.



Grant of License

DocuPal Demo, LLC ("Licensor") hereby grants to Acme, Inc ("Licensee"), a non-exclusive license to practice the inventions claimed in the patents listed in **Appendix A** (the "Licensed Patents"). This license is subject to the terms and conditions of this Agreement.

Scope of License

The license granted herein extends only to the manufacture, use, and sale of products covered by the Licensed Patents (the "Licensed Products"). ACME-1 may make, have made, use, sell, and import the Licensed Products within the Territory.

Territory

The territory of this license is limited to the United States of America. ACME-1's rights under this license are restricted to activities occurring within the boundaries of the United States. Any manufacture, use, or sale of Licensed Products outside of the United States is strictly prohibited under this Agreement.

Sublicensing

ACME-1 is not granted the right to sublicense the Licensed Patents to any third party. The rights granted herein are solely for the benefit of ACME-1, and any attempt to sublicense, assign, or transfer these rights without the prior written consent of DocuPal Demo, LLC shall be deemed a material breach of this Agreement.

Royalty Payments and Financial Terms

ACME-1 will pay DocuPal Demo, LLC royalties for each product manufactured, used, or sold under the patent license granted in this Agreement. These royalty payments are essential to the financial terms of this agreement.



Royalty Rate

The royalty rate is set at five percent (5%) of the Net Sales of Licensed Products. "Net Sales" means ACME-1's gross sales revenue from Licensed Products, less customary deductions. Deductions include returns, discounts, and allowances actually granted. It does not include deductions for the cost of goods sold, sales commissions, or other operating expenses.

Minimum Royalty

To maintain the license, ACME-1 must pay a minimum royalty of ten thousand US dollars (\$10,000) per quarter. This minimum royalty applies regardless of the actual Net Sales in a given quarter. If the calculated royalty based on 5% of Net Sales is less than \$10,000, ACME-1 will still pay \$10,000.

Royalty Payment Schedule

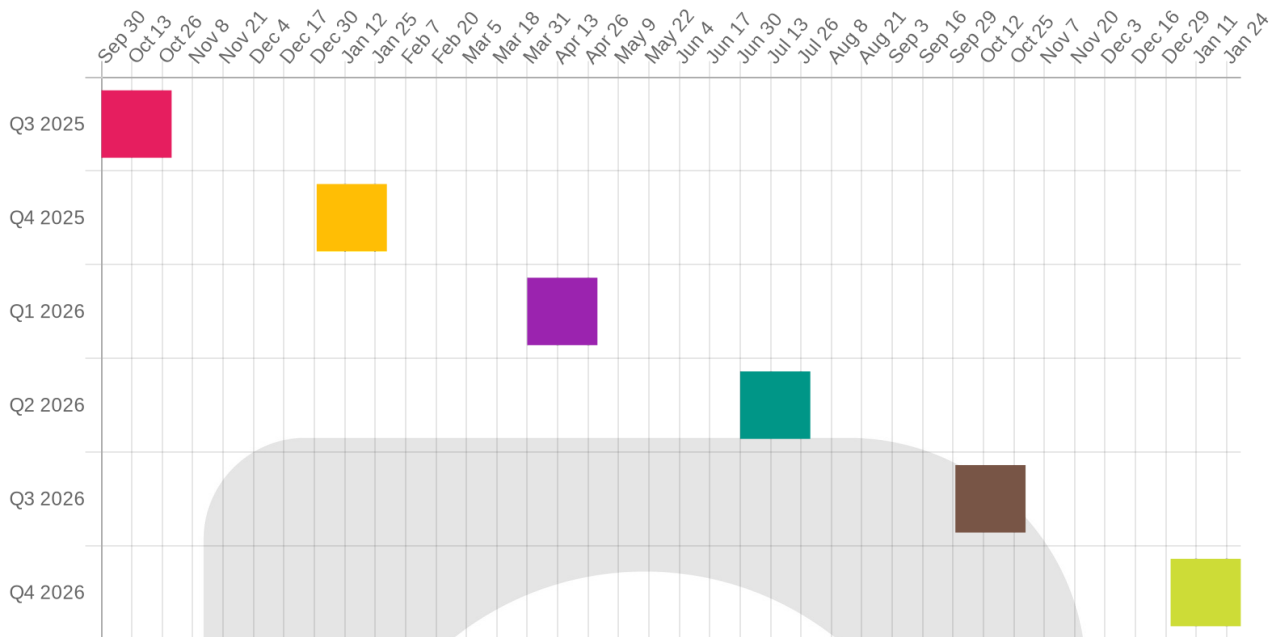
ACME-1 will calculate and pay royalties on a quarterly basis. Each quarter concludes on the last day of March, June, September, and December. ACME-1 will submit a royalty report and payment to DocuPal Demo, LLC within thirty (30) days after the end of each quarter.

