



## REVENUE SHARING AGREEMENT

Effective Date: [Date]

### BETWEEN:

**PoppaJoes**, a Kansas Limited Liability Company with its principal place of business at 211 Lakeside Dr, #57101, Leavenworth, Kansas, 66048, United States (the "**Company**"),

### AND

[**Investor Name**], an individual/entity residing at [Investor Address] (the "**Investor**").

(Collectively referred to as the "**Parties**")

### 1. BACKGROUND

WHEREAS, the Company requires capital to expand its operations; and

WHEREAS, the Investor wishes to provide capital to the Company in exchange for a percentage of the Company's Net Revenue for a fixed period;

NOW, THEREFORE, the Parties agree as follows:

## 2. DEFINITIONS

- **"Investment Amount"**: The sum of **\$450,000 USD**.
- **"Revenue Share Percentage"**: **6.0%**.
- **"Term"**: A period of **six (6) years** commencing on the Effective Date.
- **"Gross Revenue"**: All revenue actually received by the Company from the sale of its goods and services, before any deductions.
- **"Net Revenue"**: Gross Revenue minus returns, refunds, rebates, discounts, and sales taxes legally collected from customers. *[Note: This definition does not typically deduct Cost of Goods Sold (COGS) or operating expenses. If you intend to deduct COGS, this should be termed "Gross Profit" or "Adjusted Gross Revenue".]*
- **"Payment Period"**: Each calendar quarter (ending March 31, June 30, September 30, December 31).

## 3. INVESTMENT TERMS

**3.1 Transfer of Funds.** The Investor agrees to transfer the Investment Amount (\$450,000) to the Company via [Wire Transfer/Check] within 10 business days of the execution of this Agreement.

**3.2 Use of Funds.** The Company shall use the Investment Amount for [Specific Purpose, e.g., working capital, marketing, product development].

## 4. REVENUE SHARING PAYMENTS

**4.1 Calculation.** For the duration of the Term, the Company shall pay the Investor **6% of the Net Revenue** generated by the Company.

**4.2 Payment Schedule.** Payments shall be made quarterly. The payment for each quarter is due within thirty (30) days following the end of that quarter.

**4.3 Reporting.** Each payment shall be accompanied by a financial statement detailing the Gross Revenue, permitted deductions (returns/refunds), and the calculation of the Net Revenue for that period.

## 5. MITIGATION & RISK MANAGEMENT

*To balance the risk for both parties, the following mitigation terms are included:*

**5.1 Minimum Annual Payment (Investor Protection).**

Notwithstanding the actual Net Revenue, the Company guarantees a minimum total payment to the Investor of **\$100,000** per year. If the 6% share falls below this amount, the Company shall pay the difference at the end of the fiscal year.

## **5.2 Buyout Option (Company Protection).**

The Company reserves the right to terminate this Agreement early by paying the Investor a "Buyout Amount." The Buyout Amount shall be equal to **[Multiplier, e.g., 2.0x]** the original Investment Amount (\$900,000), minus the total of all Revenue Share payments already made to the Investor.

## **5.3 Default.**

The Company shall be in default if it fails to make any payment within fifteen (15) days of the due date. In the event of Default, the remaining unpaid balance of the Investment Amount (plus any accrued Revenue Share) shall become immediately due and payable.

## **5.4 Subordination.**

The Investor's rights to payment under this Agreement shall be subordinate to any senior secured debt (e.g., bank loans) obtained by the Company.

# **6. CONFIDENTIALITY & NON-DISCLOSURE**

**6.1 Definition.** "Confidential Information" includes all financial data, business strategies, customer lists, and proprietary technology disclosed by the Company to the Investor.

**6.2 Obligations.** The Investor agrees to:

- (a) Keep all Confidential Information strictly confidential;
- (b) Not disclose such information to any third parties without prior written consent;
- (c) Use such information solely for the purpose of monitoring their investment.

**6.3 Exclusions.** Confidential Information does not include information that is publicly known or independently developed by the Investor.

**6.4 Duration.** The obligations of this section shall survive the termination of this Agreement for a period of **7 years**.

## 7. GENERAL PROVISIONS

**7.1 Governing Law.** This Agreement shall be governed by the laws of the State of Kansas.

**7.2 Entire Agreement.** This Agreement constitutes the entire understanding between the Parties and supersedes all prior agreements.

**7.3 Severability.** If any provision of this Agreement is found to be unenforceable, the remainder shall be enforced as fully as possible.

**7.4 Audit Rights.** The Investor shall have the right, at their own expense, to audit the Company's books once per year to verify Net Revenue calculations.

## 8. SIGNATURES

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the date first written above.

### THE COMPANY

Signature: \_\_\_\_\_

Name: \_\_\_\_\_ Dr Marty Nuttall \_\_\_\_\_

Title: \_\_\_\_\_ Founder and Chief Executive Officer

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

### THE INVESTOR

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

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

## 9. CONTACT INFORMATION

### Notices to Company:

Address: \_\_211 Lakeside Dr, #57101, Leavenworth, Kansas, 66048, United States

Email: [Sales Poppa Joe](#)

Phone: \_\_\_1 (913) 608-7337

### Notices to Investor:

Address: \_\_\_\_\_

Email: \_\_\_\_\_

Phone: \_\_\_\_\_