

Marketplace Agreement

This present agreement is established in order to set up a contractual relationship by and between:

GD Shop Private Limited, having its registered office at Kathmandu District, Kathmandu Metropolitan City, Ward No.13, Nepal and validly registered as a private limited company pursuant to the laws of Nepal.

1.2. This agreement expressly supersedes prior agreements or arrangements between both Parties unless expressly agreed otherwise between the Parties.

1.3. Both Parties agree that customer satisfaction is the ultimate interest responsible for guiding the commercial actions and behavior of both Parties.

1.4. It may use the services of subcontractors to execute any part of the present agreement or any kind of future services made available to the Seller without any prior intimation.

1.7. Any reference in this Agreement to any provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.

1.8. The platform policies are to be read into and incorporated as an integral part of this agreement. Due to constant improvement of services, platform policies will evolve and change over time (with notice to the Seller). The Seller's use of the platform and access to the seller center is subject to this agreement and the latest platform policies available on GD shop.

1.9. In order to maintain its reputation for quality and high service standards, GD Shop reserves the right to delist the Seller and to terminate the relationship with the Seller based on GD Shop internal quality assessment of the Seller as governed by GD Shop Customer Protection Policy.

1.11. The person agreeing to these terms is either the Seller or an Authorized Representative of the Seller, and is permitted to enter such an agreement.

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2. INTERPRETATION & DEFINITIONS

2.1. In this agreement, the words and expressions below shall have the following meanings:

Bank Account

The bank account specified by the Seller in which payments are to be made

Buyer-Seller Interaction Policy

Business Day

A day, excluding Saturdays and other public holidays

Competitor

Any person or entity, that directly or indirectly, engages in the sale of Products on the internet in Nepal. For the avoidance of doubt, any person whose direct or indirect business is only partially similar to the aforementioned would still be deemed to be a Competitor

Contract

The contract entered into between the Seller and a Customer for the sale and purchase of the Products on the Platform

Customer Protection Policy

Daraz's policy via which Seller Performance is kept in check

Customer

A person, who purchases Products on the Platform

Fulfilled by:

Fulfilment model whereby the Seller's Products are stored at a Daraz Fulfilment Center. The ownership of the Products remains with the Seller

Dropship

Fulfilment model whereby the Seller is responsible for maintaining inventory of Products at own premises and making available to Daraz for delivery to Customers

Fee(s)

Any fees charged by Daraz for any services, including additional services such as for pickup or returns

Final Delivery

The transfer of ownership of the product from the Seller to the end customer

Fulfilment Center

A facility provided by Daraz where all Fulfilled by Daraz Products are stored and where orders are processed

Fulfilment Model

Fulfilment model via which the Seller chooses to fulfil orders (Dropship, Fulfilled by Daraz)

General Terms

The terms set out in this agreement

Handling Time

The time from forwarding information of the order by Daraz to the Seller till dispatch of the ordered Product by the Seller (excluding Saturday and other public holidays)

Hub

A location owned or operated by Daraz or one of its logistics partners, where the Seller can drop items and if/when eligible pick up returns

In writing/written

All communications made through the Seller Center or sent by Daraz through courier or email

Inbound

The reception department at Daraz's Fulfillment Center that performs the actions of accepting and registering Products brought to the Fulfillment Center by the Seller

Intellectual Property

Any patent, copyright, registered or unregistered design, design right, registered or unregistered trademark, service mark or other industrial or intellectual property right and includes applications for any of them

Listed Price

The listing price of the Product on the Platform and shall be that price at which the Seller informs Daraz that it wishes to sell any Product and which price shall include any taxes, whether federal, provincial or local, which the Seller is required and liable to pay on the sale or supply of each Product or type of Product. The Listed Price shall not be higher than the price at which the Seller offers the same Product through its own sales channels

Marketplace Fee

The schedule setting out the fee which is payable to Daraz by the Seller for each type of Product sold on the Platform and which can be viewed at Marketplace Fee Structure

Pending

The status on the Seller Center depicting that an order has been received and awaiting processing

Performance Scorecard

The report conveyed to the Seller by Daraz which depicts the operational performance of the Seller

Platform

The website Daraz or any affiliate website or Daraz's mobile application

Platform Policies

All the policies and guidelines applicable to Sellers and available on Daraz University

Product(s)

The products which the Seller intends to sell on the Platform

Ready to Ship

The Products are signaled as being physically available, packed according to packaging guidelines and ready to be transferred to Daraz for delivery

Rejected Product

A Product that has been shipped but could not be successfully delivered to a Customer, for any reason whatsoever

Required Product Information

Means, with respect to each of the Products, the following (except to the extent expressly not required under the applicable Platform Policies):

(a) detailed description, including as applicable, specifications, location-specific availability and options, scheduling guidelines and service cancellation policies; (b) Product numbers, and other identifying information as Daraz may reasonably request; (c) information regarding in-stock status and availability, shipping limitations or requirements, and shipment information; (d) categorization within each Product category and browse structure as prescribed by Daraz from time to time; (e) digitized image that accurately depicts the Product, complies with all Daraz image guidelines, and does not include any additional logos, text or other markings; (f) Listed Price; (g) any text, disclaimers, warnings, notices, labels or other content required by applicable law to be displayed in connection with the offer, merchandising, advertising or sale of the Product; (h) any Seller requirements, restocking fees or other terms and conditions applicable to such Product that a Customer should be aware of prior to purchasing the Product; (i) brand; (j) model; (k) product dimensions; (l) weight; (m) a delimited list of technical specifications; (n) Product numbers (and other identifying information as Daraz may reasonably request) for accessories related to the Product that is available in Daraz's catalog; and (o) any other information reasonably requested by Daraz (e.g., the condition of used or refurbished products)

Return Policy

The policy governing the return, refund, cancellation or rejection of products and which can be viewed within Return Policy

Returned Product

A Product that had been delivered but has been returned by the Customer, for any reason whatsoever

Rules of Packing & Shipping

The rules governing the dispatch and handling of the products sold by the Seller, which can be viewed within

Seller Center

The login-based platform accessible by a Seller by using the user name and password provided to it by GD Shop

Seller Performance

The Seller performance in accordance with the policies and standards defined by GD shop

Seller Support Center

The support service provided by Daraz to solve the issues faced by Sellers as well as help Sellers grow their business

Shipped

A Product is considered shipped and on course for delivery to the Customer

Signup Process

Process via which person(s) or entities sign up to sell on Daraz's online marketplace

Third Party Logistics (3PL)

An external service provider designated by Daraz for shipping

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3. ACCESS TO PLATFORM AND SELLER CENTER

3.1. After going through and successfully completing the Signup Process, Daraz shall provide the Seller with a unique username and password to access the Seller Center and complete the registration process.

