

Consignment Agreement

THIS CONSIGNMENT AGREEMENT (“Agreement”) is entered into this _____ day of _____, 20____ by _____ Company, and _____ (“Supplier”)

- 1. Nature and Scope:** Supplier and company want to get into this Agreement whereby Supplier distributes and company accepts Consigned Product, as stated herein, under the terms hereof.
- 2. Consignment of Product:** Supplier shall deliver to company at the elected sites or storehouses (the “Facilities”) quantities of Product as are mentioned in the attached Schedule (the “Consigned Product”) and company shall accept such Consigned Product on consignment according to the conditions of this Consignment Agreement. Upon shared agreement of the parties, Schedule may be revised from time to time during the period of this Agreement.
- 3. Title to Consigned Product:** company shall receive, hold and exercise reasonable care for such Consigned Products which shall remain the solitary and elite property of Supplier. Any costs linked with the care of the Consigned Product, while in the possession of company, shall be borne by Supplier. All lawful and reasonable right, title and interest (“Title”) to the Consigned Product shall remain with Supplier until such Consigned Products are used by company, at which time Title shall immediately pass to company or to the customers, respectively.
- 5. Payment for Consigned Product:** company shall forward to Supplier per payment terms specified in this clause of the Strategic Supplier Agreement the invoice amount for the Consigned Product used by company to produce finished Product or sold by company during the previous week.
- 6. Pricing:** Prices for Consigned Product shall be per Attachment 2 of the Strategic Supplier Agreement.
- 7. Compliance with Laws:** Supplier shall cooperate fully to effect fulfillment with any law, rule or regulation governing the Consigned Product. Moreover, Supplier represents and warrants that its books of account shall imitate that the Consigned Product are shipped and delivered to company as a consignment and not as a sale.
- 8. Warranties, Warranty Remedies:** Warranties and Warranty Remedies shall be as specified in Section _____ of the Strategic Supplier Agreement.
- 9. Risk of Loss; Insurance:** The risk of unintentional loss or devastation of the Consigned Product while in the possession of company shall be borne by Supplier. Company shall have no liability to Supplier as a bailee or otherwise with respect to Consigned Product apart from any damages may be directly and proximately caused exclusively by company gross negligence or company’s intentional damage to, or destruction of, Consigned Product. It shall be the responsibility of Supplier to sufficiently insure the Consigned Product at its own cost, for the benefit of and in the name of Supplier.
- 10. Disposition of Consigned Product:** In the event that Consigned Product not already covered by a company Purchase Order are not used or sold by company upon cancellation of this Agreement, company, at its choice, may elect to (i) purchase some or all of the remaining Consigned Product from Supplier at the price(s) established on Attachment 2 of the Strategic Supplier Agreement; and/or (ii) assign for return to Supplier the Consigned Product, in which case Supplier, at its only risk, cost and expense shall remove or cause to be removed the Consigned Product at no charge to company.

11. Term; Termination: This Agreement shall commence on the date hereof and shall continue until finished. This Agreement may be finished by either party by giving the other party not less than _____ (xx) days' prior written notice of cancellation. In the event of cancellation, this Agreement shall remain in effect to govern the temperament of any remaining Consigned Product.

This Agreement is executed as of the date noted above by certified representatives of company and Supplier.

Company:

By: _____

Title: _____

Date: _____

Supplier:

By: _____

Title: _____

Date: _____