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Introduction and Background

This document formalizes a Public-Private Partnership (PPP) between Acme Inc. (ACME-1), located at 3751 Illinois Avenue, Wilsonville, Oregon 97070, USA, and Docupal Demo, LLC, situated at 23 Main St, Anytown, CA 90210, USA. This partnership aims to modernize ACME-1's existing document management system through the design, implementation, and ongoing maintenance of a cutting-edge, cloud-based platform. Docupal Demo, LLC will serve as the private sector partner, bringing its expertise in document management solutions to the project.

Rationale for Partnership

ACME-1's current document management infrastructure faces several challenges. The existing system is outdated, leading to operational inefficiencies and increased maintenance costs. The legacy system also poses a significant risk of data loss and creates bottlenecks in essential business processes. Recognizing these critical issues, ACME-1 has partnered with Docupal Demo, LLC to leverage private sector innovation and resources. This PPP model allows ACME-1 to benefit from Docupal Demo, LLC's specialized knowledge and advanced technological capabilities, ensuring a seamless transition to a modern, efficient, and secure document management system.

Definitions and Interpretations

In this Agreement, unless the context otherwise requires, the following terms and expressions shall have the meanings ascribed to them below. Additional definitions are provided in **Appendix A: Definitions**, which is incorporated into and forms an integral part of this Agreement. The definitions in Appendix A shall be consistently applied throughout this document to ensure unambiguous interpretation of the contractual terms.

Key Definitions

- **Service Levels:** Refer to the performance standards Docupal Demo, LLC must meet in providing the document management system services to ACME-1.



- **Data Security Protocols:** Encompass the measures and procedures implemented to protect ACME-1's data from unauthorized access, use, or disclosure.
- **Intellectual Property Rights:** Means all patents, copyrights, trademarks, trade secrets, and other proprietary rights related to the document management system and associated materials.
- **Termination Clauses:** Stipulate the conditions under which this Agreement may be terminated by either party, including procedures and associated obligations.
- **Agreement:** Means this Public-Private Partnership agreement.
- **ACME-1:** Refers to Acme, Inc, the business entity contracting for the services outlined herein.
- **Docupal Demo, LLC:** Refers to the service provider entering into this agreement with ACME-1.

Scope of the Project and Services

This Public-Private Partnership (PPP) outlines the scope of services Docupal Demo, LLC will provide to Acme, Inc (ACME-1) to modernize its document management system. The partnership aims to enhance ACME-1's efficiency, security, and accessibility regarding document handling.

Project Deliverables

Docupal Demo, LLC will deliver a fully modernized document management system. Key deliverables include:

- **Digitized Document Archive:** Conversion of existing physical documents into a digital format.
- **Cloud-Based Storage:** Secure cloud storage for all digitized documents and new digital documents.
- **Automated Workflows:** Implementation of automated workflows for document routing, approval, and archiving.
- **User Training Program:** Comprehensive training for ACME-1 employees on the new system.

Services Provided

Docupal Demo, LLC will provide the following services:

- **Document Digitization:** Scanning, indexing, and quality control of existing paper documents.
- **System Design and Implementation:** Designing and implementing a customized document management system tailored to ACME-1's needs. Completion of system design is expected by [Date], with system implementation completed by [Date].
- **Cloud Storage Management:** Secure and reliable cloud storage for all documents, ensuring data integrity and accessibility.
- **Workflow Automation:** Creating and deploying automated workflows to streamline document processes.
- **User Training and Support:** Providing comprehensive training to ACME-1 employees and ongoing technical support. User training is scheduled to be completed by [Date].
- **Ongoing Maintenance and Support:** Providing continuous system maintenance, updates, and technical support to ensure optimal performance.

Infrastructure Components

The project will utilize the following infrastructure components:

- **Servers:** Dedicated servers for hosting the document management system and related applications.
- **Network Equipment:** Robust network infrastructure to ensure high-speed data transfer and reliable connectivity.
- **Software Licenses:** Necessary software licenses for the document management system, workflow automation tools, and security software.

