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Introduction and Purpose

This Time and Materials Contract (the "Agreement") is made and entered into as of August 9, 2025, by and between Docupal Demo, LLC, a company organized and existing under the laws of the United States, with its principal place of business at 23 Main St, Anytown, CA 90210 ("Docupal Demo"), and Acme, Inc ("ACME-1"), a business with its principal place of business at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA.

Contract Overview

This Agreement outlines the terms and conditions under which Docupal Demo will provide software development and consulting services to ACME-1. This type of contract is commonly used in projects like software development and IT consulting. It is suitable where the exact scope of work is not fully defined at the outset. Docupal Demo will be compensated for the time spent by its personnel and for materials used in the performance of the services. This agreement allows for project flexibility while ensuring fair compensation for Docupal Demo. All monetary values are expressed in United States Dollars (USD).

Scope of Work

Docupal Demo, LLC will provide software development and consulting services to ACME-1 as detailed in this section. This includes software design, coding, testing, and project management. Related consulting services will also be provided as needed to ensure the successful completion of the project.

Project Tasks

The project involves the following tasks:

- **Software Design:** Creating the architecture and design specifications for the software.
- **Coding:** Developing the software according to the design specifications.
- **Testing:** Conducting thorough testing to ensure software quality and identify any defects.



- **Project Management:** Managing the project timeline, resources, and communication to ensure timely delivery and client satisfaction.
- **Consulting:** Providing expert advice and guidance on software development best practices and technologies.

Change Orders and Scope Flexibility

Flexibility in scope will be addressed through change orders. A work order will be created for each change or addition to the project. These work orders will clearly detail the specific tasks, deliverables, and estimated time and materials required. ACME-1's approval will be required before work can begin on any change order. This ensures both parties agree on any changes to the original scope.

Pricing and Billing Terms

DocuPal Demo, LLC will invoice ACME-1 for services rendered on a time and materials basis. This section details the hourly labor rates, material costs, invoicing procedures, and payment schedule.

Labor Rates

Hourly labor rates vary depending on the role and expertise of the personnel assigned to the project. The following rates apply:

Role	Hourly Rate (USD)
Junior Developer	\$100
Mid-Level Developer	\$175
Senior Developer	\$225
Senior Architect	\$250

Labor time is billed in 15-minute increments.

Material Costs

ACME-1 will reimburse DocuPal Demo, LLC for all reasonable and necessary material costs incurred during the project. These costs include, but are not limited to, software licenses, hardware, and облако (cloud) service fees. All material costs



will be documented with receipts and invoices. A markup of 10% will be applied to all material costs to cover administrative and handling expenses.

Invoicing and Payment

DocuPal Demo, LLC will submit monthly invoices to ACME-1, detailing all labor and material costs incurred during the billing period. Each invoice will include:

- A detailed breakdown of labor hours for each role.
- Copies of receipts and invoices for all material costs.
- The total amount due.

Payment is due within thirty (30) days of the invoice date. Payments should be made to DocuPal Demo, LLC at the address specified in this contract. DocuPal Demo, LLC reserves the right to suspend services if payments are not received within the agreed-upon timeframe.

Work Orders and Change Management

Work Orders

DocuPal Demo, LLC will create new work orders that outline specific tasks and deliverables. These work orders will then be submitted to ACME-1 for review and approval. ACME-1 will provide approval via email confirmation from its authorized representative. This email confirmation constitutes formal approval to commence work as described in the work order.

Change Orders

Any modifications to this Time and Materials Contract will require a written amendment. This amendment must be signed by authorized representatives from both DocuPal Demo, LLC and ACME-1. The written amendment will clearly detail the specific changes being made to the original agreement. This includes, but is not limited to, changes to the scope of work, deliverables, or pricing. No changes will be considered valid unless formalized through this written amendment process.



Duration and Termination

Effective Date and Term

This Time and Materials Contract shall commence on August 9, 2025, and will continue for a term of one year, unless earlier terminated as provided herein.

