Privileged & Confidential July 13, 2018 By: Krishna Patel

# Memorandum of Understanding Among the following entities:

Georgia, Grace Farms Foundation and UNCHAIN.

This Memorandum of Understanding (MOU) sets forth the terms and understandings between and among the country of Georgia, Grace Farms Foundation (GFF) and UNCHAIN to create a set of standards and practices through-out two discrete but long, complex, international supply chains with the intention to eradicate all forms of slavery.

## **Background**

Of the over 40 million victims of contemporary slavery around the world, the majority are in the private sector. The failure to tackle slavery in global supply chains is the cause of so much of the human suffering of this hidden crime. In September 2015, all UN Member States adopted the 2030 Sustainable Development Goals: 17 interrelated goals and 169 associated targets to promote economic, social and environmental development. In Target 8.7, all countries committed to:

Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

This shared commitment presents a unique opportunity for collaborative efforts to bring about a world free of contemporary slavery. Today the Government of Georgia announces its collaboration with Grace Farms Foundation and UNCHAIN to undertake a focused, directed approach to combat slavery in two discrete but complex supply chains. By entering into this important collaboration, the Government of Georgia reinforces its commitment to end the scourge of contemporary slavery in all its forms. By focusing on two discrete global supply chains, this collaboration will demonstrate that discrete actions through collaboration, rather than generalizations, will be more effective to combat this crime and will educate corporations about the economic and financial benefits of ensuring transparency in corporate supply chains.

### **Purpose**

The parties in this collaboration resolve to demonstrate that discovering slavery requires transparency in all the places where a company manufactures or sources goods and raw materials. The causes of these abuses are complex and their manifestations are often hidden. To fully understand and prevent contemporary slavery in the making of products requires a detailed

and deep level of examination across the entire supply chain. A company must look beyond their first-tier supplier and develop thoughtful systems to map their supply chains and evaluate risk. Accordingly, the entities will work with each other to do the following:

- Unchain will assist in developing auditing and compliance standards as well as internal
  accountability procedures for the two discrete supply chains identified by the Government of
  Georgia. In turn, the Government of Georgia will work to identify companies that manufacture
  products and will assist to provide information about the sourcing of raw materials in the two
  supply chains.
- Unchain will also work to ensure that each company that manufactures products within the discrete manufacturing sectors, has a Code of Conduct against all forms of contemporary slavery and any form of sexual harassment or exploitation and has policies and procedures to implement the prohibitions in the Code of Conduct against contemporary slavery.
- Grace Farms Foundation will assist the Government of Georgia to train its Government employees about contemporary slavery and on methods to detect and mitigate risk within supply chains and if requested, to advise the Government on creating a regulatory body or system that can capture data about how materials are sourced through-out the supply chain. If requested, GFF will also advise the Government of Georgia on how to implement a modern day slavery act.
- GFF can provide training to management of companies on how to train its employees on the prohibitions, red flags in overseeing suppliers, and the implementation of company policies and procedures, against contemporary slavery and sexual harassment and exploitation.
- GFF can work with companies in the two discrete supply chains to ensure that the companies have contractual provisions and appropriate oversight mechanisms requiring its suppliers to maintain and enforce policies and procedures prohibiting all forms of contemporary slavery.
- GFF can consult with management of the companies to ensure that the company requires its suppliers to have, reporting mechanisms for suspected cases of human trafficking, slave labor, forced labor, child labor, bonded labor or any form of sexual harassment or exploitation.

GFF and Unchain's role will be strictly to provide guidance and GFF and Unchain will not and does not accept any fiduciary responsibility or any legal liability in the event that Georgia, or any of the companies that GFF or Unchain engages with as part of its work with the Government of Georgia, fails to adhere to any of the advice, recommendations, standards, Code of Conduct or related anti-slavery requirements and procedures. This MOU does not create and should not be interpreted or construed to create any partieship, fiduciary, or agency relationship, between the parties.

The above goals will be accomplished by undertaking the following activities:

#### Reporting

The Government of Georgia, GFF and Unchain will create an advisory team of experts who will evaluate effectiveness and adherence to the agreement one year from the enactment of the agreement. Each entity will participate, as requested, in any evaluations conducted by the advisory team at the request of the group.

#### **Funding**

Each entity will be responsible for providing their own costs for this project. The Government of Georgia will be responsible for providing any incidental costs for obtaining information necessary for this project.

TBD (we should identify key members of the group here) and additional responsibilities. These additional responsibilities may include member responsibilities related to project implementation and coordination, data submission, data analysis, participation in working groups, monthly or quarterly teleconferences, and the like. They might specify the specific responsibilities of each member of the group.)
Government of Georgia Members

**GFF Members** 

**Unchain Members** 

## Joint Responsibilities for Communications and Development of Timelines

Each member of the group agrees to the following --

- 1) Each member of the group has appointed a key contact person for the project.
- 2) These key contacts will maintain frequent communication to facilitate cooperation under this MOU.
- 3) These key contacts will work together to determine appropriate timelines for project updates and status reports throughout the whole MOU period.

### **Working Relationship Among Group Members**

TBD (To be filled in according to the agreement of the members and the design of the project. This section might address the members' agreement on the steps to be taken in the event one member is not fulfilling its responsibilities.)

#### **Duration**

This MOU is at-will and may be modified by mutual consent of authorized officials from (list parties). This MOU shall become effective upon signature by the authorized officials from the (list parties) and will remain in effect until modified or terminated by any one of the parties by mutual consent. Any partner may terminate with 30 days written notice.

## **Modifications & Assignment**

Consistent with the group's responsibility to implement the approved MOU, this MOU may be amended only by written agreement signed by each of the group members. The roles and

responsibilities of this agreement cannot be assigned to any other organization or entity without a written amendment and consent of all of the members to this agreement.

# **Contact Information**

Government of G	eorgi	a of	ficia	l name
Representative				
Position				
Address				
Telephone				
E-mail				

GFF Representative Position Address Telephone E-mail

UNCHAIN Representative Position Address Telephone E-mail

Date:
(signature)
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