

ARTICLE 1. OVERVIEW

1.1 BagMe offers a wide range of services aimed at supporting our clients throughout any or all stages of the product design, development and production of bags, backpacks, and other related products.

1.2 Our services include, but are not limited to:

- 1.2.1 Product Design & Design Support
- 1.2.2 Factory and material sourcing
- 1.2.3 Factory relationship management
- 1.2.4 Materials selection & development
- 1.2.5 Product development & sampling
- 1.2.6 Documentation
- 1.2.7 Bill of Materials (BOM) management and cost control
- 1.2.8 Production management and quality control
- 1.2.9 Logistics support
- 1.2.10 Related business consultation

1.3 Our monthly “Support Packages” (MINI, BASIC, STANDARD, PREMIUM, CORPORATE, or CUSTOM) provide hassle-free ongoing monthly payments without any fixed term contracts. However, a **45-day notice** period applies for termination (see Article 5).

1.4 While BagMe can provide “design support,” BagMe is not a dedicated design agency. If a specialised designer is required to support your project, additional fees may apply (see Article 3).

1.5 More information about our Support Packages and pricing can be found on our website at:

www.bagme.com.au/packages

ARTICLE 2. VALIDITY

2.1 Incorporation into Service Agreements

These TOS are incorporated by reference into any Service Agreement between BagMe and its clients. The Service Agreement may contain more specific terms (e.g., monthly fees, design add-ons). In the event of any conflict, the Service Agreement prevails.

2.2 Binding Effect

By signing a Service Agreement that references these TOS—or by otherwise using BagMe’s services—the Client confirms acceptance of these Terms. BagMe may update these TOS from time to time; any material changes will be communicated, and continued use of services constitutes acceptance of the revised terms.

ARTICLE 3. SERVICE FEES & INCIDENTALS

3.1 Support Package service fees will be agreed upon and specified in the Service Agreement.

3.2 The first month of service will be issued at 2 x the agreed Support Package rate.

3.3 If a professional Designer is required to support a client's project, design fees will be added to the monthly package or billed separately, as agreed with the Client and the Designer, and as specified in the Service Agreement.

3.4 All service and design fees will be paid in advance and are non-refundable. Where applicable, VAT or other taxes will be charged in addition to the agreed fees.

3.5 Monthly invoices will be issued at the beginning of each calendar month and are payable within 14 days of issue.

3.6 The agreed Support Package fee is a service only fee and does not include incidentals and other project costs including, but not limited to:

3.6.1 Freight charges – including the delivery of your samples to the client, any freight costs from suppliers who are sending us sample material on the client's behalf, freight/shipping costs for production orders and/or any other postal and freight costs.

3.6.2 Sample materials – in cases when suppliers are not able to supply materials for free.

3.6.3 Material development – development costs for custom fabrics and materials as well as tooling costs for moulded parts, logos and other custom materials.

3.6.4 Certification and testing of materials and products – if not already provided by the supplier or if the client requires independent testing.

3.6.5 Travel costs – for travel other than road and rail within 2 hours of District 2, Ho Chi Minh City, Vietnam.

3.6.6 QC Services - when not included in the Support Package or for high-volume orders that exceed the agreed QC value/workload.

3.6.7 Factory Sampling Deposits or Charges - if requested from a factory prior to commencing development.

3.6.8 Other – any other extra costs charged for by third parties

3.7 Incidentals and other projects costs will be invoiced with a 20% administration fee.

3.8 All incidentals and other project costs will be pre-approved by the client and invoiced along with following monthly service fee invoices.

ARTICLE 4. LATE PAYMENT

4.1 If BagMe does not receive payment by the due date, a friendly reminder email will be sent to the client requesting the payment be made ASAP.

4.2 If an invoice remains unpaid 10 days after the due date, BagMe will temporarily suspend services until payments are up to date and in line with the TOS.

4.3 In instances where the invoice is 20 days overdue, BagMe may terminate the Service Agreement, or choose to continue services upon receipt of the unpaid invoice along with receipt of payment for the following month.

ARTICLE 5. TERMINATION

5.1 Either party may unilaterally terminate the Service Agreement by providing at least 45 days notice in writing to the other party.

5.2 To align with the billing cycles:

5.2.1 **Notice on or before the 15th of any given month:** The next month's invoice will be the final invoice.

5.2.2 **Notice After the 15th of any given month:** BagMe may issue two more monthly invoices, with the Agreement terminating at the end of that second invoiced month.

