

ExpressDrop, Inc. Consignment Agreement

WHEN YOU REGISTER YOUR GOODS WITH EXPRESSDROP FOR SALE
ON eBAY, YOU HEREBY ACKNOWLEDGE THAT YOU HAVE READ, UNDERSTAND
AND AGREE TO THE TERMS AND CONDITIONS CONTAINED IN THIS
CONSIGNMENT AGREEMENT WHICH IS ALWAYS MADE READILY AVAILABLE AT
EXPRESSDROP'S STORE
AND ON ITS WEBSITE.

1. Purpose. ExpressDrop will offer to sell certain items described on the List of Inventory and owned by you on eBay. ExpressDrop will answer bidders' inquiries, accept payments from buyers and remit them to you, package and ship sold items.
2. List of Inventory:
To be complete, a listing shall include a unique description of the item to be sold, including weight and dimensions both to include in the published description and in order to determine shipping costs; a minimum price for the item as mutually determined by the you and ExpressDrop, either an acceptable digital image of the item, or delivery of the item itself to ExpressDrop for the purpose of creating such an image.
Submission of a List of Inventory shall be considered a guarantee by you that you have the legal right and authority to contract with ExpressDrop for the sale of the described item(s) and the ability to make the item(s) available for delivery to a buyer within 24 hours of the completion of any sale. You shall hold ExpressDrop blameless and defend ExpressDrop in any legal actions by any third party resulting from any dispute over the actual ownership of the submitted items or your legal right to submit it to ExpressDrop for listing and sale.
3. Possession. You will allow ExpressDrop to take possession of each item and to remove it to a location under ExpressDrop's control. ExpressDrop will have no obligation to sell or prepare to sell items which have not been so placed with ExpressDrop, unless otherwise agreed in writing between you and ExpressDrop.
4. Exclusive Right to Sell. ExpressDrop will have the exclusive right to sell each item on the List of Inventory from the time ExpressDrop takes possession of it until ExpressDrop returns it to you unsold or notifies you of its intention to do so. During that time ExpressDrop will use its best efforts to sell the item.
5. Exclusive Right to Sell. You appoint ExpressDrop to act as your exclusive agent for the sale of items listed in the List of Inventory whether or not they remain in the possession of ExpressDrop, you, or some third party. You warrant and represent that no person or entity, other than ExpressDrop, will sell the item(s) identified in the List of Inventory. In the event that the item is sold by another person or entity, a 50% commission of the average sale price of a similar item(s) as listed on eBay will be paid to ExpressDrop if the item is sold by a person or entity other than ExpressDrop.
6. Right to Decline Items. ExpressDrop may decline to list any item:
 - a. whose sale is regulated or prohibited by federal law or by state law in any state,
 - b. that cannot be listed on eBay under eBay rules then in effect,
 - c. that is perishable, and/or
 - d. for any reason whatsoever.
7. Listing. ExpressDrop will prepare an eBay item description for each item and

list it within 30 days of taking possession. For multiple, identical items to be sold individually or in lots, ExpressDrop will prepare an item description for each type of item and begin listing reasonable quantities of the item within 30 days. ExpressDrop will list items under its eBay member ID. When you agree to have ExpressDrop sell your item(s), ExpressDrop's ability to describe, market and sell the goods on eBay or other related Internet selling sites will be limited by the site's policies, including the User Agreement and Listing Policies.

8. **Withdraw of Offer to Sell by You.** In consideration of the fact that ExpressDrop is contractually obligated to deliver any item listed as an eBay auction item, no listed item will be sold by any party other than ExpressDrop without express written permission by an authorized representative of ExpressDrop. Ten day written notice is required to withdraw any listed item without penalty to you and only if the item is not already being auctioned or the sale is not already being negotiated. A 50% commission of the average sale price of a similar item(s) as listed on eBay will be paid to ExpressDrop if the item is sold and is not available for delivery to a legitimate buyer. In addition, you will hold ExpressDrop blameless and will

defend ExpressDrop against any legal claims made against ExpressDrop for the inability of ExpressDrop to deliver any purchased item due to your inability to make the item available for shipment to a legitimate purchaser.

