**SECURITY SERVICES CONTRACT**

**BETWEEN**

**THE AFGHANISTAN PUBLIC PROTECTION FORCE**

**AND**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

This Security Services Contract (“the Contract”) is made on this \_\_\_\_\_\_\_day, 2012, by and between APPF, the Afghanistan Public Protection Force (“APPF”), a state owned enterprise of the Service Provider of the Islamic Republic of Afghanistan, hereinafter “APPF” or “Contractor” and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter “the Client” or “Company Name” for the security services set forth in Annex C to this Contract. APPF and the Client are hereinafter collectively referred to in this Contract as the “Parties.”

WHEREAS, the laws of Afghanistan mandate that the APPF is the only organization that may lawfully provide static and mobile security services in Afghanistan for purposes of this contract.

WHEREAS, the Client has been awarded prime agreement number \_\_\_\_\_\_\_\_\_\_\_ by the United States Agency for International Development “USAID” and as such requires the provision of highly trained and professional armed security force services, hereinafter referred to as the Security Force services for various programs \_[name of client]\_ is currently performing or will be performing in the future in Afghanistan.

WHEREAS, the APPF shall provide a 24-hour deterrent against the unauthorized, illegal or potentially life-threatening activities directed toward \_[name of client]\_ employees and subcontractors, visitors, sensitive information and properties.

WHEREAS, the Client and APPF have agreed that APPF shall perform the services as more particularly set forth in Annex C.

Purpose

The purpose of this Contract is to procure professional, effective, and reliable security services from APPF that meet international standards to enable the Client to carry out its operations in Afghanistan implemented under the aforementioned USAID prime agreement while safeguarding its employees, agents, subcontractors and property. Both Parties acknowledge and recognize that APPF is the only legally authorized security provider in Afghanistan. Both Parties recognize, however, that this does not in any way impinge upon or restrict the Client’s right of self-defense to protect its employees and agents from harm or injury, and to protect its mission critical property, if under attack.

1. Definitions: See Annex A.

2. Term: This Contract and the services provided hereunder as well as the payment provisions of paragraph 10 shall commence on a date provided in writing to APPF, and shall continue until on or about \_\_\_\_\_\_\_\_\_\_\_\_, unless earlier terminated in accordance with the terms of this Contract. The Client shall provide said notice at least thirty (30) days, or a mutually agreeable shorter period of \_\_\_ days, prior to the date security services are required to commence. Such notice is acknowledged to have been provided by the Client on \_\_\_\_\_\_\_\_\_, 2012 for commencement of services on \_\_\_\_\_\_\_\_\_, 2012.

3. Contract Price: For the services set forth in Annex C to this Contract, the Client agrees to pay APPF a firm-fixed price of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for the line items set forth in Annex B. This price is inclusive of all labor and labor related costs, equipment, and other requirements necessary to provide the security services specified in this Contract, and as more specifically provided at paragraph 9 below, will be paid on a monthly basis in arrears over the term of this contract, except that the first month’s payment shall be paid in advance in accordance with the provisions of Paragraph 10.

4. Scope of Services:

(a) Security Services: APPF will provide the security services described at Annex C, which is incorporated herein by reference.

(b) Operations Center: APPF shall maintain an operations center 24 hours a day, 7 days a week, including during any Afghanistan national or religious holiday, manned by qualified APPF personnel, at least one of whom shall be proficient in the English language, which can be reached by Guards on duty or the Client at 020-220-3251.

(c) Training: The Client, or the Client’s Risk Management Company (RMC), may provide specified training, mentoring, and advising of Guards and other designated APPF personnel, to include but not limited to supervisory personnel and operations center staff, as may be agreed to by modification of this Contract in accordance with the provisions of paragraph 11.

(d) Independent Contractor: APPF is an independent contractor and shall not claim to be a joint venture, partner, agent, officer, or employee of the Client.

5. Guard Qualifications:

(a) Each Guard shall complete training from APPF Training Center or shall have been certified by APPF as trained to the standards of Private Security Company guards.

(b) APPF shall ensure that Guards it assigns to this Contract have no criminal history or record and no history of human rights abuse.

