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Introduction and Background

This Joint Development 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 ("DocuPal"), and Acme Inc ("ACME-1"), a business entity organized under the laws of the United States, with its principal place of business at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA.

The purpose of this Agreement is to establish a framework for the joint development of a new AI-powered document processing platform. Both DocuPal and ACME-1 recognize the potential benefits of combining their respective expertise and resources to create a novel solution in the document management space.

Parties

- **DocuPal Demo, LLC:** A United States based company with expertise in artificial intelligence.
- **Acme Inc:** A United States based company with expertise in document management solutions.

Objectives

DocuPal and ACME-1 intend to collaborate on the development of an AI-powered document processing platform that leverages DocuPal's AI capabilities and ACME-1's knowledge in document management. The parties will work together to define the platform's specifications, design, and functionality, as well as to develop and test the platform.

Definitions and Interpretation

Definitions

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



- **ACME-1:** Refers to Acme, Inc, a company incorporated in the United States, with its principal address at 3751 Illinois Avenue, Wilsonville, Oregon – 97070, USA.
- **AI:** Refers to Artificial Intelligence, encompassing computer systems capable of performing tasks that typically require human intelligence, such as learning, problem-solving, and decision-making.
- **Confidential Information:** Means any information, technical data, or know-how, including, but not limited to, that which relates to either party's research, product plans, products, services, customers, markets, software, developments, inventions, processes, designs, drawings, engineering, hardware configuration information, marketing, finances or other business information disclosed by one party to the other, either directly or indirectly, in writing, orally or by inspection of tangible objects.
- **Docupal Demo, LLC:** Refers to Docupal Demo, LLC, a company incorporated in the United States, with its principal address at 23 Main St, Anytown, CA 90210.
- **Intellectual Property:** Means all patents, trademarks, copyrights, trade secrets, and other forms of intellectual property rights recognized in any jurisdiction worldwide, including applications and registrations for any of the foregoing.
- **Joint Development:** Refers to the collaborative effort between Docupal Demo, LLC and ACME-1 to create the AI-powered document processing platform, as further described in Exhibit A.
- **Machine Learning:** A subset of AI that involves the use of algorithms to enable computer systems to learn from data without being explicitly programmed.
- **NLP:** Refers to Natural Language Processing, a field of AI focused on enabling computers to understand, interpret, and generate human language.
- **OCR:** Refers to Optical Character Recognition, the process of converting images of text into machine-readable text.
- **Project Milestones:** Refer to the specific, measurable, achievable, relevant, and time-bound goals outlined in Exhibit B that mark progress in the Joint Development.

Interpretation

In this Agreement, unless the context otherwise requires:

- Words importing the singular include the plural and vice versa.
- References to persons include bodies corporate, unincorporated associations, and partnerships.
- The headings are for convenience only and do not affect the interpretation of this Agreement.



- Any reference to a statutory provision shall be construed as a reference to that provision as amended, re-enacted, or extended at the relevant time.
- "Including" means "including without limitation."
- The base currency for all financial transactions and reporting under this Agreement is USD.

Scope of Joint Development

This Joint Development Agreement ("Agreement") outlines the collaboration between DocuPal Demo, LLC and Acme, Inc ("ACME-1") to jointly develop an AI-powered document processing platform (the "Platform"). This section defines the scope, deliverables, and development activities of the joint venture.

Project Overview

The primary objective of this joint development is to create a Platform that automates document classification, data extraction, and validation processes. The Platform will leverage artificial intelligence (AI) to streamline document workflows, reduce manual effort, and improve data accuracy.

Key Deliverables

The following key deliverables are within the scope of this Agreement:

- **AI-Powered Document Classification Module:** Automatically categorizes documents based on content and format.
- **Data Extraction Engine:** Extracts key data fields from various document types using AI and optical character recognition (OCR).
- **Data Validation System:** Validates extracted data against predefined rules and databases.
- **User Interface (UI):** Provides a user-friendly interface for managing documents, reviewing extracted data, and configuring system settings.
- **Application Programming Interface (API):** Enables integration with other systems and applications.
- **Documentation:** Comprehensive documentation, including user manuals, technical specifications, and API documentation.