5.3 If invoices issued prior to the notice of termination have not been paid, services will be terminated immediately at BagMe's discretion.

5.4 Any outstanding or new incidentals and other project costs incurred before or during the notice period will remain the responsibility for the client and will be invoiced to the client at the end of the Agreement.

5.5 In cases where an agreed fixed term has been stipulated in the Service Agreement, the agreement will automatically expire at the end date if no further agreement has been reached.

5.6 Survival

Confidentiality, liability limitations, and any other clauses that by their nature should continue after termination shall remain in effect as outlined in the BagMe NDA or as required by law.

ARTICLE 6. FACTORY SAMPLING DEPOSITS & SAMPLING FEES

6.1 In some cases, Sampling Deposits may be requested by factories for new clients and/or start-up brands. Sampling Deposits mostly range between US\$500 and US\$2,000 depending on the scope of the project.

6.1.1 Sampling Deposit will usually be held by the factory and credited to the client on the final invoice of their first order, as long as the first order is placed within 12 months of the commencement of development and the order reaches a minimum agreed quantity or value.

6.1.2 If an order is not placed within the 12-month period, the deposit will be kept by the factory to help cover the labour and overhead costs of sampling.

6.1.3 If development continues after the 12-month period, the factory may ask for another Sampling Deposit.

6.2 In other cases, some factories may request fees for each round of sampling requested by clients. On average, these fees average at \$300 a round, per product. In these cases:

6.2.1 It can often be negotiated that such fees be credited on the final invoice of the clients first production order based on an agreed timeline and minimum order value.

6.2.3 All Factory Sampling Deposits & Sample Fees will be passed on to the client and invoiced as incidental and other product costs.

6.3 Factory Sampling Deposits and Sampling Fees will always be discussed and agreed upon prior to entering into any agreement with a potential factory partner.

6.4 Each factory may have unique terms for deposits and sample fees. BagMe will provide these terms to the Client in writing (via email or annex). Where a factory's policy conflicts with this Article, the factory-specific terms prevail if agreed by the Client.

ARTICLE 7. INCLUDED QUALITY CONTROL (QC)

7.1 For MINI & BASIC Support Packages, a standard QC Fee of US\$2,000 will apply for all orders up to a value of US\$100,000. For larger orders that require extra time and resources, extra fees may apply.

7.2 STANDARD, PREMIUM & CORPORATE Support Packages, automatically include QC for up to 2 orders and a combined total of US\$1,000,000 in 12 months, at which time extra fees may need to be discussed depending on the size and demands of production and the scope of ongoing development.

7.3 BagMe's included QC services are focused on "creating quality" throughout the development process. We have an in-depth knowledge of bag and backpack construction and production methods, and we focus on creating products that are easier to produce to reduce the risk of quality issues arising during production.

7.4 Some of our clients require independent QC services from organisations who focus on “checking quality” to certified standards. BagMe can work seamlessly with such organisations as our work takes place on different levels.

7.5 Pre-Production Sample Procedure

7.5.1 Once all materials have arrived at the factory prior to production of a new or updated product, BagMe and the production team will oversee the making of 2 x of each product SKU. These samples are made using production materials, to exact production specification and are called Pre-Production Samples (or PP Samples).

7.5.2 These PP Samples will be carefully checked by our team to ensure they meet the agreed specifications and quality and that the 2 x PP Samples are exactly the same.

7.5.3 We will then physically sign and date the PP Samples and send one set to you for confirmation. Freight cost of PP Samples will be invoiced to you on your next invoice.

7.5.4 You need to check the PP Samples carefully – as you would check any contract – and then sign the samples once you are happy they meet our agreed specifications and quality.

7.5.5 You then need to take photos of the signed samples – with signatures clearly visible – and send the photos to us via email, along with any notes of concern, or things you feel we need to pay extra attention to during production.

7.5.6 One (1) of the PP Samples needs to be returned to BagMe or the relevant factory – at the clients cost – before production can commence.

7.5.7 These signed samples become the agreement of quality between you and the factory and BagMe will be referring to these samples throughout and after the production process as necessary to clarify questions and concerns.

7.5.8 For repeat orders, we will refer to these original PP Samples and not make new PP Samples.

7.6 Production Quality Control

7.6.1 BagMe will attend Pre-Production Meetings with the factory as necessary to ensure we transfer any knowledge we have gained throughout development to the production team.

7.6.2 Responsible people from BagMe will be at the factory from the earliest stages of production to ensure the production team is clear and so we can resolve any issues early in the process.