9. **Return of Unsold Items.** ExpressDrop will provide you with notification of any item that is not sold or listed and provide you with 14 days to either pick up the item or make arrangements for delivery to you at your expense.

10. **Independent Judgment.** Subject to the terms of this agreement, ExpressDrop will use its independent judgment in writing item descriptions, preparing photographs, setting minimum bids or fixed prices and other terms of sale, and choosing the opening time and duration for each listing.

11. **Listing Options.** ExpressDrop offers two types of services for listing your item on eBay. Based on your review of the types of services, which can be found at ExpressDrop.com (check one) you have chosen:

Premium Package, or
 Basic Package

12. **Net Receipts.** "Net receipts" is defined as receipts from buyers for items sold. It does not include:

- 1.) Illinois sales and use tax. ExpressDrop will collect, report, and pay this tax on taxable items sold within the State of Illinois.
- 2.) Any other taxes which ExpressDrop collects according to the terms of this agreement. ExpressDrop will remit such taxes to you with payments for items sold. You shall be solely responsible for reporting and paying such taxes.
- 3.) Packaging and shipping charges. ExpressDrop may require buyers to pay reasonable charges to cover the costs of packaging and shipping items sold. In the event Buyer does not pay such charges, you will be responsible for such changes.
- 4.) Ebay charges.

13. **Payments to You: Amount.** ExpressDrop will pay you an amount equal to Net

Receipts, minus ExpressDrop's commission equal to 32% of the first \$500 of the Net Receipts, 25% of the next \$2500 of the Net Receipts, and 10% of the remaining amount over \$3000. ExpressDrop agrees, upon sale, to maintain proceeds due to you in trust, and separate and apart from ExpressDrop's own funds and to deliver such proceeds, less commission, to you together with an accounting statement within 60 days of the sale.

14. Non-Paying Buyer. If a buyer fails to fulfill the terms of the sale agreement, ExpressDrop may elect to declare the item unsold, relist the item, or sell the item to another bidder.
15. Inaccurate Information Provided By You. The parties recognize that ExpressDrop will make statements to prospective buyers in reliance on information provided by you, and that ExpressDrop's reputation in the eBay community depends on its readiness to resolve buyers' claims promptly and fairly. If a buyer claims to have suffered a loss due to reliance on inaccurate information provided by you, ExpressDrop will notify you promptly, and will give you a reasonable opportunity to participate in resolving the claim. ExpressDrop will, however, determine whether and how to satisfy the claim according to its own independent judgment. You will reimburse ExpressDrop for the cost of satisfying the claim, including reasonable attorneys fees and costs.
16. Governing Law. This agreement will be interpreted according to the laws of the State of Illinois.
17. Loss or Damage. ExpressDrop shall be liable for loss or damage to any consigned item(s) from the date of delivery to ExpressDrop until the item(s) is returned to you or placed with a carrier for delivery to a purchaser. Item(s) in the possession of ExpressDrop shall become the complete responsibility of you ten days after receipt of written notice that an item(s) are delisted by ExpressDrop. In the event of loss or damage you agree that the extent of your damages is limited to the same amount as if the item(s) had been sold at the average sale price of a similar item(s) as listed on eBay .
18. Transportation of Item(s). Packing and shipping charges, insurance costs, other handling expenses, and risk of loss or damage incurred in the delivery of the item(s):
 - a. from you to ExpressDrop shall be borne by you,
 - b. from ExpressDrop to you shall be borne by ExpressDrop, or
 - c. from ExpressDrop to any purchaser shall be borne by you, less any delivery fees paid by a purchaser.
19. Duration and Termination of Consignment Agreement. You and ExpressDrop agree that the initial term of consignment for the item(s) shall continue until all the item(s) it covers in the List of Inventory is sold or is returned to you. You may request in writing that an item be delisted and, if in possession of ExpressDrop, returned to you with 10 days written notice, unless the item(s) is already being auctioned or a potential buyer is already negotiating for the purchase. Items not currently being auctioned or in negotiation will be delisted in 10 days and, if in possession of ExpressDrop, will be available for you to pickup from ExpressDrop 10 days after receipt of written notice of the desire to withdraw the item for sale by ExpressDrop.