The royalty report must include the following information:

- Gross Sales
- Allowable Deductions
- Net Sales
- Calculation of Royalty Due

Payments must be made in US dollars (USD) via wire transfer to the account designated by DocuPal Demo, LLC. Late payments will accrue interest at a rate of one percent (1%) per month, or the highest rate permitted by applicable law, whichever is lower.





Patent Rights and Maintenance

Patent Ownership

DocuPal Demo, LLC retains all ownership rights to the patent that is the subject of this Agreement. ACME-1 acknowledges DocuPal Demo, LLC's exclusive ownership of the patent. This agreement only grants ACME-1 a non-exclusive license to use the patent under the terms defined herein.

Patent Maintenance

DocuPal Demo, LLC will be responsible for the payment of all patent maintenance fees required to keep the patent in full force and effect. DocuPal Demo, LLC will use reasonable efforts to ensure timely payment of these fees. ACME-1 will not be responsible for any costs associated with maintaining the patent.

Patent Prosecution and Defense

DocuPal Demo, LLC will manage the prosecution of the patent, including all related filings and responses to office actions. DocuPal Demo, LLC, at its sole discretion, will control the defense of the patent against any challenges or infringements by third

parties. However, in the event of a patent infringement lawsuit initiated by DocuPal Demo, LLC, the costs associated with defending the patent will be shared between DocuPal Demo, LLC and ACME-1. The specific allocation of these defense costs will be mutually agreed upon in writing by both parties, considering factors such as the scope of ACME-1's use of the licensed patent and the potential benefits to each party from a successful defense. If the parties cannot agree on cost sharing, they will each bear their own costs.

Confidentiality and Non-Disclosure

Definition of Confidential Information

Both DocuPal Demo, LLC, and ACME-1 agree that "Confidential Information" means all technical and commercial information disclosed by one party (the "Disclosing Party") to the other party (the "Receiving Party"), whether orally or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. This includes, but is not limited to, information relating to the Patent, product designs, specifications, formulas, processes, business plans, marketing strategies, and financial information.

Obligations of Confidentiality

ACME-1 agrees to protect the Disclosing Party's Confidential Information with the same degree of care that it uses to protect its own confidential information of similar nature, but in no event less than reasonable care. ACME-1 shall use the Confidential Information solely for the purpose of exercising its rights and performing its obligations under this Agreement. ACME-1 shall not disclose the Disclosing Party's Confidential Information to any third party without the Disclosing Party's prior written consent.

Term of Non-Disclosure

The obligations of confidentiality and non-disclosure under this Section shall continue for a period of five (5) years from the date of disclosure of the Confidential Information. This obligation survives the termination of this Agreement.



Infringement and Enforcement

Notification of Infringement

ACME-1 shall promptly notify DocuPal Demo, LLC upon becoming aware of any actual or potential infringement of the Patent by a third party in the United States. The notification must include all available evidence of the infringement. This evidence includes, but is not limited to, the identity of the alleged infringer, the infringing product or service, and the basis for the infringement claim.

Enforcement Rights and Actions

DocuPal Demo, LLC retains the sole right to control the enforcement of the Patent. DocuPal Demo, LLC will decide whether to initiate legal action against any infringing third party. ACME-1 agrees to fully cooperate with DocuPal Demo, LLC in any such enforcement action. This cooperation includes providing access to relevant documents, data, and personnel.

Cost Sharing

DocuPal Demo, LLC and ACME-1 will share the costs associated with any enforcement action. The cost-sharing will be split equitably. Unless otherwise agreed upon in writing, DocuPal Demo, LLC will bear 60% of the costs, and ACME-1 will bear 40% of the costs. Costs include, but are not limited to, legal fees, expert witness fees, and court costs.

