



Alternative Reporting Standard: Pink® Basic Disclosure Guidelines

Federal securities laws, such as Rules 10b-5 and 15c2-11 of the Securities Exchange Act of 1934 ("Exchange Act") as well as Rule 144 of the Securities Act of 1933 ("Securities Act"), and state Blue Sky laws, require issuers to provide *current information* to the public markets. With a view to facilitating compliance with these laws, OTC Markets Group has created these Pink Basic Disclosure Guidelines ("Guidelines").¹ These Guidelines set forth the disclosure obligations that make up the "Alternative Reporting Standard" for Pink companies. These Guidelines have been designed to encompass the "Catch All" information required in Rule 15c2-11,² however they have not been reviewed by the U.S. Securities and Exchange Commission or any state securities regulator. We use information provided by companies under these Guidelines to designate the appropriate tier in the Pink Market: Current Information or Limited Information.³

These Guidelines may be amended from time to time, in the sole and absolute discretion of OTC Markets Group, with or without notice. The information provided by companies under these Guidelines is subject to our [Privacy Policy](#).

¹ This is not legal advice, and OTC Markets Group makes no assurance that compliance with our disclosure requirements will satisfy any legal requirements.

² Publication of information pursuant to these Guidelines also does not guarantee or ensure that the Company will be designated as having "current information" or eligible for public quotations pursuant to Rule 15c2-11 or any other applicable regulation.

³ OTC Markets Group may require companies with securities designated as Caveat Emptor to make additional disclosures in order to qualify for the Pink Current Information tier.

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

The Keller Manufacturing Company, Inc.

An Indiana Corporation

2603 Grassland Drive, Louisville, Kentucky 40299

www.kmfi.com

dougrink@talogistics.net

SIC CODE: 8721

Quarterly Report

For the Period Ending: 06/30/2021
(the "Reporting Period")

As of June 30th 2021, the number of shares outstanding of our Common Stock was: 6,575,522

As of March 31st 2020, the number of shares outstanding of our Common Stock was: 6,575,522

As of December 31st 2020, the number of shares outstanding of our Common Stock was: 6,175,522

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934): Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period: Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control⁴ of the company has occurred over this reporting period: Yes: ☐ No: ☒

1) Name and address (es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years;
Indiana, Active

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:
None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:
None

⁴ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

On June 28th 2021, we issued two convertible debentures totaling \$150,000 to two affiliates of the company due June 1st 2023 paying 4% interest per annum. These funds were used as collateral for a \$150,000 credit line with BB&T Bank for use in our subsidiary TA Logistics, Inc.(See Note 3B below)

On December 4th 2020, the company purchased 100% of the issued and outstanding stock of "TA Logistics, Inc." a 3PL (third party logistics) company located in Greer, South Carolina run by its founders for a cash payment of \$25,000. TA Logistics, Inc.

The address of the issuer's principal executive office: 2603 Grassland Drive, Louisville, Kentucky 40299

The address of the issuer's principal place of business: 2603 Grassland Drive, Louisville, Kentucky 40299
Check box if principal executive office and principal place of business are the same address: ☒

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years? Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below: None

2) Security Information

Trading symbol:	<u>KMFI</u>	
Exact title and class of securities outstanding:	<u>Common Stock</u>	
CUSIP:	<u>1085209</u>	
Par or stated value:	<u>None</u>	
Total shares authorized:	<u>40,000,000</u>	as of date: <u>06/30/2021</u>
Total shares outstanding:	<u>6,575,522</u>	as of date: <u>06/30/2021</u>
Number of shares in the Public Float ⁵ :	<u>4,278,148</u>	as of date: <u>06/30/2021</u>
Total number of shareholders of record:	<u>217</u>	as of date: <u>06/30/2021</u>

All additional class of publicly traded securities (if any): None

Transfer Agent

Name: Computer Share
Phone: 502-301-6106
Email: Andrew.Waford@computershare.com
Address: Meidinger Tower, 11th floor, 462 S. 4th Street, Louisville, KY 40202

Is the Transfer Agent registered under the Exchange Act?⁶ Yes: ☒ No: ☐

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

⁵ "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

⁶ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☒

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>12.31.2020</u> Common: <u>6,575,522</u> Preferred: <u>0</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
None	None	None	None	None	None	None	None	None	None
Shares Outstanding on Date of This Report: <u>Ending Balance</u> <u>Ending Balance:</u> Date <u>06/30/2021</u> Common: <u>6,575,522</u> Preferred: <u>0</u>									

B. Debt Securities, Including Promissory and Convertible Notes.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☒

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
<u>6/28/2021</u>	<u>\$150,000</u>	<u>\$150,000</u>	<u>4%</u>	<u>6/1/2023</u>	<u>@ Par</u>	<u>James Stuckert (affiliate) & Denny Howell (affiliate-chairman)</u>	<u>Collateral for Credit Line w/Bank for Subsidiary.</u>

4) Financial Statements

A. The following financial statements were prepared in accordance with:

☒ U.S. GAAP

B. The financial statements for this reporting period were prepared by (name of individual)⁷:

⁷ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP by persons with sufficient financial skills.

