



State of Rhode Island
Office of the Secretary of State

Fee: \$50.00

Division Of Business Services
148 W. River Street
Providence RI 02904-2615
(401) 222-3040

ID# 1792039

Domestic Limited Liability Company

Fictitious Business Name Statement

(Section 7-16-9 of the General Laws of Rhode Island, 1956, as amended)

SECTION I

The legal name of the applicant limited liability company is: Apex Collective, LLC

SECTION II

The fictitious business name to be used is: Apex Kitchens and Baths

SECTION III

The state or territory under the laws of which it is organized is
State: RI Country: USA

SECTION IV

The date of organization is 06/18/2025

Signed this 15 Day of August, 2025 at 12:37:20 PM. This electronic signature of the individual or individuals signing this instrument constitutes the affirmation or acknowledgement of the signatory, under penalties of perjury, that this instrument is that individual's act and deed or the act and deed of the company, and that the facts stated herein are true, as of the date of the electronic filing, in compliance with R.I. Gen. Laws § 7-16.

Apex Collective, LLC

Name of Applicant Limited Liability Company

MARK KEMP

Signature of Authorized Person

FILED
AUG 15 2025
BY 1342427
12:35

Form No. 624
Revised 09/07

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("Agreement") is made this 18th day of July, 2025 (the "Effective Date"), by and among **APEX KITCHENS & BATHS, INC.**, a Rhode Island corporation with a mailing address of 50 Heron Way, Wakefield, RI 02879 (the "Seller"), and **APEX COLLECTIVE, LLC**, a Rhode Island limited liability company having an address of 17 Town Way, Little Compton, RI 02837 (the "Buyer"). Seller and Buyer are sometimes referred to herein individually as a "Party" and collectively as the "Parties".

BACKGROUND STATEMENTS:

WHEREAS, Seller owns and operates cabinet design company (the "Business") located at 767 E Main Rd, Middletown, Rhode Island (the "Location"); and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, substantially all of the assets of the Seller relating to the ownership and operation of the Business at the Location, tangible or intangible, wherever located, for the consideration and on the terms set forth in this Agreement.

NOW, WHEREFORE, in consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. *Agreement to Sell and Buy Assets; Excluded Assets; No Assumption of Liabilities.*

(a) Upon the terms and subject to the conditions set forth in this Agreement, at the "Closing" (as hereinafter defined), Seller shall sell, convey, assign, transfer and deliver to Buyer, and Buyer shall purchase and acquire from Seller, free and clear of any liens, claims and encumbrances, all of Seller's right, title and interest in and to the property and assets, real, personal or mixed, tangible and intangible, of every kind and description, wherever located, used or useful in, or related to the operation of, the Business, including, but not limited to, the following: (i) personal property, equipment, trade fixtures and furniture including without limitation, the items identified on **Exhibit A** attached hereto, (ii) governmental permits and licenses to the extent same are transferrable, and (iii) intangible rights and property of the Seller, including intellectual property assets (owned or licensed), trade name, going concern value, goodwill, "URLs", telephone, telecopy and e-mail addresses, business records and social media accounts. All of the property and assets to be transferred to Buyer hereunder are referred to collectively as the "Assets," and (iv) all mailing, vendor, customer lists, referral and referrer lists, and all files, documents, correspondence, records and other data relating to the Business, whether in writing, electronic, or magnetically recorded form, including all such data relating to supplies, customers, members, vendors or advertising, as well as all other business and financial records and data relating to the business.

(b) The Parties agree that the following assets of Seller are excluded from the Assets and shall remain the property of Seller after the Closing: (i) cash on hand, accounts receivable, bank accounts, cash equivalents and short-term investments received or earned prior to Closing, (ii) business records relating to the formation and organization of the Seller, (iii) personnel and other records that the Seller are required by law to retain in its possession, in which case Seller will provide Buyer with copies of such records (unless prohibited by applicable law or binding agreements) to the extent such records relate to personnel that will work for Buyer following Closing, (iv) all claims for refunds of taxes, other governmental charges or amounts paid of whatever nature that accrued prior to Closing or relate to periods prior to the Closing Date (prorated on a daily basis for refunds applicable to a measuring period that includes pre-Closing and post-Closing days), (v) all rights of Seller under this Agreement and all agreements and instruments executed and delivered pursuant to this Agreement, (vi) the 2018 Lexus RX 350, (vii) Seller's laptop, (viii) Seller's cell phone, phone plan, and cell phone number, and (ix) Seller's email address at the Business URL. All of the property and assets excluded from the transfer to Buyer hereunder are referred to collectively as the "Excluded Assets."