Performance Standards

Docupal Demo, LLC will adhere to the following performance standards:

- **System Uptime:** The system will maintain a 99.9% uptime, ensuring continuous availability.
- **Document Retrieval Time:** Document retrieval time will be less than 2 seconds, providing quick access to information.
- **Data Security:** Implementation of robust security measures to protect sensitive data from unauthorized access.



The successful completion of these services and the adherence to these standards will ensure that ACME-1 benefits from a modern, efficient, and secure document management system.

Roles and Responsibilities of Parties

This section defines the roles and responsibilities of each party involved in this Public-Private Partnership (PPP) agreement. It clarifies the duties and obligations of Acme Inc. (ACME-1), the public partner, and DocuPal Demo, LLC, the private partner, to ensure project success and accountability.

Responsibilities of DocuPal Demo, LLC

DocuPal Demo, LLC, as the private partner, will be responsible for the following:

- **System Delivery:** DocuPal Demo, LLC is obligated to deliver the document management platform according to the agreed-upon specifications, performance standards, and timelines outlined in this agreement.
- **Day-to-Day Operations:** Managing the day-to-day operations of the modernized document management system. This includes, but is not limited to, system maintenance, user support, and security monitoring.
- **Maintenance:** Performing regular maintenance to ensure optimal system performance and address any technical issues that may arise.
- **User Support:** Providing timely and effective user support to address inquiries, troubleshoot problems, and ensure user satisfaction.
- **Security Monitoring:** Implementing and maintaining robust security measures to protect sensitive data and prevent unauthorized access.
- **Performance Standards:** Meeting or exceeding the performance standards defined in the service level agreements (SLAs).
- **Data Security:** Ensuring the security and confidentiality of all data stored within the document management system.

Responsibilities of Acme Inc.

Acme Inc., as the public partner, will be responsible for the following:

- **Project Oversight:** Overseeing the progress of the project to ensure it aligns with the objectives and requirements defined in this agreement.



- **Compliance:** Ensuring that the project complies with all applicable regulatory requirements and industry standards.
- **Feedback Provision:** Providing timely and constructive feedback on system performance, usability, and overall effectiveness.
- **System Access:** Providing DocuPal Demo, LLC with necessary access to existing systems and infrastructure to facilitate seamless integration and operation.
- **Stakeholder Communication:** Facilitating communication and collaboration among relevant stakeholders within Acme Inc. to ensure project alignment and support.
- **Issue Resolution:** Working collaboratively with DocuPal Demo, LLC to resolve any issues or challenges that may arise during the project lifecycle.
- **Regulatory Compliance:** Maintaining compliance with all relevant regulations and legal requirements pertaining to document management and data security.
- **System Performance Review:** Reviewing the performance of the delivered solution against the specified requirements.