Renewal

This contract may be renewed for an additional one-year term. Such renewal requires a written agreement between Docupal Demo, LLC and ACME-1. This written agreement must be executed at least 30 days before the initial term expires.

Termination

Termination for Breach

Either party may terminate this contract if the other party breaches any material term or condition. The terminating party must provide 30 days written notice to the breaching party. This notice must specify the nature of the breach. Termination will be effective if the breach is not cured within the 30-day notice period.

Termination for Convenience

ACME-1 may terminate this contract for convenience. ACME-1 must provide Docupal Demo, LLC with 15 days written notice of termination. Upon such termination, ACME-1 will pay Docupal Demo, LLC for all services performed and materials purchased up to the termination date.

Responsibilities and Obligations

DocuPal Demo, LLC, and ACME-1 both have specific duties under this Time and Materials Contract. These responsibilities ensure project success and a productive working relationship.



DocuPal Demo, LLC Responsibilities

DocuPal Demo, LLC will provide competent and professional software development and consulting services. We will adhere to industry standards in our work. DocuPal Demo, LLC will deliver quality work within the timelines agreed upon by both parties.

ACME-1 Responsibilities

ACME-1 will provide clear and complete project requirements to DocuPal Demo, LLC. ACME-1 will give timely feedback on work performed by DocuPal Demo, LLC. ACME-1 will ensure DocuPal Demo, LLC has access to the resources and personnel needed for the project. This includes providing access to relevant systems, data, and staff members in a timely fashion. ACME-1 is also responsible for making decisions and approvals needed to keep the project on schedule.

Material and Equipment Management

DocuPal Demo, LLC will supply all software, hardware, and equipment needed for the services. This includes any tools required for software development and consulting. ACME-1 will only provide materials and equipment if a work order specifically states it.

Material Costs

DocuPal Demo, LLC will bill ACME-1 for the cost of materials. These costs will be shown separately on invoices. ACME-1 has the right to review receipts, invoices, and purchase orders related to these material costs. This ensures transparency in billing.

Ownership and Accountability

DocuPal Demo, LLC owns all materials and equipment used for the services. This includes software licenses and hardware. DocuPal Demo, LLC is responsible for maintaining and managing these assets. This ensures that the equipment is in good working order. DocuPal Demo, LLC will track all equipment and materials used for the project. This includes maintaining records of purchases, usage, and maintenance. DocuPal Demo, LLC is accountable for any loss or damage to the equipment. ACME-1 is not responsible for loss or damage unless it is caused by



ACME-1's direct actions or negligence. At the end of the contract, DocuPal Demo, LLC will remove all equipment from ACME-1's site, unless other agreements are made.

Confidentiality and Intellectual Property

Confidentiality

Both DocuPal Demo, LLC and ACME-1 acknowledge that they have entered into a separate Non-Disclosure Agreement (NDA). This NDA governs the treatment of all confidential information exchanged between the parties during the term of this Time and Materials Contract. Both parties will adhere to the terms outlined in that NDA to protect sensitive information.

Intellectual Property

ACME-1 will own all intellectual property rights in any deliverables or work product created under this Time and Materials Contract. This includes code, designs, documentation, and any other materials developed specifically for ACME-1 as part of the services provided. However, DocuPal Demo, LLC retains all rights to pre-existing tools, libraries, or code that it may utilize in the development of ACME-1's project. DocuPal Demo, LLC grants to ACME-1 a nonexclusive license to use any such tools, libraries, or code to the extent they are incorporated into the deliverables.

Dispute Resolution

The parties will attempt to resolve any disputes arising out of or relating to this Time and Materials Contract through good faith negotiation. Negotiation will begin promptly after one party has given the other written notice of the dispute.

Mediation

If the parties cannot resolve the dispute through negotiation, they agree to submit the dispute to mediation before resorting to litigation. The mediation will take place in Anytown, California, unless both parties agree to a different location. The parties will share the costs of the mediator equally.



