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Introduction and Purpose

Introduction

This Supply Chain Agreement ("Agreement") is made and entered into as of 2025-08-09 by and between Docupal Demo, LLC, a company organized under the laws of United States, with its principal place of business at 23 Main St, Anytown, CA 90210 ("Supplier"), and Acme, Inc ("ACME-1"), a business organized under the laws of United States, with its principal place of business at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA ("Client").

Purpose

The purpose of this Agreement is to establish the terms and conditions under which Supplier will supply electronic components to Client. This Agreement outlines the obligations, responsibilities, and expectations of both parties. The key objectives are to secure a reliable supply of high-quality electronic components while achieving cost efficiency. This agreement covers all aspects of the supply relationship, including but not limited to, delivery schedules, acceptance criteria, payment terms, confidentiality, intellectual property rights, warranties, termination conditions, and dispute resolution mechanisms.

Definitions and Interpretations

For the purposes of this Supply Chain Agreement, the following terms shall have the meanings set forth below. These definitions clarify the responsibilities and expectations of DocuPal Demo, LLC and Acme, Inc (ACME-1). Any ambiguity in interpreting these terms will be resolved by referring to established industry standards and through mutual agreement between both parties.

Key Definitions

- **Agreement:** Refers to this Supply Chain Agreement, including all exhibits and schedules attached hereto.



- **Confidential Information:** Means any non-public information disclosed by one party to the other, either directly or indirectly, whether in writing, orally or by inspection of tangible objects.
- **Delivery Schedule:** Specifies the agreed-upon dates and quantities for the delivery of Products, as detailed in **Exhibit A**.
- **Products:** Refers to the electronic components to be supplied by DocuPal Demo, LLC to ACME-1 as described in **Exhibit B**.
- **Product Specifications:** Details the required technical specifications, performance criteria, and quality standards for the Products, outlined in **Exhibit B**.
- **Quality Standards:** Defines the acceptable levels of quality for the Products, including testing procedures and acceptance criteria, as outlined in **Exhibit C**.
- **USD:** United States Dollar, the base currency for all transactions under this Agreement.

Interpretation

- Unless the context requires otherwise, words in the singular include the plural and vice versa.
- References to any statute or statutory provision shall be construed as references to that statute or statutory provision as amended, re-enacted, or extended at the relevant time.
- The headings in this Agreement are for convenience only and shall not affect its interpretation.
- "Including" means "including without limitation."
- All references to days mean calendar days unless otherwise specified.

Supply and Delivery Terms

Docupal Demo, LLC will supply electronic components to ACME-1 according to the terms outlined below.

Delivery Schedule and Location

Delivery dates will be as specified in each individual purchase order. The delivery location is ACME-1's facility at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA, unless otherwise agreed in writing. All shipments will be delivered Free On Board (FOB) Origin. This means that responsibility and liability for the goods transfer to ACME-1 once the shipment leaves Docupal Demo, LLC's facility.



Packaging

All electronic components must be packaged according to industry best practices to prevent damage during shipping. Packaging must conform to ISTA 3A standards. Docupal Demo, LLC is responsible for ensuring that the packaging protects the components from electrostatic discharge, moisture, and physical shock. Each package must be clearly labeled with the purchase order number, product name, quantity, and any special handling instructions.

Acceptance

ACME-1 will inspect all deliveries upon receipt. ACME-1 has the right to reject any components that do not meet the specifications outlined in the purchase order or are damaged. The acceptance criteria include visual inspection for defects, verification of quantity, and confirmation of conformance to technical specifications. ACME-1 must notify Docupal Demo, LLC of any rejection within five (5) business days of receipt of the shipment. If ACME-1 rejects any components, Docupal Demo, LLC will, at its option, either replace the rejected components or issue a credit for the purchase price of the rejected components. ACME-1 will return rejected components to Docupal Demo, LLC at Docupal Demo, LLC's expense. If ACME-1 fails to notify Docupal Demo, LLC of any rejection within the specified timeframe, the delivery will be deemed accepted. Acceptance does not waive any warranty rights.

Pricing and Payment

The pricing for electronic components supplied under this Supply Chain Agreement will be as outlined in **Appendix A: Price List**. DocuPal Demo, LLC reserves the right to update the Price List, but will provide ACME-1 with thirty (30) days written notice of any changes.

Payment Terms

ACME-1 will make payments to DocuPal Demo, LLC within forty-five (45) days from the date of invoice. Payments can be made via wire transfer or ACH to the account specified on the invoice.



