TERMS AND CONDITIONS OF THE RANA PLAZA DONORS TRUST FUND

Article 1: NAME AND PURPOSE OF THE FUND

- 1.1 The International Labour Organization represented by the International Labour Office (ILO) has established the *Rana Plaza Donors Trust Fund* (Trust Fund) to receive donations from Contributor(s) which are subject, without reservation, to these terms and conditions.
- 1.2. The Trust Fund is established for the purpose of funding payments to the victims of the Rana Plaza accident in Bangladesh and/or their families and dependents according to their losses, as provided for in the Understanding for a Practical Arrangement on Payments to the Victims of the Rana Plaza Accident and their Families and Dependents for their Losses (MoU), attached as Annex I.¹
- 1.3. Except as otherwise provided in these Terms and Condtions, the Contributions in the Fund will be used exclusively to transfer funds in specified amounts as determined by the Coordination Committee² to the designated Bangladesh bank to deposit into victims' accounts.

ARTICLE 2: TRUSTEE

- 2.1 The ILO is the sole Trustee of the Fund and holds the fiduciary responsibility for the Fund.
- 2.2 It is the duty of the Trustee to act solely upon the instructions of the Coordination Committee established by the MoU for the purposes set out in this Article.

Article 3: CONTRIBUTION

3.1 Contributions shall be deposited into the following account:

UBS

Rue du Rhone 8, Case Postale CH-1211 Geneva, Switzerland Swift Address: UBSWCHZH80A Account no: 0240-FP100364.0

IBAN No.: CH1900240240 FP1003640

Reference: International Labour Organization for Rana Plaza Trust Fund

3.2 The Trustee will maintain a separate account expressed in U.S. Dollars for the contributions. Contributions received and expenditures incurred in currency other than U.S. Dollars shall be converted into U.S. Dollars at the United Nations operational rate of exchange on the date of the transaction.

¹ http://www.ranaplaza-arrangement.org/mou signed by the Ministry of Labour and Employment, Bangladesh; the Bangladesh Garment Manufacturers' Association (BGMEA), the Bangladesh Employers Federation (BEF), IndustriALL Bangladesh Council (IBC), the National Coordination Committee for Workers' Education (NCCWE), Bangladesh Institute of Labour Studies (BILS), IndustriALL Global Union, Bonmarché, El Corte Ingles, Loblaw and Primark as brands, and the Clean Clothes Campaign.

² The Coordination Committee is established under the MoU and its members are the signatories in note 1, except Bonmarché.

- 3.3 The Trustee will notify the Contributor in writing acknowledging receipt of the Contribution and its acceptance subject to these Terms and Conditions. Multiple donations from the same Contributor will be accounted for in an accumulated sum.
- 3.4 The identity and amount of any Contribution will not be publicly disclosed under these Terms and Conditions, either directly or indirectly. The Trustee or its agent, UBS (Bank), will only disclose identity and amounts to public authorities at their motivated request or as provided under Article 8.2.

Article 4: ADMINISTRATION OF THE CONTRIBUTION

- 4.1 The Trustee shall administer the contributed funds in accordance with its regulations, rules, directives and procedures.
- 4.2 Any interest earned on funds available in the Trust Fund bank account shall be credited to the account after deducting any banking fees or charges relating to maintenance and operation of the account. Should interest earnings be insufficient to cover these costs, contribution income shall be applied for this purpose.

Article 5: EXPENSES, FEES AND COSTS

5.1 The Trustee's expenses for discharge of its duties set out in these Terms and Conditions are not expected to exceed ten thousand US dollars (USD 10,000) per annum. The Trustee shall be reimbursed for these expenses out of the contributions deposited into the Fund, unless separate funds are made available from the account maintained by the Contracting Agent to the Coordination Committee, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

Article 6: REPORTS

6.1 The Trustee shall provide the Coordination Committee, at its request, a statement showing the funds received and expended, not more frequently than monthly and at the end of the distribution of the contributions in the Fund. This statement shall consist of an extract from the ILO's accounts, as submitted for audit to the external auditor whose certificate will appear in the ILO's annual financial report.

