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CONSIGNMENT SALE AGREEMENT

DATE: 1 January 2011
NAME: (Seller) John Brown
ADDRESS: 23 Doody Street
Alexandria NSW 2015
PHONE: 83388000 **FAX:** 83388003
E-Mail johnbrown@hotmail.com

*This is an Agreement entered into as of the date above between FASOHAM PTY LIMITED ACN 091 912 864 trading as **Home Furniture On Consignment ("HFOC")** and the Seller whose name and address appear above, for the sale of the Merchandise described below:*

MERCHANDISE AND AGREED NET PRICE TO SELLER:

1 x occasional chair \$550

MARKDOWNS: 20% reduction after 60 days

The main commercial terms of this Agreement are summarised below. The full Terms and Conditions are set out overleaf. PLEASE ENSURE that you read the Agreement in full. By signing this agreement overleaf you warrant that you have read and understood the agreement and agree to be bound by its terms

MAIN POINTS:

- The Merchandise is consigned to HFOC for sale for 90 days, although this may be extended if HFOC and the Seller agree. HFOC will display the Merchandise for sale and, if the Merchandise is sold, will pay the Seller the Net Price agreed between HFOC and the Seller after deduction of any transport and cleaning costs, within 30 days of sale.
- The Seller is entitled or authorised to enter into this agreement for the sale of the merchandise.
- The Merchandise will not be insured by HFOC during transit or while on consignment. The Merchandise is held at the Sellers risk. Customers are strongly advised to obtain insurance cover for the Merchandise during the period of consignment.
- The Seller remains the owner of the Merchandise until sale. HFOC is authorised to sell and deliver the Merchandise to a purchaser at a price not less than the Net Price on behalf of the Seller.
- The Seller indemnifies HFOC from costs incurred as a result of a claim by any person arising out of the sale of the Merchandise.
- HFOC's liability is strictly limited.

Consignment Agreement - Terms & Conditions

1. HFOC maintains premises for the sale of home furniture and accessories at 23 Doody Street, Alexandria, NSW and 308 Swan Street, Richmond, VIC ("the Premises") and agrees to sell the Merchandise more fully described overleaf, on the terms and conditions of this agreement.
2. HFOC will ("the Services"):
 - (a) display the Merchandise in the Premises, and
 - (b) use reasonable efforts to sell the merchandise and must accept as the selling price no less than the price agreed between the parties in writing from time to time ("Net Price"). The Agreed Net Price at the date of this agreement is set out overleaf.
3. The Seller agrees to leave the merchandise with HFOC for a minimum of 90 days from the date of this Agreement.
4. In consideration of the Services HFOC is entitled to retain so much of the price for which the Merchandise is sold that is greater than the Net Price.
5. The Seller must pay any additional costs incurred by HFOC at the instruction of the Seller, including costs for cleaning, picking up and shipping the Merchandise ("Other Costs")
6. Upon completion of a sale, HFOC will within 30 days forward a cheque to the Seller by ordinary post for the amount of the Net Price less any Other Costs.
7. Should the Merchandise remain unsold at the end of the consignment period HFOC and the Seller may agree to continue the consignment period on a monthly basis until not less than 7 days notice is given by either of them terminating this agreement. Following termination of this agreement in accordance with this clause the Seller must remove the Merchandise or make arrangements for HFOC to return the Merchandise, in which event any Other Costs incurred shall be immediately payable to HFOC by the Seller.
8. The Merchandise is consigned to HFOC at the seller's risk. HFOC accepts no liability for damage, fire, theft or other loss suffered by the Seller arising from or related to the consignment.
9. This consignment sale agreement is an agency agreement. The scope of agency granted to HFOC is for the sale of the Merchandise on the terms of this agreement only. The Seller remains the owner of the Merchandise at all times unless and until the Merchandise is sold in accordance with this Agreement.
10. **INDEMNITY:** The Seller indemnifies HFOC from and against any costs, losses, claims, demands and expenses incurred by HFOC as a result of a breach of this agreement by the Seller or a claim by any person relating to the sale of the Merchandise by HFOC.
11. **SELLER'S WARRANTY:** The Seller is authorised or entitled to enter into this consignment agreement for the sale of the Merchandise.
12. **LIMITATION OF LIABILITY:** All warranties and terms that may be implied into this agreement are expressly excluded. Where the Trade Practices Act or similar State legislation implies into this agreement any term, condition or warranty, and those laws avoid or prohibit provisions in a contract excluding or modifying them, then the term, condition or warranty is deemed to be included in this agreement provided that the liability of the HFOC, its officers, directors, employees and agents for a breach of any such term, condition or warranty, including any economic or consequential loss which you may sustain shall be limited, at the option of the HFOC, to: (a) in the case of services, the supply of the services again, or the payment of having the services re-supplied; (b) in the case of goods, the replacement or repair of the goods, the supply of equivalent goods, or the payment of the costs of replacing or repairing the goods or acquiring equivalent goods.
12. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the parties. Except as described in this clause, neither party may assign any of its rights under this Agreement to any third party without the written permission of the other. The Seller understands that HFOC may assign this Agreement to a partnership or successor corporation and approves such transfer in advance.
13. The validity, construction and performance of this Agreement shall be governed by the laws of the State of New South Wales.
14. This Agreement, including any attachments constitutes the entire Agreement between HFOC and the Seller concerning this transaction, and replaces all previous representations, understandings, and agreements, between HFOC and the Seller.

**Signed by an authorised representative of HOME
FURNITURE ON CONSIGNMENT:**

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Scott Faso – Director

Signed by the Seller:

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