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## Consignment stock agreement template south africa

This is a comprehensive consignment agreement for use by an importer / distributor of any physical product. You have a sophisticated turnkey import and marketing operation. You hold stock on consignment (pay only when you sell). You are in control of every aspect of the distribution channels and are in a position to decide what products to take, what prices to charge and how every element of the relationship will be managed. The concessions to the merchant in this document are largely limited to basic provisions without which a sensible merchant would refuse to sign. The contents of this document could be negotiated but its best purpose is to use as a standard terms document, to which any merchant must sign if he wishes to use the distributor's services. The agreement is drawn so as to provide a full framework for a distributor working on consigned goods in any industry, for suppliers in any country. However, it will be necessary to add product specific terms for some products - for example food, medical products, software products, and products requiring special storage or security. The law relating to this agreement is largely common law, not statute law. That means you have great freedom, to make your own deal. For our part, we have drawn a document with many options. It is likely that you will find exactly the provisions you want, but you will also have to delete those options you do not want. The distributor is responsible for all aspects of compliance with local law, whether relating to the product, the customer, importation or duties and taxes. We have covered product recall, minimum sales requirement, how you want the whole subject of marketing to be approached and how the merchant will report to you. We have provided a "joined up" procedure taking in order > acceptance > delivery > risk > title > payment > returns, and so on. There are over 200 provisions in the document supported by over 3000 words of notes, including those supplied in a separate document. Plain English, our business understanding and thorough care help you to write the perfect document for your business. This agreement has been drawn to provide an armoury of ideas. You can be tough or tender. Selected contents: Setting up the agreement, Warranties by merchant, Appointment of distributor, Liaison, Consignment stock management, Compliance and regulation, Delivery and transportation, Price and purchase procedure, Payment terms, Fees for additional services, Stock loss and damage, Returns and products defective or not as ordered, Right to return stock to merchant, Marketing arrangements, Stock records, Products recall, Distributor's reports, Disclaimers and limitation of liability, Compliance and regulation, Mutual indemnities, Assignment and change of control, Confidential information, Intellectual property, Duration and termination, Other important legal provisions, Options for three schedules you will probably need. A "distribution agreement" could cover a wide range of possible marketing arrangements. These documents cover many angles. We include many options to cover the elements of your deal that are important to you, and allow you to add any industry-related terms or special compliance you want the other side to follow. These agreements can be used for any business selling goods of any type at home or abroad. Favourable to one party, acceptable to both. The first point you should consider is who is setting the terms. Each document has been drawn to favour one particular party.

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The Consignee represents and warrants that the Consignee shall maintain insurance coverage sufficient to compensate the Consignor for the fair market value of the Consigned Items in the event of damage due to fire, theft, or otherwise. It is standard practice that the Consignor have the peace of mind that, if the items they are agreeing to grant to the Consignee are damaged or lost, the Consignor will be protected. It's easy to adjust the contract to name the fair market value of the consigned items for added security. LOCATION OF ITEMS. The Consignee agrees and acknowledges that the Consigned Items shall only be kept and stored at [Address] unless otherwise agreed upon by the Consignor in writing. TIMEFRAME. In the event that all the Consigned Items are not sold by [Date], all unsold Consigned Items shall be returned to the Consignor with all delivery costs borne by the Consignee. Even the best consignment sale will often have leftover merchandise. This clause ensures that the Consignee will return all unsold goods to the Consignor after a certain number of days.



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### CONSIGNMENT STOCK AGREEMENT

#### The undersigned:

1. [\_\_\_\_\_] , a private company with limited liability, established under the Laws of [\_\_\_\_\_] , having its registered office and its principal place of business at [\_\_\_\_\_] , hereinafter referred to as: "A", duly represented by [\_\_\_\_\_] ;

and

2. [\_\_\_\_\_] , a private company with limited liability, established under the Laws of [\_\_\_\_\_] , having its registered office and its principal place of business at [\_\_\_\_\_] , hereinafter referred to as "B", hereby duly represented by [\_\_\_\_\_] .

The parties under number (1) and (2) hereto each individually referred to as "Party" and two or more of them as "Parties",

#### Whereas:

- A and B have verbally concluded a distribution agreement, hereinafter referred to as the "Distribution Agreement", regarding the distribution of various products of A, as specified in Schedule A hereof, hereinafter referred to as the "Products";
- Parties agreed, that B will render logistics services to A as described herein;
- Parties agreed that A shall grant B a compensation for rendering its logistics services to A;
- Parties are willing to lay down their legal relationship in writing.

