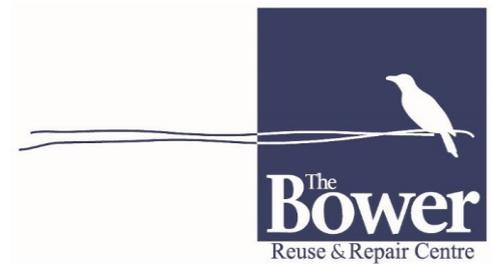


Consignment Policy & Agreement

(Effective 1st January 2016)



Hut 34, 142 Addison Rd
Marrickville NSW 2204
Store 02 9568 6280
Office 02 8004 2666
www.bower.org.au

The Bower is a Not for Profit Environmental Charity ABN 51 412 061 029

Its mission is to reduce the amount of waste entering landfill by reclaiming household items for repair, reuse and resale and by encouraging local communities to engage in upcycling and repurposing of preloved goods and thereby providing affordable goods to low-income earners and other disadvantaged groups and to generate local employment.

Its key objectives are:

- Reducing waste going to landfill
- Providing goods at affordable prices
- Creating employment and training opportunities
- Promoting reuse and upcycling of preloved goods.

The consignment program is an educational display of the potential for preloved goods sold throughout the store. Goods are therefore to reflect the re-use and repair ethos, including minimizing waste, and sustainable manufacture. Items must have been repaired, restored or re-invented with reused components and this should be evident when inspecting the item.

Bullet point summary of Consignment Policy and Agreement

- Complete seven (7) hours volunteering at/on behalf of The Bower or pay \$124 + GST annually.
- The Bower charges a Sales Commission equal to 30% (plus GST) of the Sales Price.
- The Consignee will be paid the nominated Sales Price less the Sales Commission.
- Items will be assessed by The Bower to see if they are repaired, restored or reinvented.
- The Sales Price will be agreed between the consignee and with The Bower.
- The Sales Price is automatically reduced by 15% of the original Sales Price every month.
- The Consignee is solely responsible for determining whether s/he is in a business and has to apply for an ABN or whether the activity is a hobby.
- The Consignee is solely responsible for determining and complying with its obligations in connection with GST.

Eligibility

Consignors shall be members that have goods on consignment for sale with The Bower, referred to in this agreement as Consignors.

1. Selling goods 'on consignment' is only open to approved Members of The Bower.
2. Consignors are those members who have:
 - (a) Been approved by the board; and
 - (b) Paid the relevant annual fee each year; and
 - (c) Volunteered 1 hour of time to/on behalf of The Bower;

and have further more:

- (d) Completed seven (7) hours volunteering at/on behalf of The Bower; or
 - (e) agreed to pay \$124 + GST in lieu of volunteering to The Bower, either up front or as a deduction from the first \$124 + GST of sales garnered through consignment.
3. Consignees must nominate their preferred choice (volunteer or payment) and organise volunteer hours with Administration at the beginning of every membership year (1 August).
4. If no arrangement has been made, The Bower reserves the right to withhold payment of consignment goods or automatically deduct the outstanding \$124 + GST service fee for that year.

Sale Proceeds

5. The Bower does not purchase goods outright. Subject to a donation of the goods under clause 21, goods placed on consignment with The Bower belong to the Consignee at all times.
6. The Bower will charge a Sales Commission equal to 30% (plus GST) of the Sales Price.
7. The Consignee will be paid the nominated Sales Price less the Sales Commission (plus GST) payable to The Bower as per clause 6.
8. Payment to the Consignee will be by direct deposit to an account nominated by the Consignee. Payments will be made fortnightly on a Wednesday and are generally available the following day.

The Bower's Integrity

9. The consignment area is also considered an educational display of the potential for preloved goods sold throughout the store. Goods are therefore to reflect the re-use and repair ethos, including minimizing waste, and sustainable manufacture. Items must have been repaired, restored or re-invented with reused components and this should be evident when inspecting the item.

10. We encourage our consignees to share their ethos on our website, and supply 'before&after' photos and stories to further educate our customers.

