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Introduction and Purpose

This Drop Shipping 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, a business organized under the laws of United States, with its principal place of business at 3751 Illinois Avenue, Wilsonville, Oregon - 97070 ("ACME-1").

Purpose of Agreement

This Agreement sets forth the terms and conditions under which DocuPal will provide drop shipping services to ACME-1. Drop shipping, in this context, means ACME-1 will sell products to its customers without holding any inventory. When a customer places an order with ACME-1, ACME-1 will forward the order to DocuPal. DocuPal will then ship the product directly to ACME-1's customer. This Agreement outlines each party's responsibilities, payment terms, and other essential aspects of this business relationship.

Definitions and Interpretations

For the purposes of this Drop Shipping Agreement, the following terms shall have the meanings ascribed to them below:

- **"Agreement"** means this Drop Shipping Agreement, including all schedules, exhibits, and amendments to it.
- **"ACME-1"** refers to Acme, Inc, the client entering into this agreement with DocuPal Demo, LLC.
- **"Confidential Information"** means any non-public information disclosed by one party to the other relating to its business, technology, or financial affairs.
- **"DocuPal Demo, LLC"** means DocuPal Demo, LLC, a United States company located at 23 Main St, Anytown, CA 90210.
- **"Drop Shipping"** refers to a retail fulfillment method where ACME-1 does not keep products in stock. Instead, when ACME-1 sells a product, it purchases the item from DocuPal Demo, LLC and has it shipped directly to the customer.



- **"Intellectual Property Rights"** means all patents, trademarks, copyrights, trade secrets, and other intellectual property rights.
- **"Inventory"** means the list of products DocuPal Demo, LLC has available for drop shipping to ACME-1's customers.
- **"Order Process"** means the procedure by which ACME-1 submits orders to DocuPal Demo, LLC for drop shipping.
- **"Payment Terms"** means the agreed-upon conditions for payment, including due dates, acceptable payment methods, and any applicable late payment fees.

Order Processing and Fulfillment

Order Receipt and Processing

ACME-1 will be responsible for all marketing and sales activities related to the products. DocuPal Demo, LLC will only fulfill orders placed by ACME-1. Upon receiving an order from ACME-1, DocuPal Demo, LLC will process the order within one (1) business day. Order details must include product specifications, quantities, and the designated shipping address provided by ACME-1.

Inventory Management

DocuPal Demo, LLC will maintain an accurate, real-time inventory management system. ACME-1 will have access to this system to monitor product availability. DocuPal Demo, LLC will update the inventory system within the same business day of any changes. ACME-1 is responsible for checking the inventory system before promoting products to customers.

Shipping and Fulfillment

DocuPal Demo, LLC will ship the products directly to ACME-1's customers. DocuPal Demo, LLC will package all orders appropriately to prevent damage during shipping. DocuPal Demo, LLC will ship all orders within two (2) business days of processing the order. ACME-1 will be notified of the shipment, including tracking information. Shipping costs will be [insert details of who covers costs].



Order Fulfillment Process Flowchart

graph LR; A[ACME-1 Receives Order] --> B[DocuPal Demo, LLC Receives Order Details]; B --> C[Check Inventory]; C -- Available --> D[Process Order]; C -- Unavailable --> E[Notify ACME-1 of Stock Issue]; D --> F[Package Order]; F --> G[Ship Order]; G --> H[Provide Tracking Information to ACME-1]; H --> I[ACME-1 Customer Receives Order];

Payment Terms and Pricing

DocuPal Demo, LLC will provide ACME-1 with wholesale pricing for all products listed in the product catalog. ACME-1 is responsible for determining the final retail price for its customers.

Payment Schedule

ACME-1 will make payments to DocuPal Demo, LLC on a weekly basis. Payments are due within seven (7) days of the invoice date.

Payment Method

All payments must be made via electronic transfer to the account specified on the invoice.

Invoicing

DocuPal Demo, LLC will issue invoices weekly, detailing all orders shipped on behalf of ACME-1 during that period. Invoices will include the order number, product description, quantity, wholesale price, and any applicable taxes or shipping fees.