(c) The Assets should be sold and conveyed to Buyer free and clear of all mortgages, security interests, charges, pledges, encumbrances, liabilities, restrictions, claims and liens of any kind. Buyer does not agree to assume, pay, perform or discharge, and shall not be liable for any obligation of Seller, or relating to the business of Seller, of any nature whatsoever (whether express or implied, fixed or contingent, liquidated or unliquidated, known or unknown, accrued, due or become due), that is not expressly set forth on **Schedule 1(a)** (the "Assumed Liabilities"), except liabilities related to jobs and projects or countertop commissions to be received by Buyer referenced in Section 2(e)(i) and (iii).

2. *Purchase Price; Closing Adjustments.*

(a) Subject to adjustment pursuant to Sections 2(b), the purchase price of the Assets (the "Purchase Price") is \$7,000,000.00 (Seven Million Dollars). The Purchase Price is payable by Buyer as follows:

(i) A \$1,000,000.00 (One Million Dollars) deposit (the "First Deposit") which was paid upon the signing of letter of intent, and is being held in escrow by Sunbelt of Greater Boston, MA & RI (the "Escrow Holder"). At Closing, the Escrow Holder shall release the Deposit monies to the Seller; and

(ii) A \$1,000,000.00 (One Million Dollars) deposit (the "Second Deposit") and, together with the First Deposit, the "Deposits") will be paid and held in escrow by the Escrow Holder upon the completion of the Due Diligence Period, as hereinafter defined. At Closing, the Escrow Holder shall release the Deposit monies to the Seller; and

(iii) The remainder of the Purchase Price, subject to adjustments, shall be paid at Closing as follows:

a. SEVEN (\$7,000,000.00) (the "Closing Payment"), shall be paid at the Closing by the Buyer to the Seller in immediately available funds or by bank wire or attorney trust check (in addition to the Security Deposits being paid to Seller by the Escrow Holder), subject to any adjustments as set forth herein. Seller may direct that a portion of the Closing Payment due to Seller at Closing be applied to the payment and discharge of any indebtedness or liability of the Seller relating to the Business; and

b. Buyer shall personally deliver a secured promissory note to Seller (or Seller's designee) in the amount of \$1,000,000.00 (One Million Dollars) paid over Eighty-Four (84) months at Seven Percent (7%) interest, with two (2) years of interest-only payments, thereafter fully amortized over five (5) years, secured by the Assets and a personal guaranty, with no pre-payment penalty (the "First Promissory Note") (attached hereto as **Exhibit E**); and

c. Buyer shall personally deliver a promissory note to Seller (or Seller's designee) in the amount of \$1,000,000.00 (One Million Dollars) paid over One Hundred Twenty (120) months at Seven Percent (7%) interest, with ten (10) years of deferred payments, interest accruing, with a balloon payment at the end of the tenth (10th) anniversary of Closing, no pre-payment penalty, on full standby to the SBA Loan, secured by a personal guaranty (the "Second Promissory Note" and, collectively with the First Promissory Note, the "Promissory Notes") (attached hereto as **Exhibit F**); and

d. Buyer shall personally deliver a personal guaranty (the "Personal Guaranty"), guarantying payment and performance pursuant to the Promissory Notes (attached hereto as **Exhibit G**).

(b) At the Closing, the Parties shall adjust and pro-rate any expenses and expense reimbursements of the Business (e.g., rent, utility expenses, website costs, marketing expenses, co-op

agreement reimbursements etc.) as of the date of Closing such that the portion of such expenses relating to any period prior to the date of Closing shall be borne by Seller and the portion of such expenses relating to any period on or subsequent to the date of Closing shall be borne by Buyer. Such proration shall be daily, based on the amount of days in the measuring period (month, calendar quarter, or year, as the case may be for the applicable expense) occurring before or after the Closing Date.