3.2. The Seller is responsible for maintaining up to date information pertaining to their business on Seller Center such as, but not limited to, address and bank account number. Daraz is not responsible for any liability arising from incorrect information supplied by the Seller.

3.3. The Seller shall be solely responsible for the safety and security of its password and shall not disclose its password to any third party. The Seller is solely responsible for any use of or action taken under the password and shall fully indemnify Daraz from any damages or injury resulting from any unauthorized use of its password.

3.4. Any correspondence or communication received through the Seller Center and/or appointed email address shall be presumed to originate from and have been made with the approval of the Seller and Daraz shall be entitled to rely on such correspondence or communication.

3.5. Every message sent to the Seller through his/her registered email in the Seller Center account or via Seller Center which did not receive an answer or written objection within 72 hours will be deemed as an agreement between Daraz and the Seller.

3.6. The Seller shall complete a training module in order to be ready for operating on the Platform. The seller must pass this training and implement the learnings in their operations in order to start selling via Daraz.

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4. FEATURING PRODUCTS ON THE PLATFORM

4.1. Daraz shall feature the Seller's Products on the Platform for sale at the given Listed Price. The Platform shall show the Product as being sold by the Seller and not by Daraz.

4.2. Daraz may offer additional promotions/discounts over and above a Sellers Listed Price via multiple channels and the Seller agrees that this does not constitute a change in the ownership of the Product(s). Any Marketplace Fee charged on such a transaction will however be upon the Sellers Listed Price.

4.3. The manner in which the Products are featured on the Platform and its placement on the Platform shall be the sole responsibility of and at the discretion of Daraz.

4.4. Any particular Product(s) featured on the Platform may be delisted by Daraz if sale of that Product would contravene any law or the Seller breaches any of its obligations under this agreement and in such case, the Seller shall be notified immediately.

4.5. Seller shall provide Daraz with the Required Product Information in the prescribed format. This information must be true and in line with the actual physical Product. The Seller will be responsible for listing their own products.

4.6. Daraz reserves the right to use, reproduce, modify, adapt, publish, translate, create and distribute any content that the Seller provides.

4.7. Where at the request of the Seller, Daraz produces digitized images and photographs of the Product(s) for display on the Platform, Daraz may charge a Fee and is entitled to deduct this amount from payments made to the Seller for the sale of any Product(s) in addition to any other amounts it is entitled to deduct under this agreement.

4.8. Featuring any Product on the Platform shall constitute an offer of sale on display by the Seller to all persons using the Platform.

4.9. Where a Customer places an order for purchasing a Product through the Platform, it shall be deemed to be an acceptance of the Seller's offer to sell the Product and a binding contract shall come into force between the Customer and the Seller. The order is considered legally confirmed once the item is dispatched by the seller. The terms of the contract are offered by the Seller and are agreed to by the Customer and have no relation with Daraz.

4.10. Daraz will not be responsible for, and will not resolve or mediate any disputes between the Seller and a Customer.

4.11. All Contracts entered into between the Seller and a Customer shall be subject to this agreement and in the case of any conflict between this agreement and the Contract or any document included in the Product(s) sent to a Customer or implied by trade practice or course of dealing, this agreement shall prevail.

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5. SELLER PERFORMANCE

5.1. The Seller agrees to respect and follow Daraz's Compliance Policy to operate their shop smoothly and avoid the consequences of breaching the policy.

5.2. The Seller agrees to respect and follow Daraz's Customer Protection Policy. If any changes occur in the policy, the Seller will be informed via email.

5.3. Daraz measures Seller performance on an ongoing basis and will share a weekly performance report with the ops score of the respective Seller as mentioned in Customer Protection Policy.

5.3.1 Daraz will rank the Seller based on performance. There are daily order limits associated with each rank.

5.3.2. Daraz may, at any time, delist, downgrade or upgrade the Seller depending on commercial and operational performance without any prior notice to the Seller.

5.3.3. Upon delisting, the Seller may need to go through the training module again in order to re-list on Daraz's Platform. Daraz retains the right to blacklist Sellers who repeatedly breach delisting thresholds and retains sole discretion on how the re-listing process is managed.

5.3.4. Daraz may, at its discretion, exempt certain sellers from the daily order limitations and delisting criteria. Seller agrees to indemnify Daraz if Sellers breaches Daraz policy, fails to follow guideline prescribed by Daraz or fail to satisfactorily perform or to reach the Standard Ops Score. Such indemnification amount may be deducted from the payout released to the Seller as per payment terms. Offences that can lead Seller to indemnify Daraz to include, but are not limited to, the following:

Selling counterfeit and illegal Products.

Slow fulfilment of orders.

Cancellations and orders out of stock.

Lack of respect of packaging guidelines.

High rate of return on products.

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6. SELLER OBLIGATIONS TO CUSTOMER SERVICE

6.1. Daraz may forward questions or complaints received by Daraz's Customer Service department regarding any sold Product(s) to the Seller. The Seller shall be obliged to respond to Daraz on all such questions or complaints within forty-eight (48) hours of the receipt of such questions or complaints.

6.2. On receiving Seller's response to any question or complaint, Daraz shall promptly forward the response to the Customer.

6.3. If a Seller fails to respond to any question or complaint within forty-eight (48) hours of receiving the same, the Seller or any of its Products may be de-listed from the Platform without further notice.

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7. MARKETPLACE FEE

7.1. As an agent for the Seller, Daraz shall be entitled to receive a Fees for the sale of each Product on the Platform, as stipulated in the Marketplace Fees unless specified otherwise in any special terms agreed upon.

