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# Introduction and Purpose

This Consignment Agreement (the "Agreement") is made and entered into as of August 9, 2025, by and between Acme, Inc, located at 3751 Illinois Avenue, Wilsonville, Oregon - 97070, USA ("Consignor"), and Docupal Demo, LLC, located at 23 Main St, Anytown, CA 90210 ("Consignee").

## Background

The Consignor desires to consign certain goods to the Consignee, and the Consignee desires to accept such goods on consignment, subject to the terms and conditions set forth in this Agreement. The goods to be consigned consist of electronics and accessories.

## Purpose

This Agreement sets forth the terms and conditions under which the Consignor will deliver goods to the Consignee for sale to customers. The Consignor retains title to the goods until sold. The Consignee will act as a sales agent, responsible for the handling, marketing, and sale of the consigned goods. This document outlines each party's responsibilities, including insurance, pricing, payment terms, commissions, risk of loss, delivery protocols, reporting requirements, returns processing, confidentiality obligations, warranties, indemnification clauses, termination conditions, and dispute resolution mechanisms. This agreement ensures a clear understanding of the operational and legal framework governing the consignment relationship.

## Definitions

For purposes of this Consignment Agreement, the following terms shall have the meanings set forth below:

- **Consignor:** Refers to Acme, Inc, the party entrusting goods for sale.
- **Consignee:** Refers to Docupal Demo, LLC, the party receiving goods for sale.
- **Consigned Goods:** Means the electronics and accessories ACME-1 delivers to Docupal Demo, LLC under this Agreement.



- **Net Sales Price:** The actual price at which the Consigned Goods are sold by Docupal Demo, LLC, less any sales taxes, discounts, or other permitted deductions.
- **Territory:** The geographical area where Docupal Demo, LLC is authorized to sell the Consigned Goods.
- **Agreement:** Refers to this Consignment Agreement, including all exhibits and schedules attached hereto.
- **Confidential Information:** Includes any proprietary information shared between ACME-1 and Docupal Demo, LLC.
- **Business Day:** Any day other than a Saturday, Sunday, or public holiday in California, United States.
- **Commission:** The fee Docupal Demo, LLC receives for selling the Consigned Goods, calculated as a percentage of the Net Sales Price.

## Scope of Consignment

This agreement covers the consignment of electronics and accessories from ACME-1 to Docupal Demo, LLC. ACME-1 will deliver the specified goods to Docupal Demo, LLC at 23 Main St, Anytown, CA 90210.

### Consignee Responsibilities

Docupal Demo, LLC will accept the goods on consignment and diligently work to sell them to customers. Docupal Demo, LLC will store the consigned goods in a secure location, protecting them from damage, theft, and environmental factors. Docupal Demo, LLC will display the goods in an appropriate manner to maximize sales. Docupal Demo, LLC is expected to handle the goods with utmost care and follow all handling instructions provided by ACME-1.

### Consignor Responsibilities

ACME-1 is responsible for the delivery of the goods. ACME-1 must provide Docupal Demo, LLC with any information or documentation, such as handling or sales instructions, needed to facilitate the sale of the electronics and accessories.



# Ownership and Title

## Retention of Title

Acme, Inc. retains full ownership and title to all consigned electronics and accessories. This ownership remains with ACME-1 throughout the duration of this agreement. DocuPal Demo, LLC only possesses the goods for the purpose of facilitating their sale to end customers.

## Transfer of Title

Title to the consigned goods will only transfer to the end customer upon the final sale of the goods. At no point does DocuPal Demo, LLC acquire ownership of the consigned goods. The company merely acts as a custodian and sales agent on behalf of ACME-1.

## Risk of Loss and Insurance

DocuPal Demo, LLC is responsible for insuring the consigned goods against any loss, theft, or damage while the goods are in its possession. This insurance coverage must be adequate to cover the full value of the inventory as defined in the consignment inventory reports.