(c) APPF shall ensure that, before the assignment by it of any Guards in connection with the provision of services to the Client under this contract, the Guards have been enrolled in an automated biometric identification system. Additionally, the Client, at its own expense, shall have the right to enroll any or all Guards assigned to the Site in both the Ministry of Interior and the United States Government biometric enrollment systems. APPF shall ensure that all Guards comply with this requirement should the Client elect to exercise this right.

(d) APPF shall ensure that all Guard Supervisors and Managers are proficient in the English language.

(e) In the event APPF cannot maintain the number of guards necessary to meet its contractual obligations and the requirements of Annex B and Annex C, the Client shall have the right to recruit guards as it deems necessary and forward such guards to APPF for employment processing and training in order to meet the requirements of Annex C. If the Client also provides training for the recruits as provided by paragraph 4 (c) above, the Client agrees that the recruits will be trained to the standards provided at subparagraph (a) above.

6. Guards’ Conduct and Performance Standards:

(a) The security services provided for by this Contract shall be performed by qualified, trained Guards, maintaining a professional demeanor at all times and in strict accordance with APPF Code of Conduct, attached as Annex D, and incorporated herein by reference.

(b) APPF shall comply with all applicable Afghanistan laws and regulations in connection with the provision of services to the Client under this Contract. This includes, but is not limited to APPF’s obligation to ensure that any Guards engaged, assigned or employed by it in connection with the provision of services to the Client under this Contract are familiar with and comply with applicable Afghanistan laws and regulations.

(c) APPF may develop and implement supplemental standards to APPF Code of Conduct but, in no event shall such supplemental standards conflict with the International Code of Conduct of Private Security Providers signed on November 9, 2010 in Geneva, Switzerland or conflict with the provisions of this Contract including the annexes thereto. If APPF develops supplemental standards, it shall provide a copy of such standards to the Client for its review and information. If the Client, at its sole discretion, believes that the supplemental standards conflict with either the referenced international code or the provision of services under this Contract, it reserves the right to require that APPF not utilize its supplemental standards in connection with the provision of services under this Contract. Any supplemental standards developed shall be incorporated within the provisions of this Contract, as necessary, by modification pursuant to paragraph 11.

(d) If for any reason whatsoever, the Client believes that a Guard of APPF is not properly carrying out his assigned duties pursuant to the terms of this Contract or not adhering to APPF Code of Conduct in carrying out his assigned duties, APPF will immediately address the situation and shall, at the request of the Client, remove such guard from the performance of security services to be provided under this Contract. When removal is requested, APPF shall expeditiously substitute another guard within a reasonable time frame.

(e) Discipline of APPF’s guard force is the responsibility of APPF.

7. Control of Guards and Interface between Guards and Client:

(a) APPF shall appoint an Officer(s) and Non-Commissioned Officers (NCOs) to lead the Guards in their provision of security services. The Officer(s) shall be the principal APPF representative who directly liaisons with the Client on a day-to-day basis on all security matters. The Officer(s) and NCOs shall follow the direction and security requirements for the Site, as determined by the Client’s designated employees, agents and representatives managing this Contract.

(b) APPF shall ensure that it has a Guard Supervisor available at all times when the Officer(s) is not on duty to report to and confer with the designated employees, agents and representatives of the Client. Guard Supervisors shall follow the direction and security requirements for the Site, as determined by the Client’s designated employees, agents and representatives managing this Contract.

(c) The Client shall designate employees, agents or representatives responsible for the coordination, administration and implementation of this Contract. The Client shall keep APPF’s Officers, NCOs, Guard Managers and Guard Supervisors informed at all times as to the identities of such designated employees, agents or representatives.

8. Access: The Client shall provide the Guards access to its Site at the level, as determined by the Client, necessary for APPF to provide the security services specified in this Contract. The Client reserves the right to restrict or deny access to the Guards to areas of its Site that it deems unnecessary for APPF’s provision of services under this Contract.

9. Identification, Equipment, Transportation and Life Support:

(a) Identification: APPF shall provide each Guard with a valid, APPF-issued identification card and APPF Badge, both of which must be displayed, or in the Guard’s possession, at all times in connection with the provision of services to the Client under this Contract. The Client may provide each Guard with a Site-specific identification card, at its own expense, which, if so provided, shall be displayed at all times in connection with the provision of services to the Client under this Contract.