7.6.3 Our team will then be making a series of visits to the factory throughout the production of your products as deemed necessary.

7.6.4 During production, we will communicate with you via Skype, Telegram, email and/or phone as necessary to give you feedback and updates throughout production.

7.7 Final Approval

7.7.1 Once production is complete and we are satisfied of the outcome, we will need your final approval before the goods can be released.

7.7.2 We will need your approval in writing either after a Skype conversation in which we will discuss the outcome of production and show you some examples over video call/conference.

7.7.3 We will then randomly unbox some product and send to you so that you can physically check them before sending your approval for the goods to be released.

ARTICLE 8. EXEMPTION OF LIABILITY

8.1 Force Majeure

BagMe is not liable for delays or non-performance caused by events beyond its control, including but not limited to acts of God, wars, strikes, epidemics/pandemics, government actions, or natural disasters. BagMe will notify the Client promptly and take reasonable steps to mitigate impact.

8.2 Production & Shipping Delays

BagMe cannot guarantee factory lead times, material availability, or shipping schedules provided by third parties. Clients are encouraged to build in adequate time buffers and place orders promptly.

8.3 BagMe shall not be held responsible for any losses incurred by the client or any other party in the following circumstances:

8.3.1 Goods are received by the client after production which are on average delivered to the quality of the "Pre-Production" and/or "Final Approval" samples approved for release by the client after production.

8.3.2 Delays stemming from the Client's late approvals, design changes, or incomplete information are not attributable to BagMe.

8.3.3 Any other delays in development or delivery of samples or if samples do not meet the client's expectations.

ARTICLE 9. BAGME GOOD FAITH POLICY

9.1 Mutual Trust & Collaboration

BagMe provides flexible monthly support without strict hour-tracking, trusting Clients to engage fairly and reciprocate this approach.

9.2 Balancing Workloads

Some months may require heavier effort than others, but BagMe anticipates that, over time, these imbalances even out under each Support Package.

9.3 Scope Adjustments

If a client's needs consistently exceed or fall below their current package scope, BagMe may propose upgrading, downgrading, or adjusting fees to maintain fairness.

9.4 Open Communication

Both Parties agree to raise concerns promptly and seek amicable solutions. Unresolved disputes follow the procedure in Article 10.

ARTICLE 10. DISPUTE RESOLUTION & APPLICABLE LAW

10.1 Contracting Entity & Governing Law

- If contracting with **BagMe Vietnam**, this TOS is governed by Vietnamese law.
- If contracting with **BagMe Product Development Pty Ltd (Australia)**, this TOS is governed by Australian law (state or territory as applicable).

10.2 Amicable Resolution

Parties shall first attempt to resolve disputes informally within 30 days of a written notice of dispute.

10.3 Mediation or Arbitration

If no resolution is reached, either Party may refer the matter to mediation or arbitration in the relevant jurisdiction. Should that fail, litigation in the courts of that jurisdiction may ensue.

10.4 Mediation

10.4.1 The language used in arbitration shall be English.

10.4.2 Parties may opt for online dispute resolution if mutually agreed.

10.5 Continued Performance

Except where impossible, both Parties continue performing their obligations during dispute resolution.

10.6 Other Provisions

If any provision of these General Terms and Conditions is declared void or unenforceable in whole or in part by a competent court, the remaining provisions affected shall remain valid and in force.

ARTICLE 11. PRIVACY & NDA's

11.1 The most valuable asset we have at BagMe is our credibility. Trust takes a long time to earn but can be destroyed in an instant. You can rest assured that any sensitive information you share with BagMe will be kept confidential and in accordance with our Mutual NDA whether we sign one or not.

11.2 We will always treat your information in accordance with our standard Mutual NDA which you can download from our website at: www.bagme.com.au/packages

ARTICLE 12. FINAL PROVISIONS

12.1 These General Terms and Conditions shall be in effect together with the Service Agreement and shall supersede any informal agreements between the Parties with the same content.

12.2 The rights and obligations of the Parties may not be transferred to any third party without the written consent of the other Party.

12.3 No signature page required for these Terms of Service.



BagMe Product Development Pty. Ltd. - ABN: 75 614 562 935

Level 1 655 Sherwood Road, Sherwood, Queensland, Australia, 4075

E: tuke@bagme.com.au - P: (AUS) +61 481 321 346 / (VN) +84 708 900 928 - www.bagme.com