For items currently being auctioned or in negotiation, ExpressDrop will make every reasonable effort to cancel the auction or sale without cost to you. In the event that you demand that the sale be stopped in any case, you must make this demand in writing and you will assume any legal or other costs incurred by ExpressDrop due to this cancellation.

You are specifically put on notice that ExpressDrop is likely to be charged fees by eBay for any cancelled items and that it may not be possible to cancel an auction or sale which is already in progress and that you will be responsible for these costs.

This entire agreement shall continue unless 30 day written notification of termination is received by one party sent from the other. Within 30 days of the termination notification, all accounts shall be settled and all unsold items actually in possession of ExpressDrop shall be available for you to pick up from ExpressDrop. The agreement shall automatically terminate if ExpressDrop becomes bankrupt or insolvent, or is in material breach of this agreement.

20. **Proprietary Rights.** ExpressDrop owns and retains all proprietary rights in the www.expressdrop.com website and ExpressDrop services. The website contains the copyrighted material, trademarks, and other proprietary information of ExpressDrop and its affiliates. Except for that information which is in the public domain, you may not copy, modify, publish, transmit, distribute, perform, display, or sell any such proprietary information.
21. **Guarantees.** All item(s) are sold by ExpressDrop "as is" and are "final". Should you choose to offer a guarantee then the buyer will be provided with your name and contact information in connection with the guarantee you specifically describe on the List of Inventory.
22. **eBay Fees.** Current eBay Fees will be provided upon request by you. eBay's fees are subject to change at any time and you will be charged the exact fee eBay charges ExpressDrop at the time of your sale. You are responsible for paying all eBay fees associated with the eBay auction.
23. **Disclaimer.** ExpressDrop is not an Auctioneer. Although eBay is commonly referred to as an online auction web site, it is important to realize that this does not mean that ExpressDrop is an "auctioneer." ExpressDrop uses eBay to offer and sell in a variety of pricing formats, including a fixed price format or an auction-style format. ExpressDrop cannot ensure that a buyer will actually complete and pay for a purchase. Additionally, ExpressDrop is not responsible for any malfunction of the eBay or Paypal websites. Nor will ExpressDrop be held responsible for e-mail, computer, virus, or electronic payment malfunctions. ExpressDrop is not responsible for the conduct, whether online or offline, of any user of the www.expressdrop.com website and/or ExpressDrop services. Under no circumstances will ExpressDrop be responsible for any loss or damage resulting from anyone's use of the www.expressdrop.com website and/or ExpressDrop services, or any interactions between users of the www.expressdrop.com website and/or ExpressDrop services, whether online or offline.
24. **Indemnity.** You agree to indemnify and hold ExpressDrop, its subsidiaries, affiliates, officers, agents, and other partners and employees, harmless from any loss, liability, claim, or demand, including reasonable attorneys' fees, made by any third party due to or arising out of your use of the

www.expressdrop.com website and/or ExpressDrop services in violation of this Agreement and/or arising from a breach of this Agreement and/or your violation of any law or the rights of a third party.

25. Severability. If any provision of this agreement is held to be invalid or unenforceable, the remaining provisions of the agreement will continue in full force and effect.
26. Miscellaneous. This agreement shall not be modified except by written modification. This agreement shall be binding upon and inure to the benefit of the parties, their successors, assigns and personal representatives. All terms of this Agreement shall be covered by Illinois law.

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