Financial Terms and Payment Mechanisms

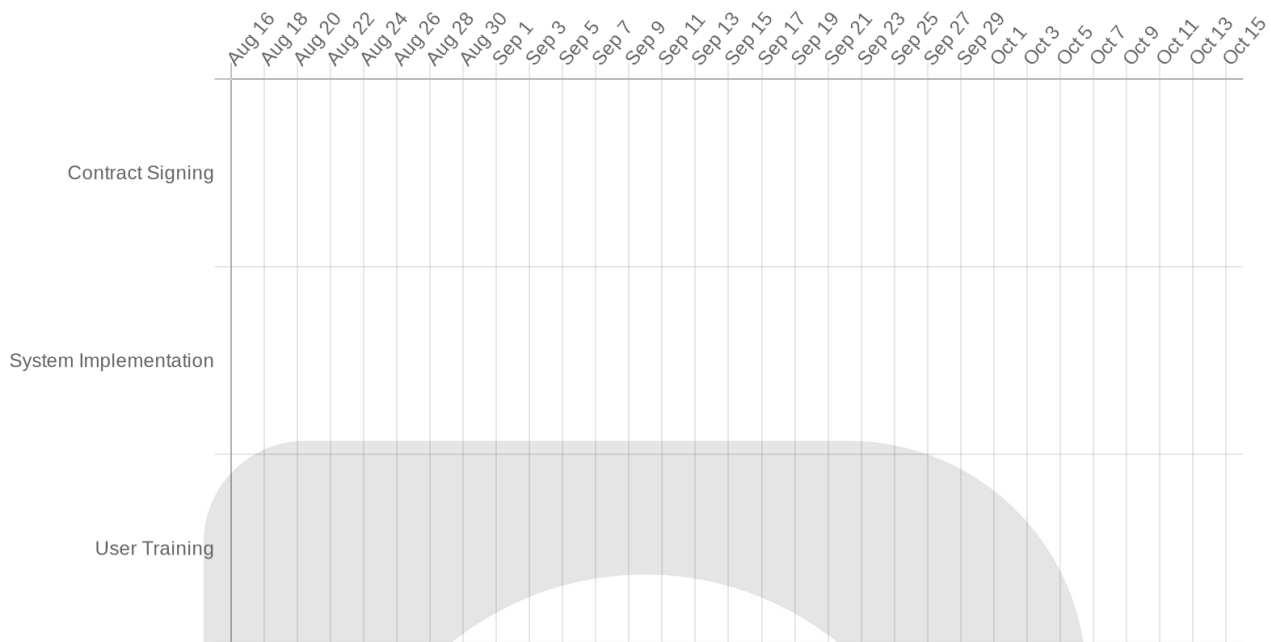
The financial framework for this Public-Private Partnership (PPP) between Acme, Inc. and DocuPal Demo, LLC encompasses the total project budget, payment timeline, ongoing fees, and financial assurances. This section details the financial commitments and mechanisms governing the project.

Project Budget and Payment Schedule

The total project budget is \$500,000 USD. Payments will be disbursed according to the following schedule:

- 20% (\$100,000 USD) upon contract signing.
- 40% (\$200,000 USD) upon successful system implementation.
- 40% (\$200,000 USD) upon successful completion of user training.





Ongoing Fees

Acme Inc. will pay DocuPal Demo, LLC a fixed monthly fee for ongoing maintenance and support services. The specific fee amount and the scope of services covered are detailed in **Appendix B: Fee Schedule**.

Financial Assurances

To ensure fulfillment of its contractual obligations, DocuPal Demo, LLC will provide a performance bond in the amount of \$50,000 USD. This bond serves as a financial guarantee to Acme, Inc. in the event that DocuPal Demo, LLC fails to meet the agreed-upon performance standards or defaults on its contractual commitments.

Revenue and Subsidies

This project does not involve any revenue sharing or subsidies. The financial arrangement is based on a fixed project budget and ongoing maintenance fees paid by Acme, Inc. to DocuPal Demo, LLC.

Risk Allocation and Mitigation

This section outlines the allocation of key risks between Acme Inc. and DocuPal Demo, LLC, and describes the strategies for mitigating these risks. The PPP structure necessitates a balanced approach, ensuring both parties are incentivized to manage risks effectively.

Allocation of Risks

DocuPal Demo, LLC will bear primary responsibility for risks associated with:

- **Cost Overruns:** DocuPal Demo, LLC is responsible for managing project costs within the agreed-upon budget.
- **Project Delays:** DocuPal Demo, LLC will implement project management strategies to minimize delays.
- **System Performance:** DocuPal Demo, LLC ensures the modernized document management system meets specified performance standards.
- **Data Security Breaches:** DocuPal Demo, LLC is responsible for implementing and maintaining robust data security measures.

Acme Inc. assumes risks associated with:

- **Timely Access to Data:** Acme Inc. ensures DocuPal Demo, LLC receives timely access to necessary data and resources.
- **Internal Stakeholder Support:** Acme Inc. manages internal stakeholders to facilitate smooth project implementation.

Mitigation Strategies

To minimize the impact of potential risks, the following mitigation strategies will be implemented:

Political Risks

Political risks, such as changes in regulations, will be addressed through:

- **Comprehensive Legal Review:** Regular legal reviews will identify and address potential regulatory changes.

Financial Risks

Financial risks will be mitigated through:

- **Detailed Budget Planning:** A detailed budget, with contingency plans, will manage financial risks.

