

Equipment Consignment Agreement

45 Day Exclusive Sales and Mark _____

This Equipment Consignment Agreement is entered into as of _____ (the Effective Date) by and between the following parties:

Consignee	Consignor
Sierra Circuit Repair, Inc. (SCR) 1420 Locust Street Chico, California 95928-6140 Phone 530 521 3288	Legal name _____ Address _____ City State ZIP _____ Email and phone _____

The parties agree that the Consignor owns the equipment identified in Schedule A and appoints Sierra Circuit Repair, Inc. (SCR) as the exclusive consignee and sales agent for that equipment during the Term. SCR will inventory, prepare, market, and sell the equipment under the terms below.

1 Definitions

1.1 Equipment. The computer, server, networking, storage, mobile, component, peripheral, or other technology assets identified in Schedule A, including accessories, parts, packaging, and documentation delivered with them.

1.2 Gross Sales Proceeds. The amount actually received from a buyer for Equipment, excluding separately stated sales or use tax and separately stated outbound freight paid by the buyer. Gross Sales Proceeds are not reduced by the Consignor's costs, basis, taxes, labor, or overhead.

1.3 Net Proceeds. Gross Sales Proceeds less SCR's fifteen percent (15%) commission, approved direct expenses, refunds, chargebacks, credits, and buyer-return amounts attributable to the sale.

1.4 Written Approval. A signed written approval sent by an authorized representative of the approving party. Text messages and oral statements do not amend this Agreement unless confirmed in writing.

2 Appointment and Exclusive Term

2.1 Exclusive Appointment. The Consignor appoints SCR as its exclusive consignee and sales and marketing agent for the Equipment. SCR may advertise, demonstrate, package, ship, and transfer title to a buyer in the Consignor's name when the buyer pays the agreed purchase price and the Consignor has provided prior Written Approval.

2.2 Term. The exclusive term begins on the Effective Date; however, if the Equipment is shipped to SCR, the Term begins on the later of the Effective Date or the date SCR receives the Equipment. The Term continues for forty-five consecutive calendar days. There is no automatic renewal. Any extension must be in writing signed by both parties. If the Equipment is shipped to SCR, all shipping costs advanced by SCR will be reimbursed to SCR from the sale proceeds at the time of sale.

2.3 No Outside Sale or Withdrawal. During the Term, the Consignor shall not, directly or indirectly, sell, market, list, offer, transfer, pledge, encumber, substitute, remove, or authorize another person to sell any Equipment without SCR's prior Written Approval. The Consignor shall promptly refer all inquiries and offers concerning the Equipment to SCR.

2.4 Unauthorized Sale. If the Consignor or its affiliate sells or transfers Equipment during the Term without SCR's Written Approval, SCR's fifteen percent commission remains due on the gross amount paid or payable in that transaction. This payment obligation is in addition to SCR's right to recover approved direct expenses and other remedies available under law.

2.5 Protected Buyers. For thirty days after the Term, the fifteen percent commission remains due on a sale of Equipment to a buyer or prospect first introduced to the Equipment by SCR during the Term, unless SCR gives Written Approval waiving the commission for that buyer.

3 Delivery and Inventory Process

3.1 Pre Delivery Manifest. Before delivery, the Consignor shall provide an electronic manifest listing, when available, manufacturer, model, part number, serial number or asset tag, configuration, quantity, represented condition, included accessories, data-bearing status, and any known defect, lock, lien, recall, export restriction, or hazardous component. If the Equipment remains at the Consignor's facility, the same information must be provided to SCR before the Equipment is marketed.

3.2 Receiving. The Consignor is responsible for inbound transportation, proper packaging, and transit risk until SCR signs for delivery at its designated facility. A carrier delivery receipt confirms receipt of packages, not final quantity, configuration, condition, or acceptance.

3.3 Intake Count and Identification. SCR will use commercially reasonable procedures to count received units; record available serial numbers or asset tags; identify model and major configuration; note obvious damage and missing accessories; and photograph representative or high-value items. SCR may use lot-level records for high-volume fungible parts when individual serial tracking is impractical.

3.4 Discrepancy Report. SCR will provide an intake inventory or discrepancy report within five business days after receipt when reasonably practicable. The Consignor must identify a specific objection within three business days after receiving the report. If it does not, the report becomes the agreed opening inventory, subject to latent defects and later testing results.

3.5 Testing and Grading. Unless Schedule B states otherwise, intake does not include full functional testing, diagnostics, battery testing, data erasure, repair, refurbishment, or cosmetic grading. SCR may perform agreed services under Schedule C. Testing and grading results may update the inventory record and recommended sale price.

3.6 Segregation and Records. SCR will identify the Equipment as consigned inventory in its records and use commercially reasonable controls to keep it traceable by item, asset tag, serial number, carton, pallet, or lot. SCR may combine fungible units for storage or fulfillment only if its records preserve the Consignor's quantity and sales allocation.