#### Have agreed as follows:

##### 1 Subject

- 1.1 Within the framework of this agreement B agrees to render its logistic services to A by carrying out the storage, transport and handling the costs of the Products, mentioned in Schedule A hereto, forming an integral part of this Agreement. As described in article 5.2 hereof, the transport costs will be invoiced to A separately, unless Parties agree otherwise.

It is likely that you will find exactly the provisions you want, but you will also have to delete those options you do not want. The distributor is responsible for all aspects of compliance with local law, whether relating to the product, the customer, importation or duties and taxes. We have covered product recall, minimum sales requirement, how you want the whole subject of marketing to be approached and how the merchant will report to you. We have provided a "joined up" procedure taking in order > acceptance > delivery > risk > title > payment > returns, and so on. There are over 200 provisions in the document supported by over 3000 words of notes, including those supplied in a separate document. Plain English, our business understanding and thorough care help you to write the perfect document for your business. This agreement has been drawn to provide an armoury of ideas. You can be tough or tender. Selected contents: Setting up the agreement, Warranties by merchant, Appointment of distributor, Liaison, Consignment stock management, Compliance and regulation, Delivery and transportation, Price and purchase procedure, Payment terms, Fees for additional services, Stock loss and damage, Returns and products defective or not as ordered, Right to return stock to merchant, Marketing arrangements, Stock records, Products recall, Distributor's reports, Disclaimers and limitation of liability, Compliance and regulation, Mutual indemnities, Assignment and change of control, Confidential information, Intellectual property, Duration and termination, Other important legal provisions, Options for three schedules you will probably need. A "distribution agreement" could cover a wide range of possible marketing arrangements. These documents cover many angles. We include many options to cover the elements of your deal that are important to you, and allow you to add any industry-related terms or special compliance you want the other side to follow. These agreements can be used for any business selling goods of any type at home or abroad. Favourable to one party, acceptable to both. The first point you should consider is who is setting the terms. Each document has been drawn to favour one particular party. However, it will not help your long term relationship if you ride roughshod over your business partner.

So every document takes some account of what the other side will want. Generally, it is the producer or owner who sets the terms of what he wants from the distributor, but this can change as the distributor becomes more powerful. Our consignment and distribution agreement has been drawn for a large, modern distributor whose marketing strength and reach justify terms of which a smaller distributor can only dream. A final contract or a basis for negotiation of heads of terms. Whether you are the distributor or the merchant, there will be many areas where you would like the other of you to do things your way. As a result, there will be a lot to negotiate. By setting everything down in a document like one of these, before you start to talk, you have a head start and the agenda is yours. Each of these is a comprehensive agreement, but as always with Net Lawman documents, you can reduce it easily to the exact terms you need. Relevant law in these documents: The law relating to these agreements is largely common law, not statute law.

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CONSIGNMENT AGREEMENT  
www.template.net

Thanks very much for completing with The Changing Room. We are very excited that you have decided to partner with us. Should you have any questions, please feel free to email or call us.

Email: info@thechangingroom.co.uk  
Telephone: 01203 214000

This Consignment Agreement (the "Agreement") is made and effective

BETWEEN

The CHANGING ROOM (the "Consignor"), a private company formed in terms of the laws of South Africa, with its registered office at: 1000  
Pretorius Road, 7 Woodlands Drive, Sand Bay, 7808

AND

\_\_\_\_\_ (the "Consignee"), a private individual residing at \_\_\_\_\_

In consideration of the terms of this agreement, the parties agree as follows:

1. WHEREAS

The parties declare:

- The Changing Room conducts the business of selling authentic, "trendy wear" high quality recreational and sporting clothing.
- The Consignee desires to consign to The Changing Room certain goods set out hereinafter and to sell such goods on behalf of the Consignor.
- The Consignee warrants that the consigned goods are not counterfeit.

That means you have great freedom, to make your own deal. For our part, we have drawn a document with many options. It is likely that you will find exactly the provisions you want, but you will also have to delete those options you do not want. The distributor is responsible for all aspects of compliance with local law, whether relating to the product, the customer, importation or duties and taxes. We have covered product recall, minimum sales requirement, how you want the whole subject of marketing to be approached and how the merchant will report to you. We have provided a "joined up" procedure taking in order > acceptance > delivery > risk > title > payment > returns, and so on. There are over 200 provisions in the document supported by over 3000 words of notes, including those supplied in a separate document. Plain English, our business understanding and thorough care help you to write the perfect document for your business. 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AMENDMENT TO CONSIGNMENT AGREEMENT  
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Witnessed and signed by \_\_\_\_\_ (Consignor/Client), bearing its personal signature of \_\_\_\_\_ (Full Name) (Signature related to its \_\_\_\_\_) and Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ at \_\_\_\_\_ (City/Town/Village) in the \_\_\_\_\_ (Province) of South Africa. The Consignee agrees to accept the Consignment Agreement (the "Agreement") on the following terms:

RECALLS:

WHEREAS, the parties desire to amend the provisions of the Agreement in order to \_\_\_\_\_ (insert the amendment).