(c) This Agreement represents an asset purchase only, and not a continuation of the Business operated by Seller. At or immediately prior to Closing, the employees of the Seller that the Buyer desires to employ shall be advised of the sale and informed that their employment with Seller shall cease on the Closing Date. While Buyer may elect to hire one or more of the persons previously employed by Seller in the operation of the Business, Buyer is under no obligation to do so and shall not assume or become responsible for any vacation pay, sick leave pay, workers compensation benefits, payroll taxes, pension or retirement plans, or any other obligations or liabilities that Seller may have to or because of Seller's employees. Seller shall be solely responsible, and Buyer shall have no obligations whatsoever for, any compensation or other amounts payable to any current or former employee, officer, director, independent contractor or consultant of the Business, including, without limitation, hourly pay, commission, bonus, salary, accrued vacation, fringe, pension or profit sharing benefits or severance pay for any period relating to the service with Seller at any time on or prior to the Closing Date and Seller shall pay all such amounts to all entitled persons on or prior to the Closing Date. Seller and Buyer agree to work together in good faith to offer retention agreements for workers of the Business, with such costs to be split by Buyer and Seller. The agreed-upon bonuses for the retention agreements are \$5,000 for each of the three (3) designers and \$3,000 for the office manager (payable if the applicable worker is still working for Buyer one year after Closing), with the total cost of \$18,000 to be split evenly between Seller and Buyer. Notwithstanding the foregoing, Buyer shall be under no obligation to retain any employee after Closing.

(d) Seller shall be solely responsible, and Buyer shall have no obligations whatsoever for, any compensation or other amounts payable to any current or former employee, officer, director, independent contractor or consultant of the Business, including, without limitation, hourly pay, commission, bonus, salary, accrued vacation, fringe, pension or profit sharing benefits or severance pay for any period relating to the service with Seller at any time on or prior to the Closing Date and Seller shall pay all such amounts to all entitled persons on or prior to the Closing Date or, if later, when such amounts come due.

(e) Work in Progress. The Parties agree to the following treatment of jobs and projects, and related payments in progress as of the Closing Date.

(i) Any jobs or projects that are in progress but have not yet been reduced to a signed contract as of the Closing Date—including those in the design or proposal stage—shall become the sole property of Buyer and Seller shall have no obligation in relation thereto. Notwithstanding anything herein to the contrary, Seller makes no representation or warranty with regard to any such jobs or projects, and Buyer may choose to enter into a contract based on Buyer's own assessment of such jobs or projects. Buyer shall be entitled to the full amount of any fees, deposits, or payments received in connection with such jobs or projects after the Closing Date and shall be solely responsible for the performance and completion of such jobs or projects. Eighty-five percent (85%) of the deposits previously collected by Seller for these jobs or projects prior to Closing shall be transferred to Buyer (directly or through adjustment on the settlement statement), and Buyer shall thereafter be responsible for payment of all commissions to workers related to such jobs or projects.

(ii) All jobs or projects for which a contract has been signed by a customer prior to the Closing Date shall remain the sole property and responsibility of Seller. Seller shall retain all payments, deposits, and fees related to such jobs or projects and shall be solely responsible for all costs, obligations, and liabilities associated therewith, including but not limited to payments to suppliers, contractors, subcontractors, and the satisfaction of all applicable taxes and governmental obligations. For the avoidance of doubt, the employees and workers (whether or not hired by Buyer at or after Closing) shall be permitted to perform ongoing work related to these jobs or projects. Notwithstanding anything herein to the contrary, Seller's performance (directly or indirectly) of these jobs or projects shall not be subject to any restrictions

set forth herein, including, without limitation, the noncompete and nonsolicitation provisions set forth herein.

(iii) The Parties acknowledge and agree that countertop commission referral fees shall be governed by this Section 2(iii), and not Sections 2(c)(i) or (ii). Countertop commissions received after the Closing will remain with the Seller if the referral was made prior to the Closing, and Seller shall remain responsible for paying designers their portion of such commissions. Countertop commissions received after the Closing will remain with the Buyer if the referral was made on or after to the Closing.

