

ASSET PARTNERSHIP AND PURCHASE AGREEMENT

THIS ASSET PARTNERSHIP AND PURCHASE AGREEMENT (this "Agreement") is made and entered into as of the date of execution set forth below **the "Effective Date"**, by and between:

SELLER ENTITY NAME, a **Jurisdiction and Entity Type**, with a principal place of business at **Seller Address** hereinafter referred to as "Seller",

and

AJ-INVEST, LLC, a California limited liability company, with its principal place of business located at 625 Edgewater, San Marcos, California 92078 hereinafter referred to as "Buyer", acting through its President and Chief Executive Officer, Ray Upton.

Seller and Buyer may hereinafter be referred to individually as a "Party" or collectively as the "Parties".

WITNESSETH:

WHEREAS, Seller desires to sell, assign, and contribute substantially all of the assets, goodwill, and operational control of its SaaS or digital business (the "Business") to Buyer, subject to the terms and conditions set forth herein;

WHEREAS, Buyer desires to acquire and assume operational control of the Business without the payment of upfront cash consideration, and to manage, grow, and scale the Business in a manner that may result in a future sale or liquidity event;

WHEREAS, the Parties desire to align their mutual interests by granting Buyer operational control and performance-based upside while retaining Seller's participation in future profits and exit proceeds;

WHEREAS, the Parties intend for this transaction to function as a hybrid structure consisting of an asset partnership agreement and management agreement, with future rights to purchase the Business and accompanying consideration payable upon resale or exit; this hybrid structure does not constitute a merger or full equity acquisition.

NOW, THEREFORE, in consideration of the foregoing premises, and the mutual covenants, agreements, representations, warranties, and obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I TRANSFER OF CONTROL AND ASSETS

1.1 Transfer of Operational Control.

At the Closing (as defined below), and subject to the terms and conditions of this Agreement, Seller shall transfer, assign, and deliver to Buyer, and Buyer shall accept and assume from Seller, full operational control of the Business. This includes all rights, authority, and decision-making powers necessary for the ongoing operation, growth, and management of the Business.

Buyer shall assume control pursuant to a management agreement and partnership structure and shall have the exclusive authority to direct all business operations, personnel, marketing, vendor relations, pricing strategy, product development, and customer support from the Effective Date forward.

Buyer and Seller shall co-sign a Transition Handoff Acknowledgment listing all transferred accounts, systems, and login credentials within 7 calendar days of Closing

Excluded Assets shall also include any software or intellectual property licensed under Seller's name but not used exclusively in the Seller's Business.

1.2 Transfer of Assets.

Concurrently with the transfer of operational control, and subject to Section 1.3 below, Seller shall transfer to Buyer all of the following (collectively, the "Transferred Assets"), free and clear of any liens, claims, encumbrances, or restrictions of any kind:

(a) Tangible and Digital Assets.

All tangible and intangible property used in the operation of the Business, including but not limited to:

- Software codebase, platforms, APIs, and repositories;
- All customer data, CRM systems, and subscriber lists;
- Websites, domains, SSL certificates, and hosting accounts;
- Brand assets, logos, marketing collateral, funnels, and lead magnets;
- Ad accounts (Google, Facebook, etc.) and analytics (Google Analytics, Search Console, SEMrush);
- Content libraries, email sequences, SOPs, and documentation;
- All tools, integrations, Zapier automations, and licensed systems used in the Business.

(b) Accounts and Agreements.

To the extent transferable, all of Seller's right, title, and interest in and to:

- Active third-party SaaS subscriptions (e.g., Kajabi, ConvertKit, Airtable);
- Affiliate and advertising agreements;
- Contracts with contractors, freelancers, influencers, agencies, or advisors;
- Domain registrar and merchant processing (Stripe, PayPal) accounts;
- Relationships with payment processors, vendors, consultants, and hosting providers.

(c) Intellectual Property.

