

CONSIGNMENT AGREEMENT

This Consignment Agreement (the "Agreement") is entered into on _____ (the "Effective Date"), between _____, an individual, ("Consignor"), and AM Beardsley Enterprises Inc. d/b/a Belmont Watches ("Consignee") with headquarters at located at 1031 Bay Blvd F, Chula Vista, CA 91911, and an online store(s) located at "https://www.belmontwatches.com,"¹ (the "Facilities"). Consignor and Consignee are sometimes individually referred to herein as a "Party" and collectively as the "Parties".

Recitals

Whereas, Consignor is the owner of a personal watch collection consisting of: (i) _____, serial number _____ are collectively referred to as the "Products."

Whereas, as of the Effective Date, Consignee has taken physical possession of the Products and is hereby authorized by Consignor to sell the Products pursuant to the terms and conditions of this Agreement.

Now Therefore, In consideration of the above recitals, the mutual terms and conditions of this Agreement, and other valuable consideration, the receipt of which is acknowledged, the Parties covenant and agree as follows:

Consignment of Products. Consignor hereby appoints Consignee as an agent to sell the Products at Consignee's Facilities, or other such locations as may be necessary or desired, on consignment (the "Consigned Products"), subject to the terms of this Agreement.

Commission and Fees. Upon sale of the Product, Consignee shall be entitled to a sales commission, which shall be 8% of the net sales price of the watch/watches.

For purposes of this section "net sales price" shall mean the price paid for the Product by the end customer, minus any applicable third-party fees (e.g. ebay seller's fee), duties, taxes, and shipping fees. Consignor shall be responsible for paying any such applicable third-party fees (e.g. ebay seller's fee) seller's taxes or duties, and shipping fees.

Sale Price. Prior to the sale of any Product, Consignee shall obtain Consignor's consent for the proposed sale price, which shall include a reasonably accurate estimate of the net sale price. Such consent may be withheld by Consignor at Consignor's absolute discretion.

¹ Consignee also operates virtual stores located at https://www.facebook.com/Belmont-Watches100551118684398/shop?ref_code=view_shop_cta&ref_surface=page, and https://www.instagram.com/belmont_watches/?hl=en

Responsibility/ Loss of Material. Consignee will be responsible for the Consigned Products, including any loss or damage to the Consigned Products (whether said loss, damage be through theft, pilferage, deterioration or otherwise).

Storage of the Consigned Products. The Consignee shall safely store and maintain the Consigned Products delivered hereunder at the Facilities, or any other place Consignor may approve in writing from time to time. All Consigned Products shall be stored in a separate location at the Facilities and identified plainly and prominently as “ _____ Consignment Inventory” to permit ready identification and inventory by Consignor and others.

Title to Consigned Products. The Consigned Products will remain the sole property of Consignor until such time as the Products are (i) withdrawn from consignment; or (ii) are sold by Consignee; or (iii) are returned to Consignor pursuant to the terms and conditions of this Agreement. Consignee acknowledges and agrees that it shall only take possession of the Consigned Products on a consignment basis, but shall not acquire title, property right or security interest in the Consigned Products.

Consignee’s Responsibilities.

(a) Consignee shall take all reasonable and necessary steps to protect Consignor’s interest in and to the Consigned Products. The Consignee shall maintain the Consigned Products free from any security interest, mortgage, pledge, lien or other encumbrance and will not permit the Consigned Products to be used as collateral or security for any debt or liability of the Consignee. The Consignee will comply with all laws, including those which Consignee is made aware of by Consignor, which might in any way affect Consignor’s ownership of the Consigned Products. Consignee will assume full responsibility for proper storage and handling of the Consigned Products while at the Facilities and/or while in Consignee’s possession or control, and for loss, liability or damages including, but not limited to, costs and fees arising from other causes including fire, accident, and all losses, liabilities, costs and expenses related thereto. Consignee will indemnify, defend, and hold Consignor harmless from and against all losses, damages, costs and expenses (including reasonable attorneys’ fees) arising out of Consignee’s failure to perform any of its obligations under this Agreement related to

the Consigned Products.

(b) Consignee will execute such financing statements and other assurances as Consignor shall reasonably deem appropriate to protect its ownership interest in the Consigned Products and from claims of creditors and other third persons or parties.

(c) Consignee agrees to provide Consignor with financial statements and other evidence of corporate and financial standing as Consignor may reasonably request from time to time during the term of this Agreement to evaluate Consignee's financial stability and credit risk.

Consignor Inspection Rights. Consignor shall at all reasonable times have access to physically inspect the condition and quality of the Consigned Products including, but not limited to, the right to inventory the Consigned Products at the Facilities.

Insurance. Consignee shall insure the Consigned Products for the benefit of and in the name of the Consignor by insurance companies approved by the Consignor, and shall provide a Certificate of Insurance naming Consignor as an additional insured within thirty (30) days of the execution of this Agreement. Consignee shall provide Consignor with thirty (30) days prior written notice of any change or cancellation in any applicable insurance policies.

Consignment Period/Purchase-Return of Consigned Products. The term of the consignment of the Consigned Products shall be one hundred twenty (120) days from the Effective Date. Upon the expiration of the 120 days consignment period, Parties may mutually agree to extend the consignment period. If Parties do not agree to extend the consignment period, Consignee shall provide three (3) day notice to Consignor of its intent to return the Consigned Products, and after such notice period shall send the Consigned. Consignor shall pay all freight and shipping charges (fully insured USPS first class mail) for any Consigned Products returned after the 120 days consignment period.

Termination of Agreement.

The term of this agreement is 120 days. Either Party may terminate this Agreement at any time with or without cause by giving five (5) days prior written notice. In the event that Consignor terminates this Agreement; Consignee shall immediately return the Consigned Products and Consignor shall pay Consignee \$100 per Product plus this shipping

costs (fully insured Two Day Fedex) for Consignee returning the Products to Consignor.

Collection Costs. If Consignor incurs any costs, expenses, or fees, including reasonable attorneys' fees and professional collection services fees, in connection with the collection of any amounts due from Consignee under this Agreement, Consignee agrees to reimburse Consignor for all such costs, expenses and fees.

Relationship of the Parties. Each of the Parties is an independent contractor and has no authority to bind the other, to incur any liability, contract or otherwise act on behalf of the other. Each Party shall be solely responsible for all laws and regulations governing its employees, agents and representatives.

Compliance with Laws; Export Laws. Consignee represents and warrants that it shall comply with all applicable international, national, state, regional and local laws and regulations in performing its duties hereunder and in any of its dealings with respect to the Products. Consignee agrees to adhere to all applicable U. S. Export laws and regulations with respect to the Products.

Signatures

In witness whereof, the Parties hereto have executed this Consignment Agreement on the date set forth below.

CONSIGNOR

Signature: _____

Name: _____

Date: _____

CONSIGNEE

Signature: _____

Name: _____

Title: _____

Date: _____