(iv) The Parties shall cooperate in good faith to identify and categorize all in-progress jobs or projects prior to Closing, as set forth in **Schedule 2** (collectively, the "Work in Progress").

(f) Seller shall remain solely responsible for the satisfaction of all claims for medical, dental, life insurance, health accident or disability benefits brought by or in respect of current or former employees, officers, directors, independent contractors or consultants of the Business or the spouses, dependents or beneficiaries thereof, which claims relate to events occurring on or prior to the Closing Date. Seller also shall remain solely responsible for all worker's compensation claims of any current or former employees, officers, directors, independent contractors or consultants of the Business which relate to events occurring on or prior to the Closing Date. Seller shall pay, or cause to be paid, all such amounts to the appropriate persons as and when due, in accordance with applicable law and any verbal or written agreements.

3. *Liabilities.*

(a) Seller shall be liable for all liabilities relating to the Business incurred or accrued through the Closing Date, except for the Assumed Liabilities or liabilities related to jobs and projects or countertop commissions to be received by Buyer referenced in Section 2(c)(i) and (iii). Except for the Assumed Liabilities set forth on **Schedule 1(a)** or liabilities related to jobs and projects or countertop commissions to be received by Buyer referenced in Section 2(c)(i) and (iii), in no event shall Buyer be deemed to have assumed any liabilities, obligations or commitments of Seller with respect to liabilities, the Assets or the Business, whether accrued or fixed, absolute or contingent, known or unknown, determined or determinable or otherwise (and whether due or to become due) existing as of, or arising prior to, the Closing Date (the "Retained Liabilities"). For the avoidance of doubt, Retained Liabilities shall include, without limitation, any employee obligation or benefit plan of Seller.

(b) Seller shall pay, perform and discharge, when due (in accordance with applicable law and any verbal or written agreements), all of the liabilities, obligations and commitments relating to the conduct and operation of the Business and ownership of the Assets prior to the Closing, including without limitation (i) any liability of Seller for performance prior to the date of Closing of any contracts or agreements not transferred to Buyer pursuant hereto, (ii) any liability for taxes arising as a result of Seller's operation of the Business or ownership of the Assets prior to the date of Closing, (iii) any liability arising out of any litigation or proceeding commenced after the date of Closing, but only to the extent and in the amount relating to any occurrence or event happening prior to the date of Closing (which litigation or proceeding Seller must be permitted to participate in and settle), and (iv) any liability of Seller under this Agreement or any other document or instrument executed pursuant hereto.

4. *Allocation of Purchase Price.* The Parties agree to allocate the Purchase Price in accordance with **Exhibit B**. After the Closing, the Parties will make consistent use of the allocation, for all tax purposes and in all filings, declarations and reports with the IRS in respect thereof, including the reports required to be filed under Section 1060 of the Internal Revenue Code. Buyer will prepare and deliver IRS Form 8594 to Seller within forty-five (45) days after the date of Closing for Seller's review or approval, such approval

hereunder, the Parties' advisors or as required by law) without the express written permission of the other Party.³

(k) *Survival.* The representations and warranties of the Parties shall survive the Closing Date for a period of two (2) years (the "Survival Period"). The obligations of the Parties to provide indemnification with respect to a breach of the representations and warranties set forth in Section 6 and Section 7 shall terminate upon expiration of the Survival Period; provided, however that the obligation to indemnify shall not terminate in the event that the party entitled to indemnification has provided written notice of a claim to the other party prior to expiration of the Survival Period and promptly pursues such claim by arbitral or judicial process within six (6) months of such notice being delivered.

16. *Risk of Loss; Casualty; Eminent Domain.*

(a) *Casualty.* If the Location or Assets are damaged by fire or other casualty prior to Closing, either Party shall have the right to terminate this Agreement by providing written notice to the other within thirty (30) days following the casualty event (but no later than at the Closing), except Seller shall have no right to terminate this Agreement if Buyer is willing to accept either the Location or Assets, as the case may be, in its post-casualty condition without abatement of the Purchase Price, and Buyer shall indemnify and hold harmless Seller from and against any claims, losses, or damages arising out of or related to such casualty, including, but not limited to reasonable attorneys' fees.

