

## Package Description & Terms of Support

(for ongoing monthly packages)

Our support packages have been designed for companies and brands with existing collections who need ongoing support with their projects here in Vietnam.

Chose one of our packages and have a dedicated **BagMe** team member ready to support you at any time with product development, factory communication, sampling, production management and quality control.

	<b>BASIC</b>	<b>STANDARD</b>	<b>PREMIUM</b>	<b>CORPORATE</b>
	us\$1,200/m	us\$2,400/m	us\$3,800/m	us\$6,200/m
Personnel hours:	25%	50%	100%	200%
QC Volume (FOB):	us\$250,000/y	us\$500,000/y	us\$1,000,000/y	us\$2,000,000/y
No. of orders /y:	2	3	4	6

Your dedicated contact will always have full support from Luke and the rest of the team at BagMe. Working with us means you will have an experienced team on the ground here in Vietnam, working in your interests, always ready to respond to your requests and to work directly with your vendors.

If you are interested in our services and feel you need a more tailored solution, feel free to contact us to discuss how you think we can best support you.

The following document has been created for the purpose of clarifying our services only. This document is not a contract nor has been created or edited by a legal authority.

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## 1. Packages

### 1.1. **BASIC**

- 1.1.1. Perfect for a small company or start-up with existing products who would benefit from having a dedicated team working on your behalf providing you with industry knowledge and support.
- 1.1.2. With full oversight from Luke, your BagMe team leader will take care of all your requests with support from the rest of BagMe team and will be responsible for no more than 3 other clients.
- 1.1.3. Receive Quality Control (QC) support for up to 2 individual orders annually with a total FOB value of up to approximately US\$250,000 \*

### 1.2. **STANDARD**

- 1.2.1. For companies who need support here in Asia but cannot justify employing and managing a full-time staff member.
- 1.2.2. Luke and the team at BagMe will support your project as required and your allocated team leader will be responsible for no more than 2 other clients. Our STANDARD package gives you the equivalent of a half-time staff member (50% personnel hours) who you can contact at any time to support you with your projects.
- 1.2.3. Receive Quality Control (QC) support for up to 3 individual orders annually with a total FOB value of up to approximately US\$500,000 \*

### 1.3. **PREMIUM**

- 1.3.1. Gives you a dedicated full-time Merchandiser and/or QC person who is responsible for your account.
- 1.3.2. The PREMIUM package gives you the equivalent a full-time staff member (100% personnel hours), but with the added value of having the rest of the BagMe team ready to support you. You will have a dedicated team leader responsible solely for your project as well as ongoing support and consultation with Luke.
- 1.3.3. Receive Quality Control (QC) support for up to 4 individual orders annually with a total FOB value of up to approximately US\$1,000,000 \*

### 1.4. **CORPORATE**

- 1.4.1. For companies who would otherwise need to spend a lot of time and money on managing full time freelancers and/or operating a small office in Vietnam. We will hire the staff you need and take care of all related costs – including payroll, office costs etc.
- 1.4.2. You will have 2 dedicated staff members working for you based in our office in Ho Chi Minh City plus the full support of Luke and the rest of the team.
- 1.4.3. We can discuss your requirements and hire staff with the specific skills required to manage your projects – for example: We could either hire 1 x Merchandiser/Developer and 1 x QC person, or just 2 x full time QC people depending on your requirements.
- 1.4.4. Guaranteed QC support for up to 6 individual orders annually with a total FOB value of up to approximately US\$2,000,000 \*

\* If your order reach values significantly higher and we need to allocate more staff to oversee your QC, we will discuss options and possible extra costs with you if required.

