

[Company Letterhead/Logo]

Date: [Insert Date]

To: [Supplier Name/Entity Name]

Address: [Insert Address]

Attn: [Contact Name/Compliance Officer]

Subject: ADVISORY: Restrictive Sourcing Requirements and Supply Chain Red Flags

Dear [Name/Department],

This letter serves as a formal advisory regarding the sourcing and supply chain standards required by [Your Company Name]. As part of our commitment to global trade compliance and ethical labor practices, we are highlighting specific "red flags" and restrictive sourcing mandates that apply to our business relationship.

1. Prohibited Sourcing Regions and Entities

Effective immediately, [Your Company Name] prohibits the procurement of raw materials, components, or finished goods originating from the following:

- Regions subject to comprehensive international sanctions (e.g., [List specific regions if applicable]).
- Entities identified on the [Specify Authority, e.g., UFLPA Entity List, OFAC SDN List].
- Sub-suppliers involved in forced labor or human rights violations.

2. Supply Chain Red Flags

We require our partners to monitor for and report the following indicators of non-compliance:

- Lack of transparency regarding the origin of raw materials.
- Significant price discrepancies below market value without clear justification.
- Unwillingness to provide certificates of origin or production facility locations.
- The use of transit points known for "shipment laundering" to obscure the country of origin.

3. Documentation Requirements

To ensure compliance, you are required to maintain and provide upon request:

- Detailed mapping of your Tier 2 and Tier 3 supply chains.
- Proof of payment for labor and raw materials.
- Signed certifications of non-use of forced labor for every shipment.

4. Consequence of Non-Compliance

Failure to adhere to these restrictive sourcing guidelines or the identification of unmitigated red flags may result in the immediate rejection of shipments, suspension of payments, and termination of our commercial agreement.

Please acknowledge receipt of this advisory by returning a signed copy to [Email Address] within [Number] business days.

Sincerely,

[Your Signature]

[Your Name]

[Your Title]

[Your Company Name]

Acknowledgment

I, [Name], acting as a representative for [Supplier Name], acknowledge receipt of this advisory and certify that our supply chain complies with the aforementioned restrictions.

Signature: _____ Date: _____