PFOHL'S CONSIGNMENT Q & A

CONSIGN WITH PFOHLS IN 2 SIMPLE WAYS:

- Send us photos of your items by WhatsApp to +264 81 125 5000 or email to <u>sales@pfohls.shop</u> and we will tell you what we can and cannot accept. Make sure that brands are visible on the photos
- Make an appointment at our store by calling (061) 222 990 and bring your items for assessment

WHY CONSIGN WITH US?

Would you like to find a new home for your gently used designer clothes, shoes, bags, accessories, jewelry and watches? Perhaps you want to recover the cost of an impulse purchase or that dress doesn't fit you anymore, or you would like to refresh your wardrobe and need to make some space? We can help you to make money from your unwanted items.

We have a beautiful store centrally located in Windhoek and offer competitive pricing, helping to sell your items in a short period of time.

We pay your percentage at the end of each month after your item(s) sells. There are no fees to have your item with us until it sells.

We accept premium high-street, contemporary and luxury brands. Ensure they are clean and ready to wear. Those found to be damaged, stained or too worn out will not be accepted. See our *Conditions Chart* below.

Are they right for this season? Keep in mind that some items are seasonal, such as coats, boots, hats, etc. and should be submitted before/within the relevant season.

Receive maximum payment for your pre-owned designer, high street brands and wedding dresses by selling them on consignment. Our low fees and quick turnaround times ensures that your item(s) receive top dollar and maximum exposure. Our consignment contract is for 6 months and can be renewed afterwards for another 6 months. You can pick up your unsold items or we can further reduce them in order to sell them faster with your permission.

Here are some of the reasons why PFOHLS is the place to sell your pre-owned items:

• Low fees:

	ITEM VALUE	CONSIGNOR	PFOHLS
UNDER	N\$ 25 000.00	50%	50%
ABOVE	N\$ 25 000.00	60%	40%
ABOVE	N\$ 50 000.00	70%	30%

ABOVE	N\$ 75 000.00	80%	20%

- Great exposure & potential to sell quickly: PFOHLS is the industry-leading fashion
 destination in Namibia and beyond. We have an ever-expanding customer base of
 clients that come from all over Africa, as well as overseas clients. We provide the
 largest selection of authentic new and pre-owned designer clothes for both men and
 women for all occasions, as well as wedding dresses, bags, accessories, jewelry and
 watches.
- Consignor accounts: PHOFLS has a very easy and fair consignment process. You will be assigned a consignor's account, and we transfer your share of the proceeds at the end of each month after your item(s) sell. As another option, you can also opt-in to keep your money as a store-in credit rather than getting cash back and we will give you 10% extra on future purchases for the amount of your store credit.

Q. What is a consignment?

When you consign your items with us, you enter into a legal contract with PFOHLS, wherein we agree to sell your items on your behalf for a percentage of the value. You retain ownership of the items until they are sold.

Q. What is a Consignment Contract?

A Consignment Contract must be signed before your items can be accepted, which is a legal binding contract. A passport or an ID is required to open an account with us.

Consigned items will be at PFOHLS from 6 to 12 months from the accepted/ processed date.

At PFOHLS our goal is to offer you a seamless and highly personalized experience while consigning. Below find some answers to frequently asked questions by new consignors:

Q. What items do you accept on consignment?

We accept both men's and women's clothing, footwear, accessories, jewelry and watches, as well as wedding dresses and bridal accessories, provided they are:

- Premium, contemporary and luxury brands as shown on our website
- In brand new / excellent condition, or gently worn
- Dry-cleaned or cleaned and presented to highest standard

Please note that, for hygienic reasons, we only accept gym wear, swimwear, and underwear in an unworn condition with original tags on.

We only deal with authentic items and do not accept fake products. We do not accept items of questionable authenticity.

Q. Do I need to make an appointment to sell or consign?

We highly suggest making an appointment beforehand to bring in items, which you can set up by Whatsapp +264 81 125 5000 or by email: sales@pfohls.shop

Q. Which designer brands do you accept?

We carry many brands of well-known labels in both luxury (Chanel, Dior, Louis Vuitton, Gucci, Prada, Valentino, Hermes, etc.) and mid-level brands such as Michael Kors, Hugo Boss, Calvin Klein, Tommy Hilfiger, Coach, DKNY, Desigual, Furla, etc. We do not accept mass produced low brands, such as GAP, H&M, Old Navy, Banana Republic, Abercrombie, Uniqlo, Express, etc.

Q. Do you have an authenticity verification process?

Yes, we do. Items are authenticated using some of the following methods, depending on what is appropriate for the category:

- 1. Original receipt / certificate
- 2. Serial Number
- 3. Date codes
- 4. Microchip scanning
- 5. Hallmark details
- Brand labels
- 7. Hardware
- 8. Stitching
- 9. Decoration details
- 10. Leather / fabric quality
- 11. Craftsmanship
- 12. Stamping / packaging

If we find items of questionable authenticity, we will not accept those items and will cancel your account at our store.

Q. Do you guarantee authenticity of an item?

Yes, you can shop with confidence knowing that we take authentication seriously. All items sold at PFOHLS go through a rigorous authentication process before they are being displayed. Plus, most of higher priced items we take on consignment usually come with an original receipt or Original Certificate of Authenticity. We review each product carefully and do not accept any fake designer items.