(b) Equipment and Transportation: APPF shall provide any and all equipment, including but not limited to uniforms and other items of clothing, weapons and ammunition, and guard equipment kit as listed on the web-site. To the extent that motor vehicles, communication devices and other equipment are required to provide the services to the Client as set forth in Annex C, unless excluded under paragraph 9(d) below and as otherwise noted in Annex B, APPF shall provide those to the Client. This includes the obligation of APPF to provide equipment necessary for the complete range of security services required under this Contract at appropriate levels for each type of security service provided, including necessary equipment for any individual Guard engaged, assigned or employed by it in connection with the provision of services to the Client under this Contract. It also includes the obligation of APPF to ensure that all equipment used in connection with the provision of services under this Contract is maintained in good working order.

(c) Life Support: APPF shall provide food, lodging and other life support to any Guard engaged, assigned or employed by it in connection with the provision of services to the Client under this Contract, unless excluded under paragraph 9(d) below. This includes, but is not limited to, the obligation of APPF to erect, maintain and remove at the end of the Contract, at its sole expense, any temporary physical structures at the site of any service location where the Client provides express, advance, written approval to APPF to erect such temporary structures. If the Client approves any temporary structure, APPF must ensure that such structure does not interfere with the Client’s operations or the security of the Site, which determinations shall be made by the Client in its sole discretion.

(d) Exceptions: If specific exclusions are listed below, the following exclusions exist to required equipment, transportation and life support, as set forth in paragraphs 9(b) and 9(c) above, to be furnished by APPF. The Parties agree that the Client will provide the equipment, transportation and life support to APPF’s Guards listed below, for their use in connection with the provision of services to the Client under this Contract. The provision of equipment, transportation and life support under this paragraph shall not be construed to transfer ownership of said items from the Client to APPF. The cost for any service or equipment item not listed below but nonetheless provided by the Client out of necessity shall be offset against payment otherwise due to APPF in accordance with the provisions of paragraph 10(a) below, but only after notice to, and the written consent of, APPF or its Officer-in-Charge.

The exclusions from 9(b) and 9(c) to be provided by the Client are: [ *hand-held radios, heating equipment, vehicles, fuel, lodging as applicable, rest rooms and showers, utilities, radios. ]*

*Client Initials: \_\_\_\_\_\_\_ APPF Initials: \_\_\_\_\_\_*

10. Payment:

1. Except as provided below, the Client will pay APPF the monthly Contract price no later than thirty (30) days from the submission of an acceptable invoice. An acceptable invoice will consist of an invoice, together with a certified payroll by guard name, daily shift logs and monthly shift summaries, guard identification number and salary entitlement. As a onetime exception, APPF shall invoice the Client for the first month of services in advance after the Client’s issuance of notice as provided in Paragraph 2. However, APPF will provide the required supporting documents for the first month of services within ten (10) days after the end of the month. In addition, APPF shall invoice Client for the cost of guard uniforms upon issuance of the date to commence security services as provided at paragraph 2. The Client shall pay such uniform invoice within fifteen (15) days of receipt.
2. The Client will subsequently certify the payroll and shift logs as accurate, or notify APPF of any payroll discrepancies. In the case of discrepancies, the parties will make a good faith effort to resolve the discrepancies. Any salary discrepancies not resolved to the satisfaction of the Client will be deducted from the following month’s payment.
3. Should APPF fail to pay its employees the salary due and the Client can provide adequate proof of same, the Client shall notify APPF of the shortfall and the amounts due and expect that APPF remedy the underpayment within 10 calendar days of the notification provided by the Client. Should APPF fail within 10 calendar days of the date of the Client’s notification to pay the amounts due to the affected APPF personnel, the Client shall have the right to pay such due amount to the APPF personnel directly and deduct or otherwise offset those amounts from the following month’s invoice.
4. Payment to APPF by the Client shall be in Afghanis, at an exchange rate of 50AF:1$US.

(e) Neither the acceptance of, nor payment for, services performed under this Contract by APPF shall be construed to operate as a waiver of any rights of either Party under this Contract.

11. Modification of Contract: The Parties may modify the terms and conditions of this Contract, with respect to any of the provisions of this Contract or the Annexes thereto, by the mutual written agreement of duly authorized representatives of each Party, which modification shall be executed in the form of an amendment to this Contract.

