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# Introduction and Purpose

This Angel Investment 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 ("Company"), and Acme, Inc, a business organized under the laws of the United States, with its principal place of business at 3751 Illinois Avenue, Wilsonville, Oregon - 97070 ("Investor").

## Purpose of Agreement

The purpose of this Agreement is to set forth the terms and conditions under which Investor will invest \$500,000 in the Company. This investment will support the Company's expansion into new markets. In consideration for the investment, the Company will grant Investor certain rights and privileges, including equity ownership and voting rights, as detailed in this Agreement. This Agreement also outlines investor protections, confidentiality obligations, indemnification, and dispute resolution procedures.

# Definitions and Interpretations

## Definitions

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

- **Qualified Financing:** Refers to a future equity financing of the Company resulting in gross proceeds to the Company of not less than \$1,000,000.00.
- **Liquidity Event:** Means a consolidation, merger, sale, or other disposition of all or substantially all of the assets of DocuPal Demo, LLC. Also includes any transaction or series of related transactions that results in a change of control of DocuPal Demo, LLC.
- **Key Holders:** Refers to the founders of DocuPal Demo, LLC and any employees holding more than 5% of company equity.



## Interpretation

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.

# Investment Terms and Capital Contribution

ACME-1 will invest \$500,000 in DocuPal Demo, LLC. This investment will be made as a single payment. The full amount is due upon the signing of this Angel Investment Agreement.

## Equity and Valuation

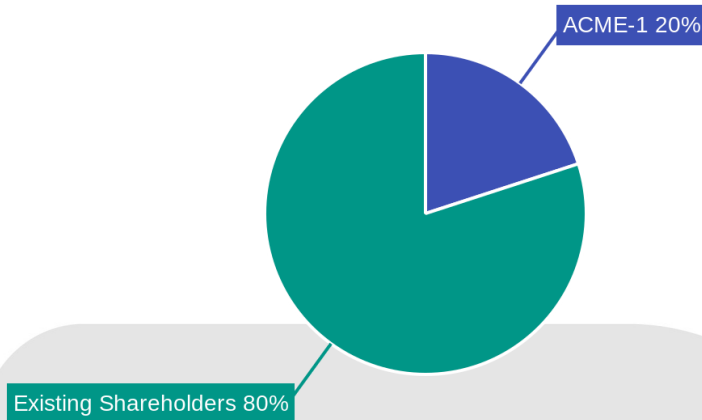
The investment establishes equity ownership based on a pre-money valuation of \$2,000,000. Post-money valuation will be \$2,500,000.

## Ownership Distribution

Following the investment, the ownership distribution of DocuPal Demo, LLC will be as follows:

- ACME-1: 20%
- Existing Shareholders: 80%





## Investor Rights and Obligations

ACME-1, as an investor, possesses specific rights and obligations under this agreement. These provisions aim to protect ACME-1's investment and ensure DocuPal Demo, LLC's responsible management.

### Voting Rights

ACME-1 will have voting rights within DocuPal Demo, LLC. These rights are directly proportional to ACME-1's equity ownership percentage in the company. This ensures ACME-1's voice is heard on important company matters commensurate with its investment.

### Information Rights

DocuPal Demo, LLC commits to keeping ACME-1 informed about the company's performance and financial standing. DocuPal Demo, LLC will provide ACME-1 with quarterly financial reports. These reports will offer a regular overview of the company's revenues, expenses, and overall financial health. Furthermore, ACME-1 will receive annual audited financial statements. These audited statements provide an independent verification of DocuPal Demo, LLC's financial position.



## Investor Restrictions

ACME-1 agrees not to engage in direct competition with DocuPal Demo, LLC. This restriction protects DocuPal Demo, LLC's market position and business interests.

## Obligations

ACME-1 is expected to act in good faith and in the best interests of DocuPal Demo, LLC. While ACME-1 has the right to provide advice and guidance, the operational control and decision-making authority remain with DocuPal Demo, LLC's management team. ACME-1 is also bound by confidentiality obligations as outlined in this agreement, protecting DocuPal Demo, LLC's sensitive information.