Development Activities

The joint development activities include, but are not limited to:

- **AI Model Development:** Training and refining AI models for document classification and data extraction.
- **Software Development:** Designing, coding, testing, and deploying the Platform's software components.
- **Data Integration:** Integrating the Platform with relevant data sources and systems.
- **Testing and Quality Assurance:** Conducting thorough testing to ensure the Platform's functionality, performance, and reliability.
- **Deployment and Support:** Deploying the Platform to a production environment and providing ongoing technical support.

Responsibilities of DocuPal Demo, LLC

DocuPal Demo, LLC will be responsible for:

- Providing expertise in artificial intelligence and machine learning.
- Developing and maintaining the AI models used in the Platform.
- Contributing development resources for software engineering and testing.

Responsibilities of ACME-1

ACME-1 will be responsible for:

- Providing expertise in document management and industry best practices.
- Assisting with data integration and system testing.
- Providing market access and customer feedback.

Roles and Responsibilities

DocuPal Demo, LLC and ACME-1 will undertake specific roles and responsibilities to ensure the successful development of the AI-powered document processing platform.



DocuPal Demo, LLC Responsibilities

DocuPal Demo, LLC will be primarily responsible for the AI and infrastructure components of the project. This includes:

- Providing a team of skilled AI developers.
- Contributing existing machine learning models relevant to document processing.
- Supplying and maintaining the necessary cloud infrastructure for development and deployment.
- Ensuring the scalability and reliability of the AI platform.
- Integrating AI functionalities with the document management software.
- Adhering to agreed-upon project timelines and milestones.

ACME-1 Responsibilities

ACME-1 will focus on the document management and market access aspects of the joint development. This includes:

- Providing its existing document management software for integration with the AI platform.
- Contributing relevant customer data, ensuring compliance with privacy regulations.
- Leveraging its sales channels to market and distribute the new platform.
- Providing feedback on the AI platform's features and usability.
- Assisting with user testing and quality assurance.
- Adhering to agreed-upon project timelines and milestones.

Joint Project Management Committee

A Joint Project Management Committee will oversee the day-to-day operations and communication between DocuPal Demo, LLC and ACME-1. The committee will consist of representatives from both parties and will be responsible for:

- Monitoring project progress and addressing any issues that arise.
- Facilitating communication and collaboration between the development teams.
- Making key decisions related to the project's direction and scope.
- Ensuring that both parties are aligned on objectives and priorities.
- Tracking project expenses and managing the budget.

- Reporting project status to senior management at both DocuPal Demo, LLC and ACME-1.
- Organizing regular meetings to discuss project updates and plan future activities.
- Managing all aspect of the project to ensure successful and timely completion.

Intellectual Property Rights

Ownership of Intellectual Property

Each party retains ownership of its pre-existing intellectual property. This Joint Development Agreement does not transfer any rights to pre-existing intellectual property. Intellectual property developed jointly by DocuPal Demo, LLC and ACME-1 during this collaboration will be jointly owned by both parties.

Licensing and Usage Rights

Each party has the right to use the jointly developed intellectual property for internal purposes. Internal use includes research, development, and operations directly related to each party's business.

Right	DocuPal Demo, LLC	ACME-1
Internal Use	Yes	Yes
Commercial License	Jointly Managed	Jointly Managed

Commercial licensing of the jointly developed intellectual property will be jointly managed by DocuPal Demo, LLC and ACME-1. Both parties must agree on the terms and conditions of any commercial license. Revenue generated from commercial licensing will be shared as agreed in Exhibit A of this agreement.

Confidentiality

All technical and business information related to this joint development is confidential. This includes, but is not limited to, designs, specifications, code, and business plans. Both parties agree to protect the confidentiality of this information. Confidential information will not be disclosed to any third party without prior



written consent from both DocuPal Demo, LLC and ACME-1. The obligations of confidentiality will survive the termination of this agreement as stated in the Term and Termination section.

Protection of Intellectual Property

DocuPal Demo, LLC and ACME-1 will cooperate in obtaining and maintaining intellectual property protection for the jointly developed intellectual property. This includes filing patent applications, registering copyrights, and protecting trade secrets. The costs associated with obtaining and maintaining intellectual property protection will be shared as agreed in Exhibit A. Each party will promptly notify the other of any suspected infringement of the jointly developed intellectual property. Both parties will cooperate in taking appropriate action to address any infringement.