12. Additional Provisions: Annexes A through E set forth additional terms and conditions of this contract each of which is incorporated within this Contract by reference as if it were in the main body of this Contract.

13. APPF represents that as a parastatal of GIRoA, it has no obligation to provide the Defense Base Act (DBA) insurance or other related insurance. However, the Client will maintain DBA Insurance for APPF guards and General Liability Insurance for injury to third parties for bodily injury or property damage during the term of this Contract. APPF will coordinate with the Client in filling out all the necessary paperwork to obtain and maintain such insurances. The Client shall provide proof of DBA coverage within 30 days of signing of this Contract. Upon proof of death benefit coverage then no additional costs resulting from death or disability of APPF personnel will be charged to the Client.

The parties signing below hereby agree to the terms and conditions of this Contract by so signing below on this \_\_\_\_\_\_\_day of \_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_.

Client: APPF:

Company Name, Inc. Afghan Public Protection Force

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[*Full Name, Position Description*] [*Full Name, Position Description*]

**ANNEX A – CONTRACT DEFINITIONS**

The following terms, when used in this Contract, its Annexes or written communication between the Parties, are defined as follows:

(a) Area Security: Security involving long linear development project sites, such as a road or power lines. Area security involves security services provided over a large and changing area of land. Area security may include (1) providing all security requirements necessary to create a “security bubble” around construction operations, usually for long linear development projects; (2) placement of observation posts overlooking roads, usually on high ground, in conjunction with demining and obstacle removal clearance ahead of scheduled arrival of construction crews at worksites; (3) provision of traffic control points at the beginning, end and throughout construction areas for both security of construction crews and safety of all transiting vehicles; (4) providing liaison and communications to Afghan and Coalition Security Forces; and (5) providing area and point security at overnight equipment parks within the construction area.

(b) Agents: Personnel who are authorized by a party to the Contract to act on their behalf. Agents may be employees of the party or consultants hired to act on the party’s behalf. Agents who are not employees of a party must be authorized to act on the party’s behalf in writing.

(c) Convoy Security: Synonymous with mobile security.

(d) Fixed Site Security: Security involving the fixed and non-mobile provision of security of personnel and/or equipment at static locations. Locations may be semi-permanent (such as a road construction work-camp), or permanent (such as military bases, company headquarters or project sites).

(e) Guards: Means any person engaged, assigned or employed by APPF to provide security services under this Contract, including, but not limited to Patrolmen, Non-Commissioned Officers, and Officers.

(f) Mobile Security: Security ensuring the safe passage of goods and personnel along a designated route. Mobile security may include (1) point to point embedded armed escort from secured location to secured location for small movements of personnel; and (2) security and movement tracking for large groups of vehicles; (3) provision of traffic control points to facilitate the safe passage of large vehicle movements; (4) providing first responder medical capability on all movements; (5) providing stay behind security for disabled vehicles until recovery is arranged; (6) security details onboard aircraft (needed for emergency landings in unsecured areas); and (7) hasty demining, identification of obstacle bypass routes and clearing possible ambush sites.

(g) Non-Commissioned Officer (“NCO”): An APPF Non-Commissioned Officer who is responsible for providing command and oversight to APPF Guards as the site supervisor. APPF will have the right to assign an NCO(s) to a particular contract site or convoy at its discretion based on the operational needs of the particular contract and the number of APPF guards at the site or assigned to the convoy. If APPF decides to place an NCO(s) at the contract site or convoy, it shall give the Client reasonable advance notice.

(h) Officer: An APPF Officer who is responsible for providing command and control direction to both NCOs and APPF Guards as the senior site manager. APPF will have the right to assign an Officer(s) to a particular contract site or convoy at its discretion based on the operational needs of the particular contract and the number of APPF guards at the site or assigned to the convoy. If APPF decides to place an Officer(s) at the contract site or convoy, it shall give the Client reasonable advance notice.

(i) Guard Manager: APPF Guard who holds the position of manager within APPF, and who is the senior ranking APPF Guard assigned to the Site. The Guard Manager shall be an APPF Guard in charge of all Guards assigned to the Site and serves as the APPF Officer in the absence of an APPF Officer or NCO.