Recovery

Any recovery obtained from an infringement action, whether through settlement or judgment, will be distributed as follows:

- First, to reimburse DocuPal Demo, LLC and ACME-1 for their respective costs incurred in the enforcement action.
- Second, the remaining amount will be allocated to DocuPal Demo, LLC. DocuPal Demo, LLC will then pay ACME-1 royalties on the proceeds as if the proceeds were net sales under the agreement. The royalty amount will be determined based on the royalty rate specified in this Agreement.



Failure to Enforce

If DocuPal Demo, LLC chooses not to pursue an infringement action, ACME-1 may request DocuPal Demo, LLC to assign its rights to pursue the infringing party to ACME-1. DocuPal Demo, LLC shall not unreasonably withhold its consent to such assignment. If such assignment is made, ACME-1 shall bear all costs of enforcement. ACME-1 will retain all proceeds from such enforcement action.

Indemnification and Liability

Indemnification by DocuPal Demo, LLC

DocuPal Demo, LLC ("Licensor") shall indemnify, defend, and hold harmless ACME-1 ("Licensee"), its affiliates, directors, officers, employees, and agents from and against any and all claims, suits, actions, liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to any third-party claim that the Licensed Products, when manufactured, used, or sold by ACME-1 in accordance with this Agreement, infringe any patent, copyright, trademark, trade secret, or other intellectual property right of any third party.

This indemnification obligation is contingent upon ACME-1: (a) promptly notifying DocuPal Demo, LLC in writing of any such claim; (b) granting DocuPal Demo, LLC sole control over the defense and settlement of the claim; and (c) providing DocuPal Demo, LLC with all reasonable assistance and information in ACME-1's possession for the defense of the claim. DocuPal Demo, LLC will not be responsible for any settlement it does not authorize in writing.

Limitations of Liability

IN NO EVENT SHALL DOCUPAL DEMO, LLC BE LIABLE TO ACME-1 FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS, BUSINESS INTERRUPTION, OR LOSS OF INFORMATION) ARISING OUT OF OR RELATING TO THIS AGREEMENT, EVEN IF DOCUPAL DEMO, LLC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. DOCUPAL DEMO, LLC'S TOTAL LIABILITY TO ACME-1 FOR ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL NOT EXCEED THE TOTAL AMOUNT OF ROYALTIES PAID BY ACME-1 TO DOCUPAL DEMO, LLC UNDER THIS AGREEMENT. THE EXISTENCE OF



ONE OR MORE CLAIMS SHALL NOT ENLARGE OR EXTEND THIS LIMIT. These limitations apply to all causes of action, whether arising in contract, tort, or otherwise.

Term and Termination

This Agreement will begin on August 9, 2025, and continue for an initial term of five (5) years.

Renewal

Following the initial five-year term, this Agreement will automatically renew for successive three (3) year terms. Either party can prevent automatic renewal by providing written notice to the other party at least six (6) months before the end of the current term.

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 have sixty (60) days from the date of the notice to cure the breach. If the breach is not cured within this period, the non-breaching party may terminate this Agreement immediately upon written notice.

Effects of Termination

Upon termination of this Agreement for any reason, ACME-1's license to manufacture and sell products covered by the Patent will immediately cease. ACME-1 will stop all use of the Patent. ACME-1 will, within thirty (30) days of the termination date, deliver to DocuPal Demo, LLC, or destroy, all materials in its possession or control that contain, embody, or disclose DocuPal Demo, LLC's Confidential Information. ACME-1 will certify in writing its compliance with this obligation. Termination of this Agreement will not relieve either party of its obligations to pay any amounts owed to the other party as of the date of termination. The provisions regarding confidentiality, indemnification, and governing law will survive termination of this Agreement.



Governing Law and Dispute Resolution

Governing Law

This Agreement will be governed by and construed 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 Agreement will be resolved through binding arbitration in Delaware. The arbitration will be conducted in accordance with the rules of the American Arbitration Association. The decision of the arbitrator will be final and binding on both parties. Each party will bear its own costs and expenses, and share equally the costs of the arbitrator. The arbitration proceedings will be conducted in English. The parties agree that judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. This section prevents either party from starting a lawsuit in court.