## 2. Included Support (all packages)

- 2.1. Support your Designers with ideas, solutions and documentation
- 2.2. Material sourcing, development and management
- 2.3. Factory sourcing and/or relationship management
- 2.4. Support with documentation for, and communication with sample rooms.
- 2.5. Product Development support, including overseeing sampling on-site
- 2.6. Scheduled video calls to discuss ongoing project status
- 2.7. Bill of Material (BOM) management and delivery
- 2.8. Production Order (PO) management
- 2.9. Quality management and on-site Quality Control of orders up to the value listed

## 3. Exclusions

All BagMe support fees are “service fees only” and exclude extra project costs including – but not exclusive to – the following:

- 3.1. Product Design
- 3.2. Freight charges, including the delivery of your samples to you, any freight costs from suppliers who are sending us sample material on your behalf, freight/shipping costs for production orders or any other postal and freight costs
- 3.3. Sample materials when suppliers are not able to supply materials for free
- 3.4. Material development costs for special custom fabrics and materials
- 3.5. Certification and testing of materials – if not already provided by the supplier
- 3.6. Travel costs for travel other than road and rail within 2 hours of District 2, Ho Chi Minh City, Vietnam

***Note:** We will always discuss extra projects costs with you in advance and seek your approval prior to generating the expense on your behalf. Extra costs will be invoiced as required with a 20% administration fee added.*

## 4. Pricing and payment

- 4.1. Prices for our monthly support packages will be confirmed in the form of an official quotation once we have determined and agreed on the level of support you require.
- 4.2. This document will be referred to in your official quotation for clarification
- 4.3. Australian clients will be invoiced in AUD – unless otherwise requested – plus GST, payable into our account at [Bank Australia](#).
- 4.4. Clients from outside of Australia will be invoiced in USD payable into our USD account held with [TransferWise](#).
- 4.5. Fees will be invoiced monthly and will always need to be kept a minimum of 30 days in advance, i.e.
  - 4.5.1. First payment will be for two months which includes the first and last month of development fees.
- 4.6. Prices in our official quote are for our services only and do not include extra project expenses as outlined in section 3. of this document.
  - 4.6.1. All extra costs will be pre-approved by you and invoiced as required with your monthly invoice.

## 5. Termination

- 5.1. Support can be terminated at any time with at least 30 days' notice
- 5.2. Unused portion of monthly payments will not be refunded

## 6. Personnel hours

- 6.1. 100% personnel hours represents the hours worked by a full-time employee each week/month.
- 6.2. We use the term "personnel hours" as all BagMe staff members will have time allocated to share their skills and support their colleagues on other projects when required.
- 6.3. Although you will be allocated a BagMe team member as your main point of contact and who is responsible for supporting you with your projects, the allocated personnel hours spent supporting you will be shared between BagMe staff members with different skills as required.
- 6.4. Each BagMe staff member will have at least 20% of their time allocated to supporting their colleagues which means we can offer a broader range of skills, experience and value to your projects.
- 6.5. The percentage of personnel hours allocated is the percentage of working hours in any given week/month after national holidays have been deducted.
  - 6.5.1. For example: if a working week has been reduced to 3 days due to national holidays, 100% personnel hours will represent 3 working days in that week.
- 6.6. If your allocated team leader is unable to work due to health, other personal reasons, or during annual leave, we will do our best to utilise the rest of our team to support you wherever and however possible. However, the amount of available personnel hours during these times may be reduced.
- 6.7. For clients on PREMIUM or CORPORATE packages, we will ask for your support to approve your allocated staff's leave to ensure your projects are not negatively affected.
- 6.8. Luke's time will not be calculated into personnel hours. Any meetings, consultation, knowledge and support provided by Luke will be over and above the allocated personnel hours and the cost of Luke's support is already included in your monthly support package.

## 7. Unused personnel hours

- 7.1. Unused personnel hours are non-refundable, so we encourage you to use the time allocated in your package to support you and your team in any reasonable way possible.
- 7.2. If for some unforeseen reason you use less than ¼ of the personnel hours allocated to you in any given month, we will credit approximately ¼ of your allocated time into a pool for future use at the following rates:
  - BASIC: 5% personnel hours (approximately<sup>2</sup> 1 day)
  - STANDARD: 12.5% personnel hours (approximately<sup>2</sup> 2.5 days)
  - PREMIUM: 25% personnel hours (approximately<sup>2</sup> 5 days)
  - CORPORATE: 50% personnel hours (approximately<sup>2</sup> 10 days)
- 7.3. We will only apply up to 2 monthly credits in a 12-month period.
- 7.4. No more than 5 days can be guaranteed as a credit (credited) in any given month.
- 7.5. Unused personnel hours that have been added into the pool need to be used within 6 months.
- 7.6. If possible, please provide us with 2 weeks-notice if you need to draw on your credits so we have time to re-organise our schedule.
- 7.7. This system will be managed according the "good faith" policy listed in section 9. of this document.