(j) Guard Supervisor: APPF Guards who hold the position of supervisor within APPF, and who acts as the shift supervisor in charge of all Guards assigned to the Site during a given shift and who shall report directly to the Guard Manager.

(k) Quick Response Force (“QRF”): A small team of security professionals capable of rapid response in emergency situations to defend life or equipment during security incidents. A QRF may be dispatched from the Clients’ and/or the Security Providers’ office to the location of an incident and will operate in a defensive capacity in accordance with the rules for the use of force and in compliance with Afghan procedures and laws. A QRF may also serve as reinforcements during security incidents at fixed sites and area security locations.

(l) Risk Management Company (“RMC”): Companies with Consultants that advise on the security of persons, logistics, transportation of goods and equipment, and provide a wide range of security training and advisory functions to include but not limited to contract management.

(m) Risk Management Consultant: Lightly armed expatriate consultants or Afghans that are employed by RMCs.

(n) Site: The area, location or route for which security services are to be provided. For the purposes of this contract, Site may refer to either a fixed location or a mobile area. It is specifically understood that a mobile protection requirement for personnel or goods falls under the definition of Site. The Site will be described in more detail in Annex C, the Scope of Work.

**ANNEX B –PRICING SCHEDULE FOR SERVICES PROVIDED BY APPF**

**Cadre to be provided by APPF**:

**Guards:** **\_\_** at a Cost per Month of $\_\_\_ ($\_\_\_\_ per calendar day – must be pro-rated for partial months)

**Guard Supervisors**: **\_\_** at a Cost per Month of $\_\_\_\_ ($\_\_\_\_ per calendar day – must be pro-rated for partial months)

**Guard Managers**: **\_\_** at a Cost per Month of $\_\_\_\_ ($\_\_\_\_ per calendar day – must be pro-rated for partial months)

**Non Commissioned Officer \_\_** at a Cost per Month of $\_\_\_ ($\_\_\_\_ per calendar day – must be pro-rated for partial months)

**Commissioned Officer \_\_** at a Cost per Month of $\_\_\_ ($\_\_\_\_ per calendar day – must be pro-rated for partial months)

**Total Cadre: \_\_\_\_\_**

**Total** **Cost per Month for Cadre:** ***$\_\_\_\_\_\_\_***(Cost per Calendar Day for All Cadre $\_\_\_\_\_ must be pro-rated for partial months)

**Line Items for Equipment**:

***One Time Uniforms / Equipment Charge for \_\_\_ Cadre: $\_\_\_\_\_\_\_******(Cost is $600.00 per person)***

***Line Item for Pension Contribution:***

***One Time / 12 Month Pension Contribution for \_\_\_\_ Cadre: $\_\_\_\_\_ (Cost is $200.00 per person in lieu of $16.67 monthly cost)***

Client will not be responsible for purchasing any weapons or ammunition. Properly arming APPF personnel is a key requirement to providing the services required through this Contract. By determination of Afghan authorities, APPF personnel in armed categories while performing security duties shall a 9 mm pistol and/or an AK047. Weapons required by the client for performance of this contract, listed below, are included in the **Fixed Monthly Labor Rates**:

* PKM, Number required\_\_\_\_. AK-47, Number required\_\_\_. 9mm, Number required\_\_\_.
* Ammo 7.62 (120 round basic load)
* Ammo 9 mm (45-round basic load)
* Ammo 7.62 mm link belt (400 round basic load)

APPF Personnel shall possess the following **minimum uniform/equipment** included in the **Fixed Monthly Uniform/Equipment Charge**:

* 1 Set of summer uniform for each guard
* 1 set of winter uniform for each guard (cold / inclement weather)

Specific Fixed Monthly Labor Rates and Equipment Fixed Unit Rates for services rendered by the APPF are fixed for the duration of this Contract and the duration of any resulting Task Order.