3.7 Inventory Changes. SCR will record sales, approved samples, buyer returns, damage, missing items, substitutions, and authorized disposition. Material discrepancies will be reported to the Consignor promptly after discovery.

4 Pricing Marketing and Sales

4.1 Pricing Instructions. Schedule B will state the target price, minimum acceptable price or reserve, permitted discount range, and whether SCR may sell individual units, groups, or the entire lot. SCR may recommend pricing based on condition, configuration, volume, market demand, testing results, and freight economics.

4.2 Approval Below Reserve. SCR shall not accept a price below the stated minimum without the Consignor's Written Approval. If no minimum is stated, SCR must obtain Written Approval before accepting an offer.

4.3 Marketing. SCR may market the Equipment through its website, direct customer network, broker channels, email campaigns, industry platforms, trade contacts, and other commercially reasonable channels. SCR may use accurate descriptions, specifications, photographs, and anonymized lot information supplied or approved by the Consignor.

4.4 Sale Terms. SCR may establish commercially reasonable buyer payment, inspection, shipping, and return terms consistent with Schedule B. SCR may decline an offer based on credit, compliance, fraud, logistics, reputation, or operational risk.

4.5 No Sale Guarantee. SCR does not guarantee that any Equipment will sell, that a particular price will be achieved, or that marketing will produce a minimum number of offers.

5 Commission Expenses and Payment

5.1 Commission. SCR earns a commission equal to fifteen percent of Gross Sales Proceeds for each sale completed during the Term and each other sale covered by Sections 2.4 or 2.5.

5.2 Expenses. The Consignor is responsible only for direct expenses listed in Schedule C or separately approved in writing, including optional testing, certified data erasure, repair, parts, special packaging, inbound or return freight, storage after the pickup deadline, marketplace fees, and extraordinary buyer-return costs. Ordinary sales and marketing labor is included in the commission.

5.3 Settlement. SCR will provide a settlement statement identifying units sold, buyer price, commission, approved deductions, returns or credits, and Net Proceeds. SCR will pay Net Proceeds within ten business days after buyer funds have cleared and any stated buyer inspection or return period has expired, unless Schedule B specifies a different commercially reasonable settlement cycle.

5.4 Returns and Chargebacks. If SCR has paid the Consignor and the buyer later receives an authorized refund, credit, or chargeback, the Consignor shall repay the corresponding overpayment within ten business days after receiving documentation. SCR may offset that amount against later settlements.

5.5 Taxes. SCR will collect and remit transaction taxes when legally required for sales it processes. Each party remains responsible for its own income, franchise, property, and similar taxes.

6 Title Custody Risk and Insurance

6.1 Title. Title to unsold Equipment remains with the Consignor until title passes to a buyer. Delivery to SCR is not a sale to SCR. The Consignor warrants that it has good and marketable title and full authority to consign and sell the Equipment, free of undisclosed liens and competing claims.

6.2 Custody Standard. While Equipment is in SCR's possession, SCR will exercise commercially reasonable care consistent with its handling of similar inventory.

6.3 Risk Allocation. SCR is responsible for direct physical loss or damage caused by its failure to exercise commercially reasonable care. SCR is not responsible for normal wear, latent or preexisting defects, ordinary battery degradation, data loss, insufficient packaging by the Consignor, carrier loss before receipt or after authorized shipment, or events beyond SCR's reasonable control.

6.4 Liability Cap. Except for fraud, willful misconduct, gross negligence, breach of confidentiality, or amounts SCR is obligated to remit from an actual sale, SCR's aggregate liability for lost or damaged Equipment shall not exceed the lower of the documented fair market value immediately before the loss or the value stated for that Equipment in Schedule A. Neither party is liable for indirect, incidental, special, punitive, or consequential damages, including lost profit or business interruption.

6.5 Insurance. Each party will maintain insurance customary for its business. Upon request, the Consignor will state the declared inventory value and identify any special insurance requirement before delivery. SCR does not insure speculative resale profit.

7 Data Security Environmental and Regulatory Matters

7.1 Data Bearing Equipment. The Consignor shall identify all data-bearing Equipment and select a data-handling instruction in Schedule C. The Consignor represents that it is authorized to transfer or direct erasure of all data and that it has retained any required backup.

7.2 Data Erasure. Unless certified data erasure is selected in Schedule C, SCR has no duty to inspect, preserve, migrate, or erase data. If selected, SCR will use its documented process and may use BitRaser or another approved tool. Media that cannot be successfully erased may be quarantined, returned, or physically destroyed only with Written Approval.

7.3 Locks and Accounts. The Consignor shall remove activation locks, mobile device management, firmware passwords, cloud accounts, SIM cards, and other access restrictions unless expressly disclosed. Locked or noncompliant units may be regraded, returned, sold for parts with approval, or excluded from marketing.