All intellectual property rights owned or used by the Seller in connection with the Business, including:

- Trademarks, service marks, brand names, URLs;
- Copyrights, content ownership, and proprietary methods or formulas;
- AI-generated systems, automation frameworks, or white-labeled tools;
- Any work product or trade secrets developed or maintained by Seller or third parties under contract with Seller.

(d) Goodwill and Business Identity.

All goodwill associated with the Business, including its brand reputation, online presence, customer reviews, SEO authority, Trustpilot/BBB standings, and market position.

1.3 Excluded Assets.

Notwithstanding anything in this Agreement to the contrary, the following shall not be included in the Transferred Assets (collectively, the “Excluded Assets”):

- Seller’s personal email accounts or unrelated personal intellectual property not connected to the Business;
- Any retained equity or unrelated business interests not disclosed to Buyer during diligence;
- Any cash or short-term securities not required for ongoing operations unless otherwise agreed.

1.4 Assumed Liabilities.

Buyer agrees to assume and be responsible for all liabilities incurred in connection with the operation of the Business on and after the Closing Date, including but not limited to:

- Operating costs, employee and contractor payments, subscription fees, ad spend, and software expenses;
- Customer refunds, chargebacks, and service obligations arising after Closing;
- Liabilities expressly disclosed and acknowledged during due diligence.

Unless expressly transferred in writing, any liabilities incurred prior to the Closing Date will continue to be the obligation and responsibility of the Seller and/or managed by Seller.

ARTICLE II PURCHASE PRICE AND CONSIDERATION

2.1 Purchase Price.

The aggregate purchase price for the Transferred Assets and the operational control of the Business (the “Purchase Price”) shall be calculated and paid as follows:

(a) Upfront Payment.

There shall be no upfront cash payment by Buyer to Seller at the time of Closing.

(b) Equity Kicker – Exit Participation.

In the event of a future sale, transfer, merger, or recapitalization of the Business or any portion thereof (each, an “Exit Event”), Seller shall be entitled to receive a performance-based payout equal to:

$$(\text{Exit Value} - \text{Initial Valuation}) \times 15\%$$

where Initial Valuation refers to the fair market value mutually agreed by the Parties and documented in Exhibit D.

This equity kicker shall survive for a period of ten years following the Closing Date.

To ensure clarity and alignment, Seller’s Equity Kicker shall be capped at **\$[X]** or up to 3x trailing twelve-month EBITDA, as mutually defined.

(c) Earn-Out Compensation.

Seller shall also be eligible to receive performance-based milestone bonuses (the “Earn-Out”) based on the achievement of key performance targets, as described in Exhibit C. These milestones may include, but are not limited to:

- Increases in Monthly Recurring Revenue (MRR) or Annual Recurring Revenue (ARR);
- Reductions in Customer Acquisition Cost (CAC);
- Improvements in profitability margins;
- Reduction in customer churn.

Earn-Out payments shall be made quarterly from the profits of the Business, net of refunds, chargebacks, and reinvested capital expenses.

Earn-Out compensation shall not exceed [\$X] or [3x trailing 12-month EBITDA], unless otherwise agreed in writing

Buyer shall have full discretion to verify performance metrics underlying any earnout claims, and Seller agrees to provide relevant documentation upon request.

If Seller is in material breach during the Transition Period, Buyer may defer payment of outstanding earnout compensation until such issue is resolved in good faith.

(d) Deferred Buyout Option.

Buyer shall have the exclusive right, but not the obligation, to purchase the Business outright at any time following the Closing Date for an agreed-upon valuation, payable under a deferred installment schedule, subject to mutual negotiation and approval by both Parties. Terms of this right may be further defined in Exhibit F – Promissory Note / Deferred Terms.

2.2 Allocation of Purchase Price.

The Purchase Price and related consideration, including any future payout under Section 2.1(b) or (c), shall be allocated among the Transferred Assets for tax and accounting purposes in accordance with a mutually agreed schedule to be finalized within thirty (60) days of the Closing Date and attached as Exhibit A.