Warranties and Liability

Warranties

DocuPal Demo, LLC warrants that all services performed under this Time and Materials Contract will be executed in a professional and workmanlike manner. These services will conform to generally accepted industry standards and practices. This warranty remains in effect for a period of ninety (90) days from the date the services are delivered to Acme, Inc. Any defects or non-conformities reported within this period will be addressed by DocuPal Demo, LLC at no additional cost to Acme, Inc, provided that such defects are directly attributable to errors in DocuPal Demo, LLC's work.

Limitation of Liability

The total liability of DocuPal Demo, LLC to Acme, Inc arising out of or related to this contract, whether in contract, tort, or otherwise, is limited to the total amount of fees paid by Acme, Inc to DocuPal Demo, LLC under this contract. Acme, Inc's liability under this contract is limited to the payment of fees for services actually rendered by DocuPal Demo, LLC. Neither party shall be liable to the other for any indirect, incidental, consequential, special, or punitive damages arising out of or relating to this contract, even if advised of the possibility of such damages.

General Terms and Conditions

Payment Terms

ACME-1 will pay Docupal Demo, LLC based on the hourly rates for labor and the actual cost of materials. Payment is due within thirty (30) days of the invoice date. Docupal Demo, LLC will submit invoices bi-weekly, detailing the work performed and materials used. All payments must be made in United States Dollars (USD). Late payments may be subject to a late fee of 1.5% per month, or the maximum rate allowed by law, whichever is lower.



Change Orders

Any changes to the scope of work outlined in this Contract must be documented in a written change order. Change orders must be signed by both Docupal Demo, LLC and ACME-1 to be valid. The change order will detail the revised scope, any adjustments to the schedule, and any changes to the estimated cost. Work related to the change order will not begin until the change order is fully executed.

Intellectual Property

Docupal Demo, LLC retains all rights, title, and interest in and to its pre-existing intellectual property. Any new intellectual property developed during the course of this Contract will be jointly owned by Docupal Demo, LLC and ACME-1. Both parties will cooperate to secure appropriate intellectual property protection.

Termination

Either party may terminate this Contract with thirty (30) days written notice. Upon termination, ACME-1 will pay Docupal Demo, LLC for all work performed and materials costs incurred up to the date of termination. Sections pertaining to intellectual property, confidentiality, and limitation of liability will survive termination.

Limitation of Liability

Docupal Demo, LLC's liability under this Contract is limited to the amount of fees paid by ACME-1. In no event will Docupal Demo, LLC be liable for any indirect, consequential, or incidental damages.

Confidentiality

Both parties agree to hold confidential all non-public information received from the other party. This includes, but is not limited to, business plans, customer lists, and technical data. This obligation of confidentiality will survive the termination of this Contract.

Miscellaneous

Force Majeure



Neither party shall be liable for any delay or failure to perform its obligations under this Contract if such delay or failure is due to causes beyond its reasonable control, including but not limited to acts of God, war, terrorism, riots, fire, natural disasters, or governmental regulations. The affected party will notify the other party promptly of such event and will use reasonable efforts to mitigate its effects.

Governing Law

This Contract shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to its conflict of laws principles. Any legal action or proceeding arising under this Contract shall be brought exclusively in the state or federal courts located in Delaware.

Notices

All notices and communications regarding this Contract shall be in writing and delivered by email. Notices to Docupal Demo, LLC should be sent to the designated contact person at its registered address. Notices to ACME-1 should be sent to the designated contact person at its registered address: 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA.

Signatures and Execution

This Time and Materials Contract is made effective as of January 1, 2024.

Agreement

DocuPal Demo, LLC and Acme, Inc. agree to the terms and conditions outlined within this contract. By signing below, both parties acknowledge their understanding and acceptance of these terms.

Signatures

DocuPal Demo, LLC

By: _____

Name: John Smith



Title: CEO

Date: _____

Witness: _____

Acme, Inc

By: _____

Name: Jane Doe

Title: CFO

Date: _____

Witness: _____