Refunds and Adjustments

Refunds and adjustments will be handled according to the return policy outlined elsewhere in this agreement. Any credits due to ACME-1 as a result of returns or other adjustments will be applied to the subsequent invoice.



Payment Milestones and Conditions

Milestone	Condition
Weekly Invoice	Issued by DocuPal Demo, LLC for all orders shipped during the week.
Payment Due Date	Seven (7) days from the invoice date.
Payment Method	Electronic transfer.
Refunds/Adjustments	Applied as credits to the subsequent invoice, per the return policy.

Shipping and Delivery

DocuPal Demo, LLC will handle all shipping and logistics. Shipping costs are included in the wholesale price provided to ACME-1.

Delivery Timeframes

DocuPal Demo, LLC will use commercially reasonable efforts to ensure timely delivery. The average delivery timeframe is detailed below:

These are estimated delivery times and may vary.

Risk of Loss

The risk of loss transfers to ACME-1's customer upon delivery of the product to the customer's specified address.

Delays

DocuPal Demo, LLC will promptly notify ACME-1 of any shipping delays. This notification will include an updated estimated delivery date.



Returns, Refunds, and Cancellations

Returns

ACME-1 may return products to DocuPal Demo, LLC only in cases of product defects or errors in order fulfillment. ACME-1 must notify DocuPal Demo, LLC of any such issues within 14 days of receipt of the product.

DocuPal Demo, LLC will bear all costs associated with returns resulting from defects or order fulfillment errors. ACME-1 is responsible for ensuring that returned products are properly packaged to prevent damage during shipping.

Refunds

Upon receipt of a returned product that meets the conditions outlined above, DocuPal Demo, LLC will issue a credit to ACME-1's account. The credit amount will be equal to the original purchase price of the returned product. DocuPal Demo, LLC aims to process refunds within 7 business days of receiving the returned product.

Cancellations

ACME-1 may cancel an order before it has been shipped by DocuPal Demo, LLC. If an order is canceled before shipment, ACME-1 will receive a full refund. Once an order has been shipped, it cannot be canceled, and the return policy will apply. DocuPal Demo, LLC will confirm order shipment to ACME-1.

Intellectual Property Rights

DocuPal Demo, LLC retains all rights, title, and interest in and to its intellectual property. This includes, but is not limited to, trademarks, service marks, copyrights, patents, trade secrets, and proprietary know-how.

Ownership

DocuPal Demo, LLC owns all product images and descriptions. ACME-1 acknowledges that it gains no ownership rights in DocuPal Demo, LLC's intellectual property through this agreement.



Restrictions

ACME-1 is prohibited from sharing or sublicensing any of DocuPal Demo, LLC's intellectual property without prior written consent. ACME-1 may use the provided product images and descriptions solely for the purpose of promoting and selling the products as outlined in this agreement.

Protection

DocuPal Demo, LLC protects its intellectual property through copyright law and will pursue legal action against any unauthorized use. ACME-1 agrees to cooperate with DocuPal Demo, LLC in protecting its intellectual property rights.

Confidentiality

Definition of Confidential Information

Both DocuPal Demo, LLC and ACME-1 agree that certain information shared during this Drop Shipping Agreement is confidential. This includes, but is not limited to, customer data, pricing information, and proprietary processes belonging to either party.

Obligations

Each party must protect the other's confidential information with the same degree of care they use to protect their own confidential information, but no less than reasonable care. Confidential information will only be used for the purposes of fulfilling this agreement. It will not be disclosed to any third party without prior written consent from the disclosing party.

Exceptions

The obligations of confidentiality do not apply to information that:

- Is or becomes publicly available through no fault of the receiving party.
- Is already known to the receiving party at the time of disclosure.
- Is rightfully received from a third party without any obligation of confidentiality.



- Is required to be disclosed by law or legal process.

Term

The confidentiality obligations outlined in this section will continue for a period of five (5) years after the termination of this Drop Shipping Agreement.