Construction Risks

Construction risks, referring to system development and deployment, will be managed through:

- **Experienced Project Management:** Experienced project managers will oversee project execution.

Operational Risks

Operational risks will be reduced by:

- **Robust System Monitoring:** Continuous monitoring of the system will identify and address potential issues.

Data Security Risks

- **Insurance Coverage:** DocuPal Demo, LLC carries insurance to cover potential liabilities arising from data breaches or system failures.
- **Advanced Security Protocols:** Implementation of advanced encryption, access controls, and regular security audits will protect data.

Risk Sharing and Transfer Mechanisms

The PPP agreement incorporates mechanisms for both risk sharing and risk transfer:

- **Risk Sharing:** Acme Inc. shares the risk of project success by providing timely access to data and resources. This ensures DocuPal Demo, LLC can effectively perform its obligations.

- **Risk Transfer:** DocuPal Demo, LLC transfers certain risks through insurance coverage, protecting both parties from financial losses due to unforeseen events.

Construction, Operations, and Maintenance

This section details the responsibilities of each party regarding the construction, ongoing operations, and maintenance of the modernized document management system. DocuPal Demo, LLC will manage the platform's maintenance and operations.

Construction Phase

The construction phase involves designing, developing, and implementing the new document management system. Key deliverables for this phase are outlined below:

- **System Design Document:** This document will detail the architecture, functionalities, and technical specifications of the new system. The deadline for completing this deliverable is [Date].
- **Functional System Prototype:** A working prototype demonstrating the core functionalities of the system will be delivered by [Date]. This prototype will allow ACME-1 to evaluate the system's usability and provide feedback.
- **Fully Implemented System:** The complete and fully functional document management system will be deployed by [Date]. This includes data migration, user training, and system integration.

Operations and Maintenance

DocuPal Demo, LLC assumes full responsibility for the ongoing operations and maintenance of the document management system after the construction phase. This includes:

- **System Monitoring:** Continuous monitoring of system performance, security, and availability.
- **Technical Support:** Providing timely technical support to ACME-1 users.
- **Software Updates:** Implementing software updates, patches, and upgrades to maintain system security and functionality.



- **Data Backup and Recovery:** Regularly backing up data and ensuring a robust recovery process in case of data loss or system failure.
- **Performance Optimization:** Continuously optimizing system performance to meet or exceed agreed-upon performance standards.

Performance Standards

The document management system will adhere to the following performance standards:

- **System Uptime:** A guaranteed uptime of 99.9%, minimizing disruptions to ACME-1's operations.
- **Document Retrieval Time:** Documents must be retrievable within 2 seconds to ensure efficient access to information.
- **Support Request Resolution:** All support requests will be addressed and resolved within 4 hours to minimize any operational impact.

DocuPal Demo, LLC will provide regular reports to ACME-1 on system performance, maintenance activities, and support request resolution times. These reports will help track progress and ensure adherence to the agreed-upon performance standards.

Performance Monitoring and Reporting

Docupal Demo, LLC will closely monitor the performance of the modernized document management system. This ensures the system meets the agreed-upon standards and objectives. Acme Inc.'s IT department will oversee and validate all performance data.

Monitoring Protocols

We will use automated monitoring tools to track system performance in real-time. These tools will measure system uptime, document retrieval times, and resource utilization. Regular security audits and penetration testing will identify and address potential vulnerabilities. User feedback will be collected through surveys and support tickets to gauge user satisfaction and identify areas for improvement.



Key Performance Indicators (KPIs)

The following KPIs will be used to assess the success of the project:

- **System Uptime:** Percentage of time the system is operational and available to users. Target: 99.9%.
- **Document Retrieval Time:** Average time to retrieve a document from the system. Target: Less than 3 seconds.
- **User Satisfaction:** Measured through user surveys on a scale of 1 to 5. Target: Average score of 4 or higher.
- **Reduction in Document Processing Costs:** Percentage reduction in costs related to document storage, retrieval, and management. Target: 15% reduction.