NOW, THEREFORE, in consideration of the foregoing premises and the respective agreements of the parties hereto, and for the good and lawful consideration the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. Amend the \_\_\_\_\_ (insert the amendment) to read: \_\_\_\_\_ (insert the amendment).
2. Amend the \_\_\_\_\_ (insert the amendment) to read: \_\_\_\_\_ (insert the amendment).

IN WITNESS WHEREOF, the parties hereto have signed their names and the Consignee has affixed its seal to this Agreement and have thereunto set their hands and seals at \_\_\_\_\_ (City/Town/Village) on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

(Consignor Name) \_\_\_\_\_ (Consignor Name)  
By: \_\_\_\_\_ (Signature)  
Date: \_\_\_\_\_ (Date)  
Title: \_\_\_\_\_ (Title)  
Duties: \_\_\_\_\_ (Duties)

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In the event the Consignee sells the Consigned Items for less than the Minimum Price, the Consignor shall be entitled to the same payment the Consignee would receive as that share of the sale price under this Agreement, had the Consigned Items been sold for the Minimum Amount. Always set a minimum price in the Consignment Agreement at which the Consigned Items may be sold. This pricing gives the Consignee a baseline with which to work. This also allows the Consignee to sell the Consigned Items for less than that stated minimum, with the condition that the Consignor will still receive the minimum amount it expects in payment. CONSIGNMENT FEE. The Consignee shall be entitled to Percentage of the full purchase price of the Consigned Items (the "Consignment Fee"). Within [NUMBER] of days from the sale of the Consigned Items, the Consignee shall deliver to the Consignor the sale price of the Consigned Items less the Consignment Fee. INSURANCE. The Consignee represents and warrants that the Consignee shall maintain insurance coverage sufficient to compensate the Consignor for the fair market value of the Consigned Items in the event of damage due to fire, theft, or otherwise. It is standard practice that the Consignor have the peace of mind that, if the items they are agreeing to grant to the Consignee are damaged or lost, the Consignor will be protected. It's easy to adjust the contract to name the fair market value of the consigned items for added security. LOCATION OF ITEMS. The Consignee agrees and acknowledges that the Consigned Items shall only be kept and stored at [Address] unless otherwise agreed upon by the Consignor in writing. TIMEFRAME. In the event that all the Consigned Items are not sold by [Date], all unsold Consigned Items shall be returned to the Consignor with all delivery costs borne by the Consignee. Even the best consignment sale will often have leftover merchandise. This clause ensures that the Consignee will return all unsold goods to the Consignor after a certain number of days. Consignment stores are less likely to include this clause, since retail stores have room to store unsold items. CONSIGNOR REPRESENTATION. The Consignor hereby represents and warrants that the Consignor holds full title (or has received, in writing, the authorization to sell the Consigned Items by any necessary parties) to the Consigned Items. This clause confirms that the Consignor has all rights necessary to sell the items. This protects the Consignee in case the Consignor has hidden other owners from their knowledge. EXPENSES. The Consignee shall bear all expenses for shipping the Consigned Items. It is generally standard that the Consignee bears the costs, but this is easily switched by simply substituting in "Consignor." NO MODIFICATION UNLESS IN WRITING. No modification of this Agreement shall be valid unless in writing and agreed upon by both Parties. APPLICABLE LAW. This Agreement and the interpretation of its terms shall be governed by and construed in accordance with the laws of the State of [State] and subject to the exclusive jurisdiction of the federal and state courts located in [County], [State]. Every state has slightly different laws surrounding consignment arrangements and distribution agreements. This clause clarifies the governing law that will apply to any disagreements. IN WITNESS WHEREOF, each of the Parties has executed this Contract, both Parties by its duly authorized officer, as of the day and year set forth below. [Sender.Company] [Signature MM/DD/YYYY] [Sender.First Name] [Sender.Last Name] [Client.Company] [Signature MM/DD/YYYY] [Client.First Name] [Client.Last Name]