

## CONSIGNMENT TERMS

Last Updated: March 20, 2023

Please review these Consignment Terms carefully. Once accepted and upon supplying goods to Cooperative, these Terms become a binding legal commitment between you and Cooperative. If you do not agree to be bound by these Terms, you should not accept these Terms or supply goods to Cooperative.

Our [Terms of Use](https://cooperativesneakers.com/terms-of-use) (<https://cooperativesneakers.com/terms-of-use>) which address your dispute resolution rights, are incorporated herein by reference.

In these Consignment Terms (referred to as these “**Terms**” or this “**Agreement**”), the terms “**you**”, “**your**”, or “**Customer**” refer to you. The terms “**we**”, “**us**”, “**our**” or “**Cooperative**” refer to Cooperative, LLC, a Utah limited liability company, with a place of business at 260 S 1200 W, Orem, UT 84058. Cooperative or Customer may also be referred to individually as “**party**” and together as “**parties**” in these Terms. To be eligible to use the Cooperative Website and Services, you must review and accept these Terms.

Cooperative inspects the items (i.e., shoes, apparel, collectibles, etc.) you send to us or that we have collected from you in order to list your accepted items for sale through our Services (collectively, the “**Property**”). After your Property has been processed, Cooperative will inform you whether any of your items have been accepted for sale on our Services. Cooperative reserves the right to purchase your items before they are listed.

### 1. Acceptance Conditions

Cooperative only accepts items that meet our strict acceptance standards. We may reject an item for any reason. Each item will be evaluated to determine, in our sole discretion, whether the item: (a) is in excellent, new, or like-new condition; (b) is free from stains, holes, odor, tears, scuffs, or any other signs of excess wear; (c) is in-demand; and (d) is authentic; and (e) for which the representations and warranties you make in the “**Your Representations, Warranties, and Indemnification**” section below are true. Before shipping an item for consignment, you must first obtain written pre-approval. Cooperative is not liable for shipments lost or damaged or do not include signature confirmation. We also recommend including insurance on all shipments.

#### 1.1 Unaccepted Items

If an item is evaluated and deemed to be rejected or otherwise does not meet Cooperative’s standards, the item may be returned to you. You may reclaim an unaccepted item by visiting the original physical store location. If you request Cooperative to ship the item to you, it will be subject to a \$19.99 reclaim fee; you are responsible for shipping and applicable insurance fees. If the unaccepted item is not reclaimed within thirty (30) days, Cooperative reserves the right to sell, donate, recycle, or otherwise dispose of the item without any obligation to compensate you for such unaccepted items.

#### 1.2 Your Representations, Warranties, and Indemnification

You hereby represent and warrant that (a) you have good and marketable title to each item of Property and have the right to sell the Property; (b) none of the Property is subject to any liens or other encumbrances; (c) the Property does not include stolen or counterfeit goods or goods that are illegal to sell; and (d) the Property does not infringe upon, misappropriate, or violate any trademark, copyright, or other intellectual property or other proprietary right of any third party, any state or federal law, or any administrative regulation.

### 2. Consignment Fee

# Cooperative™

Cooperative's consignment fee is twenty percent (**20%**) of the sale price or forty-five dollars (**\$45.00**), whichever is greater ("**Fee**"). Cooperative's Fee is deducted from the sale price when your item sells. If your item is reclaimed before the Expiration Date, the Fee will be considered an authentication and appraisal fee.

### 3. Consignment Duration

The initial consignment period will be for a minimum of thirty (30) days and must be reclaimed by the Expiration Date (defined below) if unsold. If your item is reclaimed before the Expiration Date, Cooperative reserves the right to charge the applicable Fee.

### 4. Listing Prices

Listing prices are determined by many factors, including the estimated retail price, brand, model, seasonality, and quality of each item. While we value your input, pricing is made at our sole discretion. Items will be priced at the going resale rate and marked to sell.

### 5. Payouts

Once your item is sold, you'll receive a payment via check or ACH no later than fourteen (14) calendar days from the sale date of the item. Your payout will be the sale price less our Fee, applicable sales tax, and cleaning fees. If your item does not sell by the end of the consignment period, you must reclaim the item as outlined in the "**Reclaiming Accepted Items**" section below.

#### 5.1 Items Listed on Third-Party Platforms

Cooperative reserves the right to list and sell any items on third-party platforms. Any seller payouts for items sold on third-party platforms will be consistent with the agreed upon payment terms regardless of whether any additional fees are charged to the end buyer.

### 6. Reclaiming Accepted Items

You may reclaim an accepted item within thirty (30) days following the end of the consignment period ("**Expiration Date**"). If you do not reclaim an accepted item by the Expiration Date, the item becomes Property of Cooperative. You may reclaim the item by visiting a physical store location. If you request Cooperative to ship the item to you, it will be subject to a \$19.99 reclaim fee; you are responsible for shipping and applicable insurance fees.

### 7. Counterfeit and Stolen Items

You acknowledge and understand that Cooperative is subject to laws and regulations relating to claims that consigned items are counterfeit, have been stolen, or otherwise violate applicable law. Cooperative fully cooperates with law enforcement and brands seeking to track down the source of counterfeit items. You are responsible for ensuring the authenticity of all Property you provide to us. Cooperative's authentication process is proprietary and independent. If Cooperative cannot verify the authenticity of an item or it does not otherwise meet our authenticity standards, we reserve the right in our sole discretion to refuse to accept the item. Cooperative reserves the right to destroy apparel and other goods it deems to be counterfeit in accordance with applicable laws. **You acknowledge and agree that any item determined by Cooperative to be counterfeit may be destroyed or otherwise returned to you.**

### 8. Title to Property

You will continue to own and have title to each item of Property that we have accepted until that item is sold. An accepted item will be considered sold when: (a) Cooperative buys your item and (b) and item is sold by Cooperative to a customer.

## 9. Insurance Coverage

Cooperative will take commercially reasonable efforts to ensure your Property properly cared for. However, as you own and have title to each item of Property until the item is sold, you should consider notifying your insurance carrier of any item on consignment with Cooperative. Loss and damage can occur to consigned items and Cooperative is not responsible for this loss. Our liability is limited to making appropriate and timely payment to you for any items we sell during the consignment period.

## 10. Payout and Other Disputes

If there is a dispute between you and Cooperative, Cooperative will have no obligation to pay any payout or other amounts due to you, including without limitation, amounts unrelated to the dispute, unless and until the dispute is resolved. Cooperative may without any payout earnings due to you (including any due for sold items of Property not subject to dispute) in full or partial satisfaction of any amounts you owe to Cooperative.

### ACCEPTANCE

Signature: \_\_\_\_\_

Phone: \_\_\_\_\_

Print name: \_\_\_\_\_

Email: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

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