

CONSIGNMENT TERMS

These terms and conditions create a contract between you and WatchFacts (the "**Agreement**"). Please read this Agreement carefully. To confirm your understanding and acceptance of the Agreement, click "**Agree**" or sign the Agreement. You must agree to this Agreement if you wish to consign goods through WatchFacts. WatchFacts' Terms of Service are included in this Agreement and apply to your and WatchFacts' activities under this Agreement.

ONCE YOU AGREE TO THIS AGREEMENT, IT WILL REMAIN IN EFFECT UNTIL YOU OR WATCHFACTS TERMINATES IT.

1. OVERVIEW

WatchFacts certifies and markets luxury designer items, jewelry, and watches. You would like WatchFacts to sell the items that you have sent to us or that we have collected from you (collectively, the "**Property**") on a consignment basis as identified in Schedule A. This means that you, not WatchFacts, will still own the Property, even after you transfer physical possession of the Property to WatchFacts. After WatchFacts receives or picks up Property from you, WatchFacts will send you an email in accordance with the "**Notice**" Section below confirming the items of Property received and list / sale price, determined at WatchFacts's sole discretion unless previously agreed in writing (the items are then "**Accepted**"). The Accepted Items will then be immediately offered to a WatchFacts for purchase or available for sale on a WatchFacts partner site.

2. DELIVERY OF PROPERTY; RISK OF LOSS; INSURANCE

WatchFacts accepts the Property from you on a consignment basis only. You are responsible for all risk of loss or damage to the Property until WatchFacts takes physical possession of it. If an item of Property is damaged, stolen, or lost while in WatchFacts's possession, it will be treated as Sold (defined in the "**Title to Property**" Section below) and WatchFacts will pay you the fee in the range as defined in Schedule A. The Fee will be based on the damaged, stolen, or lost item's estimated Net Selling Price (defined in the "**Schedule A**" Section below), which will be determined solely by WatchFacts.

3. PROPERTY ACCEPTANCE CONDITIONS

Upon receipt, WatchFacts will evaluate each item of Property to determine, in its sole discretion, its authenticity, quality, and value. The item's condition will affect the valuation. WatchFacts only Accepts Property for consignment that: (a) WatchFacts determines in its sole discretion to be in very good to excellent condition; (b) WatchFacts determines in its sole discretion to be authentic; and (c) for which the representations and warranties you make in the "**Your Representations, Warranties, and Indemnification**" Section below are true. Property that does not meet the above requirements

will not be accepted and will be either (1) returned to you at your expense or (2) at your request, WatchFacts will donate your items to a charity of its choice (see the "**Unauthenticated Items**" and "**Consignment Period and Return of Property**" Sections below for more information).

4. UNAUTHENTICATED, COUNTERFEIT, OR STOLEN ITEMS

You are responsible for ensuring the authenticity of all Property you provide to us. If WatchFacts cannot confirm the authenticity of any item of Property you have provided, it shall have the right in its sole discretion to refuse to accept the item. If WatchFacts determines at any time that an item of Property is counterfeit, WatchFacts shall notify you that it has made such a determination and you will have an opportunity to provide proof of purchase/other proof of authenticity acceptable to WatchFacts. You acknowledge and agree that any item WatchFacts finally determines to be counterfeit will not be returned to you and will be destroyed. You acknowledge and understand that WatchFacts is subject to laws and regulations relating to claims that consigned items are counterfeit, have been stolen, or otherwise violate applicable law. WatchFacts takes such reports seriously and will cooperate with law enforcement in all investigations.

5. CONSIGNMENT PERIOD AND RETURN OF PROPERTY

The "**Consignment Period**" for each item of Property begins on the date WatchFacts Accepts the item for consignment and ends 90 days thereafter, even if this Agreement has been terminated during that time by you or WatchFacts. At any time during the Consignment Period, and subject to this provision, you may request in writing that WatchFacts return the item (a "**Return Request**"), so long as the item has not already been Sold. Once WatchFacts receives your Return Request, it will use commercially reasonable efforts to remove the item from its partner sites (the "**Site**") before it is sold. It is your responsibility to ensure that WatchFacts has your most current contact information and mailing address.

(a) If the Return Request is made 90 days or less from the date WatchFacts Accepted the item of Property, WF will return the item within 30 days. WatchFacts will charge you the costs of return and, in such case, such costs shall be deducted from your pending Fees. If you do not have enough pending Fees available to cover the costs of return, WatchFacts shall have no obligation to return the item to you unless and until you pay WatchFacts the costs of return prior to shipment.