2.3 Consideration Subject to Performance and Escrow.

All consideration described in this Article II is expressly contingent upon:

- Buyer maintaining operational control for the minimum escrow period outlined in Article III;
- Seller fulfilling transition and support obligations as outlined in Article V;
- No material breaches or fraud by either Party during due diligence, transition, or escrow.

If Buyer receives a bona fide offer to sell a majority interest in the Business within 12 months post-Close, Seller shall have a Right of First Refusal to match such offer within 15 business days.

ARTICLE III ESCROW AND REVERSION RIGHTS

3.1 Escrow Period.

Upon the Closing Date, the Parties agree to enter into a one hundred and twenty (120) day performance-based escrow period (the "Escrow Period") commencing on the date that Buyer assumes operational control of the Business.

During the Escrow Period:

(a) Buyer Shall:

- Assume full operational control of the Business;
- Manage all day-to-day operations, staff, and vendors;
- Implement strategic, operational, or marketing changes without restriction;
- Provide monthly operational reports, including metrics on Monthly Recurring Revenue (MRR), churn, Customer Acquisition Cost (CAC), user engagement, and profitability.

(b) Seller Shall:

- Relinquish operational authority and access to all admin-level systems and tools;
- Retain read-only access to performance dashboards (Stripe, PayPal, analytics platforms, etc.);
- Participate in up to two (2) scheduled monthly update calls with Buyer;
- Monitor performance solely for purposes of confirming Buyer's compliance.

3.2 Performance Monitoring.

The Business shall be deemed in compliance during the Escrow Period if the following minimum performance obligations are satisfied:

(a) Buyer submits monthly reports no later than the 7th calendar day following each calendar month-end;

(b) MRR does not decline materially (e.g., more than 30%) from its trailing six-month average without a mutually agreed recovery plan.

(c) Buyer maintains operational continuity, retains critical staff (unless otherwise agreed), and does not engage in reckless conduct or gross mismanagement.

3.3 Seller Reversion Rights.

In the event that Buyer materially breaches the terms of this Agreement or fails to meet the obligations set forth in Section 3.2, and such breach is not cured within thirty (90) calendar days after written notice from Seller, then:

(a) Seller shall have the right to initiate binding arbitration pursuant to Article VI of this Agreement;

(b) Upon successful determination in Seller's favor, Seller may regain operational control of the Business or be entitled to immediate liquidated damages equal to the estimated value of their expected earn-out and equity kicker as documented in Exhibit D; regaining operational control does not automatically return ownership of Transferred Assets unless separately litigated or agreed.

(c) All Transferred Assets shall remain in escrow until resolution of such dispute, and Buyer shall take no action to divest, encumber, or transfer ownership interests during the pendency of the resolution process. Buyer may optionally designate a neutral third party to confirm escrow milestones, metrics, and transition handoffs.

3.4 Irrevocability of Transfer After Escrow.

Following the expiration of the Escrow Period, and provided Buyer has materially complied with the performance terms herein:

- Seller waives any and all rights to regain control or ownership of the Business,
- The Transferred Assets shall be deemed irrevocably conveyed to Buyer, and
- Buyer shall have full discretion over the growth, financing, restructuring, merger, spin out, reposition or eventual sale of the Business as its sole discretion, including platform migration, brand renaming, or partial divestitures.

ARTICLE IV COVENANTS AND REPRESENTATIONS

4.1 Seller's Representations and Warranties.

Seller hereby represents and warrants to Buyer as of the Effective Date and as of the Closing Date that:

(a) Organization and Authority.

Seller is duly organized, validly existing, and in good standing under the laws of its jurisdiction of formation, with full power and authority to enter into this Agreement and consummate the transactions contemplated herein.

(b) Title to Assets.

Seller owns all right, title, and interest in and to the Transferred Assets, free and clear of all liens, encumbrances, security interests, options, or claims of any kind. No third party has any rights to acquire such assets.

(c) Financial Statements and Cash Flow.

All financial statements, Stripe/PayPal data, and P&L reports provided to Buyer are materially accurate, complete, and reflective of the actual financial condition of the Business. The Business has demonstrated consistently positive monthly cash flow, and such performance is verifiable through third-party accounts and bank exports.

