

INVENTORY CONSIGNMENT CONTRACT

And now this ____ day of _____, 2014 comes Hovis Auto & Truck Supply Inc., hereinafter referred to as "Supplier", and _____, located at _____, hereinafter referred to as "Customer", desiring to enter into an INVENTORY CONSIGNMENT CONTRACT and agree as follows:

1. **TERM.** The term of this agreement is month to month. The term shall automatically renew subject to termination as set forth below.
2. **OWNERSHIP OF CONSIGNED INVENTORY.** The inventory shall remain the property of Supplier at all times.
3. **INVENTORY RESPONSIBILITY.** This inventory is to be located and used only at the Customer's location as set forth above and shall not be moved from that location during the term of this Agreement without Supplier's prior written consent.
4. **INSURANCE RESPONSIBILITY.** Customer is responsible for insuring product in the event of loss. The valuation in the event of a loss for consigned inventory shall be the then current replacement cost. Customer is responsible for reimbursing Supplier accordingly.
5. **TERMINATION.** Either party may terminate this contract with verbal or written notice to the other regardless of reason. In the event of termination by either party, Customer shall immediately either return the inventory, unused and in resalable condition, or pay Supplier the then current replacement cost of new inventory.
6. **CONSIGNED INVENTORY.** The consigned inventory will be as listed on Quoted Reference Number: _____, dated on _____.
7. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties regarding the subject matter herein. There are no other agreements, warranties, terms or conditions, expressed or implied, between the parties.
8. **RESTRICTIVE COVENANTS.** This Agreement is neither assignable nor transferable, in whole or in part, except by writing signed by both parties. No waiver of any provision of this Agreement by either party shall be enforceable against that party unless it is in writing and signed by both parties. In the event the ownership of Customer changes at any time during this Agreement, Customer shall be required to pay the amount set forth in paragraph 5 of this Agreement, unless Supplier consents to the assignment of the Agreement to the new owner who must assume all responsibility for all the obligations and duties of Customer hereunder.
9. **VENUE.** The laws of the state of Pennsylvania shall govern this Agreement.

Intending to be legally bound the parties hereby set their hands to seal.

Hovis Auto & Truck Supply Inc.

Customer business name

Authorized Agent/Employee

Authorized Agent/Employee