Additionally, WatchFacts will charge you applicable "retail ready" costs (i) a fee of \$100 per item, which fees reflect WatchFacts's up-front costs of storing, cataloging, and photographing the item in preparation for sale, (ii) applicable shipping costs, plus (iii) polishing, servicing, repair.

(b) If an item remains unsold at the end of the Consignment Period, WatchFacts will contact you and, at your option and WatchFacts's expense: (i) return the item to you or (ii) donate

the item to a charity of WatchFacts's choice. If at the end of the Consignment Period WatchFacts is unable to contact you at the email or physical address it has on file for you in accordance with the "**Notice**" provision below, the item will be donated to a charity of WatchFacts's choice.

6. EFFORTS TO SELL; PRICE

So long as you comply with this Agreement, WatchFacts will display on the Site and make commercially reasonable efforts to sell the Property. You acknowledge and agree that:

- (a)** WatchFacts in its sole discretion will determine the initial selling price for each item of Property (the "Initial Sale Price") based on its evaluation of that item, together with its determination of the current market price for that item;
- (b)** In order to market and promote the sale of each item, WatchFacts or its partners may in its sole discretion apply an immediate 20% discount to the item, which will affect the item's Initial Sale Price.
- (c)** WatchFacts or its partners may offer additional discounts and promotions during the Consignment Period, at its sole discretion and without notice to you, as a means to efficiently market and sell the Property, unless WatchFacts and you have otherwise agreed in writing to a specific price at which a specific item must be sold.

7. TITLE TO PROPERTY

You will continue to own and have title to each item of Property until that item is "**Sold**". An item will be considered Sold when:

- (a)** it is sold by WatchFacts to a partner / customer and not returned to WatchFacts within the period specified in WatchFacts' partner site's return policy; or
- (b)** it is lost, stolen, damaged, or destroyed while in WatchFacts' possession.

8. TERMINATION

You and WatchFacts may each terminate this Agreement in writing at any time, for any reason. Termination will be effective on the date of such notice and the costs listed under "**Consignment Period and Return of Property**", will apply.

9. NO ASSIGNMENT

You may not assign this Agreement or any interest you have in it without WatchFacts' prior written consent. Any prohibited assignment is null and void.

10. DISCLAIMER OF WARRANTIES; LIMITATION OF LIABILITY

YOU EXPRESSLY UNDERSTAND AND AGREE THAT:

YOUR USE OF WATCHFACTS' SERVICES IS AT YOUR SOLE RISK. WATCHFACTS' CONSIGNMENT AND OTHER SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WATCHFACTS EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NONINFRINGEMENT.

WATCHFACTS MAKES NO WARRANTY THAT (A) WATCHFACTS' SERVICES WILL MEET YOUR REQUIREMENTS OR (B) WATCHFACTS' SERVICES WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, THAT YOU OBTAIN FROM WATCHFACTS OR THROUGH OR FROM THE SITE OR WATCHFACTS'S SERVICES SHALL CREATE ANY WARRANTY NOT EXPRESSLY STATED IN THESE TERMS.

WATCHFACTS AND ITS SUBSIDIARIES, AFFILIATES, OFFICERS, EMPLOYEES, AGENTS, PARTNERS, AND LICENSORS SHALL NOT BE LIABLE TO YOU FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES OR FOR DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA, OR FOR OTHER INTANGIBLE LOSSES (EVEN IF WATCHFACTS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES) RESULTING FROM: (A) THE USE OR THE INABILITY TO USE WATCHFACTS'S SERVICES OR THE SITE; (B) UNAUTHORIZED ACCESS TO OR ALTERATION OF YOUR TRANSMISSIONS OR DATA; (C) THE ACTIVITIES CONTEMPLATED BY THIS AGREEMENT PROPERTY; OR (D) ANY OTHER MATTER RELATING TO WATCHFACTS'S SERVICES OR THIS AGREEMENT. IN NO EVENT WILL WATCHFACTS'S LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT IT HAS ACTUALLY RECEIVED AS A RESULT OF SELLING YOUR PROPERTY HEREUNDER. THE FOREGOING DISCLAIMERS AND LIMITATIONS ARE A FUNDAMENTAL PART OF THE BASIS OF WATCHFACTS'S BUSINESS, AND WATCHFACTS WOULD NOT ENTER INTO THIS AGREEMENT WITHOUT SUCH DISCLAIMERS AND LIMITATIONS. PLEASE SEEK THE ADVICE OF APPROPRIATE PROFESSIONALS REGARDING THE TERMS OF THIS AGREEMENT AND THE EVALUATION OF ANY SPECIFIC OPINION, ADVICE, PRODUCT, SERVICE, OR OTHER CONTENT.