# Representations and Warranties

## Representations and Warranties by DocuPal Demo, LLC

DocuPal Demo, LLC represents and warrants to ACME-1 that as of the date of this Agreement:

- **Organization and Authority:** DocuPal Demo, LLC is a limited liability company duly organized, validly existing, and in good standing under the laws of the United States. DocuPal Demo, LLC possesses all requisite power and authority to own its properties and assets and to carry on its business as now being conducted. DocuPal Demo, LLC has the full right, power, and authority to enter into this Agreement and to perform its obligations hereunder. This Agreement has been duly authorized and validly executed and delivered by DocuPal Demo, LLC, and constitutes a valid and binding obligation of DocuPal Demo, LLC, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting creditors' rights generally and subject to general principles of equity.
- **Compliance:** DocuPal Demo, LLC is in compliance with all applicable laws, regulations, and orders of governmental authorities in all material respects.
- **Capitalization:** The current capitalization of DocuPal Demo, LLC is as represented to ACME-1, and there are no outstanding options, warrants, conversion privileges, or other rights to purchase any equity securities of DocuPal Demo, LLC, except as disclosed to ACME-1.





- **Financial Statements:** The financial statements of DocuPal Demo, LLC provided to ACME-1 fairly present the financial condition and results of operations of DocuPal Demo, LLC as of the dates and for the periods indicated, in accordance with generally accepted accounting principles consistently applied.
- **Litigation:** There is no pending or, to the knowledge of DocuPal Demo, LLC, threatened litigation, claim, or proceeding relating to DocuPal Demo, LLC or its business, assets, or properties that could reasonably be expected to have a material adverse effect.

## Representations and Warranties by ACME-1

ACME-1 represents and warrants to DocuPal Demo, LLC that as of the date of this Agreement:

- **Organization and Authority:** ACME-1 is a business duly organized, validly existing, and in good standing under the laws of the United States. ACME-1 possesses all requisite power and authority to enter into this Agreement and to perform its obligations hereunder.
- **Investment Purpose:** ACME-1 is acquiring the equity securities of DocuPal Demo, LLC for its own account for investment purposes and not with a view to, or for sale in connection with, any distribution thereof in violation of any securities laws.
- **Accredited Investor:** ACME-1 is an accredited investor as defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended.
- **Due Diligence:** ACME-1 has had an opportunity to conduct its own independent investigation and analysis of DocuPal Demo, LLC and its business, assets, operations, financial condition, and prospects and has been provided with all information requested. In making its decision to invest in DocuPal Demo, LLC, ACME-1 has relied solely upon its own investigation and analysis and the representations and warranties of DocuPal Demo, LLC contained in this Agreement.



# Conditions Precedent

The closing of the transactions contemplated by this Agreement is subject to the satisfaction, on or before the Closing Date, of the following conditions (the "Conditions Precedent"), unless waived in writing by all parties:

## ACME-1's Conditions

ACME-1's obligation to purchase the Shares at the Closing is subject to the fulfillment of each of the following conditions:

1. **Due Diligence:** ACME-1 shall have completed its legal and financial due diligence review of DocuPal Demo, LLC, and shall be satisfied with the results of such review in its sole discretion.
2. **Representations and Warranties:** The representations and warranties made by DocuPal Demo, LLC in this Agreement shall be true and correct in all material respects as of the Closing Date, with the same effect as though such representations and warranties had been made on the Closing Date.
3. **No Material Adverse Change:** There shall have been no material adverse change in the business, financial condition, or results of operations of DocuPal Demo, LLC from the date of this Agreement to the Closing Date.

## DocuPal Demo, LLC's Conditions

DocuPal Demo, LLC's obligation to issue the Shares at the Closing is subject to the fulfillment of each of the following conditions:

1. **Board Approval:** DocuPal Demo, LLC's Board of Directors shall have duly approved the issuance of the Shares to ACME-1.
2. **Payment:** ACME-1 shall have delivered the Investment Amount of \$500,000 to DocuPal Demo, LLC in accordance with the terms of this Agreement.