Electrical Items on Consignment

11. The Bower must comply with electrical safety, tagging and testing policy in the sale of ANY goods with electrical components.
12. Consignees wanting to sell restored electrical items must take full responsibility for the electrical safety of these goods. The Bower requires proof of testing that has been signed by a qualified tester and their license number.
13. The Bower also offers the services of the in-house electrician at a cost of \$10 + GST /item payable in advance of sale. This cost covers tests for safety and function and does not include item repair to improve function etc. Please note that this service may delay the display and sale of your item by up to 1 week.
14. The Bower reserves the right to refuse to sell any consignment electrical item if the integrity of its safety is in doubt.

Before Selling

Prior to first sale, active members must:

- (a) Provide evidence of their general membership of the Bower;
- (b) Have completed the additional 7 hours voluntary work for The Bower (clause 2(d)) or paid the \$124 plus GST in lieu of volunteering or agreed to forfeit \$124 plus GST of the Sales Price in lieu of volunteering;
- (c) Have paid any fee outstanding for in-house electrician per clause 13;
- (d) Confirm their contact details are current;
- (e) Read and sign this policy acknowledging they understand its terms and conditions;
- (f) Provide their bank account details; and
- (g) Provide details of their ABN or a declaration that their consignment goods are produced as a hobby and are not their main source of income.

Selling at the Bower

15. The Consignee must first contact Customer Liaison (9568 6280 or reuse@bower.org.au) to make an appointment to discuss when the Consignee will bring in the Consignee's item(s) and how many items there are so that The Bower can manage the volume and quantity.
16. On the agreed date, the items can be brought to The Bower for assessment and pricing. The Consignee must bring a list which details the items, the proposed price and brief information about the repair or restoration of the item for example, "*vintage chair, one leg replaced and frame re-stained*".

17. Items will be assessed by The Bower to see if they have been repaired, restored or reinvented with reused components. Items that meet the criteria will be accepted into the consignments display area. The Bower reserves the right to refuse any item for consignment if:
 - (a) there's any doubt that it has not either been repaired, restored or re-invented with reused components; or
 - (b) the consignments area capacity is exceeded.

18. Codes will be provided for each consignment item and tags made. The tag will include the information about the repair or restoration of the item in the list provided at (2) above.

19. The Sales Price will be agreed between the consignee and with The Bower. The Consignee acknowledges and agrees that:
 - (a) GST will not be added to the Sales Price when the good is sold;
 - (b) The Bower has no obligation to take GST (if any) payable by the Consignee into account in the Sales Price or to collect any GST, or any amount on account of GST from the purchaser of a good;
 - (c) Any GST payable on a sale of a good (including any fine, interest or penalty) will be the sole responsibility of the Consignee; and
 - (d) The Bower has no obligation to issue a tax invoice to the purchaser of the good. The Bower will refer any request for a tax invoice to the Consignee. The Bower may disclose that it is acting as agent for the Consignee will be solely responsible for issuing any tax invoice.

Reference above to the Sales Price includes any reduction in the price under clause 20.

20. If the item is not sold within one month, the Sales Price is automatically reduced by 15% of the original Sales Price every month. When the Sales Price drops to half of the original Sales Price and is not sold within a further one month, this will trigger a request for a withdrawal of the item or a donation to the Bower. This will allow a consignment item to have a maximum four months on the floor. For example:

1 April	Starting Sales Price	\$100.00
1 May	New Sales Price	\$85.00
1 June	New Sales Price	\$70.00
1 July	New Sales Price	\$55.00
1 August	Bower requests item to be withdrawn or donated to the Bower.	

21. If the Consignee is asked to withdraw their item and does not do so within two weeks of the Bower's request, the Consignee agrees to donate the item to The Bower. The item is taken to be donated to The Bower, without any further action from The Bower, immediately on expiry of the two week period.

22. Consignee Members may, at any time, withdraw their items from sale, but only if the Consignee presents in person and remove the goods directly from The Bower. The Consignee will also be asked to sign the consignment tag from that item, indicating the goods have been withdrawn.