7.2. The Marketplace Fees are calculated as a percentage of the Listed Price inclusive of all applicable taxes.

7.3. These Marketplace Fees are deducted by Daraz when making a payout to the Seller defined under Payments.

7.4. Daraz reserves the right to adjust the Marketplace Fees defined in the Fee schedule, providing suitable written notice of fourteen (14) days in advance to the Seller before enactment.

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8. PAYMENTS

8.1. Daraz shall receive and process all payments for Products purchased on the Platform on behalf of the Seller. Daraz shall make payment of the amount of the Listed Price for the Product(s) received from a Customer after deducting its Marketplace Fee for the sale of the Product(s), any additional service Fees or any other amounts due pursuant to this Agreement if applicable, subject to its right of set-off under this agreement.

8.2. The payments will be made to the Seller on a weekly basis to the Bank Account of the Seller as specified by the Seller, provided that payment related to any Product shall be initiated not less than seven (07) days after the Product has been successfully delivered to the Customer. If the Seller does not have bank account in the name of its business as registered with Daraz, the payment shall be made in the personal bank account of the Seller as specified by the Seller in the Seller Center. The Seller is

required to update their banking information as soon as a business bank account becomes available by updating their details in Seller Center.

8.3. Daraz will ensure payment statements are available on the Seller Center with all relevant payment information.

8.4. All payments will be made in Nepalese Rupees. Payments will be made via online transfer to the Bank Account specified by the Seller in the Seller Center.

8.5. The Seller agrees that Daraz shall not be liable for any failure to make timely payments arising due to incomplete or inaccurate information provided by the Seller with regards to its Bank Account. Any tax liabilities or related fee(s) or indemnification amount arising from products sold by the Seller or funds related to those products received from Daraz in a Seller's business or personal bank accounts under tax or any other prevailing law shall be at the sole risk of the Seller.

8.6. In case a payment has been issued by Daraz to the Seller for a delivered item that is later returned to Daraz by the customer, Daraz will deduct equivalent amount in the next cycle and return the product to the Seller (subject to return policy).

8.7. In case a Seller's Product is lost by Daraz and/or 3PL during transit or handling, Daraz will reimburse the Seller for the Product in question.

8.8. In case the Seller raises a dispute about the condition of a returned Product (e.g. Product is damaged), Daraz will reimburse the Seller for the Product in question given the case is reviewed and accepted by Daraz in favor of the Seller. Daraz may also hold the Product temporarily in order to claim insurance or settlement with a 3PL. This does not mean ownership any title of Product transfers to Daraz. If the Seller, refuses to accept delivery of the returned Product, for a period of thirty (30) days after Daraz has notified the Seller that it wishes to return said Product to the Seller, then upon completion of this thirty (30) day period, Daraz shall be entitled to dispose of and/or destroy the Product, under the sole discretion of Daraz. Seller agrees that it shall not initiate any claims in relation to the payments of the disposed goods. However, the Parties hereby acknowledge and agree that the title of said Product (and ownership thereunder, as well as all legal liabilities that flow from such title and ownership) shall never pass to Daraz and shall remain with the Seller at all times, and the Seller has only granted Daraz the irrevocable license to destroy or dispose of the property after the passage of the thirty (30) day period prescribed in this Clause 8.8.

8.9. Daraz shall be entitled to deduct or withhold from payments to be made to the Seller under this agreement any duties, taxes or other amounts required to be deducted or withheld under any federal, provincial or local law and to remit the same to the taxing authority of any jurisdiction relevant to the transaction.

8.10. Any sums due to the Seller hereunder may be applied by Daraz as a set off against any sums owed by the Seller to Daraz, or against any claims of third parties against Daraz arising from the Seller's performance, whether under this agreement, any Contract or other document.

8.11. The Seller shall be responsible for payment of all customs duties, sales tax, excise tax, value-added tax and any other duties, excess, fees or charges of whatsoever nature which may be imposed by governing authorities of any jurisdiction applicable in connection with sale or supply of its Products on the Platform and their purchase by Customers. It is clarified that the Seller shall be solely responsible for the payment of any sales tax on the supply of these Products to the Customer through the Platform and Daraz shall have no liability in this regard.

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9. WARRANTIES

9.1. The Seller warrants to Daraz that all its Products sold on the Platform, whether manufactured, imported or otherwise produced or provided by the Seller or others, will:

9.1.1. Strictly conform to the specifications, drawings, samples, performance criteria, and other descriptions referred to or provided on the Platform;

9.1.2. Be of merchantable quality and fit for the purpose(s) intended; and

9.1.3. Have all relevant regulatory permits and licenses, and conform to all applicable laws, ordinances, codes and regulations of Nepal.

9.2. The Seller furthermore warrants and represents to Daraz that:

9.2.1. It is competent to enter into this agreement and any Contract and its entry into this agreement and any Contract and the performance thereof have been duly authorized by all necessary corporate

action and constitutes a valid and binding agreement of the Seller, enforceable against the Seller in accordance with the terms thereof.

9.2.2 The Products and their packaging will comply with all applicable marking and labeling requirements.

9.2.3 None of the Products have been or will be produced or manufactured, in whole or in part, by child labour, forced labour or any illegal labour practice prohibited under the laws of Nepal.

9.2.4 It and its subcontractors, agents and suppliers involved in producing or delivering the Products will strictly adhere to all applicable laws of Nepal and other countries where the Products are produced or delivered, regarding the operation of their facilities and their business and labour practices, including without limitation working conditions, wages, hours and minimum ages of workers.

9.2.5 All customs duties, excises tax and any other tax on the import, manufacture or production of the Products have been duly paid.

9.2.6 It is legally entitled and permitted to sell the Products that it is listing.

9.2.7 The Products are not dangerous and do not contain any hazardous substance, contraband, explosives, or any kind of prohibited material as per laws of Nepal.

9.2.8 It will package and ship all Products in accordance with all applicable laws and the Seller shall be solely responsible for any violation of law and will indemnify Daraz against the consequences of any such violation.

9.2.9 All information, including but not limited to all information furnished to Daraz with regards to the Products is accurate and up-to-date.