# Use of Funds

The investment of \$500,000 from ACME-1 will be used by DocuPal Demo, LLC, primarily to accelerate sales and marketing initiatives. These initiatives are aimed at expanding market reach and increasing customer acquisition.

## Permissible Use of Investment Proceeds

Specifically, the funds will support the following:

- **Marketing Campaigns:** A significant portion will be allocated to digital marketing, content creation, and advertising to boost brand awareness.
- **Sales Team Expansion:** Investment will facilitate the hiring of additional sales personnel to drive revenue growth.
- **Sales and Marketing Tools:** Funds will support investment in software and tools to improve efficiency.

## Restrictions on Use of Funds

For clarity, investment funds will *not* be used for executive bonuses or any other purpose not directly related to sales and marketing expansion. DocuPal Demo, LLC, will provide ACME-1 with regular updates on fund allocation.

# Board Representation and Governance

## Board Nomination Right

ACME-1 shall have the right to nominate one (1) member to the Board of Directors of DocuPal Demo, LLC (the "Board"). ACME-1 will exercise this right according to the Company's bylaws and applicable laws. The initial nominee shall be [Name of Nominee], or a replacement designated by ACME-1 with reasonable notice to the Company.

## Board Observer Rights

[This section is intentionally left blank as there is no information about Board Observer Rights.]



## Governance and Consent Rights

Certain significant corporate actions require the prior written consent of ACME-1. These actions include, but are not limited to:

- Any material change to the Company's business plan.
- Any merger, acquisition, or other business combination involving the Company.
- The sale, lease, transfer, or other disposition of all or substantially all of the Company's assets.
- The creation of any new class or series of equity securities having rights, preferences, or privileges senior to or on parity with the Series Seed Preferred Stock.
- The declaration or payment of any dividend or other distribution on any class of the Company's capital stock.
- Any increase or decrease in the authorized number of shares of capital stock of the Company.
- Incurring indebtedness in excess of \$[Dollar Amount].
- Entering into any agreement or transaction with any officer, director, or affiliate of the Company.

The Company will provide ACME-1 with timely notice of any proposed action requiring its consent. ACME-1 will review such proposals in good faith. Consent will not be unreasonably withheld or delayed.

## Share Transfer and Exit Provisions

### Share Transfer Restrictions

ACME-1 may not transfer its shares in DocuPal Demo, LLC without first offering the shares to DocuPal Demo, LLC and its other investors. This right of first refusal must be exercised before any transfer to a third party. The process will involve a written offer to DocuPal Demo, LLC, detailing the terms of the proposed transfer. DocuPal Demo, LLC and the other investors will then have a specified period to accept the offer on the same terms.



## Exit Events

In the event of a sale of DocuPal Demo, LLC, merger, or other liquidity event, the proceeds will be distributed to the shareholders according to their respective ownership percentages. ACME-1 will participate in these distributions pari passu with all other shareholders. This ensures that ACME-1 receives its fair share of the proceeds based on its equity stake.

## Drag-Along Rights

To facilitate a smooth exit, all shareholders, including ACME-1, will be subject to drag-along rights. If a majority of the shareholders and the board of directors approve a sale of DocuPal Demo, LLC, all other shareholders are required to vote in favor of the transaction and transfer their shares on the same terms and conditions. This provision ensures that a minority shareholder cannot block a sale approved by the majority.

## Tag-Along Rights

ACME-1 will have tag-along rights, also known as co-sale rights. If certain shareholders of DocuPal Demo, LLC propose to transfer a significant portion of their shares to a third party, ACME-1 has the right to participate in that sale. This allows ACME-1 to sell a proportionate number of its shares on the same terms as the selling shareholders, protecting ACME-1's investment and providing liquidity opportunities. The specific percentage that triggers tag-along rights and the proportion of shares ACME-1 can sell will be defined in a separate agreement.

# Confidentiality and Non-Disclosure

## Confidential Information

All information shared between DocuPal Demo, LLC, and ACME-1 relating to this agreement will be considered confidential. This includes, but is not limited to, business plans, financial information, product designs, and customer data. Both parties agree to protect this information from unauthorized disclosure.