Article 7: AUDITING

- 7.1 The contribution and associated activities and expenditures shall be subject exclusively to the internal and external auditing procedures provided for in the ILO regulations, rules, directives and procedures.
- 7.2 The Coordination Committee may request, at its expense, an audit of the Project activities, contribution and expenditures by the external auditor of the ILO. If an audit is requested, both Parties will agree on the Terms of Reference for the work to be undertaken.

Article 8: ETHICAL CONDUCT

- 8.1 No offer, gift, payment, consideration or benefit of any kind, the provision of which would constitute an illegal, corrupt or fraudulent practice, shall be accepted.
- 8.2 If any Contribution is determined to come within the prohibition of the first paragraph of this Article, the Trustee and or its agent, the Bank, may disclose the particulars to public authorities as justice requires.

Article 9: PRIVILEGES AND IMMUNITIES

- 9.1 Nothing in these Terms and Conditions or relating thereto shall be construed as constituting a waiver of the privileges and immunities enjoyed by the ILO.
- 9.2 In all matters connecting with performance under these Terms and Conditions, the Government(s) concerned shall apply to the Trustee and the contributions in the Fund the provisions of the Convention of the Privileges and Immunities of Specialized Agencies (1947) and Annex I thereof relating to the ILO.

Article 10: RELATIONSHIP AND LIABILITY

- 10.1 Nothing in these Terms and Conditions nor in the Fund's operation shall be construed as establishing a relationship of principal and agent between any Contributor and the ILO.
- 10.2 The Trustee shall be held harmless and indemnified from any liability for any claim, loss or damage incurred by reason of any act or omission performed or omitted by the Trustee in acting upon instructions of the Coordination Committee in relation to use, transfer, or other operation of the Trust Fund, provided that the Trustee shall not have acted in gross negligence or willful misconduct with respect of such acts or omissions. The Trust Fund shall be used in the event of need to defend the Trustee accordingly.

Article 11: DISPUTE SETTLEMENT

- All disputes, controversies or claims arising out of or in connection with these Terms and Conditions shall be settled amicably using the best efforts of all concerned.
- Any dispute, controversy or claim arising out of or relating to these Terms and Conditions which cannot be settled amicably within sixty (60) days shall be settled by arbitration in accordance with the United Nations Commission on International Trade Law Arbitration Rules (UNCITRAL). The parties to any such arbitration agree to be bound by any arbitration award rendered in accordance with this provision as the final adjudication of any dispute.

Article 12: ANNEXES AND VALIDITY

- 12.1 Annex I forms an integral part of this Agreement. In the event that the terms contained in the Annex are incompatible with those contained in this Agreement, then the latter shall govern and prevail.
- These terms and conditions, and any supplement issued by the Trustee, shall remain in force for the duration of the MoU activities, unless the distribution of the Funds is competed before that time. Any such supplement would not apply to the obligations of the Trustee in respect of donations already received.

Article 13: RESIGNATION AND TERMINATION

- In the event of resignation of the Trustee, any successor Trustee shall have the same duties and powers as are conferred in these Terms and conditions upon the original Trustee.
- In the case of early termination of the MoU upon which the Coordination Committee will give instructions to the Trustee, the ILO shall not be obliged to repay any funds irrevocably committed in good faith by it to third parties before the date of notice of such termination. All other remaining funds will be distributed pro rata to the Contributors.

13.3 The obligations assumed by the ILO as Trustee shall survive termination of the MoU to the extent necessary to permit the orderly conclusion and settlement of accounts.

Article 14: INTEREST AND UNUTILIZED FUNDS

14.1 Any interest derived from the contribution shall be accounted for separately and subject to Article 3.2. Any interest or any balance remaining unspent in the initial distributions of awards to RP victims shall be distributed to the RP victims upon instruction of the Coordination Committee in accordance with the decision taken by the Committee at its Fifth Meeting and affirmed at its Sixth Meeting.

Article 15: APPLICATION OF ILO'S LEGAL PROVISIONS

15.1 For any matters not specifically covered by this Agreement, the appropriate provisions of the regulations, rules, directives and procedures of the ILO shall apply.