9.2.10 It shall not host, display, upload, modify, publish, transmit, update or share any information which infringes any patent, trademark, copyright, proprietary rights, third party's trade secrets, rights of publicity, or privacy, is fraudulent or involves the sale of counterfeit or stolen items.

9.2.11 All formal consents, waivers, approvals, authorizations, exemptions, registrations, licenses or declarations of or by or filing with, any authority or contracting party which are required to be made or obtained by the Seller in connection with the entry into this agreement or any Contract and the performance of the same, have been duly obtained.

9.2.12 The entry, delivery and performance of this agreement or any Contract by the Seller will not violate or conflict in any material respect with any law, statute, rule, regulation, ordinance, code, judgment, order, writ, injunction, decree or other requirement of any court or of any governmental body or agency thereof.

9.2.13 In its performance under this agreement and any Contracts entered into with Customers, the Seller shall strictly comply with all applicable laws, treaties, ordinances, codes and regulations, and specifically with any import and export, and health, safety and environmental, laws, ordinances, codes and regulations of any jurisdiction (whether international, country, region, state, province, city, or local) where this agreement may be performed. Upon Daraz's written request, the Seller shall provide any written certification of compliance required by any federal, state, or local law, ordinance, code, or regulation.

9.2.14 If necessary, the Seller shall be obliged to procure all formal consents, waivers, approvals, authorizations, exemptions, registrations and/or licenses necessary for Daraz to feature the Products on the Platform, at its own cost.

9.2.15 Daraz may at any point require the Seller to provide any financial, business or personal information for any purpose whatsoever, and the Seller shall provide the same to Daraz within seven (7) Business Days of such request being made.

9.2.16 It is our policy to prohibit and actively pursue the prevention of money laundering and any activity that facilitates money laundering or the financing of or terrorist or criminal activities. We are committed to anti-money laundering compliance in accordance with applicable law and require our directors, officers and employees to adhere to these standards in preventing the use of our products and services for money laundering purposes. You warrant that you are not, in any way, actively involved in money laundering or financing of terrorist or criminal activities or any other illegal activity. We reserve the right to carry out necessary money laundering, terrorism financing, fraud or any other illegal activity check before authorizing your account, payments or processing of any applicable refunds.

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10. INTELLECTUAL PROPERTY

10.1 The Seller warrants represent and covenants that its import, manufacture, production, sale, distribution and use of the Products do not infringe directly or indirectly any Intellectual Property. The Seller warrants represent and covenants that featuring of the Products on the Platform does not, directly or indirectly, infringe any Intellectual Property.

10.2. The Seller undertakes and represents to Daraz that it has all rights and ownership or is a licensed user of all Intellectual Property in relation to the Products and the supply of the Products which shall not be infringed due to marketing, promoting and featuring the Products on the Platform. Daraz acknowledges that it will not acquire any rights in respect of the Intellectual Property in relation to the Products.

10.3. The Seller represents and warrants to Daraz that it is not aware of any claims made by any third party with regards to any alleged or actual patent, copyright, trade secret, trademark, trade name, or other intellectual property right infringement or other claim, demand or action resulting from the manufacture, sale, distribution or use of the Products.

10.4. Both parties agree to release, defend, protect, indemnify and hold their affiliates, and their respective directors, officers, employees, contractors, agents, suppliers, users, successors, and assigns, harmless from and against any and all costs (including attorney fees and court costs on an indemnity basis), expenses, fines, penalties, losses, damages, and liabilities arising out of any alleged or actual patent, copyright, trade secret, trademark, trade name, or other intellectual property right infringement or other claim, demand or action resulting from the advertising, promotion, manufacture, sale, distribution or use of the Products.

10.5. The Seller shall not be entitled to use any Intellectual Property belonging to Daraz without Daraz's prior approval in writing.

10.6. Both Parties shall not make any negative, denigrating, or defamatory statement(s)/comment(s) about each other, the brand name, or the Platform, or otherwise engage in any conduct or action that might tarnish the image or reputation of Daraz or Seller's on the platform or otherwise tarnish or dilute any Daraz or Sellers' trade mark, service marks, trade name and/or goodwill associated with such trade, service marks or trade name as may be owned or used by either Party.

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11. CONFIDENTIALITY

11.1. All Customer information and data, designs, drawings, specifications, communications, whether written, oral, electronic, visual, graphic, photographic, observational, or otherwise, and documents supplied, revealed or disclosed in any form or manner to the Seller by Daraz, or produced or created by the Seller for Daraz hereunder are the intellectual property of, and confidential to Daraz and Seller and shall be used solely by the Seller for purposes of this agreement. All such information shall be treated and protected by the Seller as strictly confidential, and shall not be disclosed to any third party without the prior written consent of Daraz, and shall be disclosed within the Seller's organization only on a need-to-know basis.

11.2. Both Parties may require their respective employees and other personnel involved in the performance of this agreement to execute an individual confidentiality agreement prior to any disclosure. Any non-disclosure agreement heretofore executed by the Seller in connection with the sale of its Products under this agreement is hereby expressly incorporated within the Contract.

11.3. Both parties shall immediately return to each other any information provided, either upon demand, or upon termination of this agreement, including all copies made by either Party.

11.4. Both Parties shall not publicize, disclose, or discuss the existence, content, or scope, whether generalities or details, of this agreement or make any reference to each other, the business of either to any third party by any means, and through any medium (including but not limited to advertising, web site references, photographs, articles, press releases or interviews, speeches or programs) without obtaining prior written consent.

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12. INDEMNIFICATION

12.1. Each Party agrees to indemnify, defend and hold the other Party harmless and keep it indemnified from and against all direct losses, damages, penalties, costs, expenses and charges imposed on or incurred by the other Party as a result of any claims, demands, litigations, law suits and/or legal proceedings by a third party arising out of any act(s), omission(s), non-compliance or breach by the defaulting Party, including its officers or employees, of this Agreement or of directives, rules, regulations, instructions, or orders of any statutory, regulatory or municipal authority or any other applicable laws or third-party agreements, in the running, operation, maintenance and conduct of activities pursuant to this Agreement.