(b) *Eminent Domain.* If, prior to the Closing, any portion or all of the Location is taken by eminent domain, then Buyer and Seller shall each have the option of: (a) terminating this Agreement by written notice to Seller and Escrow Agent, whereupon the Deposit shall be promptly returned, in its entirety, to Buyer (unless Buyer has breached, or is otherwise in default of, this Agreement), and each Party shall be relieved from any further obligation hereunder; or (b) proceeding with the Closing. Seller shall promptly notify Buyer of any actual or threatened condemnation affecting the Location of which Seller has notice.

17. *Default.* In the event of default under this Agreement, the non-defaulting party may pursue all available remedies at law or in equity against the defaulting party.

18. *Rights of Offset.* In the event there is an indemnifiable claim owed by the Seller Indemnifying Party (in accordance with Section 14(a)) that is not timely paid within ten (10) business days following such payment coming due, Buyer shall be permitted to offset payments owed to Buyer against amounts owed under the Promissory Notes. Such offsets shall be applied against (i) first, the principal and interest of the Second Promissory Note, and (ii) second, against the principal and interest of the First Promissory Note. For the avoidance of doubt, such offsets shall not delay timing of payments under the Promissory Notes or recalculate the size of the payments, but rather the offsets shall be applied in a manner that reduces the balloon payment under the Second Promissory Note and reduces the term of the First Promissory Note.

19. *Security Interest.* The Promissory Notes shall be secured by a first priority security interests in the current and future assets of the Business (the "Collateral"). This Agreement is effective to create a valid, continuing, and enforceable security interest on and, upon the filing of the appropriate financing statements, a perfected security interest in favor of the payee of the Promissory Notes (each, a "Payee") on the Collateral (including proceeds therefrom) with respect to which a security interest may be perfected by filing pursuant to the Uniform Commercial Code applicable to the Collateral (the "UCC"). Buyer hereby authorizes any Payee, in its own name, or its designees, at any time and from time to time, to give notice to any Person of this Agreement and of the assignment of the Collateral to a Payee and of such Payee's lien on and security interest in the Collateral. Buyer further irrevocably authorizes any Payee or its designees, at any time and from time to time, to file in any appropriate jurisdiction any financing statements or intellectual property security agreements and amendments thereto, which financing

³ DE NTD: I think it makes sense to incorporate the same confidentiality carveouts here as above in the agreement. Otherwise, we can combine the sections. If Buyer's counsel has a preference, update accordingly.

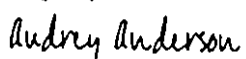
statements may describe the Collateral as all assets of the Buyer whether now owned or hereafter acquired and all proceeds and products thereof or words of similar effect, or with greater detail, and contain other information required by the UCC for the sufficiency of any financing statement or amendment. Buyer agrees to furnish any information necessary to prepare such financing statements, intellectual property security agreements and amendments to any Payee upon request. Notwithstanding the foregoing, nothing herein shall require any Payee to file financing statements, intellectual property security agreements or continuation statements or be responsible for maintaining the security interest purported to be created as described herein. The provisions of this Section shall survive Closing.

[Rest intentionally left blank; Signatures to appear on following page(s)]

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

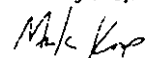
SELLER

APEX KITCHENS & BATHS, INC.

Signed by:

Audrey Anderson, President
Apex Kitchens & Baths, Inc.

BUYER

APEX COLLECTIVE, LLC

DocuSigned by:

Mark Kemp, Managing Member
Apex Collective, LLC

LIST OF EXHIBITS:

- A - List of Equipment
- B - Purchase Price Allocation
- C - Form of Bill of Sale
- D - Lease Agreement
- E - Form of First Promissory Note
- F - Form of Second Promissory Note
- G - Personal Guaranty
- H - Dealership Agreements

SCHEDULES

- 1(a) - Assumed Liabilities
- 1(b) - Assumed Contracts
- 2 - Work in Progress
- 3 - Permits