Article 16: LANGUAGE

16.1 The original of these Terms and Conditions has been written in English. If the Terms and Conditions are translated into a language other than English, the English version shall govern and prevail.

28 January 2014, Geneva

Understanding for a Practical Arrangement on Payments to the Victims of the Rana Plaza Accident and their Families and Dependents for their Losses

Introduction

On 24 April 2013, the Rana Plaza building (Savar, Dhaka) collapsed, resulting in the loss of life or injury to more than 3,000 victims.

Purpose

The Parties,

- 1. Noting the commitment to workers' compensation in the National Action Plan, and affirming the goal to achieve it:
 - a. Aim to provide payments to the victims of the Rana Plaza accident and their families and dependents (RP victims) in a transparent and equitable manner according to their losses, as well as access to medical care for victims in need; and
 - b. Agree to cooperate to achieve this mutual aim under the guidelines below in verifying the validity and value of each loss presented, and providing for individual awards to be offset by payments already made;
- 2. Adopt the following Practical Guidelines for a special arrangement for payment of losses applicable exclusively to workers and their families affected by the Rana Plaza accident
- 3. Agree to establish a multi-stakeholder Coordination Committee to:
 - a. oversee the implementation of the Practical Guidelines,
 - b. set total levels of funding for payment to the RP victims, based on the requirement of ILO standards
 - c. set a total level of administrative costs for the necessary expert support, and for setting up and servicing a Trust Fund
 - d. adopt procedures for review and decisions on claims as are necessary and appropriate,
 - e. set up temporary expert support, if needed, for the purpose of assisting in the evaluation and determination of compensable losses,
 - f. establish appropriate mechanisms for payments to the victims,
 - g. authorize the payment of awards submitted to it, including from an independent Donors' Trust Fund voluntarily set up for that purpose
 - h. approve a budget for the above resources, review reports and audits of its operation, and authorize amounts to be paid, including from the Trust Fund
 - i. establish internal procedures for its functioning and decision-making.
- 4. The membership of the Coordination Committee is as follows: representative of the Ministry of Labour and Employment; Bangladesh Garment Manufacturers' Association

(BGMEA); Bangladesh Employers Federation (BEF); National Coordination Committee for Workers' Education (NCCWE); IndustriALL Bangladesh Council; Bangladesh Institute of Labour Studies (BILS); IndustriALL Global Union; and nominated brands (El Corte Ingles, Loblaw, Primark) and Clean Clothes Campaign.

5. The ILO, as a non-party, is invited to serve as the Coordination Committee's neutral and independent chair, and may provide technical information when requested to do so by the Committee.

Practical Guidelines:

The Parties undertake to:

- 1. **Losses to be covered:** Adopt a "single approach" to identifying the type of losses covered and how they are calculated and provided for that is i) consistent with standards of the International Labour Organization (ILO), and (ii) authorized by the Coordination Committee for the immediate purpose of assisting affected Rana Plaza workers and their families (RP victims);
- 2. **Assistance to RP victims**: Ensure necessary and appropriate assistance to affected workers and their families to effectively submit claims for their losses. This is done by means including:
 - a. providing a service for counselling, assistance and representation if needed to submit claims and provide informed consent to the exclusive and final nature of the process
 - b. providing an accessible process for interviewing the registered and, where necessary, medical assessments;
 - c. seeking to identify and assist those not yet registered, pending which the time for submitting information about their losses is tolled.
- 3. **Information Management:** Design and maintain a central database which will:
 - a. contain information on RP victims, incorporate the claim form to be submitted by each claimant, record various steps of the claims processing and payments to the victims for their losses;
 - b. receive from the parties and other sources the documented information available to them that is necessary and relevant to calculation of losses and of payments already made to RP victims in order to off-set such payments upon final review of individual claims
- 4. To resource the processing and payment of RP victims' losses, the Parties:

Provide expertise to assist the Coordination Committee for an effective and fair coverage of losses of all RP victims covered by these Guidelines, by providing, if needed, for the use of international expertise for short-term including as supplementary Commissioners if needed and as expert technical staff for collection of information, interviewing, assessment of injuries, and determinations.