**Fixed Monthly Labor Rates** are fixed for the duration of this Contract and shall include the following:

* Salaries
* Pension
* Vacation/Holidays
* Other and All Fringe Benefits if any
* Bank Charges
* Medicine
* Training Cost
* Food stipend
* Weapon – AK-47/ 9mm / PKM
* Ammo 7.62 mm (120 round basic load)
* Ammo 9 mm (45-round basic load)
* Ammo 7.62 mm link belt (400 round basic load)
* APPF Administrative Overhead
* Profit

**Work Schedule and Pay**

All APPF guards, guard supervisors, and guard managers (“guard employees”) are normally required to work 40 hours per week. However, all such guard employees shall be required to such additional hours as deemed necessary by the Client for the proper performance of their duties, and the Client shall obtain the consent of its guard employees to work such additional hours. The Client shall designate all shift hours and schedules to be worked by all guard employees based on the security needs and requirements under this Contract.

All guard employee work hours and schedules set by the Client, and all salaries and benefit payments, shall comply with applicable Afghan law and legal documents, including but not limited to overtime payment laws, under Afghan Civil Servants Law and Afghan Labor Code.

**Minimum Salaries and Hazard Pay**

The APPF agrees to pay the following **minimum salaries** to each of the labor categories included above:

Armed Guards – $\_\_\_ per month (base salary plus hazard/incentive pay)

Guard Supervisors - $\_\_\_ per month (base salary plus hazard/incentive pay)

Guard Managers - $\_\_\_ per month (base salary plus hazard/incentive pay)

NCOs $\_\_\_per month (base salary plus hazard/incentive pay)

Officers $\_\_\_per month (base salary plus hazard/incentive pay)

**Invoicing and Adjustments**

All Labor Charges are billed on monthly firm fixed price basis and represent total price for provision of all labor positions included in the approved scope of work and budget.

Deductive Changes may be applied for all missing units, determined “not received/supplied” by Client’s Technical Manager in accordance with the pricing below:

Armed Guards – $ \_\_\_\_ per person per calendar day

Guard Supervisors - $\_\_\_\_ per person per calendar day

Guard Managers - $\_\_\_\_ per person per calendar day

NCOs $\_\_\_per month (base salary plus hazard/incentive pay)

Officers $\_\_\_per month (base salary plus hazard/incentive pay)

**INSTRUCTIONS FOR INVOICING AND APPROVAL PROCESS**

All invoices must contain the following information:

1. Name and complete address of APPF;
2. Date of invoice;
3. Description of services/products being billed.
4. Name and complete address of APPF official/bank to send payment to (if payment is to sent to a bank account, provide complete account no. and bank address); and
5. Name and complete address of Contractor official to notify if the invoice is found to be defective.
6. Contract number
7. A certification signed by an authorized representative of the APPF, as follows:

*“The undersigned hereby certifies to the best of my knowledge and belief that the fiscal report and any attachments have been prepared from the books and records of (the Contractor’s name) in accordance with the terms of this Contract and are correct.*

1. The Contractor shall submit one (1) original and two (2) copies of its invoice to the following:

**Client Name**

**Client Email**

and

**Client Invoicing Address**

**APPF AND CLIENT FIELD CONFIRMATION PROCESS OF CONTRACT INVOICES**

1. Review and Confirmation of Labor

a. APPF will maintain shift logs daily for all security personnel. The security staff will sign before and after each shift. Guard supervisors will verify and sign the log. CLIENT’s and APPF’s representative(s) will also verify and sign the logs daily. If discrepancies are found they will be annotated on the log and initialed by each party.

b. Daily logs will be used by APPF to generate a summary report monthly showing all positions filled and staff utilized each month. CLIENT’s and APPF’s representative will sign the report to certify the monthly staffing. This report will be forwarded to APPF’s finance department for invoicing.

c. APPF will utilize the monthly report to generate an invoice. APPF will forward the invoice with supporting documents to the CLIENT’s Program Security Manager for Payment processing.

2. Review of Other Direct Cost Quantities – Fixed Unit Prices

a. CLIENT’s Security Manager reviews APPF’s invoice to confirm that all other direct costs charged on the monthly invoice accurately reflect the items and quantities provided per the contract.

b. All questionable costs raised on the invoice are brought to the attention of APPF for response or removal.

**ANNEX C – SCOPE OF WORK**

**EXAMPLE SOW FORMAT**

**Site to be protected**:

**Purpose**

**Detailed Description of Scope of Services**:

**Transition**

**Annex D**

**APPF**

**CODE OF CONDUCT IMPLEMENTING DOCUMENT**

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**A. PREAMBLE**

1. The APPF plays an important role in protecting state and non-state clients engaged in relief, recovery, and reconstruction efforts, commercial business operations, diplomacy and military activity. In providing these services, the activities of the APPF can have potentially positive and negative consequences for the clients, the local population in the area of operation, the general security environment, the enjoyment of human rights and the rule of law.