(d) Contracts and Licenses.

To Seller's knowledge, there are no material breaches of contracts, and all vendor, freelancer, subscription, and affiliate agreements are valid, enforceable, and transferrable to Buyer. Seller agrees to fully disclose and assign all such contracts during diligence. Seller represents that no person or entity holds the right to acquire or profit-share from the Business post-Closing.

(e) No Litigation or Compliance Violations.

There are no pending or threatened lawsuits, regulatory claims, or investigations related to the Business or the Transferred Assets. To Seller's knowledge, the Business is within compliance with all applicable laws, including data privacy, intellectual property, and online commerce regulations.

(f) Intellectual Property.

All proprietary software, trademarks, content, and tools were developed lawfully and are owned or properly licensed by Seller. Seller has not infringed upon the rights of any third party and is unaware of any claims alleging such infringement.

(g) Full Disclosure.

- i) Revenue Integrity- No representation, warranty, or statement made by Seller in this Agreement or any attachment contains any untrue statement or omits any material fact necessary to make the statements not misleading.
- ii) Promotional Practices- Seller affirms that any significant promotional activity, such as one-time launches or lifetime deals ,that could affect revenue trends has been disclosed to Buyer.
- iii) Risk Disclosure- Seller warrants that no material adverse information has been withheld, including platform policy violations, refund exposure, or third-party complaints not yet public.
- iv) Sales Volatility- Seller shall provide a written explanation of any monthly revenue deviation greater than 25% up or down during the prior 24-month period.

4.2 Seller's Covenants.

Seller covenants that, during the Transition Period and thereafter, it shall:

- (a) Provide post-closing support in accordance with Exhibit B, including platform training, vendor handoff, and customer success transition.
- (b) Refrain from initiating, owning, operating, investing in, or advising any competing business that operates in the same niche or serves the same customer segment as the Business, for a period of three (3) years from the Closing Date.
- (c) Maintain strict confidentiality regarding the terms of this Agreement and all Buyer-related operations, customers, pricing, and strategies.

4.3 Buyer's Representations and Warranties.

Buyer represents and warrants to Seller as of the Effective Date that:

- (a) Organization and Authority.
AJ-Invest, LLC is a California limited liability company in good standing, duly organized and authorized to execute this Agreement and carry out the obligations herein.
- (b) Intent and Capability.
Buyer has the requisite skill, operational systems, and capacity to operate, scale, and improve the Business. Buyer intends in good faith to increase the Business's value and execute its responsibilities as outlined in Article V.
- (c) No Prior Default.
Buyer is not in default under any material agreement or obligation that would impair its ability to execute or perform this Agreement.

4.4 Buyer's Covenants.

Buyer covenants that, following Closing:

- (a) It shall assume responsibility for all liabilities and obligations associated with the ongoing operation of the Business from and after the Closing Date.
- (b) It shall execute a value creation plan focused on revenue growth, margin expansion, team optimization, automation implementation, customer retention, and strategic repositioning.
- (c) It shall honor the Seller's rights to monthly reporting, Zoom updates, and post-exit participation as defined in Articles II and III and Exhibits C–D.

ARTICLE V POST-CLOSING OBLIGATIONS AND SUPPORT

5.1 Transition Support by Seller.

Following the Closing Date, Seller agrees to provide transition services for a period of one hundred and twenty (120) days, unless otherwise mutually extended in writing (the "Transition Period"), to ensure continuity and knowledge transfer regarding the Business's operations. Unless otherwise agreed in writing, all Seller support obligations shall terminate at the conclusion of the Transition Period.

Such transition support shall include, without limitation:

- (a) Up to two (2) scheduled virtual meetings per week for the first thirty (30) days, and one (1) per week thereafter, focused on operations, marketing, or product development strategy;
- (b) Transfer and explanation of standard operating procedures (SOPs), documentation libraries, customer service playbooks, lead generation funnels, and platform settings;
- (c) Direct introductions via email or video call to all strategic vendors, affiliate partners, major clients, and freelancers supporting the Business;
- (d) Access to Seller's internal notes, process documentation, and key passwords or API keys, via secure platform or password vault (e.g., LastPass, Notion);
- (e) Reasonable availability via Slack, email, or messaging platform during business hours for ad hoc questions or clarification.
- (f) If Seller's advisory involvement extends beyond the Transition Period, a monthly stipend or equity grant shall be mutually negotiated.