## Exclusions

Information that is already publicly available, or becomes publicly available through no fault of either party, will not be subject to this confidentiality obligation.

## Non-Disclosure Obligations

Both DocuPal Demo, LLC, and ACME-1 agree not to disclose any confidential information to any third party without the prior written consent of the other party. Each party will use the same degree of care to protect the confidentiality of the other party's information as they use to protect their own confidential information, but not less than reasonable care.

## Duration

The confidentiality obligations outlined in this section will remain in effect for a period of five (5) years from the date of this agreement.

# Indemnification and Liability

## Indemnification

DocuPal Demo, LLC will indemnify ACME-1 against any losses, damages, liabilities, costs, and expenses (including reasonable attorney's fees) arising from or relating to any breach of the representations and warranties made by DocuPal Demo, LLC in this Agreement. This indemnification obligation will apply regardless of whether ACME-1 or DocuPal Demo, LLC is the party directly involved in the claim or action giving rise to such losses, damages, liabilities, costs, and expenses.

## Limitation of Liability

Neither party will be liable to the other for any indirect, incidental, special, consequential, or punitive damages arising out of or relating to this Agreement, regardless of the cause of action (whether in contract, tort, strict liability, or otherwise), even if such party has been advised of the possibility of such damages.

However, the limitations of liability described in this section shall not apply to liabilities arising from:



- Gross negligence.
- Willful misconduct.
- A party's indemnification obligations under this Agreement.
- Breach of confidentiality obligations.

## Dispute Resolution

Any dispute arising from or relating to this Angel Investment Agreement will be resolved through binding arbitration. The arbitration will be conducted in accordance with the rules of the American Arbitration Association (AAA).

### Arbitration Process

The arbitration proceedings will take place in a location agreed upon by both DocuPal Demo, LLC and ACME-1. If the parties cannot agree on a location, the AAA will designate one. A single arbitrator will be selected in accordance with AAA rules. The arbitrator must have experience in venture capital and angel investment transactions.

### Governing Law and Jurisdiction

The laws of Delaware, USA, govern this Angel Investment Agreement. This includes its interpretation and enforcement. The arbitration award will be final and binding. Any court with jurisdiction can enter a judgment upon it. DocuPal Demo, LLC and ACME-1 consent to the jurisdiction of Delaware courts for enforcing the arbitration award.

## Miscellaneous Provisions

### Governing Law

This agreement is governed by the laws of the State of California, without regard to its conflict of laws principles.



## Notices

All notices related to this agreement must be in writing. Notices are considered given when sent by email or certified mail to the addresses listed in this agreement.

## Entire Agreement

This agreement contains the entire understanding between DocuPal Demo, LLC and ACME-1. It supersedes all prior agreements and discussions about this investment.

## Amendments

Any changes to this agreement must be in writing. All parties must sign the amendment to show their approval.

## Severability

If a court finds any part of this agreement invalid, the rest of the agreement remains in effect. The parties will negotiate in good faith to replace the invalid provision with a valid one that achieves the original intent.

## Assignment

Neither party may assign its rights or obligations under this agreement without the other party's written consent, except in the case of a merger or sale of substantially all of its assets.

## Counterparts

This agreement may be executed in counterparts, each of which is deemed an original, but all of which together are one and the same instrument.

## Signatures and Execution

This Angel Investment Agreement shall become effective as of the last date of signature below.





## Execution

The parties acknowledge that they have read and understand the terms and conditions of this Agreement. They voluntarily agree to be bound by it.

### DocuPal Demo, LLC

By: \_\_\_\_\_

Name:

Title: CEO

Date: \_\_\_\_\_

### Acme, Inc

By: \_\_\_\_\_

Name:

Title: Authorized Representative

Date: \_\_\_\_\_

## Notarization

Please ensure this document is duly notarized after signatures are affixed. Notarization serves as legal verification of the signatures and the agreement's authenticity. Each party should retain a notarized copy for their records.