Assignment

Neither party may assign its rights or obligations under this agreement without the prior written consent of the other party, except in the case of a merger, acquisition, or sale of all or substantially all of its assets. Any unauthorized assignment will be void.

Financial Terms and Milestones

Initial Funding

ACME-1 will provide DocuPal Demo, LLC with initial funding of \$500,000 (USD). This initial funding will be used to commence development activities as outlined in the project plan. Any subsequent funding will be determined and agreed upon by both parties, as needed, through the Joint Project Management Committee.

Milestone-Based Payments

Payments will be made to DocuPal Demo, LLC by ACME-1 upon the successful completion of the following key project milestones:

1. **AI Model Completion:** Upon completion and initial validation of the core AI model, a payment of \$150,000 will be made.



2. **Software Integration:** Following the successful integration of the AI model with the designated document management software, a payment of \$175,000 will be made.
3. **Beta Testing Completion:** Upon successful completion of beta testing and resolution of identified issues, a final payment of \$175,000 will be made.

The following chart visually represents the timeline and associated payments for each milestone:

Cost Overruns and Additional Funding

The Joint Project Management Committee will oversee the project's financial performance. In the event of projected or actual cost overruns, the committee will convene to assess the situation and develop a corrective action plan. This plan may include, but is not limited to, reallocating resources, adjusting project scope, or seeking additional funding. Any additional funding required will be mutually agreed upon by both DocuPal Demo, LLC and ACME-1. Both parties will collaborate in good faith to secure the necessary resources to ensure the successful completion of the project.

Project Governance and Management

DocuPal Demo, LLC and ACME-1 will establish a clear governance structure for the joint development project. This structure ensures effective decision-making, transparent communication, and efficient project execution.

Joint Project Management Committee

A Joint Project Management Committee (JPMC) will oversee the project. Each party will appoint two representatives to the JPMC. The JPMC will be responsible for:

- Monitoring project progress against agreed-upon milestones and deliverables.
- Reviewing and approving project plans, budgets, and resource allocation.
- Identifying and resolving project-related issues and risks.
- Ensuring compliance with the terms of this Agreement.
- Facilitating communication and collaboration between the project teams.



The JPMC will meet monthly, or more frequently as needed. Decisions will be made by consensus. If consensus cannot be reached, the issue will be escalated as described below.

Dispute Resolution

Any disputes or disagreements arising during the project will be addressed promptly and in good faith. The initial step will involve discussion and negotiation between the relevant project team members. If the issue cannot be resolved at the team level, it will be escalated to the JPMC for review and resolution.

If the JPMC is unable to resolve the dispute, it will be escalated to the Chief Executive Officers (CEOs) of DocuPal Demo, LLC and ACME-1. The CEOs will use their best efforts to resolve the dispute amicably.

If the CEOs are unable to resolve the dispute within thirty (30) days, the parties agree to submit the dispute to mediation in accordance with the rules of the American Arbitration Association.

Reporting Requirements

DocuPal Demo, LLC and ACME-1 will maintain open communication and provide regular updates on project progress. The following reporting requirements will be in place:

- **Monthly Progress Reports:** Each party will submit a monthly progress report to the JPMC. These reports will summarize key accomplishments, milestones achieved, challenges encountered, and planned activities for the next month.
- **Quarterly Financial Reports:** ACME-1 will provide quarterly financial reports detailing project expenditures, budget variances, and forecasts for future spending.
- **Annual Project Reviews:** The JPMC will conduct annual project reviews to assess overall project performance, identify areas for improvement, and update project plans as needed.



Confidentiality and Non-Disclosure

Both DocuPal Demo, LLC and ACME-1 acknowledge that during the term of this Joint Development Agreement, each party may have access to confidential information belonging to the other party. This information is valuable and proprietary. Both parties agree to protect it.

Definition of Confidential Information

Confidential Information includes, but is not limited to:

- Technical specifications
- Source code
- Customer data
- Financial information
- Business plans

This definition encompasses all information, regardless of form, that a party discloses to the other. It also includes information learned or accessed during the term of this agreement.