Invoicing

DocuPal Demo, LLC will submit invoices to ACME-1 on a monthly basis. Each invoice will include:

- A detailed breakdown of all line items, including component descriptions and quantities.
- The applicable purchase order (PO) number provided by ACME-1.
- The invoice date and invoice number.
- DocuPal Demo, LLC's banking information for payment.

Volume Discounts

ACME-1 will be eligible for volume discounts as detailed in **Appendix B: Volume Discount Schedule**. These discounts will be applied automatically to invoices based on the total quantity of components purchased during the applicable period.

Late Delivery Penalties

If DocuPal Demo, LLC fails to deliver components by the agreed-upon delivery date, as specified in the relevant purchase order, ACME-1 may be entitled to a penalty. The penalty will be calculated as 2% of the total value of the delayed shipment for each week of delay, up to a maximum of 10% of the total value. This penalty will be applied as a deduction from the next invoice. DocuPal Demo, LLC will not be liable for delays caused by events outside of its reasonable control, including force majeure events.

Performance Standards and Service Levels

DocuPal Demo, LLC will meet specific performance standards. These standards ensure ACME-1 receives quality service. Our performance is measured in three key areas. These are on-time delivery rate, defect rate, and order fulfillment accuracy.

Key Performance Indicators (KPIs)

- **On-Time Delivery Rate:** We aim for 95% of orders delivered by the agreed date.
- **Defect Rate:** The target defect rate is below 1% of all delivered components.



- **Order Fulfillment Accuracy:** We strive for 99% accuracy in fulfilling orders. This means delivering the correct items in the correct quantities.

Service Level Agreements (SLAs)

We commit to the following service levels:

Metric	Target	Measurement
On-Time Delivery	95%	Percentage of orders delivered on time
Defect Rate	< 1%	Percentage of defective components delivered
Order Fulfillment Accuracy	99%	Percentage of orders fulfilled accurately

Consequences of Unmet Service Levels

Failure to meet these service levels may result in financial penalties. Continued failure can lead to termination of this agreement. We will work with ACME-1 to address any performance issues promptly.

Risk Management and Liability

Allocation of Risks

DocuPal Demo, LLC will bear the risks associated with supply chain disruptions and increases in raw material prices. ACME-1 will assume the risks related to fluctuations in demand and the management of its inventory. Both parties will communicate promptly regarding any events that may impact their ability to fulfill their obligations under this agreement.

Limitation of Liability

Neither party will be liable to the other for any indirect, incidental, consequential, special, or punitive damages arising out of or relating to this agreement. This limitation applies regardless of the form of action, whether in contract, tort, or otherwise. The total liability of DocuPal Demo, LLC to ACME-1 under this agreement will not exceed the total amount paid by ACME-1 to DocuPal Demo, LLC in the twelve (12) months preceding the date on which the claim arose.



Indemnification

Each party (the "Indemnifying Party") will indemnify, defend, and hold harmless the other party (the "Indemnified Party"), its 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:

- Breach of this agreement by the Indemnifying Party.
- Negligence or willful misconduct of the Indemnifying Party.
- Product liability claims relating to the electronic components supplied by DocuPal Demo, LLC, to the extent such claims are caused by defects in materials or workmanship.

Insurance

DocuPal Demo, LLC will maintain, at its own expense, the following insurance coverages:

- General liability insurance with a minimum coverage of \$1,000,000 per occurrence.
- Product liability insurance with a minimum coverage of \$1,000,000 per occurrence.
- Workers' compensation insurance as required by applicable law.

DocuPal Demo, LLC will provide ACME-1 with certificates of insurance evidencing these coverages upon request. ACME-1 will maintain appropriate insurance coverage, including general liability insurance.

Confidentiality and Data Protection

Docupal Demo, LLC and ACME-1 acknowledge that they may exchange confidential information. This includes, but is not limited to, pricing details, customer data, and technical specifications. Both parties agree to protect this information.

Confidential Information

Confidential Information means any data or information, regardless of form, that is not generally known to the public. This includes business, financial, technical, and operational information.



Obligations

Both parties must treat confidential information with the same degree of care as they protect their own confidential information, but no less than reasonable care. They must restrict access to confidential information to employees or agents who need to know it.

Data Protection

Both parties must comply with all applicable data protection laws and regulations. They must implement and maintain appropriate technical and organizational measures to protect personal data. These measures include encryption and access controls. In the event of a data breach, the affected party must notify the other party promptly.