12.2. The Seller agrees to release, defend, indemnify and hold harmless Daraz, including its affiliates, and any director, officer, employee, contractor, or agent, against any costs (including attorney fees and court costs on an indemnity basis), fines, penalties, damages, and liabilities, arising from, alleged to arise from, or in any way associated with:

12.2.1. Any defect in Products sold to any Customer;

12.2.2. Any claim made by any Customer on the basis of any Contract;

12.2.3. Any defect in the packaging or shipping of a Product by the Seller;

12.2.4. Any violation of any law committed by the Seller, including any failure by the Seller to pay any required tax on the import, manufacture, production, sale, supply, distribution or delivery of a Product;

12.2.5. Any negligence or fault of whatever nature of the Seller or its affiliates, and any director, officer, employee, contractor, or agent; or

12.2.6. Any breach in any warranty or representation made herein.

12.3. You shall indemnify and hold harmless Daraz as owned by Daraz Singapore Private Limited, its subsidiaries, affiliates and their respective officers, directors, agents and employees, from any claim or demand, or actions including reasonable attorney's fees, made by any third party or penalty imposed due to or arising out of your breach of these Terms and Conditions or any document incorporated by reference, or your violation of any law, rules, regulations or the rights of a third party.

12.4. You hereby expressly release Daraz as owned by Daraz Singapore Private Limited and/or its affiliates and/or any of its officers and representatives from any cost, damage, liability or other consequence of any of the actions/inactions of the customers or other service providers and specifically waive any claims or demands that you may have in this behalf under any statute, contract or otherwise.

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13. LIMITATION OF LIABILITY

13.1. The Platform and Seller Center, including all content, software, functions, materials and information made available on or provided in connection with the Seller's access to and use of the Platform and the Seller Center, are provided "as-is." The Seller acknowledges and confirms that it shall access and use the Platform and the Seller Center at its own risk. To the fullest extent permissible by law, Daraz disclaims:

(i) Any representations or warranties regarding this agreement, the contracts or the transactions contemplated by this agreement, including any implied warranties of merchantability, fitness for a particular purpose or non-infringement;

(ii) Implied warranties arising out of course of dealing, course of performance or usage of trade; and

(iii) Any obligation, liability, right, claim or remedy in tort, whether or not arising from Daraz's negligence. Daraz does not warrant that the functions contained in the platform and seller center will meet the seller's requirements or be available, timely, secure uninterrupted or error free, and Daraz will not be liable for any service interruptions, including but not limited to system failures or other interruptions that may affect the receipt, processing, acceptance, completion or settlement of any contracts or transactions.

13.2. Because Daraz is not a party to the contracts between customers and sellers, if a dispute arises between them, the customer and seller release Daraz (and its agents and employees) from claims, demands, and damages (actual and consequential) of every kind and nature, known and unknown, suspected and unsuspected, disclosed and undisclosed, arising out of or in any way connected with such disputes.

13.3. Daraz will not be liable (whether in contract, warranty, tort (including negligence, product liability or other theory) or otherwise) to the seller or any other person for cost of cover, recovery or recoupment of any investment made by the seller in connection with this agreement, or for any loss of profit, revenue, business, or data or punitive or consequential damages arising out of or relating to this agreement, even if Daraz has been advised of the possibility of those costs or damages. Further, Daraz's aggregate liability arising out of or in connection with this agreement, the contracts or the transactions contemplated will not exceed at any time the total Fees during the prior three-month period paid by the seller to Daraz.

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14. FORCE MAJEURE

14.1. Daraz shall not be liable to the Seller or be deemed to be in breach of this agreement by reason of any delay in performing or any failure to perform any of Daraz's obligations if the delay or failure was due to any cause beyond Daraz's reasonable control. Without prejudice to the generality of the foregoing the following shall be regarded as causes beyond Daraz's reasonable control:

14.1.1 Act of God, explosion, flood, tempest, fire or accident war or threat of war, sabotage, insurrection, civil disturbance or requisition;

14.1.2. Acts, restrictions, regulations, bye-laws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;

14.1.3. Import or export regulations or embargoes;

14.1.4. Interruption of traffic, strikes lock-outs or other industrial actions or trade disputes (whether involving employees of Daraz or of a third party);

14.1.5. Interruption of production or operation, difficulties in obtaining raw materials labor, fuel, parts or machinery;

14.1.6. Power failure or breakdown in machinery.

14.1.7. Epidemics, Pandemics or outbreak of communicable disease, quarantines, national or regional emergencies or any other cause, whether similiar in kind to the foregoing or otherwise, beyond the party's reasonable control.

14.2. Daraz may, at its option, fully or partially suspend delivery/performance while such circumstances continue and Daraz shall not be liable for any loss or damage suffered by the Seller as a result of such suspension, including but not limited to from the Seller's failure to fulfill any Contract with a Customer.

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15. DURATION & TERMINATION

15.1. This agreement remains valid for one year extendable by tacit agreement until one of the parties terminates it.

15.2. The Seller may terminate this agreement by means of thirty (30) Days' notice by registered letter or email with acknowledgement of receipt from Daraz.

15.3. On or at any time after the occurrence of any of the events of default in Clause 15.4 below, Daraz shall, in addition to any rights or remedies it may have in law, in equity, be entitled to terminate this agreement with immediate effect by written notice to the Seller.

15.4. The following shall constitute events of default:

15.4.1. The Seller being in breach of any warranty or representation under this agreement or any Contract;

15.4.2. The Seller being in breach of any obligation under this agreement or any Contract and failing to remedy the same on or before seven (7) Business Days from receipt of a written notice from Daraz of such breach;

15.4.3. The Seller passing a resolution for its winding up or a court of competent jurisdiction making an order for the Seller's winding up or dissolution;

15.4.4. The making of an administration order in relation to the Seller or the appointment of a receiver over or an encumbrance taking possession of or selling any of the Seller's assets;

15.4.5. The Seller making an arrangement or settlement with its creditors generally or applying to a court of competent jurisdiction for protection from its creditors;

15.4.6. The Seller ceasing or threatening to cease to carry on business; or

15.4.7. Daraz reasonably apprehends that any of the events mentioned above is about to occur in relation to the Seller and notifies the Seller accordingly.