Reporting Requirements

Docupal Demo, LLC will provide Acme Inc. with monthly performance reports. These reports will include:

- **System Performance:** Data on system uptime, document retrieval times, and resource utilization.
- **Security Incidents:** Details of any security breaches, vulnerabilities identified, and remediation measures taken.
- **User Support Requests:** Summary of user support requests, including the number of requests, types of issues reported, and resolution times.

The monthly reports will be submitted to Acme Inc.'s IT department for review and validation. Regular meetings will be scheduled to discuss the reports and address any concerns or issues that arise.

Dispute Resolution Mechanisms

ACME-1 and Docupal Demo, LLC are committed to resolving disputes amicably and in good faith. This section outlines the agreed-upon procedures for addressing disagreements that may arise during the term of this PPP agreement.



Initial Negotiation

In the event of any dispute, the parties shall first attempt to resolve the matter through direct negotiation. Each party will appoint a designated representative responsible for engaging in good-faith discussions to reach a mutually acceptable resolution. This initial negotiation period will last for 30 days, unless extended by mutual written agreement.

Escalation to Senior Management

If the initial negotiation does not result in a resolution within the specified timeframe, the dispute will be escalated to the senior management of both ACME-1 and Docupal Demo, LLC. Senior management representatives will meet within 15 days of the failed initial negotiation to review the dispute and attempt to find a resolution. This escalation phase aims to provide a higher level of review and facilitate settlement through a more strategic approach.

Mediation

If senior management is unable to resolve the dispute within 30 days, the parties agree to submit the dispute to mediation. The mediation will be conducted by a mutually agreed-upon mediator in accordance with the rules of the American Arbitration Association (AAA). The parties will share the costs of the mediation equally. The mediation process will be completed within 45 days of the selection of the mediator, unless otherwise agreed in writing.

Binding Arbitration

If mediation is unsuccessful, any unresolved dispute arising out of or relating to this PPP agreement shall be finally resolved by binding arbitration administered by the American Arbitration Association (AAA) in accordance with its Commercial Arbitration Rules. The arbitration shall be conducted by a single arbitrator, selected jointly by the parties. If the parties cannot agree on an arbitrator, the AAA will appoint one. The seat of arbitration shall be in Delaware. The arbitrator's decision shall be final and binding on both parties and enforceable in any court of competent jurisdiction.

The governing law for this PPP agreement, including any arbitration proceedings, is the law of the State of Delaware.



Confidentiality and Intellectual Property

Confidentiality

Both Acme Inc. and DocuPal Demo, LLC agree to protect each other's confidential information. Confidential information includes any non-public data, knowledge, or information disclosed by either party during this PPP. This covers business strategies, technical specifications, financial data, and customer information.

Both parties will use reasonable measures to prevent unauthorized access, use, or disclosure of confidential information. These measures include:

- Implementing robust security protocols.
- Limiting access to confidential information to authorized personnel only.
- Ensuring that employees are bound by confidentiality obligations.

This confidentiality obligation remains in effect during the term of this PPP and for a period of five (5) years after its termination. Information required to be disclosed by law is exempt, provided the disclosing party gives prompt notice to the other party, where legally permissible.

Intellectual Property

Acme Inc. retains ownership of all intellectual property rights related to its existing data and business processes. DocuPal Demo, LLC retains ownership of all intellectual property rights related to its proprietary software, tools, and methodologies.

Any new intellectual property created during this project will be owned as follows:

- Intellectual property directly related to Acme Inc.'s data or specific business processes will be owned by Acme Inc.
- Intellectual property related to DocuPal Demo, LLC's core software or general system improvements will be owned by DocuPal Demo, LLC.

The parties will collaborate in good faith to determine ownership of intellectual property that is jointly developed or that cannot be easily categorized. DocuPal Demo, LLC grants to Acme Inc. a non-exclusive, royalty-free license to use DocuPal Demo, LLC's intellectual property to the extent necessary for Acme Inc. to fully utilize the modernized document management system.



Term, Renewal, and Termination

This Public-Private Partnership (PPP) agreement will begin on the date of final signature. The initial term will last for five (5) years.

Renewal

Following the initial five-year term, this agreement will automatically renew. The renewal term extends the agreement for an additional three (3) years. Either party can prevent this automatic renewal. To do so, they must provide written notice of termination. This notice must be given at least six (6) months before the initial term's expiration date.