Name: Douglas W. Rink
Title: CEO
Relationship to Issuer: CEO

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- G. Financial notes; and
- H. Audit letter, if audited

Incorporated by reference and filed separately financial statements for year ended 12/31/20

Date	Filed	Location	Date Filed
2019	Annual Report	OTC Markets	4/26/2021
2020	Annual Report	OTC Markets	4/26/2021
2021	Q1	OTC Markets	4/26/2021
2021	Q2	OTC Markets	8/13/2021

5) Issuer's Business, Products and Services

A. Business operations:

The Company's history dates back to 1866 when the "Keller Store" in Corydon, Indiana was established. From that time, the operation entered into various businesses, including running an electrical light plant, manufacturing spokes for farm wagons, operation in a hub-mill, farm wagon production, building barns, producing wooden porch furniture, wooden truck bodies and refrigerator boxes, as well as making end tables, magazine racks, chair parts - and by 1933, a drop leaf table. The Company was incorporated in 1906 under the laws of the State of Indiana. Over 300,000 wagons were built from 1901 - 1912. In 1942, however, the invention of the farm tractor made the Keller wagon obsolete thereby causing the Company to end its wagon production. In late 1943, the Company developed household furniture, including breakfast room suites and dinettes. In the early 1960's, Keller introduced its first bedroom group. A new plant was built at Culpeper, Virginia in 1965 and a third plant was built in 1973 at New Salisbury, Indiana.

B. Please list any subsidiaries, parents, or affiliated companies.

In 1979, the Company leased four trucks and trailers to deliver furniture directly to their furniture dealers. In 1996, the Company formed Keller Dedicated Trucking, Inc. ("Keller Trucking"), a wholly owned subsidiary of the Company. Its primary function is to provide delivery services for the Company. Keller Trucking also transfers materials between plants, provides delivery for some purchased merchandise and provides backhaul services for other companies when available. Keller Trucking operated 22 trucks in 1999 which delivered approximately 80% of the Company's finished products.

On December 4th 2020, we purchased 100% of the issued and outstanding stock of TA Logistics, Inc. ("TAL") located Greer, South Carolina. TAL will now be a 100% owned subsidiary of Keller. With this acquisition we positioned ourselves as a regional transportation and supply chain management company. We completed our business model when we completed the acquisition of TAL which is a non-asset based logistics company that provides domestic freight forwarding services through a network of customers across North America. TAL services a diversified account base including manufacturers, distributors and retailers and other Logistics companies using a network of independent carriers positioned strategically around the country. By implementing a growth strategy based on the operations of TAL as a platform, we intend to build a leading national transportation and supply-chain management company

offering a full range of domestic freight forwarding and other value added supply chain management services, including micro-order fulfillment, inventory management and micro-warehousing.

Our growth strategy will focus on both organic growth and acquisitions. From an organic perspective, we will focus on strengthening existing and expanding new customer relationships. One of the drivers of our organic growth will be securing new exclusive agency locations. Since our acquisition of TAL in December 2020, we will focused our efforts on the build-out of a network of exclusive agency offices, as well as enhancing our back-office infrastructure and transportation and accounting systems. As we continue to build out our network of exclusive agent locations to achieve a level of critical mass and scale, we intend to implement an acquisition strategy to develop additional growth opportunities. Implementation of an acquisition strategy will rely upon two primary factors: first, our ability to identify and acquire target businesses that fit within our general acquisition criteria and, second, the continued availability of capital and financing resources sufficient to complete these acquisitions.

Following our acquisition of TAL, we will from time-to-time identify a number of additional companies that we believed could be suitable acquisition candidates. However, for a variety of reasons, pricing concerns, due diligence issues or risks associated with operational integration, might prevent us from achieving follow-on transactions to our platform acquisition. On a longer-term basis, we remain committed to our acquisition strategy and continue to search for targets that will fit within our acquisition criteria. Our ability to secure additional financing will rely upon the sale of debt or equity securities, and the development of an active trading market for our securities, neither of which can be assured. Our growth strategy will be designed to take advantage of shifting market dynamics.