Permitted Disclosures

Disclosure of confidential information is permitted to legal counsel and auditors. Disclosure is also permitted if required by law. The disclosing party must provide notice to the other party, unless legally prohibited.

Term, Renewal, and Termination

Term

This Agreement will start on 2025-08-09 and will continue for an initial term of three years.

Renewal

After the initial three-year term, this Agreement will automatically renew. The renewal term will be for successive one-year periods. Either party can prevent automatic renewal by giving written notice. This notice must be given at least 90 days before the end of the current term.

Termination

Termination for Cause



Either party may terminate this Agreement if the other party materially breaches it. The party ending the agreement must give written notice of the breach. The other party then has 30 days to fix the breach. If the breach is not fixed in that time, the agreement can be terminated immediately.

Termination for Convenience

ACME-1 can terminate this Agreement for convenience at any time. ACME-1 must provide Docupal Demo, LLC with written notice. The termination will be effective 90 days after Docupal Demo, LLC receives the notice.

Obligations Upon Termination

Upon termination, all outstanding payments become immediately due. Docupal Demo, LLC will also cooperate with ACME-1 to ensure a smooth transfer of any ongoing supply chain operations.

Force Majeure

Definition

Neither Docupal Demo, LLC nor ACME-1 will be liable for any failure to perform its obligations under this Agreement when such failure is due to a force majeure event. Force majeure events are defined as events beyond the reasonable control of the party, including but not limited to natural disasters (e.g., floods, earthquakes, hurricanes), war, or government regulations.

Notification

If a force majeure event occurs, the affected party must immediately notify the other party in writing. This notification must include details about the event and its expected duration.

Effect on Obligations

During the period that a force majeure event prevents a party from performing its obligations under this Agreement, those obligations will be suspended. The party will make reasonable efforts to mitigate the effects of the force majeure event and



resume performance as soon as reasonably practicable. The term of this Agreement will be extended by a period equal to the duration of the force majeure event.

Dispute Resolution and Governing Law

Dispute Resolution

The parties will try to resolve any dispute arising from or relating to this Agreement through good faith negotiations. If a dispute cannot be settled through negotiation, the parties agree first to attempt to resolve the dispute by mediation.

Mediation

If a dispute arises, the parties will select a mutually agreeable mediator. The mediation will take place in Anytown, California, unless both parties agree to a different location. Each party will bear its own costs related to the mediation, and they will share the mediator's fees and expenses equally.

Arbitration

If mediation does not resolve the dispute within sixty (60) days of the initial mediation session, the parties agree that the dispute will be settled by binding arbitration. The arbitration will be conducted in accordance with the rules of the American Arbitration Association. A single arbitrator will conduct the arbitration in Anytown, California, unless the parties agree otherwise. The arbitrator's decision will be final and binding on both parties. The arbitrator is empowered to award reasonable attorney's fees and costs to the prevailing party.

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. The United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement.



Warranties and Representations

DocuPal Demo, LLC warrants to ACME-1 that all electronic components supplied under this Agreement will be free from defects in materials and workmanship. This warranty remains valid for a period of one year from the date of delivery.

Scope and Limitations

This warranty covers repair or replacement of defective components, at DocuPal Demo, LLC's discretion. DocuPal Demo, LLC's liability under this warranty is limited to the purchase price of the defective components. DocuPal Demo, LLC will not be liable for any consequential damages arising from the use or inability to use the supplied components. This exclusion includes, but is not limited to, lost profits, business interruption, or any other indirect losses.

ACME-1 represents and warrants that it has the necessary expertise to properly handle, store, and use the electronic components supplied under this Agreement. ACME-1 also warrants that its use of the components will comply with all applicable laws and regulations.

Compliance with Laws and Regulations

DocuPal Demo, LLC and ACME-1 will comply with all applicable federal, state, and local laws and regulations. This includes, but is not limited to, laws governing product safety, environmental protection, and labor practices. This agreement will be governed by the laws of the State of Delaware and the Uniform Commercial Code (UCC).

Assurance of Compliance

To ensure compliance, DocuPal Demo, LLC will conduct regular audits of its operations and supply chain. ACME-1 retains the right to request evidence of such compliance. DocuPal Demo, LLC will provide compliance certifications as reasonably requested by ACME-1.



Export Controls

Both parties will comply with all applicable export control laws and regulations of the United States. Neither party will export or re-export any goods or technical data in violation of such laws. Each party will obtain all necessary export licenses or other authorizations required for its activities under this agreement.

