

**Memorandum of Agreement Between the Worker Rights Consortium and
Fruit of the Loom/Russell Athletic
November 14, 2009**

This memorandum details an agreement between Fruit of the Loom/Russell Athletic (“the Company”) and the Worker Rights Consortium (“WRC”). The agreement applies to the Company’s production and distribution facilities (“Facilities”) in Honduras.

Please see the WRC’s statement on the significance of this agreement [here](#).

I. Implementation of Settlement with the CGT and Sitrajerzeesh

The Company agrees to implement the following terms of the settlement agreement reached with the CGT labor federation and Sitrajerzeesh on November 14, 2009:

1. The Company will establish a unionized apparel factory of substantial size in Choloma, Honduras called Jerzees Nuevo Dia, which will employ former Jerzees de Honduras employees. The SITRAJERZEESH Union will be the exclusive representative of the workers at the new factory. The Company and the union have also agreed to a process of good faith collective bargaining.
2. The Company and the Union have agreed to cooperate on the hiring of the former Jerzees de Honduras employees at the new factory and at the Company’s other Honduran facilities. All former JDH employees will be extended an offer and it is the Company’s intent to complete this process within one year.
3. The Company and the Union have established a framework for ensuring respect of workers’ freedom of association rights in all company factories, including provisions addressing training of workers through a joint union-Company training program and union access to facilities.
4. An oversight process has been developed to ensure the success of the new relationship that includes an ombudsman to monitor day to day issues and mediation where needed.
5. The Company has agreed to establish a workers welfare fund to provide assistance to displaced workers and will contribute a substantial amount to this fund. The money will be distributed to workers by the Worker Rights Consortium, the General Confederation of Workers and the American Center for International Labor Solidarity.
6. The Company will phase-out Collective Pacts now in place in its facilities.

The Company and the WRC also agree to the following:

II. Freedom of Association

The Company is committed to the relationship that is being formed to foster Freedom of Association. The Company will maintain a position of neutrality as to employees’ decision whether or not to

exercise freedom of association. The WRC recognizes that the Company's participation in activities implementing its agreement with the CGT, including worker trainings, and its communication of its freedom of association policies to workers, does not conflict with this neutrality commitment.

The Company will impose prompt and meaningful discipline on any manager or employee who violates its policies concerning respect for its employees' associational rights.

The management of the new facility will be composed of persons who understand Freedom of Association and will implement practices and policies that are conducive to Freedom of Association.

III. Collective Pacts

The Company and the Union have agreed to a plan to phase out Collective Pacts. Until existing Collective Pacts are phased out, the Company will take the steps necessary to ensure that these Pacts do not constitute barriers to Freedom of Association. The Company will continue to provide all benefits to which employees are currently entitled under these Pacts and will not deny these benefits should employees withdraw from an existing Pact or join another worker organization.

IV. In-Plant Access

The Company will provide the CGT with regular and ongoing access to its facilities in Honduras consistent with a plan mutually agreeable to the Company and the CGT.

V. Communications to Employees

In conjunction with the joint training, education and other programs that the company will carry out with the CGT, the Company will communicate to all Honduran employees the terms of its agreement with the CGT that bear on workers associational rights.

VI. Monitoring and Verification

The Company will provide the WRC with documents and other information necessary to enable the WRC to monitor the implementation of the terms of this Memorandum and will, upon reasonable notice, provide the WRC with access to its Honduran facilities and arrange such interviews with managers as the WRC may request. The WRC will maintain the confidentiality of any proprietary information that is received. The WRC and the Company will meet regularly to discuss the implementation of this Memorandum. The WRC will report regularly to its affiliate universities and colleges on the progress achieved toward implementation.