# Pricing and Payment Terms

## Pricing

ACME-1 will determine the selling prices for all consigned goods. DocuPal Demo, LLC will be notified of these prices. DocuPal Demo, LLC is authorized to sell the goods at or above the prices set by ACME-1.

## Commission

DocuPal Demo, LLC will receive a commission for each item sold. The commission rate is 20% of the final sale price.



## Payment

DocuPal Demo, LLC will pay ACME-1 for all goods sold each month. Payment will be made within 15 days after the end of each month. The payment amount will be the total sales revenue for the month, minus DocuPal Demo, LLC's commission. All payments will be made in United States Dollars (USD).

## Delivery and Risk of Loss

### Delivery

ACME-1 will deliver the consigned goods to Docupal Demo, LLC at 23 Main St, Anytown, CA 90210. Specific delivery timelines will be agreed upon by both parties. ACME-1 is responsible for all aspects of delivering the goods to Docupal Demo, LLC's designated location.

### Risk of Loss

ACME-1 bears the risk of loss or damage to the consigned goods during transit to Docupal Demo, LLC. Once the goods are received at Docupal Demo, LLC's location, the risk of loss or damage transfers to Docupal Demo, LLC. Docupal Demo, LLC will maintain the risk of loss while the goods are stored at their location.

## Inventory Management and Reporting

DocuPal Demo, LLC will diligently manage and track ACME-1's consigned inventory. We will maintain accurate records of all items received, sold, and currently in stock. Our inventory management system will track each item by its unique identifier. This ensures precise monitoring of inventory levels and facilitates efficient order fulfillment.

### Inventory Reporting

DocuPal Demo, LLC will provide ACME-1 with weekly sales and inventory reports. These reports will detail the quantity of each item sold, the revenue generated, and the remaining inventory on hand. The reports will be delivered electronically. These





reports will enable ACME-1 to monitor sales trends and effectively plan production and shipments.

## Inventory Discrepancies

Any discrepancies discovered during inventory reconciliation will be promptly investigated by both DocuPal Demo, LLC and ACME-1. We will work together to determine the cause of the discrepancy. Financial responsibility for the discrepancy will be assigned based on the findings of the joint investigation.

## Return and Unsold Goods Policy

ACME-1 may return goods to Docupal Demo, LLC under specific conditions. Goods can be returned if they are defective or fail to meet the specifications agreed upon in this agreement.

### Return Procedure

To initiate a return, ACME-1 must notify Docupal Demo, LLC within 30 days of receiving the shipment. This notification must include a detailed explanation of the reason for the return.

### Unsold Goods

Docupal Demo, LLC will manage the return of any unsold goods. ACME-1 reserves the right to request the return of any goods not sold within a mutually agreed timeframe, outlined in **[Section X: Sales and Marketing, if applicable]**. Upon such request, Docupal Demo, LLC will prepare the goods for return shipment at its own expense, unless otherwise agreed. ACME-1 will be responsible for the return shipping costs.

### Condition of Returned Goods

Returned goods must be in their original condition, including all original packaging and accessories. Docupal Demo, LLC reserves the right to refuse returns that do not meet these conditions. Credit will not be issued for goods returned in unsalable condition due to damage caused by ACME-1.



# Term and Termination

This Agreement will begin on August 9, 2025, and will continue for one year. The initial term will automatically renew for additional one-year periods, unless either party provides written notice of termination at least 60 days before the end of the current term.

## Termination Rights

Either party may terminate this Agreement if the other party breaches any material term or condition. Termination is effective 60 days after written notice is provided to the breaching party. The notice must specify the nature of the breach.

# Confidentiality

## Confidential Information

Each party acknowledges that they may receive confidential information regarding the other party's business. This includes, but is not limited to, sales data, customer lists, pricing information, and any other non-public information. All such information will be considered confidential.