ABN

23. The Consignee is solely responsible for determining whether s/he is in a business or whether the activity is a hobby. In determining whether the consignee is in a business and has to apply for an ABN the following indicators should be considered by the consignee:
- (a) You've made a decision to start a business and have done something about it, such as registered a business name or got an ABN.
 - (b) You intend to make a profit or genuinely believe you'll make a profit from the activity, even if you're unlikely to do so in the short term.
 - (c) You repeat similar types of activities.
 - (d) The size or scale of your activity is consistent with other businesses in your industry.
 - (e) Your activity is planned, organised and carried out in a businesslike manner. This may include:
 - i. keeping business records and account books
 - ii. having a separate business bank account
 - iii. operating from business premises
 - iv. having licenses or qualifications
 - v. having a registered business name

GST

24. For the purposes of this agreement, unless there is a contrary indication, words and expressions which are not defined in this agreement but which have a defined meaning in the GST Law have the same meaning as in the GST Law.
25. GST Law has the same meaning given to that expression in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) or, if that Act does not exist for any reason, means any Act imposing or relating to the imposition or administration of a goods and services tax in Australia and any regulation made under that Act.
26. All consideration, whether monetary or non-monetary, payable or to be provided under or in connection with this agreement to The Bower is exclusive of GST (**GST-exclusive consideration**).
27. If GST is payable on any supply made by The Bower under or in connection with this agreement, the Consignee must pay to The Bower an amount equal to the GST payable on the supply. For the avoidance of any doubt, this includes GST payable on the Sales Commission.
28. Subject to clause 7, the amount referred to in clause 26 must be paid in addition to and at the same time and in the same manner (without any set-off or deduction) that the GST-exclusive consideration for the supply is payable or to be provided.
29. The Bower need not issue a tax invoice to the Consignee unless requested in writing by the Consignee.
30. If there is an adjustment event in relation to a supply by The Bower, the amount calculated under clause 26 must be adjusted accordingly and a payment made by the Consignee to The

Bower, or by The Bower to the Consignee, except that no payment is required to be made to the Consignee if The Bower is not entitled to a corresponding refund or credit.

31. The Consignee is solely responsible for determining and complying with its obligations in connection with GST, including, but not limited to:
 - (a) GST obligations on or in connection with this agreement or any sale by The Bower of goods on consignment;
 - (b) whether the Consignee is required to be registered for GST;
 - (c) whether the Consignee has a liability for GST, or an obligation to account for or remit GST to the Commissioner or Australian Taxation Office; and
 - (d) the issue of any tax invoice to a purchaser of a Consignee's goods on consignment.

32. The Consignee must indemnify The Bower from and against any liability for GST or any obligation to withhold tax, any interest, fine, penalty or shortfall, or any liability or loss whatsoever (including any economic loss) that The Bower may incur, directly or indirectly in relation to:
 - (a) a breach by the Consignee of this agreement;
 - (b) a failure by the Consignee to comply with any obligation in relation to GST, including without limitation any obligation to register for GST, to pay or account for GST to the Commissioner or Australian Taxation Office or to issue a tax invoice to a purchaser of goods on consignment; and
 - (c) any obligation of The Bower in relation to GST, or any obligation The Bower may have to withhold any amount of tax, in relation to the sale of a Consignee's goods.

33. If The Bower has any obligation to withhold any amount of tax in respect of any payment to the Consignee, or in relation to the sale of a Consignee's goods, the amount payable to The Bower under clause 7 will be increased by the amount required to be withheld so as to put The Bower in the same position as if the amount of tax did not have to be withheld.

Non compliance

34. Consignees, who do not comply with the conditions of this policy may have goods refused for sale and may be subject to penalties under the Bower rules.

35. Any disputes between Consignee members and staff, if not resolved to the mutual satisfaction of both parties, will be referred to the Bower Board of Directors for resolution. The decision of the Board is final.

Consignee Declaration

I, _____ have read, understood and agree to abide by the terms and conditions of this Consignment Policy & Agreement.

Signature of Consignee

Date