Intellectual Property Rights

Ownership of Intellectual Property

Docupal Demo, LLC and ACME-1 agree that all pre-existing intellectual property rights remain the sole and exclusive property of their respective owners. This agreement does not transfer ownership of any pre-existing intellectual property.

Any new intellectual property created or developed during the course of this Supply Chain Agreement will be jointly owned by Docupal Demo, LLC and ACME-1. Both parties will share equal rights, title, and interest in such new intellectual property, unless otherwise agreed to in writing.

Usage Rights

Each party is granted a limited, non-exclusive license to use the other party's intellectual property solely for the purpose of fulfilling its obligations under this Supply Chain Agreement. This license is restricted to activities directly related to the scope of this agreement and does not extend to any other use without the express written consent of the intellectual property owner.

Upon termination of this agreement, all rights and licenses granted herein will revert to the respective intellectual property owners, and each party will cease all use of the other party's intellectual property.



Audit and Reporting

Audit Rights

DocuPal Demo, LLC will allow ACME-1 to conduct audits. These audits may include financial and operational aspects of the supply chain. ACME-1 will provide reasonable notice before conducting any audit. DocuPal Demo, LLC will cooperate fully with ACME-1 during the audit process. ACME-1 will bear the costs of its audits, unless the audit reveals a material breach by DocuPal Demo, LLC. In that case, DocuPal Demo, LLC will reimburse ACME-1 for its reasonable audit costs.

Reporting Requirements

DocuPal Demo, LLC will provide ACME-1 with monthly performance reports. These reports will detail key performance indicators (KPIs) related to delivery times, quality, and order fulfillment. DocuPal Demo, LLC will also participate in quarterly business reviews with ACME-1. These reviews will cover overall performance, address any issues, and discuss future plans. The specific content and format of the monthly reports and quarterly reviews will be mutually agreed upon.

Amendments and Assignment

Amendments

This Agreement may be amended or modified. All changes 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. Prior written consent is required from the other party. This consent must be obtained before any assignment takes place. This applies to assignment by operation of law or otherwise. Any attempted assignment without this consent will be void.



Notices

Methods of Delivery

All notices regarding this Supply Chain Agreement must be in writing. Notices can be delivered by email or certified mail.

Addresses for Notice

Notices to Docupal Demo, LLC should be sent to the attention of its Legal Department at 23 Main St, Anytown, CA 90210. The email address for legal notices is to be determined and communicated separately.

Notices to ACME-1 should be sent to the attention of its Legal Department at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA. The appropriate email address for legal notices is to be determined and communicated separately.

Either party may change its address for notification purposes by giving notice to the other party pursuant to this section.

General Provisions

This section outlines general legal and operational terms applicable to this Supply Chain Agreement.

Governing Law and Interpretation

This Agreement is governed by the laws of the State of California, United States, without regard to its conflict of laws principles. The parties agree that any legal action or proceeding arising out of or relating to this Agreement must be brought exclusively in the state or federal courts located in California. Specific terms of this Agreement take precedence over any general terms if a conflict arises in interpretation.



Notices

All notices related to this Agreement must be in writing. Notices are considered duly given when delivered personally, sent by certified mail (return receipt requested), or sent by a recognized overnight courier service to the addresses listed in the introductory section of this Agreement, or to such other address as a party may designate by notice.

Severability, Entire Agreement, and Waiver

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.

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

No waiver of any provision of this Agreement is effective unless it is in writing and signed by the party waiving the provision. No failure or delay by a party in exercising any right, power, or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power, or privilege preclude any other or further exercise thereof or the exercise of any other right, power, or privilege under this Agreement.

Signatures

This Supply Chain Agreement becomes effective as of the last date of signature below.

DocuPal Demo, LLC

Signed: _____

Name:



Title:

Date: _____

DocuPal Demo, LLC, a United States company, agrees to the terms and conditions outlined in this Supply Chain Agreement. By signing, the authorized representative acknowledges their understanding and commitment to fulfilling the obligations set forth in this document. This signature confirms DocuPal Demo, LLC's intent to be bound by this agreement.

Acme, Inc

Signed: _____

Name:

Title:

Date: _____

Acme, Inc, also a United States company, indicates its agreement to the terms and conditions specified herein through the signature of its authorized representative. This signature signifies Acme, Inc's commitment to adhering to the responsibilities and expectations detailed in this Supply Chain Agreement.