15.5. The termination of this agreement shall not terminate any Contracts already entered into and the Seller shall be obliged to perform all Contracts entered into with Customers.

15.6. The Parties will settle all outstanding liabilities on termination of this agreement.

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16. ASSIGNMENT

16.1. The Seller may not assign this agreement or any Contract, or any part hereof, or any money due hereunder, without the prior written consent of Daraz. If consent is granted, any such assignment by the Seller shall not increase or alter Daraz's obligations nor diminish the rights of Daraz, nor relieve the Seller of any of its obligations under this agreement or any Contract.

16.2. Daraz reserves the right to assign this agreement, in whole or in part, to any party, including Daraz's affiliates.

16.3. The Sellers shall give Daraz prompt written notice of any change in its ownership or organization, and changes in the manufacture or production of the Products provided hereunder.

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17. NOTICES

17.1. All notices between the Parties shall be in writing.

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18. RELATIONSHIP OF THE PARTIES

18.1. Nothing in this agreement will create any partnership, joint venture, franchise, sales representative or employment relationship between the Parties or impose any liability on Daraz in relation to the Seller beyond that specifically expressed in this agreement.

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19. MODIFICATIONS

19.1. The Seller acknowledges and agrees that Daraz may at its sole discretion modify, amend or change any of the General Terms and Platform Policies and such modified, amended or changed General Terms and Platform Policies shall come into force and be binding on the Seller upon the posting of such changes on Seller Center or on the Platform, and the Seller is responsible for reviewing these locations and informing itself of all applicable changes or notices. The Seller should refer regularly to Seller Center to review the current agreement (including the Platform Policies). Daraz will inform the Seller of any modification via email. The Seller's continued access and use of the Platform and Seller Center after posting of any changes by Daraz shall constitute its acceptance of such changes or modifications.

19.2. The Seller will then have fourteen (14) days to accept any and all modifications or communicate disagreement via the Seller Center or via Email. If there is no response from the Seller it will count as an agreement on the Sellers part.

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20. GOVERNING LAW AND DISPUTE RESOLUTION

20.1. This agreement shall be governed by and construed in accordance with the law of Nepal.

20.2. Each Party irrevocably agrees that dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims) shall be settled by arbitration administered by Nepal Council of Arbitration (NEPCA) in accordance with NEPCA Arbitration Rule in the following manner:

20.2.1. There shall be a sole arbitrator appointed by NEPCA. The arbitrator shall not be a present or former employee, agent, consultant or advisor of the Parties, their affiliates or subsidiaries.

20.2.2. Venue and seat of the arbitration shall be in Kathmandu, Nepal and the language shall be English.

20.2.3. The decision of the arbitration shall specify how the expenses of the arbitration shall be allocated between the parties.

20.2.4. The arbitral award shall be final and binding upon the Parties, and judgment on such award may be entered in any court having jurisdiction.

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21. MISCELLANEOUS

21.1. Any typographical clerical or other error or omission in any acceptance, invoice or other document on the part of Daraz shall be subject to correction without any liability on the part of Daraz.

21.2. No waiver by Daraz of any breach of this agreement by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.

21.3. If any provision of this agreement is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of this agreement and the remainder of the provision in question shall not be affected thereby.

21.4. No person who is not a party to this agreement (including any employee, officer, agent, representative or sub-contractor of either party) shall have any right to enforce any terms of this agreement which expressly or by implication confers a benefit on that person without the express prior agreement in writing of the Parties.

21.5. Daraz shall be entitled to commence legal proceedings for the purposes of protecting its confidential information or any exclusivity rights, as contained in this agreement, by means of injunctive or other equitable relief.

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FULFILLMENT MODELS

The Seller has a choice between 2 different Fulfilment Models (Dropship or Fulfilled By Daraz). When creating an account on Seller Center, the Seller is by default operating on Dropship. The Seller can apply for Fulfilled By Daraz by contacting its dedicated account manager or the Seller Support Center.

22. DROPSHIP

22.1. Inventory Treatment:

22.1.1. The Seller is obliged to maintain an inventory of all products featured on the Platform and update its true inventory through the Seller Center on a daily basis.

22.1.2. In the event that the Seller reasonably anticipates that any Products sold on the Platform may go out of stock, it shall immediately update the inventory information in the Seller Center.

22.1.3. If an out of stock Product is shown as in stock on the Platform due to the Seller's inability to update the correct inventory information for that Product on the Seller Center and a Customer places an order for the Product, the order may be cancelled and the Seller shall indemnify Daraz for breaching Platform Policies.

22.2. Order Processing and Packaging:

22.2.1. Upon receipt of an order for the purchase of Products, Daraz shall forward the order and furnish the Seller with details relating to the ordered Product(s) via the Seller center, including the Seller's product or bar code relating to the Product(s) and any other details required to fulfill the order - as provided by the Customer. Order Status on the Seller Center will be depicted as Pending and is a confirmation of an order placed by a Customer.

22.2.2. Upon receipt of information under Clause 22.2.1 above, the Seller shall be obliged to process and package each order such that any and all sold Products shall have a Handling Time as defined by the Sellers ranking within the Customer Protection Policy. In case of any delay, either materialized or foreseen, the Seller shall immediately inform Daraz via email at sellersupport@daraz.com.np.

22.2.3. The Seller is responsible to bear all costs for packing the Product(s) and is obliged to follow the Packaging guidelines. Failure to do so will result in the cancellation of orders by Daraz and further indemnification and/or delisting. All related costs of this cancellation will be borne by the Seller.

22.2.4. Packaging materials to be used are prescribed within the Packaging Guidelines.

22.2.5. The seller must include a PAN/VAT invoice for the transaction, as well as print and include the Seller Center invoice, shipping label and returns form from Seller Center and include them in the package. Seller hereby agrees to indemnify Daraz in the circumstances where PAN/VAT invoices, Seller Center invoice, shipping label and return form from Seller Center are missing as per Seller Compliance Policy.