The third party logistics industry continues to grow as an increasing number of businesses outsource their logistics functions to more cost effectively manage and extract value from their supply chains. The industry is positioned for further consolidation as it remains highly fragmented, and as customers are demanding the types of sophisticated and broad reaching service offerings that can more effectively be handled by larger more diverse organizations. 2 Successful implementation of our growth strategy depends upon a number of factors, including our ability to: (i) begin developing new agency locations; (ii) locate acquisition opportunities; (iii) secure adequate funding to finance identified acquisition opportunities; (iv) efficiently integrate the businesses of the companies we acquire; (v) generate the anticipated economies of scale from the integration; and (vi) maintain the historic sales growth of the acquired businesses in order to generate continued organic growth.

Our Competitive Advantages.

As a non-asset based third-party logistics provider, we believe that we will be well-positioned to provide cost-effective and efficient solutions to address the demand in the marketplace for transportation and logistics services. We believe that the most important competitive factors in our industry are quality of service, including reliability, responsiveness, expertise and convenience, scope of operations, geographic coverage, information technology and price. We believe our primary competitive advantages are: (i) our low cost; non-asset based business model; (ii) our information technology resources; and (iii) our diverse customer base.

• Non-asset based business model.

With relatively no dedicated or fixed operating costs, we are able to leverage our network of exclusive agency offices and offer competitive pricing and flexible solutions to our customers. Moreover, our balanced product offering provides us with revenue streams from multiple sources and enables us to retain customers even as they shift from priority to deferred shipments of their products. We believe our model allows us to provide low-cost solutions to our customers while also generating revenues from multiple modes of transportation and logistics services.

• Competition and Business Conditions

The logistics business is directly impacted by the volume of domestic and international trade. The volume of such trade is influenced by many factors, including economic and political conditions in the United States and abroad, major work stoppages, exchange controls, currency fluctuations, acts of war, terrorism and other armed conflicts, United States and international laws relating to tariffs, trade restrictions, foreign investments and taxation. • Intention to develop a Global network. We intend to focus on expanding our network on a national basis. Once accomplished, this will enable us to provide a closed-loop logistics chain to our customers nationwide. Within North America, our capabilities consist of our pick-up and delivery network, ground and air networks, and logistics capabilities. Our ground and pick-up and delivery networks enable us to service the growing deferred forwarding market while providing the domestic connectivity for international shipments once they reach North America.

• **Information technology resources.**

A primary component of our business strategy is the continued development of advanced information systems to continually provide accurate and timely information to management and customers. Our customer delivery tools enable connectivity with our customers' and trading partners' systems, which leads to more accurate and up-to-date information on the status of shipments.

• **Diverse customer base.**

We have a diversified base of customers that includes manufacturers, distributors and retailers.

• **Sales and Marketing.**

We principally market our services through the senior management team in place at our agent office located in Greer, South Carolina. Our office is staffed with an operational employee of the agent to provide support for the sales, develop frequent contact with the customer's traffic department, and maintain customer service. Through the agency relationship, the agent has the ability to focus on the operational and sales support aspects of the business without diverting costs or expertise to the structural aspect of its operations and provides the agent with the regional, national brand recognition.

As we continue to grow, we expect to implement a national accounts program which is intended to increase our emphasis on obtaining high revenue national accounts with multiple shipping locations. These accounts typically impose numerous requirements on those competing for their freight business, including electronic data interchange and proof of delivery capabilities, the ability to generate customized shipping reports and a nationwide network of terminals. These requirements often limit the competition for these accounts to a very small number of logistics providers. We believe that our anticipated future growth and development will enable us to more effectively compete for and obtain these accounts.

• **Regulation**

There are numerous transportation related regulations. Failure to comply with the applicable regulations or to maintain required permits or licenses could result in substantial fines or revocation of operating permits or authorities. We cannot give assurance as to the degree or cost of future regulations on our business. Some of the regulations affecting our current or prospective operations are described below.

Surface freight forwarding operations are subject to various federal statutes and are regulated by the Surface Transportation Board. This federal agency has broad investigatory and regulatory powers, including the power to issue a certificate of authority or license to engage in the business, to approve specified mergers, consolidations and acquisitions, and to regulate the delivery of some types of domestic shipments and operations within particular geographic areas. The Surface Transportation Board and U.S. Department of Transportation also have the authority to regulate interstate motor carrier operations, including the regulation of certain rates, charges and accounting systems, to require periodic financial reporting, and to regulate insurance, driver qualifications, operation of motor vehicles, parts and accessories for motor vehicle equipment, hours of service of drivers, inspection, repair,

maintenance standards and other safety related matters. The federal laws governing interstate motor carriers have both direct and indirect application to the Company.