11. 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 consign and sell the Property; (b) none of the Property is subject to any liens or other encumbrances; (c) the Property does not include counterfeit goods; 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. You hereby indemnify and hold WatchFacts harmless from all damages,

suits, litigation, awards, and costs, including but not limited to, reasonable attorneys' fees and costs, incurred by WatchFacts as a result of or arising in any way out of WatchFacts's display or sale of the Property, including but not limited to, civil or criminal suits over authenticity or ownership of Property, legality of sales, or copyright or trademark infringement. You expressly consent to jurisdiction of a federal or state court located in Dade County of Miami, Florida with respect to any matter arising under this Section. This Agreement, or the breach thereof, and all claims of any kind relating to or arising out of this Agreement and the relationship between you and WatchFacts, whether tort, contract, or statutory, shall be governed by the laws of New York, without regard to its conflicts of laws principles.

12. AMENDMENTS TO THIS AGREEMENT

WatchFacts may update or change any of the terms and conditions of this Agreement at any time in its sole discretion upon 14 days' notice and by notifying you in accordance with the Notices section, below. Revised terms will not apply to items already accepted for consignment prior to the effective date of those revised terms. You shall be bound by all revised terms on the effective date, including any changes to the Fees, unless you terminate this Agreement before the effective date of the revised terms. If you do not agree to any revised terms, your sole recourse is to terminate this Agreement in accordance with the "**Termination**" Section above before the effective date of the revised terms.

13. ENTIRE AGREEMENT

This Agreement sets forth the final, complete, and exclusive agreement between you and WatchFacts regarding the subject matter hereof, and terminates and supersedes all prior understandings or agreements on such subject matter. Except as set forth in the "**Amendments to this Agreement**" Sections above, this Agreement may be modified only by a writing signed by you and WatchFacts.

14. NO IMPLIED WAIVER

Any failure by you or WatchFacts to enforce any provision of this Agreement shall not constitute a waiver of such provision or of any other provision of this Agreement.

15. SEVERABILITY

If any term of this Agreement is found by any court to be void or otherwise unenforceable, the remainder of this Agreement shall remain valid and enforceable as though such term were absent upon the date of the execution of this Agreement.

16. SURVIVAL OF TERMS AFTER AGREEMENT ENDS

Notwithstanding any other provision of this Agreement, any provision of this Agreement that imposes or contemplates continuing obligations on you or WatchFacts will survive the termination of this Agreement.

17. HEADINGS

Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

18. NOTICES

If you have any questions or comments about this Agreement, the Site or WatchFacts's services or wish to terminate this Agreement, please contact WatchFacts by email at <mailto:customerservice@watchfacts.com?subject=Consignment Program>.

WatchFacts shall provide all notices to you at the email address or physical address that you have provided to WatchFacts. You are solely responsible keeping that information current with WatchFacts. You hereby agree that all agreements, notices, disclosures, and other communications that WatchFacts provides electronically to you satisfy any legal requirement that such communications be in writing.

19. DISPUTE RESOLUTION

(a) **Informal Dispute Resolution.** Except for any controversy or claim relating to or arising from your representations, warranties, and indemnity obligations set forth in the "**Your Representations, Warranties and Indemnification**" Section above, you and WatchFacts agree that, with respect to any matters, disputes, or claims between you and WatchFacts arising from or related to this Agreement or your relationship with WatchFacts, you and WatchFacts shall negotiate in good faith to informally resolve the problem or dispute. If the problem or dispute is not resolved satisfactorily within 60 days after you or WatchFacts receives notice from the other party in accordance with the "**Notices**" Section above, you or WatchFacts can submit the dispute to binding arbitration in accordance with the arbitration provisions below.