Limitation of Liability and Indemnification

Limitation of Liability

Docupal Demo, LLC will not be liable to ACME-1 for any indirect, incidental, special, or consequential damages. This includes damages for loss of profits, revenue, data, or use, incurred by ACME-1 or any third party. This applies whether in an action in contract or tort, arising from ACME-1's access to, or use of, Docupal Demo, LLC's services.

Docupal Demo, LLC's total liability to ACME-1 under this agreement will not exceed the total amount paid by ACME-1 to Docupal Demo, LLC under this agreement. This limitation applies regardless of the basis of the claim.

Indemnification

ACME-1 agrees to indemnify and hold harmless Docupal Demo, LLC, its officers, directors, employees, and agents. This includes any claims, liabilities, damages, losses, or expenses, including reasonable attorneys' fees and costs. This indemnification applies to any claims arising out of ACME-1's breach of this agreement. It also applies to claims arising from ACME-1's negligence or willful misconduct.

Docupal Demo, LLC agrees to indemnify and hold harmless ACME-1, its officers, directors, employees, and agents. This includes any claims, liabilities, damages, losses, or expenses, including reasonable attorneys' fees and costs. This indemnification applies to any claims arising out of Docupal Demo, LLC's breach of this agreement. It also applies to claims arising from Docupal Demo, LLC's negligence or willful misconduct.



Term and Termination

Term

This Drop Shipping Agreement will begin on August 9, 2025, and will continue for an initial term of one year. The agreement will automatically renew for successive one-year terms unless either party provides written notice of termination at least 30 days before the end of the current term.

Termination

Either party may terminate this Agreement with 30 days written notice to the other party. This allows for an orderly transition of responsibilities.

Post-Termination Responsibilities

Upon termination of this Agreement, ACME-1 must settle all outstanding payments owed to DocuPal Demo, LLC. ACME-1 will also return any confidential information belonging to DocuPal Demo, LLC.

Dispute Resolution and Governing Law

Dispute Resolution

Docupal Demo, LLC and ACME-1 agree to first attempt to resolve any disputes through good-faith mediation. If mediation fails, any unresolved controversy or claim arising out of or relating to this Agreement shall be settled by binding arbitration administered by the American Arbitration Association in accordance with its rules. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

Governing Law and Venue

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to its conflict of laws principles. The venue for any legal action or arbitration proceeding arising out of or relating to this Agreement shall be Wilmington, Delaware.



Miscellaneous Provisions

Assignment

ACME-1 shall not assign its rights or obligations under this Agreement without the prior written consent of Docupal Demo, LLC. Docupal Demo, LLC may assign this Agreement to an affiliate or in connection with a merger, acquisition, or sale of all or substantially all of its assets.

Notices

All notices relating to this Agreement must be in writing. Notices can be sent by email and certified mail. Notices sent to Docupal Demo, LLC should be sent to its address at 23 Main St, Anytown, CA 90210. Notices sent to ACME-1 should be sent to 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA.

Amendments

Any changes to this Agreement must be made in writing. All amendments require signatures from both Docupal Demo, LLC and ACME-1 to take effect.

Force Majeure

Neither party will be liable for any failure to perform its obligations under this Agreement. This applies if the failure results from events beyond its reasonable control. Such events include acts of God, war, terrorism, riots, fire, floods, and strikes.

Entire Agreement

This Agreement constitutes the entire agreement. It supersedes all prior agreements and understandings. This includes both written and oral, between Docupal Demo, LLC and ACME-1. This agreement relates to the subject matter herein.



Signatures

This Drop Shipping Agreement becomes effective as of the last date signed below.

DocuPal Demo, LLC and Acme, Inc. agree to the terms and conditions outlined in this agreement.

DocuPal Demo, LLC

By: _____

Date: _____

Printed Name: _____

Title: _____

Witness: _____

Acme, Inc

By: _____

Date: _____

Printed Name: _____

Title: _____

Witness: _____