22.2.6. Notwithstanding anything stated above, seller shall indemnify Daraz in the circumstances where seller prints the invoice, shipping label and/or return form using property/resources of Daraz. The indemnification amount shall be as mentioned in the Daraz Customer protection policy

22.3. Shipping and Order Fulfilment:

22.3.1. Seller shall remain sole and undisputed owner of the sold Product(s) until it is successfully delivered to the Customer, at which point title and ownership shall be transferred to the Customer. In case any Product is returned or rejected by a Customer, the title and ownership of the Product shall, immediately upon return or rejection, revert to the Seller who shall be the sole and undisputed owner of the Product. Title and ownership of the Products shall never pass to Daraz.

22.3.2. The Seller acknowledges and agrees that:

Neither the 3PL nor Daraz shall be liable for any loss including but not limited to taxes and duties levied on the consignment arising due to confiscation of shipments by any government agencies due to lack of proper documents.

The 3PL and Daraz shall have the right but not the obligation, to inspect any shipment without prior intimation to the Seller for checking the contents. The Seller is responsible for ensuring the correct Product(s) are sent to Customers.

All parcels shall be accompanied by the respective forms as prescribed by law to meet the requirements of any governmental authority.

No package will be handed over to 3PL nor Daraz Hub if the order / item status is marked as "cancelled" on Seller Center prior to its shipment.

The Seller acknowledges that Daraz shall not liable to pay for any payment(s) of any cancelled packages to the Customer.

For avoidance of doubt continuous abuse of this policy shall result in the seller's shop being delisted by Daraz.

22.4. Cancellations, Rejections, Returns and Refunds

22.4.1. The Seller agrees that a Customer may cancel an order for any Product in any category before it has been shipped to the Customer. The seller shall not dispatch any cancelled status orders for shipment to 3PL / Daraz hubs. Any such shipment and liability associated with the same shall remain the Sellers responsibility at all times.

22.4.2. The Seller authorizes Daraz to provide the Customer with a refund where the Customer has pre-paid for the Product and he/she cancels the order before it has been shipped or the Product is rejected and/or the Product is returned.

22.4.3. Where for any reason whatsoever, any Product in any category cannot be delivered to the Customer ("Rejected Product"), Daraz may, at its discretion, charge the entire cost of shipping the Product to the Seller.

22.4.4. Unless stated otherwise in the Return Policy in relation to any particular category of Products, the Seller will accept returns of Products in the following cases:

Defective/Damaged Product.

Incorrect Product

Incomplete Product

Counterfeit Product.

Prohibited Item.

The Customer changes his/her mind or no longer needs the product (applicable for certain categories only).

Under the following conditions:

The product is unused, unworn, unwashed and without any flaws.

The product includes the original tags, user manual, warranty cards, freebies and accessories.

The product is returned in the original and undamaged manufacturer packaging / box.

22.4.5. In case of a return, Daraz may, at its discretion, bill the Seller for the cost of shipping the Product from the Customer to Daraz or to the Seller.

22.4.6. In case of returned products, Daraz protects the Seller by conducting a quality control check at Daraz's Fulfilment Center to determine the validity of the Customer's return claim. If the quality control identifies the customers return claim is invalid, for whatever reason, the Product is sent back to the Customer.

22.4.7. In case of any dispute with the Customer as to the condition of the Product when it was delivered, the Seller agrees that it shall be bound by Daraz's inquiry into and decision as to the condition of the Product at the time of delivery.

22.4.8. At the Customer's option, the Seller will either replace the damaged Product within the stipulated timeline as defined in the Customer Protection Policy or authorize Daraz to provide a full refund. The damaged Product may be shipped to the Seller at the Seller's cost unless the Seller directs Daraz to dispose the Product.

22.4.9. Daraz may, at its discretion, bill the Seller for the cost of shipping the replacement Product to the Customer.

22.4.10. The Seller agrees to be bound by and act in accordance with the Return Policy. To the extent that there is any conflict between the Return Policy, the Return Policy shall prevail.

22.5. Additional Services

22.5.1. Pick-up: The Seller can opt for a pick-up service, whereby Daraz will pick up the processed package from the Seller before dispatching to the end Customer. Daraz may charge a pick-up Fee and is entitled to deduct this amount from payments made to the Seller for the sale of any Product(s).

22.5.2. Latest charges for all additional services can be viewed at Daraz.

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23. FULFILLED BY DARAZ

23.1. Inventory Treatment:

23.1.1. In the case the Seller opts to operate on Fulfilled by Daraz, the Parties shall agree on the type and quantity of Products, which the Seller shall deliver to the Fulfilment Center located at the address notified by Daraz to the Seller through the Seller Center. If, for any reason, the Seller is unable to deliver the Product(s) to the Fulfilment Center, it may request Daraz to pick up the Product(s) from the Seller's premises or such other location as may be notified by the Seller for which Daraz may, at its discretion, charge a Fee and may adjust the amount of the Fee against any payments to be made to the Seller for the sale of any Product(s).

23.1.2. The Seller shall deliver the Products to the Fulfilment Center within the agreed and specified timeline with Daraz's operations team.

23.1.3. Either Party may alter the type and quantity of the Products by providing notice no less than five (5) Business days to the other Party prior to the delivery of the Products to the Fulfilment Center.

23.1.4. Prior to the delivery, the Seller shall provide to Daraz the Required Product Information agreed to be delivered, which shall be accurate (for instance a box marked as "16GB Galaxy Note" shall contain a 16GB Galaxy Note mobile phone or box clothing marked as "Medium" shall contain clothing of medium size). Seller shall ensure that each Product clearly states its unique code and its Seller price, along with other code stickers and tags. Upon delivery to the Fulfilment Center, the Seller shall produce a packing list containing the relevant above mentioned information, which shall be confirmed by Daraz.

23.1.5. After the delivery, Daraz may independently conduct a Quality Check (QC) on the Products at the Fulfilment Center. Daraz shall only accept the delivery of any Product if it passes the QC, otherwise the Product shall be returned back to the Seller within thirty (30) days of delivery to Daraz.

23.1.6. The Products shall be stored at the Fulfilment Center until they are sold on the Platform or returned to the Seller. The Products shall be stored at the Fulfilment Center at the Seller's risk. Daraz may charge the seller a storage Fee and may adjust the amount of the Fee against any payments to be made to the Seller for the sale of any Product(s).