5.2 Staff and Contractor Continuity.

Buyer acknowledges the value of retaining existing personnel, contractors, and technical partners and agrees to:

- (a) Offer continuity of employment or contract engagement to all key personnel whose duties are integral to the operation of the Business, including but not limited to developers, customer support agents, marketing freelancers, and account managers; Seller to confirm that all key contractors have executed IP transfer agreements and that no ongoing royalty or usage rights exist.

(b) Make reasonable efforts to preserve team morale and reduce turnover, including incentivization options where appropriate;

(c) Notify Seller in writing of any intended removal or replacement of core team members during the Transition Period, with a clear explanation of rationale.

5.3 Preservation of Goodwill and Brand Reputation.

Buyer agrees to maintain the quality of the Business's public presence and customer-facing communications. Specifically:

(a) Buyer shall not materially alter the Business's branding, pricing, or customer policies within the first sixty (60) days following Closing without reasonable cause or prior consultation;

(b) Buyer shall ensure timely fulfillment of customer obligations, prompt support responses, and adherence to refund/return policies as disclosed by Seller during diligence;

(c) Buyer agrees not to engage in conduct that would damage the goodwill, public reputation, or online reviews of the Business, and shall monitor for Trustpilot, Reddit, BBB, and public forums to resolve issues promptly.

5.4 Advisory Role of Seller.

At Seller's option, and subject to mutual agreement, Seller may continue in an advisory role following the Transition Period for a period of up to twelve (12) months, to assist with strategic planning, potential merger discussions, or major initiatives.

If such advisory relationship is pursued:

(a) Seller shall be invited to monthly operational update calls (Zoom or equivalent);

(b) Buyer shall provide Seller with non-sensitive summary updates of Monthly Recurring Revenue (MRR), churn, and marketing performance;

(c) Seller shall have no fiduciary responsibility or voting rights unless otherwise agreed in writing.

ARTICLE VI DEFAULT, REMEDIES, AND GOVERNING LAW

6.1 Events of Default.

The occurrence of any of the following events shall constitute an Event of Default under this Agreement:

(a) Buyer Breach.

Buyer's failure to materially comply with the operational, financial, or reporting obligations set forth in this Agreement, including but not limited to:

(i) Failure to deliver required monthly performance reports during the Escrow Period;

(ii) Abandonment of the Business without transfer of ownership or contingency plan;

(iii) Failure to preserve transferred assets or fulfill core business obligations as defined in this Agreement.

(b) Seller Breach.

Seller's failure to provide transition support, access, or documentation as required by Article V, or Seller's material misrepresentation or concealment of facts during diligence.

(c) Insolvency Events.

Either Party becomes insolvent, makes a general assignment for the benefit of creditors, or is subject to a voluntary or involuntary petition in bankruptcy that is not dismissed within sixty (60) days.

6.2 Cure Period.

Upon the occurrence of an Event of Default, the non-defaulting Party shall provide written notice to the defaulting Party specifying the nature of the default.

The defaulting Party shall have thirty 30 business days to cure the default unless otherwise extended in writing. If the default is not cured within the cure period, the non-defaulting Party may pursue remedies as set forth below.

In cases of intentional misrepresentation or concealment, the defaulting Party forfeits the right to a cure period.

6.3 Remedies.

(a) Reversion of Control to Seller.

In the event of uncured default by Buyer during the Escrow Period, Seller may initiate binding arbitration and, upon a favorable ruling, may regain operational control of the Business and any unearned upside rights shall be forfeited by Buyer.

(b) Pre-Agreed Recovery

In lieu of or in addition to reversion of control, the non-defaulting Party shall be entitled to reasonable compensation based on the estimated value of missed performance-based consideration (as described in Exhibit D).