5. In relation to the payments under this Practical Arrangement, the parties:

Recognize that the payments made by the Coordination Committee are final and exclusive to RP victims for the losses assessed under the single approach (see PG 1).

6. Review of progress and termination

- a. If the Coordination Committee considers that insufficient progress is made in implementing the Practical Guidelines, it will review the reasons and any additional measures needed to implement such activities expeditiously. If it considers that the reasons provided or additional measures are insufficient to secure the aim of the Guidelines, the Coordination Committee may take action, as it deems appropriate, to seek changes in the way the Practical Guidelines are implemented which shall be decided in writing, or to discontinue this arrangement after consultation and best efforts to find alternative solutions.
- b. The Coordination Committee has the authority to determine and certify, following a submission of all relevant reports and statements from all concerned, that this Arrangement has satisfied its purpose and been successfully implemented. Such determination, to be made in writing and signed by the parties, will end this Arrangement.

Signed by:

For the Ministry of Labour and Employment, Bangladesh: (signed)

For the Bangladesh Garment Manufacturers' Association (BGMEA): (signed)

For the Bangladesh Employers Federation (BEF): (signed)

For IndustriALL Bangladesh Council (IBC): (signed)

For the National Coordination Committee for Workers' Education (NCCWE): (signed)

For Bangladesh Institute of Labour Studies (BILS): (signed)

For IndustriALL Global Union: (signed)

As brands: Bonmarché (signed), El Corte Ingles (signed), Loblaw (signed), Primark (signed)

For the Clean Clothes Campaign (CCC): (signed)

FINAL VERSION as amended 20.11.13

Supplement No. 1 to the Terms and Conditions of the Rana Plaza Donors Trust Fund

Article 5 of the Trust Fund is hereby amended pursuant to article 12.2 of the Terms and Conditions of the Rana Plaza Donors Trust Fund. Notice has been given to the Rana Plaza Coordination Committee established under the *Understanding for a Practical Arrangement on Payments to the Victims of the Rana Plaza Accident and their Families and Dependents for their Losses*.

Article 5: EXPENSES, FEES AND COSTS

- 5.1 The Trustee's expenses for discharge of its duties set out in these Terms and Conditions are not expected to exceed ten thousand US dollars (USD 10,000) per annum. The Trustee shall be reimbursed for these expenses out of the contributions deposited into the Fund unless separate funds are made available.
- 5.2 The Contributions in the Fund may also be used to cover the expenses related to assessment and processing of claims and disbursement to victims, as instructed by the Coordination Committee from time to time.

Effective 8 February 2014 Issued by the Trustee ILO Approved: G. Johnson, Treasurer

Supplement No. 2 to the Terms and Conditions of the Rana Plaza Donors Trust Fund

Article 3.3 of the Trust Fund is hereby amended pursuant to article 12.2 of the Terms and Conditions of the Rana Plaza Donors Trust Fund. Notice has been given to the Rana Plaza Coordination Committee established under the *Understanding for a Practical Arrangement on Payments to the Victims of the Rana Plaza Accident and their Families and Dependents for their Losses*.

Article 3: CONTRIBUTION

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- 3.3. The identity and amount of any Contribution will not be publicly disclosed under these Terms and Conditions, either directly or indirectly. The Trustee or its agent, UBS (Bank), will only disclose identity and amounts to public authorities at their motivated request or as provided under Article 8.2.
- 3.4 The Trustee will notify the Contributor in writing acknowledging receipt of the Contribution and its acceptance subject to these Terms and Conditions if the Contributor so requests the Trustee in writing, specifying the address and an addressee by name for such a letter of acknowledgment. Multiple donations from the same Contributor will be accounted for in an accumulated sum. The address for such requests is:

Chief TRES/OPS International Labour Office Route des Morillons, 4 CH-1211 Geneva 22

Email: treasury_operations@ilo.org

Fax: +41 22 799 7063

Effective 18 February 2014 Issued by the Trustee ILO Approved: G. Johnson, Treasurer