<sup>2</sup> days listed are an approximate amount of time only as some months have more working hours than others due to national and other holidays

## 8. Quality Control

BagMe offers clients on our *Monthly Support Packages* full support with QC during production for all products that we familiarised ourselves during development and sampling.

Long before you place your order, our team will be working to understand your products and to ensure any potential production issues are clearly understood and communicated with the production team.

We do not focus our energy solely on “final inspections”, instead, we focus on every part of the production process to ensure any mistakes are resolved before they are sewn into your products.

### 8.1. Pre-production samples:

Once all materials have arrived at the factory prior to production, the Line Manager/s responsible for the production of your order will make 2 of each product which we will use to confirm the details and quality you can expect from production.

We will then ensure both samples are of the same quality, put our signature on all samples and then send one of each of the signed samples to you for checking and final approval.

Once you have checked the samples and you approve the quality, we ask you sign the samples – next to our signatures – then photograph the approved products with the signatures clearly visible and send us the images via email.

These signed samples become be the agreement of quality between you and the factory and BagMe will be referring to these samples throughout the production process.

### 8.2. During Production:

During production, our team will communicate with you via Skype, email and/or phone as necessary to give you updates and to let you and your team know of any problems we resolved that might require an adjustment in design and/or construction in preparation for following production.

We always have following production cycles in mind while we are conducting your QC and by the time we are ready for final inspection, we will already be sure of the production quality.

### 8.3. Final Approval:

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

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, and/or we will randomly unbox some product to have sent to you so that you can physically check them before sending your approval for the goods to be released.

### 8.4. Liability:

8.4.1. BagMe has many years’ experience in managing the quality control process during the production of highly technical, detailed and complicated products such as bags, backpacks, luggage, tents, sleeping bags and more. The process above is carried out in such a way that you will have full transparency as to the quality of production and we will not allow any products to be dispatched from a factory until we receive final approval from you.

8.4.2. Pre-production samples as outlined in section 8.1 are our agreement of quality, function, detail etc. and we will work with the factory to ensure this agreement is met.

8.4.3. If there are delays during production due to working through quality issues, BagMe will work until the problems are solved but in no way will be held liable for any delays unless a specific contract has been agreed and signed prior to production stating otherwise.

8.4.4. Once goods are dispatched from the factory, all liabilities are the sole responsibility of the owner of the goods.

## 9. BagMe good Faith policy

Our aim is to create efficient and successful business relationships which spend more time focusing on your goals and less time discussing fees, hours worked, negotiating new projects and contracts.

We do not contract our clients to our services and although we take every effort to communicate and clarify the terms of our support, we do not strictly adhere to the limitations we advertise, but rather use these limitations as guideline which will only be referred to when, for example:

1. We believe you are paying too much for our services and may need to be moved onto a lower-cost package or,
2. We feel your project is taking up more time from our team than expected and we need to discuss moving you onto a higher value package

Our team will service you without keeping a perfect record of the amount of time we spend supporting your projects. The structure of our services has been designed to make it easy for us to notice when we are spending too little or too much time on any given project without the need for monitoring every moment worked. If we feel we have issue, we will open the dialogue with you and in “good faith” come to a solution which will be a fair arrangement for both parties.

We understand that the easiest clients to win for the future are the ones we already have. Therefore, it is in our interest to ensure that we are always working in your interests, that you receive professional support, are always getting the best value for money and that your information is well protected.

We trust that our clients will appreciate this style of doing business and that we can resolve any issues that may arise during our business relationship. We are certain that our values will make doing business easy, enjoyable and create successful long-term partnerships.

We don't need contracts to encourage us to do the right things by our clients and we trust our clients will treat the business relationship with the same respect.

### Privacy & NDA's

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 NDA whether we sign one or not.

We will rarely agree to sign NDA's but we will always treat your information in accordance with our NDA which you can download from our website by clicking [here](#).

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