7.4 Environmental Handling. Equipment designated for recycling or destruction will be handled only under a separate written instruction. Nothing in this Agreement authorizes disposal of unsold Equipment without the Consignor's Written Approval.

7.5 Export and Sanctions. Each party shall comply with applicable export controls, sanctions, anti-bribery laws, and restricted-party rules. SCR may refuse or delay any transaction presenting a compliance concern and may request end-user, destination, or classification information.

8 Representations Warranties and Buyer Claims

8.1 Consignor Representations. The Consignor represents that all information it provides is materially accurate; the Equipment is authentic and lawfully acquired; no Equipment is stolen, counterfeit, subject to an undisclosed lease or lien, or restricted from resale; and any known defect, recall, hazardous condition, ownership mark, or regulatory restriction has been disclosed.

8.2 Condition and Warranty. Unless Schedule B expressly authorizes a specific buyer warranty, Equipment will be marketed under commercially reasonable used-equipment terms based on actual testing and grading. The Consignor remains responsible for inaccurate specifications or undisclosed conditions supplied by it.

8.3 Buyer Claims. SCR may reasonably investigate buyer claims, request evidence, arrange inspection, authorize a return consistent with the sale terms, and adjust the settlement. The parties will cooperate to resolve claims promptly and preserve relevant records.

9 End of Term and Unsold Equipment

9.1 Final Reconciliation. At the end of the Term, SCR will prepare a reconciliation of sold, pending, returned, damaged, and unsold Equipment. A transaction accepted during the Term may be completed afterward and remains subject to this Agreement.

9.2 Consignor Election. Within five business days after receiving the reconciliation, the Consignor shall give Written Approval to one of the following: retrieve the unsold Equipment; arrange and pay for return shipment; extend the consignment; revise pricing; or authorize recycling or other disposition under a separate writing.

9.3 Pickup and Storage. The Consignor shall retrieve unsold Equipment or provide return instructions within ten business days after the Term ends. After that deadline, SCR may charge the storage rate in Schedule C. SCR may not treat the Equipment as abandoned or dispose of it except as permitted by applicable law and after providing any required notice.

9.4 Return Condition. Unsold Equipment will be returned in substantially the condition received, ordinary handling, authorized testing, buyer inspection, and disclosed changes excepted. The Consignor is responsible for return freight and insurance unless the parties agree otherwise in writing.

10 Records Confidentiality and Audit

10.1 Records. SCR will retain commercially reasonable records of inventory intake, sales, settlements, and approved disposition for at least three years after final settlement, subject to its record-retention policies and applicable law.

10.2 Confidentiality. Each party will protect the other's nonpublic pricing, customer, inventory, security, and business information using reasonable care and will use it only to perform this Agreement. This obligation does not cover information that is public without breach, already lawfully known, independently developed, or lawfully received from another source.

10.3 Review. On reasonable written notice, the Consignor may review records directly related to its Equipment and settlements no more than once per calendar quarter. The review must protect buyer identities, third-party confidentiality, and SCR's unrelated records.

11 Default Indemnity and Termination

11.1 Default and Cure. A material breach must be described in written notice. The breaching party has five business days to cure a payment or exclusivity breach and ten business days to cure another breach when cure is reasonably possible. Immediate action is permitted for fraud, theft, unlawful conduct, data-security risk, safety risk, insolvency, or a claim that threatens title to the Equipment.

11.2 Early Termination. The Agreement may be terminated before the end of the Term only by mutual written agreement, for uncured material breach, or as otherwise stated here. Early termination does not eliminate accrued commissions, approved expenses, accepted buyer transactions, confidentiality duties, payment duties, indemnity obligations, or protected-buyer commissions.

11.3 Indemnity by Consignor. The Consignor will defend, indemnify, and hold SCR and its officers, employees, and agents harmless from third-party claims, losses, penalties, and reasonable legal fees arising from the Consignor's breach, lack of title or authority, inaccurate description, undisclosed defect or lien, unlawful or counterfeit Equipment, data or privacy claim attributable to preexisting data, or violation of law by the Consignor.

11.4 Indemnity by SCR. SCR will defend, indemnify, and hold the Consignor harmless from third-party claims, losses, and reasonable legal fees arising from SCR's gross negligence, willful misconduct, material breach, or unauthorized representation about the Equipment.

12 Commercial Code Protection

12.1 Consignment Treatment. The parties intend a true consignment and agency relationship, not a sale of the Equipment to SCR. The parties acknowledge that applicable commercial law may treat certain consignments as secured transactions for creditor-priority purposes despite their intent.

12.2 Financing Statement. The Consignor may file a UCC financing statement describing the consigned Equipment when reasonably necessary to protect its interest. SCR authorizes a filing limited to the Equipment and will reasonably cooperate with a continuation, amendment, or termination statement. The Consignor bears filing costs and shall promptly terminate any filing after all Equipment and proceeds have been accounted for.

12.3 No Encumbrance by SCR. SCR will not knowingly grant a lien in the Consignor's Equipment. SCR will identify the Equipment as consigned in its inventory records and will reasonably cooperate if an SCR creditor asserts a claim against it.

13 General Terms

13.1 Independent Parties. SCR is an independent contractor and limited sales agent only for the purposes stated here. Neither party may bind the other except as expressly authorized.

13.2 Assignment. Neither party may assign this Agreement without the other's Written Approval, except SCR may assign it to a successor in connection with a merger or sale of substantially all relevant business assets if the successor assumes the Agreement in writing.

13.3 Notices. Formal notices must be sent by personal delivery, nationally recognized overnight carrier, or email with confirmation of receipt to the addresses in the signature block. Routine approvals and operational communications may be sent by email.

13.4 Governing Law and Venue. California law governs this Agreement without regard to conflict-of-law rules. Any court proceeding shall be brought in the state or federal courts serving Butte County, California, and each party consents to that jurisdiction and venue.

13.5 Attorneys Fees. In an action to enforce this Agreement, the prevailing party is entitled to recover reasonable attorneys' fees and costs to the extent permitted by law.

13.6 Entire Agreement. This Agreement and its schedules are the complete agreement about the Equipment and supersede prior discussions and communications. An amendment or waiver must be in a writing signed by both parties. A waiver on one occasion is not a waiver on another.

13.7 Severability. If a provision is unenforceable, it will be modified only to the minimum extent necessary, and the remaining provisions will continue in effect.

13.8 Counterparts and Electronic Signatures. The parties may sign in counterparts and by electronic signature. Each counterpart is deemed an original and all counterparts together form one agreement.

13.9 Order of Precedence. If a schedule conflicts with the body of this Agreement, the body controls unless the schedule expressly identifies the section being changed and is signed or initialed by both parties.

14 Signatures

Each signer represents that they are authorized to bind the named party and that the party has reviewed and accepts this Agreement and all completed schedules.

Sierra Circuit Repair Inc	Consignor
By _____	By _____
Name _____	Name _____
Title _____	Title _____
Date _____	Date _____
Email _____	Email _____

Schedule A Equipment Inventory and Acceptance

This Schedule A identifies the Equipment covered by the Agreement. Attach additional pages or an electronic manifest if needed. The final accepted intake report may be incorporated by reference.

Line	Manufacturer and model	Part number or configuration	Serial or asset tag	Qty	Condition and included items	Declared value
1						
2						
3						
4						
5						

Electronic manifest filename or reference _____

Pallet carton or package count _____ Total represented units _____

Known defects locks liens recalls or restrictions

Consignor initials _____ Sierra initials _____ Inventory report date _____

Schedule B Commercial Instructions

Commercial term	Agreed instruction
Target asking price	\$ _____ per unit / \$ _____ lot
Minimum or reserve price	\$ _____ per unit / \$ _____ lot
Permitted discount without further approval	Up to _____ percent / _____
Permitted sale format	☐ Individual units ☐ Groups ☐ Entire lot ☐ Best offer
Buyer inspection period	_____ calendar days after delivery
Buyer return terms	☐ No return ☐ DOA only ☐ Other _____
Buyer warranty authorized	☐ None ☐ _____ Scope _____
Settlement cycle if different from Section 5.3	_____
Approved marketing restrictions	_____

Consignor initials _____ Sierra initials _____

Schedule C Services Data Handling and Fees

Only checked services are authorized. Add pricing or attach a signed quote before work begins.

Authorized	Service or charge	Rate or instructions
☐	Intake count and lot-level inventory	Included unless extraordinary handling is required
☐	Individual serial capture and photography	\$_____
☐	Functional testing and grading	\$_____
☐	Certified data erasure	\$_____
☐	Physical media destruction	\$_____
☐	Repair parts or refurbishment	Estimate _____
☐	Special packaging or palletizing	Cost plus _____
☐	Return freight and insurance	Consignment _____
☐	Storage after pickup deadline	\$_____
☐	Other	_____

Data Handling Election

- ☐ No data-bearing media is included.
- ☐ Return data-bearing Equipment without accessing or erasing data.
- ☐ Perform certified data erasure before resale. Failed media must be quarantined pending instructions.
- ☐ Destroy failed or non-erasable media after separate Written Approval.
- ☐ Other instructions _____

Operational Contacts

Role	Consignor contact	Sierra contact
Inventory and logistics		
Pricing approvals		
Accounting and settlement	_____	_____
Data and compliance		

Consignor initials _____ Sierra initials _____