Obligations of Confidentiality

Each party agrees to hold the other party's Confidential Information in strict confidence. They will not disclose it to any third party without prior written consent. Each party will protect Confidential Information with the same degree of care they use to protect their own confidential information, but no less than reasonable care.

Permitted Use and Disclosure

Confidential Information may be used only for the purposes of project development, testing, and internal evaluation related to this Joint Development Agreement. Disclosure is limited to employees and contractors with a clear need to know the information for these purposes. The disclosing party must ensure that these individuals are bound by confidentiality obligations at least as protective as those contained in this agreement.



Exclusions

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 prior to disclosure by the disclosing party.
- Is independently developed by the receiving party without use of the disclosing party's Confidential Information.
- Is rightfully received by the receiving party from a third party without restriction on disclosure.
- Is required to be disclosed by law or court order, provided that the receiving party gives the disclosing party prompt notice and cooperates in seeking a protective order.

Term of Confidentiality

The obligations of confidentiality outlined in this section will continue for a period of five (5) years following the termination of this Joint Development Agreement.

Warranties and Representations

General Warranties

Each party warrants that it has the full right, power, and authority to enter into and perform this Agreement. Each party also warrants that it is duly organized, validly existing, and in good standing under the laws of its jurisdiction of formation. Further, each party warrants that the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other organizational action.

DocuPal Demo, LLC Warranties

DocuPal Demo, LLC warrants that the AI model developed under this Agreement will perform according to the agreed-upon specifications. This warranty is limited to the specific functionality of the AI model as defined in the project scope.



Acme, Inc Warranties

Acme, Inc warrants that the document management software it provides for integration into the platform is free from defects. This warranty is limited to the specific functionality of the document management software.

Disclaimer

The warranties provided in this Agreement are exclusive and in lieu of all other warranties, express or implied, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose. The parties agree that the remedies provided in this Agreement are the sole and exclusive remedies for any breach of warranty.

Liability and Indemnification

Liability for Negligence and Misconduct

Each party will be responsible for any liability arising from its own acts of negligence or willful misconduct in connection with this Agreement. Neither party assumes responsibility for the negligence or misconduct of the other party, its affiliates, or its personnel.

Limitation of Damages

Neither DocuPal Demo, LLC nor ACME-1 will be liable to the other for any indirect, incidental, consequential, special, or punitive damages arising out of or related to this Agreement. This limitation applies regardless of the form of action, whether in contract, tort, or otherwise, and even if a party has been advised of the possibility of such damages. The parties agree that the damages recoverable will be limited to direct damages only.

Indemnification

Indemnification Obligations



Each party ("Indemnifying Party") will indemnify, defend, and hold harmless the other party ("Indemnified Party"), its affiliates, and their respective officers, directors, employees, and agents from and against any and all claims, losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to any third-party claim, action, or proceeding to the extent caused by:

- The Indemnifying Party's breach of this Agreement.
- The negligence or willful misconduct of the Indemnifying Party in connection with its performance under this Agreement.
- The Indemnifying Party's violation of any applicable law, rule, or regulation.

Indemnification Procedures

The Indemnified Party will:

- Promptly notify the Indemnifying Party in writing of any claim subject to indemnification.
- Allow the Indemnifying Party to control the defense and settlement of the claim.
- Provide reasonable assistance to the Indemnifying Party in the defense and settlement of the claim, at the Indemnifying Party's expense.

The Indemnified Party may participate in the defense of any claim with its own counsel at its own expense. However, the Indemnifying Party will not be liable for any settlement entered into by the Indemnified Party without the Indemnifying Party's prior written consent, which will not be unreasonably withheld.

Term, Termination, and Exit Strategy

Term

This Joint Development Agreement shall commence on 2025-08-09 and continue for a term of three (3) years, unless earlier terminated as provided herein.

Termination

This Agreement may be terminated under the following circumstances:



- **Material Breach:** Either party may terminate this Agreement if the other party commits a material breach of any provision of this Agreement, and fails to cure such breach within thirty (30) days after receiving written notice thereof.
- **Insolvency:** Either party may terminate this Agreement immediately upon written notice if the other party becomes insolvent, files for bankruptcy, or has a receiver appointed for substantially all of its assets.
- **Mutual Agreement:** This Agreement may be terminated at any time by the mutual written agreement of both parties.