(b) **Arbitration.** Except for any controversy or claim (i) relating to your obligation to indemnify WatchFacts, set forth in "**Your Representations, Warranties and Indemnification**" Section above or (ii) properly filed and pursued in small claims court on an individual basis, any claim, dispute, or controversy between you and WatchFacts arising from or relating to this Agreement or the relationships which result from this Agreement that remains unresolved after you and WatchFacts attempt to resolve them informally shall be resolved by binding arbitration brought on an individual

basis as a "**Common Claim**" before the National Arbitration Forum (NAF) pursuant to the Code of Procedure then in effect (or such other arbitration provider as is mutually agreeable to you and WatchFacts) in a manner consistent with the terms in this Agreement. You and WatchFacts shall submit all available documents that support all claims, counterclaims, or defenses at the time of submission of the initial claim or response thereto. Formal discovery will only be permitted upon a showing of good cause and subject to the arbitrator's approval. In the event the arbitrator requires an in-person proceeding, you agree that such proceeding shall take place in Dade County of Miami, Florida. You and WatchFacts shall each pay our own arbitration and hearing fees, costs, and expenses, including but not limited to, fees, costs, and expenses for attorneys, experts, discovery, and witnesses (as applicable). The arbitration shall be conducted by a single arbitrator. The arbitration may be held by telephone or by written submissions if you and WatchFacts so elect. The arbitrator shall issue a written award. Any award of the arbitrator may be entered as a judgment in any court having jurisdiction. Information may be obtained at www.adrforum.com and claims may be filed electronically at file@adrforum.com. After an arbitration is commenced, if the initiating party (the "**Claimant**") makes a written offer of settlement that is rejected by the other party ("**Respondent**"), and Claimant is the prevailing party in arbitration and recovers an amount equal to or greater than Claimant's offer of settlement, Claimant shall recover his, her, or its reasonable attorneys' fees and expenses incurred in investigating, preparing for, and pursuing the claim in arbitration up to \$25,000. After an arbitration is commenced, if Respondent makes a written offer of settlement that is rejected by Claimant, and Claimant either does not prevail in arbitration or does not recover more in the arbitration than Respondent's offer of settlement (exclusive of attorneys' fees or costs awarded to Claimant by the arbitrator), then Respondent shall recover his, her, or its reasonable attorneys' fees and expenses incurred in investigating, preparing for, and defending the claim in arbitration up to \$25,000. This agreement shall be governed by and interpreted under the Federal Arbitration Act, 9 U.S.C. Sections 1-16.

(c) **Exceptions.** This agreement to arbitrate does not apply to claims filed on an individual basis in small claims court properly within that court's jurisdiction and proceeding on an individual (non-class) basis. You and WatchFacts expressly agree that arbitration shall proceed solely on an individual basis without the right for any claims to be arbitrated on a class-action basis or on bases involving claims brought in a purported representative capacity on behalf of others. The arbitrator's authority to resolve and make written awards is limited to claims between you and WatchFacts. Claims may not be joined or consolidated unless agreed to in writing by all parties. No arbitration award or decision will have any preclusive effect as to issues or claims in any dispute with anyone who is not a named party to the arbitration. Notwithstanding any other provision in this Agreement, if any portion of this "**Exceptions**" provision is deemed invalid or unenforceable, then the entire Arbitration Provision (other than this sentence) shall not apply.

(d) **Voluntary and Knowing Waiver.** BY ENTERING INTO THIS ARBITRATION AGREEMENT, YOU ACKNOWLEDGE AND AGREE THAT YOU ARE WAIVING THE RIGHT TO TRIAL BY JURY FOR ANY CLAIM SUBJECT TO ARBITRATION. YOU FURTHER ACKNOWLEDGE AND AGREE THAT YOU MAY ONLY BRING A CLAIM IN YOUR INDIVIDUAL CAPACITY, AND NOT IN ANY REPRESENTATIVE CAPACITY. OTHER RIGHTS THAT YOU WOULD HAVE IF YOU WENT TO COURT, SUCH AS DISCOVERY OR THE RIGHT TO APPEAL, MAY BE MORE LIMITED OR MAY NOT EXIST.

IN WITNESS WHEREOF, Consignee has caused this Agreement to be executed by a duly authorized officer to be effective as of the date below.

CONSIGNEE: _____

BY: _____

DATE: _____

Schedule A

ITEM DESCRIPTION

Brand _____

Model _____

Reference Number _____

Serial Number _____

PROGRAM SELECTION & PRICING:

_____ Cash Value Range _____ - _____

_____ Consignment Value Range _____ - _____

CONSIGNEE INFORMATION

Name _____

Address: _____

Phone: _____

Email Address: