

Wisconsin Charm Bar, LLC

DBA: The Velvet Studio

273 E Main Street, Reedsburg, WI 53959

www.velvetstudiowi.com

Women, Men, Teen and Kid/Baby Clothing Consignment Agreement

Rules & Regulations

This Consignment Agreement ("Agreement") is entered into between **The Velvet Studio** ("Consignee") and the undersigned individual ("Consignor").

By consigning items with The Velvet Studio, the Consignor agrees to all rules and policies outlined below.

1. ITEMS ACCEPTED

The Velvet Studio accepts women, men, teen and baby/kid clothing and accessories under the same standards.

Items must be:

- Gently used or new with tags
- Clean, freshly laundered, and odor-free
- Free of stains, holes, excessive wear, pet hair, pilling, or smoke odor
- Current, on-trend, and seasonally appropriate

Items must be brought in a plastic tote with a lid. Clothing will **not** be accepted in garbage bags or boxes. Large items and bulk drop-offs must be preapproved.

The Velvet Studio reserves the right to accept or decline any item at its sole discretion, including items previously consigned. By consigning, the Consignor confirms that all items are their legal property.

2. CONSIGNMENT SYSTEM (RICOCHET)

- All consigned items are tracked using **Ricochet Consignment Software**.
- Each item is entered into Ricochet with pricing, description, and a consignment start date.

- Ricochet records serve as the official record of inventory, sales, and earnings.
- All items are priced exclusively by The Velvet Studio. Customers have no involvement in pricing decisions. Once entered into inventory, items may not be removed or repriced. The Velvet Studio determines if the item(s) should go on sale.

Consignor Online Account Access:

Consignors may access and monitor their consignment account at <https://thevelvetstudio.ricoconsign.com/> at no cost. Through the online portal, Consignors can view their inventory, track item status, monitor sales, review account balances, and identify expired items. Consignors are responsible for regularly monitoring their account and staying informed of all inventory activity.

Consignors may also securely link their checking account within the Ricochet app to receive monthly ACH direct deposit payouts. ACH payments are issued only when the Consignor's account balance is **\$25.00 or greater** and all ACH setup requirements have been completed.

3. CONSIGNMENT PERIOD

- Items are consigned for a period of **ninety (90) days** from the date they are entered into Ricochet.
- At the conclusion of the consignment period, unsold items will be handled according to store policy, which may include discounting, returning items to the consignor, donation to a charitable organization, or transfer of ownership to The Velvet Studio.
- Consignors are responsible for retrieving unsold items within **seven (7) calendar days** following the end of the consignment period.
- Items not picked up within this timeframe will be considered abandoned and may be donated or otherwise disposed of in accordance with Wisconsin law and store policy.
- Consignors are responsible for tracking item status through the Ricochet system.

4. PRICING & DISCOUNTS

- Pricing is determined by The Velvet Studio based on brand, condition, demand, and resale market trends.
 - The store reserves the right to:
 - Participate in sales and promotions
 - Apply markdowns as items age

- Discounts do not require prior approval from the Consignor.

5. CONSIGNOR EARNINGS (TIERED PAYOUT STRUCTURE)

Consignor earnings are based on the **final selling price** of each item sold (Pertains to Clothing and accessories. Not Maker Consignment) and are calculated as follows:

- **\$99 or less** → Consignor receives **40% of the final sale price**
- **\$100–\$249** → Consignor receives **45% of the final sale price**
- **\$250–\$499** → Consignor receives **55% of the final sale price**

Premium Items – \$500 and Above

For items priced at **\$500 or more**, the payout percentage will be **determined on a case-by case basis** at the sole discretion of The Velvet Studio. Factors may include brand, condition, demand, authentication requirements, and anticipated selling timeframe.

- The agreed-upon payout percentage for \$500+ items will be **communicated at intake** and documented in the Ricochet system.
- Once entered into inventory, the payout percentage for a \$500+ item **may not be changed**, regardless of markdowns or promotions.
- Payouts are calculated using the **final selling price after any discounts**.

Payout Method - One time per month, at the first week of the month.

1. ACH:

Cash payouts are not available. Consignor earnings will be issued via ACH direct deposit through the Ricochet app only when the Consignor's account balance reaches \$25.00 or more and the Consignor has completed bank account setup and accepted the Ricochet Terms and Conditions. A \$2.00 ACH processing fee, charged by Ricochet, will be deducted from each ACH payout. After an ACH payment has been processed, funds may take up to seven (7) business days to be deposited into the Consignor's designated bank account, depending on the financial institution.

2. Check Payment:

Consignors may request payment by check for account balances of \$25.00 or more. Checks must be picked up within 7 days of written notification from The Velvet Studio. A \$2.00 check processing fee will be deducted from each check payment. If a check is not picked up within the 7-day period, the balance may be converted to store credit at The Velvet Studio's discretion.

3. Store Credit Option

In lieu of an ACH payout, the Consignor may elect to receive store credit, which will be saved as a dollar amount in Ricochet under the Consigners profile.

Store credit:

- Is valid for consignment clothing items only
- May not be used for boutique (non-consignment) items, maker/gift consignment, events, or celebration room rentals
- Has no cash value and may not be exchanged for cash

The election between ACH payout or store credit must be made at the time of intake and applies on a per-item basis. Once an item is sold, the payout method may not be changed.

Store credit:

- Has no cash value
- May not be exchanged for cash

Earnings are credited to the Consignor's Ricochet account upon sale. Ricochet processing or transaction fees may apply.

6. PAYOUTS & ACCOUNT RESPONSIBILITY

- Payouts are issued through Ricochet based on store payout settings.
- Consignors are responsible for:
 - Monitoring their Ricochet account
 - Keeping contact and payout information current
 - Unclaimed balances older than **twelve (12) months** may be forfeited in accordance with store policy and Wisconsin law.

7. LOST, STOLEN, OR DAMAGED ITEMS

While The Velvet Studio takes reasonable care of all consigned items:

- The store is not responsible for loss, theft, fire, water damage, or other unforeseen events
- No compensation will be provided for lost or damaged items

8. AUTHENTICITY & OWNERSHIP

The Consignor certifies that:

- All items are authentic and legally owned
- Items are free of liens or claims
- Counterfeit items are strictly prohibited

Any counterfeit items will be removed immediately and may result in permanent loss of consignment privileges.

9. DONATION POLICY

- Unsold items may be donated at the end of the consignment period
- Donated items become the property of The Velvet Studio

10. TERMINATION

- Either party may terminate this Agreement at any time
- Upon termination, unsold items must be retrieved within **ten (10) days**, or they will be considered abandoned and handled per store policy

Early Item Retrieval: If a Consignor requests the return of items before they have been processed or before the end of the consignment period, a **\$25.00 administrative fee** will apply to cover the time required for The Velvet Studio staff to locate and retrieve all items associated with the Consignor's account.

11. POLICY UPDATES

- The Velvet Studio reserves the right to update policies at any time

Fees and Policy Changes: The Velvet Studio reserves the right to modify its fees, policies, and procedures at any time. Consignors will be notified of any changes through written communication, which may include email, updates to the Ricochet app, or notices posted by The Velvet Studio. Continued participation in the consignment program following such notification constitutes acceptance of the revised terms.

- Updates apply to current and future consignments and will be communicated in store or digitally

12. GOVERNING LAW

This Agreement shall be governed by the laws of the **State of Wisconsin**.

MINOR / TEEN CONSIGNOR

PARENT OR LEGAL GUARDIAN AUTHORIZATION

If the Consignor is under the age of 18, the following applies:

A. Guardian Requirement

- A parent or legal guardian must sign this Agreement
- The guardian is the legal Consignor of record
- All Ricochet accounts, earnings, payouts, and communications are associated with the guardian

B. Guardian Responsibility

The guardian:

- Assumes full responsibility for all items consigned by the minor
- Agrees to all pricing, discounts, consignment periods, and donation policies • Accepts responsibility for monitoring the Ricochet account
- Acknowledges that payouts are issued only to the guardian

C. Authorization & Release

By signing, the guardian:

- Authorizes The Velvet Studio to sell, discount, donate, or dispose of items per store policy
- Releases The Velvet Studio from liability related to minor consigned items • Confirms all items are legally owned and authorized for resale

CONSIGNOR & GUARDIAN ACKNOWLEDGMENT

Consignor Name (Printed): _____

Signature: _____

Date: _____

Phone / Email: _____

Address: _____

City, State, Zip: _____

(If Minor)

Minor Consignor Name: _____ Parent / Legal Guardian Name

(Printed): _____

Signature: _____

Date: _____

THE VELVET STUDIO ACKNOWLEDGMENT

Name (Printed): _____

Signature: _____

Date: _____

Ricochet Consignor Number: _____