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Introduction and Purpose

This Audit Agreement is made and entered into as of August 9, 2025, by and between DocuPal Demo, LLC, located at 23 Main St, Anytown, CA 90210, USA, and Acme, Inc ("ACME-1"), located at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA.

Background

DocuPal Demo, LLC, is a professional auditing firm with expertise in conducting various types of audits. Acme, Inc. is a business seeking an independent assessment of its financial and operational activities.

Purpose

The purpose of this Agreement is to outline the terms and conditions under which DocuPal Demo, LLC will perform audit services for Acme, Inc. This engagement includes financial audits aimed at assessing the accuracy and reliability of Acme, Inc.'s financial statements, compliance audits to verify adherence to relevant laws and regulations, and operational audits focused on evaluating the efficiency and effectiveness of Acme, Inc.'s operations. This agreement defines the responsibilities of both parties, the scope of work, the timeline for completion, and the agreed-upon fees for the services provided.

Scope of Audit

This section defines the scope of the audit services DocuPal Demo, LLC will provide to ACME-1. The audit will be conducted in accordance with Generally Accepted Auditing Standards (GAAS).

Areas to Be Audited

The audit will encompass the following areas of ACME-1's operations:

- Accounts Payable
- Accounts Receivable
- Inventory Management
- Payroll



Audit Period

The audit will cover the period from July 1, 2024, to September 30, 2024.

Deliverables

Upon completion of the audit, DocuPal Demo, LLC will provide ACME-1 with an audit report. This report will detail the findings of the audit, including any identified discrepancies, weaknesses in internal controls, and recommendations for improvement. The report will present a clear and concise summary of the audit's results.

Roles and Responsibilities

This section outlines the roles, responsibilities, and obligations of both DocuPal Demo, LLC ("Auditor") and Acme, Inc ("Client") in this Audit Agreement.

Auditor Responsibilities

DocuPal Demo, LLC will conduct the audit in accordance with Generally Accepted Auditing Standards (GAAS). The Auditor will maintain objectivity and independence throughout the audit process.

Client Responsibilities

Acme, Inc will provide the Auditor with access to all necessary records, documentation, and personnel required to complete the audit. ACME-1 will respond promptly to all inquiries made by the Auditor.

Cooperation and Communication

Both parties commit to cooperate fully throughout the audit. This includes participating in regular meetings and maintaining open communication channels to address any questions or concerns that may arise. Acme, Inc understands that its cooperation is essential for the timely and accurate completion of the audit.



Fees, Payment Terms, and Expenses

Audit Fees

ACME-1 will pay Docupal Demo, LLC a fixed fee of \$50,000 for the audit services described in this Agreement. This fee covers all professional services rendered by Docupal Demo, LLC in connection with the audit.

Payment Schedule

ACME-1 will make payments to Docupal Demo, LLC according to the following schedule:

- 50% of the total fee (\$25,000) is due upon signing this Agreement.
- The remaining 50% (\$25,000) is due upon delivery of the final audit report.

Expenses

ACME-1 will reimburse Docupal Demo, LLC for pre-approved travel and lodging expenses incurred during the performance of the audit. All expenses require prior written approval from ACME-1. Docupal Demo, LLC will submit invoices for these expenses, with supporting documentation, and ACME-1 will remit payment within 30 days of invoice receipt.

Confidentiality and Data Protection

Docupal Demo, LLC ("Producer") and ACME-1 ("Client") recognize the importance of protecting confidential information. All information shared during the audit will be treated as confidential. This includes, but isn't limited to, business plans, financial data, and customer information.

Data Handling and Security

We will protect sensitive information using secure data storage and access controls. Access to confidential information is limited to authorized personnel only. Producer will comply with all applicable data privacy laws and regulations. This ensures data privacy is maintained throughout the audit process. Both parties will promptly notify each other of any data breach or unauthorized disclosure.



Audit Reporting and Documentation

Docupal Demo, LLC will provide ACME-1 with a draft audit report by September 15, 2024. ACME-1 will receive the final audit report by September 30, 2024. These reports will detail the audit's scope, methodology, findings, and any recommendations for improvement.

Discrepancy Reporting

Any discrepancies discovered during the audit will be immediately reported to ACME-1's Chief Financial Officer. This ensures prompt communication and allows for timely corrective action.

Documentation Retention

Docupal Demo, LLC will retain all audit documentation related to this engagement for a period of seven years. This retention period complies with standard auditing practices and regulatory requirements. The documentation includes all work papers, reports, correspondence, and supporting evidence gathered during the audit process.

Limitation of Liability and Indemnification

Limitation of Liability

Docupal Demo, LLC's liability for any claims, losses, damages, or expenses arising out of or related to this Audit Agreement will be limited to the total amount of the audit fees paid by ACME-1 under this agreement. This limitation applies regardless of the form of action, whether in contract, tort, or otherwise.

Indemnification

ACME-1 agrees to indemnify, defend, and hold harmless Docupal Demo, LLC, its affiliates, and their respective officers, directors, employees, and agents from and against any and all third-party claims, liabilities, damages, losses, costs, expenses,



or fees (including attorney's fees) arising out of or relating to any inaccurate or incomplete information provided by ACME-1 to Docupal Demo, LLC in connection with this audit.

Risk Allocation

The parties acknowledge and agree that the allocation of risks outlined in this section is a material part of the agreement. Each party is responsible for risks associated with their respective responsibilities as defined within this agreement.

Term and Termination

Agreement Term

This Audit Agreement will begin on the effective date. It will continue for a term of one year.

Termination

This agreement may be terminated under the following conditions:

- **Material Breach:** Either party may terminate this agreement if the other party materially breaches its obligations.
- **Mutual Agreement:** Both parties may agree to terminate this agreement at any time.

Notice of Termination

The party seeking to terminate must provide 30 days written notice to the other party.

Dispute Resolution

DocuPal Demo, LLC and ACME-1 will first attempt to resolve any disputes arising under this Agreement through good faith negotiation. Either party may initiate negotiations by providing written notice to the other party, setting forth the subject



of the dispute and the relief requested. The parties will then attempt to resolve the dispute.

Mediation

If negotiation does not resolve the dispute, the parties agree to submit the dispute to mediation in good faith, before resorting to litigation. The parties will jointly select a mutually acceptable mediator. The costs of the mediation will be shared equally by the parties.

Governing Law and Jurisdiction

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 parties agree that any legal action or proceeding arising out of or relating to this Agreement will be brought exclusively in the state or federal courts located in Delaware.

Miscellaneous Provisions

Governing Law

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.

Amendments

This Agreement may be amended or modified only by a written instrument signed by both DocuPal Demo, LLC and ACME-1.

Force Majeure

Neither party shall be liable for any failure to perform its obligations under this Agreement if such failure is caused by any cause beyond its reasonable control, including, without limitation, acts of God, war, terrorism, civil commotion, strike, or other labor dispute.



Assignment

Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party.

Entire Agreement

This Agreement constitutes the entire agreement between the parties 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.

