



## SELLER SANCTION POLICY

SANCTIONS	DESCRIPTION
<b>WARNING EMAIL</b>	<ul style="list-style-type: none"><li>• A warning email is sent on the first confirmed incident of <b>defective product</b> delivered to a customer.</li></ul>
<b>MONETARY FINE</b>	<ul style="list-style-type: none"><li>• Merchant bears the cost of shipping an incomplete order.</li><li>• For returns sent to preferred pick up locations, merchant is expected to pick up package within 7days.</li><li>• If a returned order is not picked up within 7days from day of arrival at pick-up locations, such order is sent back to Konga Distribution Center and the merchant will be required to pick up the item at the Konga Distribution Center at the specified pickup time given by Konga.</li><li>• For replacement/reshipment, merchant would be required to ship as a walk in customer which would attract a charge solely based on the weight and location for the delivery of a returned item</li><li>• Failure to pick up or request for the delivery of the returned item within 7 days from the specified pickup time will result in demurrage.</li><li>• A demurrage fee of <b>N1,000</b> will apply for returned orders not picked outside the 7 days SLA at the Konga Central Distribution.</li></ul>

	<ul style="list-style-type: none"> <li>• <b>Merchant pays a fee of N500 for every order that goes through Quality Assurance (QA) at our Kxpress centres.</b></li> <li>• <b>Merchant will pay Quadruple the commission for every order that is auto-cancelled for not shipping, and unverifiable/invalid self- cancelled order (that is Out of Stock, Price difference, Other Reasons without detailed information). This cancellation charge is capped at a minimum of N500 and maximum of N30000.</b></li> <li>• Konga will charge the commission where merchants uses Self Fulfill to bypass auto cancellation and ship after 48hrs.</li> <li>• Konga will not pay proceeds to Merchants, when an auto-cancelled order is delivered.</li> <li>• Merchants who ship incomplete items will be placed on QA for a month and will be charged the shipping fee of the order.</li> <li>• Merchant pays a fine of N10, 000 on the 2nd confirmed case of defective product in 3 months.</li> <li>• <b>Merchant pays triple the commission value (minimum of N5,000) for every confirmed case of wrong item shipped and are placed on QA for 2 months.</b></li> <li>• <b>Merchants are charged 10% of the order value for every prepaid order that autocancels (Sellers who default twice within 1 month will be suspended for a period of 2 months)</b></li> </ul>
<p><b>PRODUCT QUANTITY ZEROED</b></p>	<ul style="list-style-type: none"> <li>• Product quantity is set to zero (0) for every order cancelled for not shipping (that is, auto-cancelled orders, price difference and out-of-stock cancellations)</li> </ul>

**PRODUCT DISABLED**

- Product is disabled after 2 confirmed defect.
- Product is disabled when **30%** of products delivered have been confirmed **defective** in a month & merchant is banned from listing these products.
- Product is disabled when product infringement/unauthorized sale of particular products is discovered after careful investigation. (To be treated on a case by case basis).
- Rejected product is disabled on the third count of returning to the pending queue without the required change(s).

<b>STORE SUSPENSION</b>	<ul style="list-style-type: none"><li>• Store is suspended for 2 months if more than 30% of orders are cancelled in a month.</li></ul>
-------------------------	--

- Store is suspended if merchant makes a wrong order status update. That is, marks an order as shipped when the order was never shipped, or marks an order as delivered/cancelled when order was never delivered/cancelled.
- Store will be suspended if up to 30% of products sold by a store are confirmed defective within 30 days.
- Store is suspended if merchant does not respond to an arbitration case within specified SLA, which is 48 hours.
- Store is suspended if merchant delays in providing the resolution of an escalated issue that drags unnecessarily beyond the agreed SLA, which is 5 working days or the agreed turnaround time for resolution as promised by merchant.
- Store is suspended if merchant refuses to accept an order at the price indicated on the website because the product price was not updated as at when due.
- Store is suspended for three weeks for the first time use of a derogatory word in either oral or written communication with a Konga rep or customer by a merchant.
- **Store is suspended if found disguising or continuously listing high-end brands after failed/non-verification.**
- **Store will be suspended until seller attends a product listing training if found consistently listing duplicate products, listing products wrongly.**
- A second case of wrong item delivered after serving the 2 months QA period will lead to the suspension of the store for 2 months.
- A store will be suspended for 2 months if the merchant is found to have sold a low/inferior item.
- All furniture sellers are required to customize their delivery fee and the cancellation of any order as result of not

	<p>setting your preferred charge will lead to the suspension of your store for one month.</p> <ul style="list-style-type: none"><li>• <b>A Seller with 2 cases of Defective item delivered in a Month will be suspended for a period of 1 month</b></li></ul>
--	---

<b>STORE CLOSURE</b>	<ul style="list-style-type: none"><li>• Store will be closed if found to have sold a fake/counterfeit/expired product to a customer.</li><li>• Store will be closed if found to have sold a used/refurbished product to a customer.</li><li>• Store will be closed if found to have sold a used/refurbished product to a customer.</li></ul>
----------------------	--

	<ul style="list-style-type: none"> <li>• Store will be closed for the second time use of derogatory word(s) in written or verbal communication to a customer or Konga rep.</li> <li>• Store will be closed if orders are diverted off the platform.</li> <li>• <b>Duplicate store will be closed if found to belong to the same seller with the same products listed.</b></li> </ul>
<b>ITEM FORFEITURE</b>	<ul style="list-style-type: none"> <li>• Merchant will forfeit returned items not picked after 7 days in demurrage state.</li> <li>• The merchant forfeits the item, once it is confirmed that the cost of retrieval is higher than the value of the item.</li> </ul>
<b>DISCLAIMER</b>	<ul style="list-style-type: none"> <li>• Konga or her proprietary delivery partners shall not be responsible or liable for any escalation not done within 30days from the day a shipment is updated to "Returned".</li> <li>• <b>Konga will not be liable for damaged claims made for returned items signed and collected by the merchant.</b></li> </ul>
<b>LEGAL ACTION</b>	<ul style="list-style-type: none"> <li>• Legal action will be instituted against merchant found to have sold a fake/counterfeit/expired product to a customer.</li> </ul>

OCT, 2022.