Warranties and Representations

DocuPal Demo, LLC Warranties

DocuPal Demo, LLC warrants that it is the sole and exclusive owner of the patent rights being licensed under this Agreement. DocuPal Demo, LLC also warrants that it has the full right, power, and authority to grant the licenses described in this Agreement. We assure that the execution and performance of this Agreement do not conflict with any other agreement or obligation binding on DocuPal Demo, LLC. DocuPal Demo, LLC represents that it knows of no existing challenges to the validity or enforceability of the licensed patent.

Acme, Inc. Warranties

Acme, Inc. warrants that it has the full right, power, and authority to enter into and perform this Agreement. ACME-1 warrants that the execution and performance of this Agreement do not conflict with any other agreement or obligation binding on it. Acme, Inc. represents that it will comply with all applicable laws and regulations in its manufacture, use, and sale of products under this license.



Use of Patent and Technology Transfer

This section defines the scope of permitted uses under this Patent License Agreement and outlines any technology transfer obligations.

Permitted Uses

ACME-1 is granted a non-exclusive license to the patent for the following specific uses within the United States:

- Manufacturing products covered by the patent.
- Selling products covered by the patent.

No other uses are permitted under this license without the express written consent of Docupal Demo, LLC. ACME-1 acknowledges that this is a non-exclusive license. Docupal Demo, LLC retains the right to grant licenses to other parties.

Technology Transfer

To facilitate ACME-1's ability to effectively utilize the licensed patent, Docupal Demo, LLC will provide the following technology transfer assistance:

- Docupal Demo, LLC will provide ACME-1 with access to existing technical documentation related to the patent. This includes, but is not limited to, design specifications, manufacturing processes, and testing protocols.
- Docupal Demo, LLC will provide ACME-1 with reasonable technical support for a period of thirty (30) days from the effective date of this agreement. This support will be provided via email and telephone consultation during normal business hours (9:00 AM to 5:00 PM Pacific Time).

ACME-1 is responsible for all costs associated with implementing the technology and manufacturing products under the licensed patent. Docupal Demo, LLC makes no warranties regarding the success of ACME-1's manufacturing or sales efforts.



Sublicensing and Assignment

Sublicensing

ACME-1 shall have no right to grant sublicenses under this Agreement. The rights granted herein are specific to ACME-1 and do not extend to any third party through sublicensing arrangements. Any attempt by ACME-1 to grant a sublicense shall be a material breach of this Agreement, giving DocuPal Demo, LLC the right to terminate this Agreement as set forth in the termination provisions herein.

Assignment

This Agreement, and the rights and obligations hereunder, may not be assigned or otherwise transferred by ACME-1, whether voluntarily or by operation of law, without the prior written consent of DocuPal Demo, LLC. Any attempted assignment or transfer without such consent shall be void and of no effect. DocuPal Demo, LLC may assign this Agreement to a successor in interest in the event of a merger, acquisition, or sale of all or substantially all of its assets.

Notices and Communications

All notices and other communications regarding this Agreement must be in writing.

Delivery Methods

Notices will be considered duly given when delivered by either of the following methods:

1. **Email:** With confirmed receipt.
2. **Certified Mail:** Postage prepaid, return receipt requested.

Addresses for Notice

All notices and communications must be directed to the following addresses:

If to Docupal Demo, LLC:

Docupal Demo, LLC 23 Main St Anytown, CA 90210 United States



If to ACME-1:

Acme, Inc 3751 Illinois Avenue Wilsonville, Oregon - 97070 USA

A party may change its address for notification by giving written notice to the other party. This notice must be delivered as described above.

Miscellaneous Provisions

Entire Agreement

This Agreement contains the entire understanding between Docupal Demo, LLC and ACME-1. It supersedes all prior agreements and discussions relating to the license of the Patent.

Amendments

This Agreement may only be amended by a written document. This document must be signed by both Docupal Demo, LLC and ACME-1.

Waiver

No waiver of any provision of this Agreement will be effective. This is unless it is in writing and signed by the party waiving the right. A waiver on one occasion will not waive any other right or on any future occasion.

Severability

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

Signatures and Execution

This Patent License Agreement is executed as of August 9, 2025.



Signatures

DocuPal Demo, LLC

By:

Name:

Title:

Date:

Acme, Inc.

By:

Name:

Title:

Date:

Each party has caused this Agreement to be executed by its duly authorized representative. This Agreement becomes effective upon the signature of both parties. No notarization or witnesses are required for the execution of this Agreement.