The breadth and scope of the federal regulations may affect our operations and the motor carriers which are used in the provisioning of the transportation services. In certain locations, state or local permits or registrations may also be required to provide or obtain intrastate motor carrier services. As we broaden our capabilities to include customs brokerage operations, we will be subject to regulation by the Customs Service. Likewise, any customs brokerage operations would also be licensed in and subject to the regulations of their respective countries. In the United States, we are subject to federal, state and local provisions relating to the discharge of materials into the environment or otherwise for the protection of the environment. Similar laws apply in many foreign jurisdictions in which we may operate in the future. Although current operations have not been significantly affected by compliance with these environmental laws, governments are becoming increasingly sensitive to environmental issues, and we cannot predict what impact future environmental regulations may have on our business. We do not anticipate making any material capital expenditures for environmental control purposes.

C. Describe the issuers' principal products or services. Domestic distribution of air and ground freight.

6) Issuer's Facilities: Corporate Office: 2603 Grassland Drive, Louisville, KY 40299. Company warehouse/manufacturing space is: 201 East 8th Street, Newton, NC 28658 (the former McCreary Modern Furniture location.) in process of discontinuing these operations.

7) Company Insiders (Officers, Directors, and Control Persons)

Insiders listed are corporate shareholders or entities of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information.

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>Ronald W. Humin</u>	<u>Director</u>	<u>Prospect, KY</u>	<u>57,912</u>	<u>Comm</u>	<u>.01</u>	<u>1</u>
<u>David Burks</u>	<u>Director, President</u>	<u>Louisville, KY</u>	<u>36,078</u>	<u>Comm</u>	<u>.01</u>	<u>2</u>
<u>Soloman Oden Howell, Jr.</u>	<u>Director, Chair</u>	<u>Louisville, KY</u>	<u>1,184,170</u>	<u>Comm</u>	<u>21%</u>	<u>3</u>
<u>James W. Stuckert</u>	<u>Affiliate</u>	<u>Prospect, KY</u>	<u>2,918,083</u>	<u>Comm</u>	<u>42%</u>	<u>4</u>
<u>Douglas W. Rink</u>	<u>CEO</u>	<u>Newton, NC</u>	<u>179,045</u>	<u>Comm</u>	<u>2.7%</u>	

Notes:

1. Ronald W. Humin, is a member of the board of directors, directly controls 57,912 shares of common stock, his wife Martha Humin controls 10,000 shares of common stock and his son Steve Humin controls 10,000 of common stock for a total of 77,912 shares.
2. David Burks, is President and a member of the board of directors, directly controls 36,078 shares of common stock.

3. Solomon Oden Howell, is Chairman of the Board, controls 992,963 shares through his trust dated 06/25/2002. He also controls 191,207 shares of common stock personally for a total of 1,184,170 shares or 20.78% of the amount of shares outstanding.
4. James W. Stuckert, affiliate, controls 1,275,083 shares through his trust dated 2/10/86 restated 2/17/2007 he also controls 56,200 shares in the Jim Stuckert Roth IRA and 81,000 shares through his position of Ten Grand, LTD another 81,000 shares. His wife is also a Trustee and controls 1,000,000 shares of common stock for a total of 2,412,283 shares or 42% of the amount of shares outstanding.

8) Legal/Disciplinary History

A. Please identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses); None
2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities; None
3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or None
4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities. None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities. None

9) Third Party Providers

Other Service Providers:

Attorney: Vic Devlaeminck
100013 N.E. Hazel Dell Avenue
Vancouver, WA 98685
503-806-3533

10) Issuer Certification

Principal Executive Officer: Douglas W. Rink

The certifications shall follow the format below:

I, Douglas W. Rink, certify that:

1. I have reviewed this second quarterly disclosure statement of Keller Manufacturing Co., Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

08/13/2021

/s/ Douglas W. Rink, CEO

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Douglas W. Rink, CEO certify that:

1. I have reviewed this second quarterly disclosure financial report of Keller Manufacturing Co., Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

08/13/2021

/s/ Douglas W. Rink, interim CFO

(Digital Signatures should appear as "/s/ [OFFICER NAME]")