

# CONSIGNMENT AGREEMENT

1. **THE PARTIES.** This Consignment Agreement ("Agreement") is made and entered into as of the date of the last signature below, by and between:

**Consignor:** \_\_\_\_\_ with a mailing address of \_\_\_\_\_.

**Consignee:** \_\_\_\_\_ with a mailing address of \_\_\_\_\_.

The Consignor and the Consignee may each be referred to in this Agreement as a "Party" and collectively as the "Parties."

2. **GOODS.** The Consignee agrees to sell on behalf of the Consignor as follows:

3. **EXCLUSIVITY.** The Consignor grants the Consignee the right to sell the Goods under a(n): (check one)

- **Exclusive Basis.** No other party has the right to sell the Goods.
- **Non-Exclusive.** A third-party or the Consignor has rights to sell the Goods.

4. **TERM.** The Consignee has the right to sell the Goods under this Agreement for the following time period: (check one)

- **Ongoing Basis.** For an ongoing basis until canceled.
- **Fixed Period.** From \_\_\_\_\_, until \_\_\_\_\_.

Hereinafter known as the "Term."

5. **SELLING FEES.** Upon the sale of any of the Goods, the Consignor agrees to pay the Consignee the following: (check one)

- **Commission.** \_\_\_\_%
- **Fixed Fee.** \$\_\_\_\_\_.

Hereinafter known as the "Selling Fees."

**6. OTHER FEES.** In addition to the Consignee's Selling Fees: (check one)

- **No Other Fees.**
- **Other Fees** (describe). \_\_\_\_\_.

Hereinafter known as the "Other Fees."

**7. DISCOUNT AUTHORITY.** The Consignee agrees to start the price for the Goods in accordance with the wishes of the Consignor. Although, the Consignee shall have the following discount authority: (check one)

- **No Discount Authority.** Any potential sale of Goods offered at below its Initial Price, must be approved by the Consignor.
- **Full Discount Authority.** Any potential sale of Goods offered at below its Initial Price, but above the Minimum Price, does not need approval by the Consignor.
- **Other** (describe). \_\_\_\_\_.

**8. PAYOUT SCHEDULE.** The Consignee is required to make payouts to the Consignor on a: (check one)

- **Weekly Basis**
- **Monthly Basis**
- **Quarterly Basis**
- **Other** (describe). \_\_\_\_\_.

**9. REPRESENTATIONS AND WARRANTIES.** Consignor represents and warrants that:

- a.) They are the sole owner of the Goods and have full right and authority to consign them;
- b.) The Goods are free of any liens, claims, or encumbrances; and
- c.) The Goods are authentic and do not infringe upon any trademark, copyright, or other intellectual property rights of third parties.

**10. GOVERNING LAW.** This Agreement shall be governed by the laws of the State of the Consignee's place of business.

**11. MISCELLANEOUS TERMS.**

- a.) Abandonment. If the Consignor does not retrieve the Goods within 60 days after the termination of this Agreement, the Consignee has the option to, without liability, donate the Goods to charity, liquidate the Goods and retain 100% of the proceeds, or Dispose of the Goods.

- b.) Consignment. The Consignor agrees to allow the Consignee to sell the Goods on a consignment basis and in accordance with this Agreement. In no way does this Agreement transfer the ownership of the Goods to the Consignee.
- c.) Goods. The Consignor agrees to deliver the items mentioned in Section 2 (“Goods”). The Consignee is required to sell the Goods in accordance with the Consignor’s intentions under this Agreement.
- d.) Indemnification. Consignor agrees to indemnify and hold the Consignee harmless against any claims arising from a breach of the representations made in this Agreement. Consignee agrees to indemnify the Consignor against claims arising from the Consignee’s negligence or misconduct.
- e.) Independent Contractor Status. The Parties agree that the Consignee is an independent contractor and that nothing in this Agreement or arrangement shall constitute a partnership, joint venture, or employer-employee relationship.
- f.) Insurance. The Consignee does not guarantee that they maintain commercial general liability insurance covering the value of the Goods.
- g.) Limitation of Liability. Except for instances of gross negligence or willful misconduct, neither Party shall be liable for indirect, incidental, or consequential damages.
- h.) Net Proceeds. The total amount received from the sale of Goods, minus any applicable sales tax, credit card processing fees, and agreed-upon discounts.
- i.) Returning the Goods (after termination). Upon the termination of this Agreement, the Consignee agrees to return the Goods back to the Consignor within 30 days. The Consignee is responsible for all costs related to retrieving the Goods, including shipping costs.
- j.) Returns / Chargebacks. If a purchaser performs a chargeback or returns any of the Goods in accordance with the Consignee’s return policy, the sale is voided. If the Consignor has already been paid for the Goods sold, the amount must be returned within 30 days or deducted from future payouts, such option is decided by the Consignee.
- k.) Risk of Loss. The Consignee assumes all responsibility for the risk of loss, theft, fire, or damage to the Goods while in the Consignee’s possessions.
- l.) Selling Fees. Selling Fees are earned and payable when a sale of the Goods is consummated and the Consignee has received cleared sale proceeds, subject to Section 11(j). If the Agreement is Exclusive pursuant to Section 3, the Consignee is entitled to Selling Fees on any sale or other transfer of the Goods during the Term, whether made by the Consignee, the Consignor, or any third party. If the Agreement is Non-Exclusive, the Consignee is entitled to Selling Fees only for sales resulting from the Consignee’s efforts, including where the Consignee introduced the buyer or materially participated in negotiating the sale.
- m.) Storage Standards. Goods must be stored in a clean, secure, climate-controlled environment at all times and at a location to be agreed upon by the Parties.
- n.) Title. The title and ownership of Goods remain with the Consignor until the Goods are sold and delivered to a third-party purchaser.
- o.) Use of Intellectual Property. Consignor grants the Consignee a limited, non-exclusive license to use the Consignor’s trademarks, logos, and photographs of

the Goods solely for the purpose of marketing and selling the Goods during the Term.

**12. DISPUTE RESOLUTION.** Any dispute arising from this Agreement shall be resolved by binding arbitration in the Consignee's principal place of business under American Arbitration Association rules. Judgment on the award may be entered in any court having jurisdiction.

**13. ADDITIONAL TERMS & CONDITIONS.**

**14. ENTIRE AGREEMENT.** This Agreement constitutes the entire understanding between the parties and supersedes all prior agreements.

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

**Consignor Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Print Name:** \_\_\_\_\_

**Consignee Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Print Name:** \_\_\_\_\_