Effect of Termination

Upon termination of this Agreement for any reason, the following provisions shall apply:

- **Winding Down:** Both parties will cooperate to ensure an orderly winding down of the joint development activities.
- **Intellectual Property:** All jointly developed Intellectual Property (IP) will be equally divided between DocuPal Demo, LLC and ACME-1. The specific mechanism for division will be mutually agreed upon in writing within thirty (30) days of the termination date.
- **Confidential Information:** Each party shall promptly return or destroy all Confidential Information of the other party in its possession or control, and shall certify in writing to the other party that it has done so. An exception will be made to the extent any confidential information is retained in archived computer files or back-up storage, provided that any such retained information will remain subject to the confidentiality obligations outlined in this agreement.
- **Outstanding Obligations:** Termination of this Agreement shall not relieve either party of any obligations that accrued prior to the effective date of termination, including but not limited to payment obligations.
- **Survival:** The provisions relating to Intellectual Property, Confidentiality, and any payment obligations accruing prior to termination shall survive the termination of this Agreement.
- **No Further Development:** After the termination date, neither party shall have any obligation to continue the joint development activities contemplated by this agreement, unless otherwise agreed in writing.
- **Transition Assistance:** For a period of thirty (30) days following termination, each party shall provide reasonable assistance to the other party to facilitate the transition of responsibilities and knowledge related to the developed platform.



Dispute Resolution

The parties will try to resolve any disputes arising from this Joint Development Agreement amicably.

Mediation

First, the parties will attempt to settle any dispute through mediation. The mediation will occur in Anytown, CA unless both parties agree to a different location. A mutually agreed-upon mediator will conduct the mediation. The parties will participate in mediation for a period of 30 days. This begins from the date that one party sends a written request for mediation to the other.

Arbitration

If mediation fails to resolve the dispute, the parties agree to submit the dispute to binding arbitration. The arbitration will be conducted under the rules of the American Arbitration Association. One arbitrator will conduct the arbitration. The location of the arbitration will be Anytown, CA. The arbitration 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 process will not exceed 60 days. This includes selection of the arbitrator and rendering of the final decision.

Governing Law

The laws of the State of Delaware govern the interpretation and enforcement of this Dispute Resolution section. They also govern the entire Joint Development Agreement.

Legal Actions

A party can seek preliminary injunctive relief from a court of competent jurisdiction. This is available to prevent irreparable harm while pursuing mediation or arbitration. This action does not waive the requirements to mediate and arbitrate.



Miscellaneous Provisions

Assignment

Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party. Any attempted assignment without such consent will be void. This Agreement will bind and benefit the parties and their respective successors and permitted assigns.

Notices

All notices and other communications under this Agreement must be in writing. Notices will be considered duly given when delivered by email or sent by certified mail to the designated contact person at the addresses listed below:

Docupal Demo, LLC Contact: [Name] Address: 23 Main St, Anytown, CA 90210 Email: [Email]

Acme, Inc Contact: [Name] Address: 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA Email: [Email]

Either party may change its designated contact or address by providing written notice to the other party.

Amendments

This Agreement may be amended or modified only by a written instrument signed by authorized representatives of both Docupal Demo, LLC and Acme, Inc. No modification or waiver of any provision will be effective unless in writing and signed by both parties.

Severability

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



Signatures and Execution

This Joint Development Agreement shall become effective as of the last date of signature below.

DocuPal Demo, LLC

Signed: _____

Name: John Smith

Title: CEO

Date: _____

Witnessed: _____

Name: _____

Acme, Inc

Signed: _____

Name: Jane Doe

Title: CEO

Date: _____

Witnessed: _____

Name: _____

Acknowledgement

DocuPal Demo, LLC

State of: _____

County of: _____



On this _____ day of _____, 2025, before me, the undersigned, a Notary Public in and for said County and State, personally appeared John Smith, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Notary Public

My Commission Expires: _____

Acme, Inc

State of: _____

County of: _____

On this _____ day of _____, 2025, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Jane Doe, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Notary Public

My Commission Expires: _____