Termination

This agreement may be terminated under specific circumstances. These circumstances include:

- **Material Breach:** Either party may terminate the agreement if the other party commits a material breach of its obligations.
- **Insolvency:** Either party may terminate the agreement if the other party becomes insolvent or enters into bankruptcy.
- **Failure to Meet Performance Standards:** Acme Inc. may terminate the agreement if DocuPal Demo, LLC fails to meet the agreed-upon performance standards.

Exit Obligations

Upon termination of this agreement, both parties have specific obligations to fulfill.

DocuPal Demo, LLC must provide Acme Inc. with a complete copy of all data and documentation related to the project. This ensures a smooth transition and continued access to essential information.

Acme Inc. is responsible for paying all outstanding fees owed to DocuPal Demo, LLC. This includes any fees incurred up to the date of termination. These payments must be made promptly to finalize the termination process.



Legal and Regulatory Compliance

This Public-Private Partnership (PPP) agreement is subject to several legal and regulatory frameworks. Both Acme, Inc. and Docupal Demo, LLC must comply with all applicable laws and regulations.

Applicable Laws

This agreement is governed by contract law principles. Data privacy regulations are also applicable. Intellectual property law protects each party's respective rights.

Regulatory Approvals and Compliance

ACME-1 and Docupal Demo, LLC must obtain all necessary regulatory approvals. This includes adhering to industry-specific data security standards. Both parties are responsible for monitoring changes in regulations. They must also ensure ongoing compliance.

Permits and Licenses

Both ACME-1 and Docupal Demo, LLC will secure and maintain all necessary permits and licenses required for their respective roles in this PPP. This includes permits related to data handling, security, and operational activities. Each party will provide evidence of compliance upon request by the other party.

Data Protection

Both parties commit to protecting personal data according to applicable data protection laws. They agree to implement appropriate technical and organizational measures. These measures will ensure data security and prevent unauthorized access.

Intellectual Property

Each party retains ownership of its pre-existing intellectual property. Any new intellectual property created during the PPP will be subject to a separate agreement. This agreement will detail ownership and usage rights.



Miscellaneous Provisions

Force Majeure

Neither ACME-1 nor Docupal Demo, LLC will be liable for any failure to perform its obligations under this PPP agreement if such failure results from acts of God, war, civil unrest, strikes, government regulations or orders, or other causes beyond its reasonable control. The affected party must promptly notify the other party of such event and make commercially reasonable efforts to mitigate its effects. The obligations suspended by force majeure will resume as soon as the cause is removed.

Amendments

This PPP agreement may be amended or modified only by a written instrument signed by authorized representatives of both ACME-1 and Docupal Demo, LLC. No oral agreement or course of conduct will be deemed to amend or modify this agreement. All amendments will be effective from the date specified in the amending instrument.

Notices

All notices and other communications required or permitted under this PPP agreement must be in writing and delivered by email to the designated representatives of each party. The initial designated representatives are:

- For ACME-1: [Insert Email Address]
- For Docupal Demo, LLC: [Insert Email Address]

Either party may change its designated representative by providing written notice to the other party. Notices will be deemed effective upon confirmed delivery.

Assignment

Neither party may assign its rights or delegate its obligations under this PPP agreement without the prior written consent of the other party, which consent will not be unreasonably withheld. However, Docupal Demo, LLC may assign this agreement to an affiliate or a successor entity in connection with a merger,



acquisition, or sale of all or substantially all of its assets, provided that the assignee agrees in writing to be bound by the terms of this agreement. Any attempted assignment in violation of this provision will be null and void.

Governing Law

This PPP agreement will be governed by and construed in accordance with the laws of the State of California, without regard to its conflict of laws principles. Any legal action or proceeding arising under this agreement will be brought exclusively in the state or federal courts located in California, and the parties hereby consent to the jurisdiction of such courts.

Entire Agreement

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

Severability

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

Counterparts

This PPP agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. A signed copy of this agreement transmitted electronically will have the same effect as an original signature.