Q. What are the condition grades for pre-loved items?

To help you understand our condition system better, here is the list of categories that we divide item's condition standards into:

ACCEPTED

- Brand New: brand new with tags and has never been worn
- Excellent: without original brand's tags with no signs of wear
- Good: minimal signs of wear & tear
- Fair: very minor signs of wear, such as scuffs, minor stain, small imperfections

NOT ACCEPTED

 Damaged: visible signs of wear, such as scratches, dents, discoloration, markings and/or tearing

Q. How does PFOHLS determine the condition of an item?

Our store maintains a high standard in selecting the items that we accept. We inspect each item carefully and if any notable flaws exist, we will make a note of it under the Condition section in the listing.

Q. Do you require original receipts for the consigned items?

It is not a requirement but helpful if you can bring us an original or a copy of your receipt, especially for high priced items, such as designer handbags, jewelry, and watches.

Q. How can I check when my items have been sold?

You can call our store at 061 222 990 or send us an email at sales@pfohls.shop and one of our team members will look up your account and notify you what items have been sold. In any case, we will be sending out your statement and your payout on a monthly basis at the beginning of each month for items that were sold the previous month.

Q. What are PFOHLS consignment fees?

Our commission structure is as follows:

	ITEM VALUE	CONSIGNO R	PFOHL S
UNDER	N\$ 25 000.00	50%	50%
ABOVE	N\$ 25 000.00	60%	40%
ABOVE	N\$ 50 000.00	70%	30%

ABOVE	N\$ 75 000.00	80%	20%

Q. Do you have a return policy?

Items with tags attached in original packaging and original receipt may be returned within 24 hours for STORE CREDIT ONLY. All consignment items are final sale and not returnable. We have changing rooms so please try an item and make sure it fits, and you like it before purchasing it.

Q. Does PFOHLS have in store credit?

Yes, if you consigned with us and sold items and have a credit at our store, you can use that credit for purchasing items at PFOHLS instead of getting a Bank Transfer. We will add 10% to your purchases if you have a credit with us. You will have to notify us that you would like to keep your payouts as a store credit rather than a bank transfer.

Q. Does PFOHLS offer lay-buy policy?

Yes, we do, on the following terms:

- We charge 20% deposit and then you pay it off over 3 months' time
- No cash refunds
- 15% charged on cancellation

Q. Do you accept both summer and winter pieces and what are the months for it?

We accept summer clothes all year around as the summer season in Namibia is very long. You can drop off your summer clothes at any time by making a prior appointment with us at our store.

We accept winter clothes during the months of April to July.

Q. Do you offer shipping?

No, you or someone designated by you must come to the shop in person to collect your purchases. You will have to notify us ahead of time if it is someone other than yourself will be picking up your purchases.

Q. Does PFOHLS reserve items?

We sell on a first-come, first-served basis. However, if you saw something you like and need some additional time, we offer 24 hours reservation hold for an item.

Q. Which payment methods does PFOHLS accept?

We accept: Cash, VISA, Mastercard and EFT transfers.

Q. What happens if my item(s) do not sell between 6 to 12 months of consignment period?

If your items are not sold within 12 months, you can either renew your contract with reduced prices for another 6 months or collect your items. Please note that after one year we will contact you to see if you want to collect your unsold items.

Q. Do you offer a pickup service for the consigned items?

Unfortunately, no. You will have to bring your items to the store for inspection by making an appointment with us.

Q. How does PFOHLS decide on the selling price?

We do a lot of research and consider a designer brand, condition, market demand, etc. to establish the right price, so your item can be sold with reasonable return quickly and without further discounts.

Q. How do you set pricing?

We research every piece before pricing it to determine the going rate for the item including the condition and age of the garment. Handbags and jewelry are often set at a higher price, generally 20%-50% off the original retail price, but in some cases certain brands can resell for close to the purchase price (example: high-end luxury brands).

We are often able to price the items that are selling on consignment higher than if we were to do a straight buy out because it is cash taken out of our operations.

Q. Where do you get your items?

Our pre-owned inventory comes from some amazing women's closets all around Southern Africa and even Europe, Australia and USA. We have a database of our regular old-time customers and have some walk-in clients who consign with us.

Q. Do you take men's clothing?

Yes, we do have a section of men's items as well so please contact us if you would like to sell men's clothes, shoes, accessories, and watches.

Q. Do you ever reduce prices?

It depends on the item so ask a salesperson for assistance and he/she will be able to tell you what we can do for you. We start reducing the price of an item after it has been over 6 months on the floor and the percentage reduction increases the longer that item stays with us.

Q. How secure are my consigned items with PFOHLS from theft?

Be assured that the security of your items is our top priority, and they will not be leaving the premises of our store. We upgraded our security system just over a year ago and have metal bars on all the windows and cameras installed around the perimeter and on our roof. Our

security guard is always present while we are open, and we have a buzzer-controlled entrance door.

In an unfortunate case of a fire, we are covered by an insurance company for the costs of goods on premises.

Q. How long does it take for PFOHLS to process seller's items?

After your appointment with us to accept your items on consignment and reviewing your items with a store manager, please allow us up to 2 to 4 business days to fully review, authenticate, and price your items. You will receive a confirmation email from us listing all your items and prices. After you agree to prices, we put your items on the floor.

Q. Do I need an appointment to sell my item(s)?

Although walk-ins are always welcome, we highly recommend you making an appointment to ensure that you receive the level of service you deserve. You are welcome to leave your items with us and we will look through them and let you know what we would keep and what you will need to take back if they are not up to our standards.

Q. How do I contact PFOHLS regarding consignment?

You can email us at <u>sales@pfohls.shop</u> or call us at +264 61 222 990 or WhatsApp +26481 125 5000 if you have any questions. To start the process, please send us photos of the items you would like to consign. Please make sure that brands are visible on the photos.