(c) Specific Performance.

Each Party agrees that monetary damages may be inadequate and that specific performance or injunctive relief may be appropriate for breaches related to IP transfer, confidentiality, and non-compete clauses.

(d) Seller warrants that to the best of its knowledge, the Business has not experienced any significant cybersecurity incidents, data breaches, or platform suspensions in the past 24 months unless otherwise disclosed.

6.4 Indemnification.

(a) By Seller.

Seller shall indemnify, defend, and hold harmless Buyer and its affiliates from and against all claims, losses, liabilities, damages, expenses, and attorney fees resulting from any breach of Seller's representations or covenants, or from liabilities that were material and knowingly omitted during diligence.

(b) By Buyer.

Buyer shall indemnify, defend, and hold harmless Seller from and against all claims, obligations, and liabilities arising from the operation of the Business after the Closing Date, or any breach of Buyer's obligations under this Agreement.

6.5 Governing Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California, without regard to any choice-of-law principles that would apply the law of another jurisdiction.

6.6 Jurisdiction and Venue.

The Parties agree that any legal proceedings or arbitration related to this Agreement shall be conducted in San Diego County, California, and each Party consents to the exclusive jurisdiction of courts or arbitration panels located therein.

6.7 Dispute Resolution.

In the event of a dispute, the Parties agree to the following process:

(a) Good Faith Mediation.

The Parties shall first attempt in good faith to resolve the matter through mediation with a mutually agreed neutral third-party mediator.

(b) Binding Arbitration.

If mediation fails within thirty (30) days, the dispute shall be resolved via binding arbitration conducted under the rules of the American Arbitration Association, with a single arbitrator seated in San Diego County, CA.

(c) Costs.

Each Party shall bear its own legal and administrative costs unless otherwise ordered by the arbitrator based on bad faith, misconduct, or breach. During arbitration, Buyer shall not be liable for new obligations incurred beyond routine business expenses unless adjudicated otherwise.

SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Asset Partnership and Purchase Agreement as of the dates set forth below.

SELLER:

[Full Legal Name of Selling Company]
a [State] [Entity Type, e.g., Corporation, LLC]

By: _____
Signature of Authorized Representative

Name: _____
Print Full Name

Title: _____
e.g., President, Managing Member, CEO

Date: _____

BUYER:

AJ Invest, LLC
a Wyoming limited liability company

By: _____
Ray Upton

Name: Ray Upton
President & Chief Executive Officer
Date: July 10, 2025

EXHIBITS

EXHIBIT A – Asset Allocation Schedule

A detailed list of all tangible and intangible Transferred Assets, including domain(s), codebase, customer lists, third-party subscriptions, analytics accounts, vendor contracts, and intellectual property elements.

EXHIBIT B – Transition Support Outline

Description of Seller's post-closing duties including handover timeline, training sessions, vendor/client introductions, document transfer, and communication methods.

EXHIBIT C – Earn-Out Schedule

Performance milestones and corresponding bonus payouts based on revenue growth, profit margins, churn reduction, Customer Acquisition Cost (CAC) improvements, and other measurable outcomes.

EXHIBIT D – Seller Participation & Upside Formula

Formula and illustrative examples for calculating Seller's participation in future exit proceeds (e.g., 15% of the net valuation delta above the initial agreed price).

EXHIBIT E – Due Diligence Checklist

Comprehensive checklist of all required pre-closing documentation including Stripe/PayPal exports, P&Ls, bank verified bank account records, IP verification, contracts, traffic data, and operational access credentials.

EXHIBIT F – Promissory Note / Deferred Buyout Terms (If Triggered)

Optional terms governing Buyer's election to acquire the Business via deferred purchase schedule, including interest rate, payment intervals, and collateral if applicable.

EXHIBIT G – Escrow Monitoring & Reversion Triggers

Detailed description of reporting requirements, monthly performance benchmarks, and Seller's remedies if Buyer defaults during the one hundred and twenty 120-day escrow period.