## Obligations

Both ACME-1 and Docupal Demo, LLC agree to protect the confidentiality of this information. Neither party will disclose the other's confidential information to any third party. They will also use the information solely for the purposes of this Agreement. Each party agrees to limit access to confidential information to employees or agents who need to know it. Both parties will ensure that those individuals are bound by confidentiality obligations.

## Term

The obligations of confidentiality outlined in this section will continue for a period of three (3) years following the termination of this Agreement.





# Warranties and Representations

## Consignor Warranties

Acme, Inc. warrants that it has full right and authority to enter into this Consignment Agreement. ACME-1 also warrants that the goods provided under this agreement:

- Are free from any defects in material and workmanship.
- Conform to all specifications and documentation provided to Docupal Demo, LLC.
- Do not infringe upon any third-party intellectual property rights.
- Are safe and fit for their intended purpose, adhering to all applicable laws and regulations.

## Consignee Warranties

Docupal Demo, LLC warrants that it has the full right, power, and authority to enter into this Consignment Agreement and to perform its obligations hereunder. Docupal Demo, LLC further warrants that it will handle the consigned goods with reasonable care. Docupal Demo, LLC agrees to indemnify and hold harmless ACME-1 from any and all claims, losses, damages, liabilities, including attorney's fees, arising out of or relating to Docupal Demo, LLC's handling, storage, advertisement, marketing, offering for sale, or sale of the goods, except to the extent such claims, losses, damages, or liabilities are caused by ACME-1's breach of this Agreement or the negligence or willful misconduct of ACME-1.

## Limitation of Liability

Docupal Demo, LLC's liability relating to this consignment agreement is limited. This applies to any claims arising from our performance or non-performance. To the extent permitted by law, neither party will be liable to the other for any indirect, special, consequential, or incidental damages. This includes, but is not limited to, lost profits, loss of business, or other economic loss, even if the party has been advised of the possibility of such damages.



## Liability Cap

In no event shall Docupal Demo, LLC's total liability under this agreement exceed the total amount of commissions paid to Docupal Demo, LLC by ACME-1 during the six (6) months preceding the date the claim arose. This limitation applies regardless of the form of action, whether in contract, tort, or otherwise. ACME-1 acknowledges that Docupal Demo, LLC has set its fees and entered into this agreement in reliance on these limitations of liability. These limitations reflect a reasonable allocation of risk between the parties.

## Exceptions

The limitations of liability in this section do not apply to damages arising from gross negligence or willful misconduct by either party. They also do not affect liability for death or personal injury caused by negligence, or for any other liability that cannot be excluded or limited under applicable law.

## Dispute Resolution

The parties will try to resolve any dispute related to this agreement through good-faith negotiations.

### Mediation

If negotiation fails, the parties agree to attempt to settle the dispute by mediation. The mediation will occur in Delaware, unless both parties agree to a different location. The parties will share the costs of the mediator equally.

### Governing Law

The laws of the State of Delaware govern this agreement.



# Miscellaneous Provisions

## Governing Law

The laws of the State of California govern this agreement. This includes its interpretation and enforcement.

## Entire Agreement

This agreement contains everything the parties agreed to. It represents the complete understanding between ACME-1 and Docupal Demo, LLC. It overrides any prior agreements, discussions, or understandings, whether oral or written.

## Amendments

Any changes to this agreement must be in writing. Both ACME-1 and Docupal Demo, LLC must sign the written amendment.

## Assignment

Neither party can assign their rights or obligations under this agreement. Any attempt to do so without written consent from the other party is void.

## Notices

All notices related to this agreement must be in writing. Notices are properly delivered when sent by certified mail and email to the addresses listed in this agreement.

# Signatures

## Agreement Execution

This Consignment Agreement becomes effective as of January 1, 2024.



## Consignor

Signed: \_\_\_\_\_

Name: John Smith

Title: Authorized Representative

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

Company: Acme, Inc

## Consignee

Signed: \_\_\_\_\_

Name: Jane Doe

Title: Authorized Representative

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

Company: Docupal Demo, LLC