23.1.7. The Seller warrants and confirms that it shall not create any mortgage, lien, hypothecation or any other security interest over its Products which are stored at Daraz's Fulfilment Center.

23.1.8. In case Daraz decides to stop featuring any Products on the Platform for any reason whatsoever, it shall return those Products to the Seller.

23.1.9. Daraz may move Products among different Fulfilment Centers at its discretion.

23.1.10. The Seller acknowledges and confirms that:

Daraz shall have no duty as a bailee and the Seller waives all rights and remedies of bailor related to or arising out of any possession, storage or shipment of the Seller's Products by Daraz or any of its contractors or agents.

Storing its Products at a Fulfilment Center may create a tax nexus for it in any country, state, province, or other localities in which the Products are sold, and the Seller will be solely responsible for any taxes owed as a result of such storage. In case any tax is assessed against Daraz as a result of acting as Marketplace agent for the Seller in connection with the storage of the Products or otherwise, the Seller will be solely responsible for taxes and will indemnify and hold Daraz harmless from such taxes.

23.2. Order Processing and Packaging:

23.2.1. Upon receipt of an order for the purchase of any Product(s) through the Platform, Daraz shall be responsible for dispatching and delivering the Product(s) to the Customer.

23.2.2. Daraz may, as mutually agreed between Daraz and the Seller, be responsible for packing the Product(s) sold on the Platform on behalf of the Seller, and may bill that cost as a service Fee to the Seller. The Seller acknowledges and confirms that Daraz may, at its option, use branding materials, such as stickers, which identify that the Product(s) was sold through the Platform.

23.3. Shipping and Order Fulfilment:

23.3.1. Seller shall remain sole and undisputed owner of the sold Product(s) until it is successfully delivered to the Customer, at which point title and ownership shall be transferred to the Customer. In case any Product is returned or rejected by a Customer, the title and ownership of the Product shall, immediately upon return or rejection, revert to the Seller who shall be the sole and undisputed owner of the Product. Title and ownership of the Products shall never pass to Daraz.

23.3.2. The Seller acknowledges and agrees that:

23.3.2.1. Neither the 3PL nor Daraz shall be liable for any loss including but not limited to taxes and duties levied on the consignment arising due to confiscation of shipments by any government agencies due to lack of proper documents.

23.3.2.2. The 3PL and Daraz shall have the right but not the obligation, to inspect any shipment without prior intimation to the Seller for checking the contents. The Seller is responsible for ensuring the correct Product(s) are sent to Customers.

23.3.2.3. All parcels shall be accompanied by the respective forms as prescribed by law to meet the requirements of any governmental authority.

23.3.2.4. No package will be handed over to 3PL nor Daraz Hub if the order / item status is marked as "cancelled" on Seller Center prior to its shipment.

23.3.2.5. The Seller acknowledges that Daraz shall not be liable to pay for any payment(s) of any cancelled packages to the Customer.

23.3.2.6. For avoidance of doubt, continuous abuse of this policy shall result in the seller's shop being delisted by Daraz.

23.3.3. Daraz shall be responsible for the dispatch and delivery of any sold Product(s) from the Fulfilment Center to the Customer in accordance with the rules of packaging and shipping as contained within this agreement and relevant Platform Policies.

23.4. Cancellations, Rejections, Returns and Refunds:

23.4.1. The Seller agrees that a Customer may cancel an order for any Product in any category before it has been shipped to the Customer.

23.4.2. The Seller agrees that if the customer cancels an order prior to the order being marked shipped, the seller shall not dispatch any cancelled status orders for shipment to 3PL / Daraz hubs. Any such shipment and liability associated with the same shall remain the Sellers responsibility at all times.

23.4.3. The Seller authorizes Daraz to provide the Customer with a refund where the Customer has pre-paid for the Product and he/she cancels the order before it has been shipped or the Product is rejected and/or the Product is returned.

23.4.4. Where for any reason whatsoever, any Product in any category cannot be delivered to the Customer ("Rejected Product"), Daraz may, at its discretion, charge the entire cost of shipping the Product to the Seller.

23.4.5. Given that the Product shipped to the Customer from the Fulfilment Center, the Rejected Product shall be reincorporated into the Seller's inventory of Products at the Fulfilment Center for a subsequent order.

23.4.6. Unless stated otherwise in the Return Policy in relation to any particular category of Products, the Seller will accept returns of Products in the following cases:

Defective/Damaged Product.

Incorrect Product.

Incomplete Product.

Counterfeit Product.

Prohibited item.

The Customer changes his/her mind or no longer needs the product (applicable for certain categories only).

Under the following conditions:

The product is unused, unworn, unwashed and without any flaws.

The product includes the original tags, user manual, warranty cards, freebies and accessories.

The product is returned in the original and undamaged manufacturer packaging / box.

23.4.7. In case of a return, Daraz may, at its discretion, bill the Seller for the cost of shipping the Product from the Customer to Daraz or to the Seller.

23.4.8. In case of returned products, Daraz protects the Seller by conducting a quality control check at Daraz's Fulfilment Center to determine the validity of the Customer's return claim. If the quality control identifies the customers return claim is invalid, for whatever reason, the Product is sent back to the Customer.

23.4.9. In case of any dispute with the Customer as to the condition of the Product when it was delivered, the Seller agrees that it shall be bound by Daraz's inquiry into and decision as to the condition of the Product at the time of delivery.

23.4.10. Given that the Product was shipped to the Customer from the Fulfilment Center, the Returned Product shall be reincorporated into the Seller's inventory of Products at the Fulfilment Center.

23.4.11. Given that the Product was shipped to the Customer from Daraz's Fulfilment Center and the Customer requests a replacement, the Seller authorizes Daraz to send a replacement Product to the Customer.

23.4.12. Daraz may, at its discretion, bill the Seller for the cost of shipping the replacement Product to the Customer.

23.4.13. The Seller agrees to be bound by and act in accordance with the Return Policy. To the extent that there is any conflict between the Return Policy, the Return Policy shall prevail.