

CONSIGNMENT STOCK AGREEMENT

(*"the Agreement"*)

BETWEEN Nebeau (Pty) Ltd (*"the Consignor"*), a company duly registered and existing under the laws of the Republic of South Africa, duly represented by Nolene Owen, with its head office located at 3 Janice Avenue, Flamwood, Klerksdorp, 2570

AND _____ (*"the Consignee"*), owner of _____, with its trading premises located at _____.

The parties agree as follows:

1. Recitals

- 1.1 The Consignor is an importer and re-seller of various hair and beauty products.
- 1.2 The Consignee is a salon wishing to buy at wholesale / salon prices and re-sell these products to its retail clients and/or wishes to use these products as consumables in his/her salon.

2. Duration of this agreement

- 2.1 This agreement will commence on _____ (*"the Effective date"*).
- 2.2 The Consignor agrees to provide the Consignee with consignment stock it deems sufficient for a period of 3 months from the effective date.
- 2.3 This initial period may be extended through mutual agreement between the parties.
- 2.4 The Consignee agrees to purchase technical products from the Consignor to the value of at least 50% of the consignment value in order to qualify to continue to carry consignment stock. Should the value of the technical purchases fall below 50%, the Consignor will reduce the consignment value accordingly.
- 2.5 This agreement is not assignable and may be terminated by either party giving 7 days' written notice to the other party.

3. Pricing structures

- 3.1 The Consignee agrees to use and sell the products at the prices as published by the Consignor from time to time.
- 3.2 Recommended maximum retail prices will be set by the Consignor. The Consignee will not charge amounts in excess of these recommended retail prices.
- 3.3 The Consignee may charge amounts less than the recommended retail prices, at its own discretion.

4. Payment terms

- 4.1 The Consignor, or its representative, shall perform a stock count on or before the _____ of every month.
- 4.2 The stock count may be performed physically or remotely through the use of photographs of the shelves to be submitted by the Consignee.
- 4.3 The Consignor shall issue an invoice, based on the agreed count, to the Consignee for any items sold, missing or damaged.

- 4.4 The Consignee shall effect payment for the invoice upon receipt. Any credit terms extended, shall not apply to consignment stock.
- 4.5 The Consignor retains the right to perform stock counts at any time to ensure the accuracy of statements submitted.

5. Ownership

- 5.1 Consigned stock shall remain the property of the Consignor until paid for by the Consignee.
- 5.2 If the Consignor, at its discretion, provides inventory display units, marketing banners, posters and displays to the Consignee, such items will remain the property of the Consignor.

6. Safeguarding of stock and display aids

- 6.1 The Consignee shall be responsible for any loss of or damage to stock and display aids while it is under its control.
- 6.2 The Consignee may at its discretion insure all stock under its control, but declares that it agrees that it will be held responsible for any uninsured stock losses whilst under its control.

7. General provisions

- 7.1 The Consignee declares that he/she is legally capable of entering into this agreement, and is not required to obtain the permission or signature of his/her spouse in terms of any communal property.
- 7.2 The parties agree that they are not entering into any service agreement and that no employment relationship is formed by entering into this agreement.
- 7.3 It is agreed that this agreement will be governed by the laws of the Republic of South Africa.
- 7.4 The failure of either party to this agreement to insist on the performance of any of the terms and conditions of this agreement, or the waiver of any breach of any of the terms and conditions of this agreement, shall not be construed as waiving any terms and conditions, but such terms and conditions shall continue and remain in full force and effect as if no forbearance or waiver had occurred.
- 7.5 All disputes and claims regarding the rights and obligations of the parties under this agreement are subject to arbitration.
- 7.6 This agreement shall constitute the entire agreement between the parties. Any other understanding or representation of any kind preceding the date of this agreement shall not be binding on either party except to the extent incorporated in this agreement.
- 7.7 Any modification of this agreement by either party shall be null and void, except if reduced to writing and signed by each party or authorized representative.

Signed at _____ on this _____ day of _____ 20_____.

Signature: _____

Signature: _____

Name: _____

Name: _____

For and on behalf of the Consignor

For and on behalf of the Consignee