2. *The Montreux Document on Pertinent International Legal Obligations and Good Practices for States Related to Operations of Private Military and Security Companies During Armed Conflict* recognizes that well-established rules of international law apply to States in their relations with private security APPFs and provides for good practices relating to the APPF. The “Respect, Protect, Remedy” framework developed by the Special Representative of the United Nations (UN) Secretary-General on Business and Human Rights, and welcomed by the UN Human Rights Council, entails acting with due diligence to avoid infringing the rights of others.

3. Building on these foundations, this APPF Code of Conduct Implementing Document (the “Code”) endorses the principles of the Montreux Document and the aforementioned “Respect, Protect, Remedy” framework as they apply to the APPF. In so doing, the APPF commits to the responsible provision of security services so as to support the rule of law, respect the human rights of all persons, and protect the interests of its clients. This Code is based on the International Code for Private Security APPFs dated 09 Nov 2010.

4. The APPF affirms that it has a responsibility to respect the human rights of, and fulfill humanitarian responsibilities towards, all those affected by its business activities, including personnel, clients, suppliers, shareholders, and the population of the area in which services are provided. The APPF recognizes the importance of respecting the various cultures encountered in its work, as well as the individuals it come into contact with as a result of those activities.

5. The purpose of this Code is to set forth a commonly-agreed set of principles and to establish a foundation to translate those principles into related standards as well as governance and oversight mechanisms.

6. APPF commits to the following, as set forth in this Code:

a) to operate in accordance with this Code;

b) to operate in accordance with applicable Afghan laws and regulations, and in accordance with relevant corporate standards of business conduct;

c) to operate in a manner that recognizes and supports the rule of law; respects human rights, and protects the interests of its clients;

d) to take steps to establish and maintain an effective internal governance framework in order to deter, monitor, report, and effectively address adverse impacts on human rights;

e) to provide a means for responding to and resolving allegations of activity that violates any applicable Afghan law or this Code.

**B. DEFINITIONS**

These definitions are intended to apply exclusively in the context of this Code.

APPF – (**Afghan Public Protection Force)** TheAPPF is a GIRoA security force organized to protect people, infrastructure, facilities and construction projects. The APPF will be organized as a state-owned enterprise and does not have a police mandate to investigate crime or arrest suspects.

Auditing – a process through which independent auditorsconduct on-site audits on a periodic basis, gathering data to be reported to appropriate offices that, in turn, will verify whether an organization is meeting requirements and if not, what remediation may be required.

Client – an entity or organization, to include a government agency, that hires, has formerly hired, or intends to hire the APPF to perform security services on its behalf.

Complex Environments – any areas experiencing or recovering from unrest or instability, whether due to natural disasters or armed conflicts, where the rule of law has been substantially undermined, and in which the capacity of the state authority to handle the situation is diminished, limited, or non-existent.

Implementation – the introduction of policy, governance and oversight mechanisms and training of personnel and/ or subcontractors by APPF, necessary to demonstrate compliance with the Code’s principles and the standards derived from this Code.

Monitoring – a process for gathering data on whether APPF personnel, or subcontractors, are operating in compliance with the Code’s principles and standards derived from this Code.

Personnel – persons working for the APPF, whether as employees or under contract, including its staff, managers and directors. Persons are considered to be personnel if they are connected to the APPF, or if they are independent contractors, or temporary workers or interns (whether paid or unpaid), regardless of the specific designation.

Reporting – a process covered by necessary confidentiality and nondisclosure arrangements through which organizations will submit to a governance and oversight mechanism resulting in a written assessment of their performance pursuant to a transparent set of criteria established by the mechanism.

Security Services – guarding and protection of persons and objects, such as convoys, facilities, designated sites, property or other places (whether armed or unarmed).

**C. IMPLEMENTATION**

7. Upon adoption of the Code, APPF and other stakeholders will undertake to work with appropriate standards bodies, as may be necessary, to develop any further standards as may be required in order for the Code to remain consistent with the International Code of Conduct For Private Security APPFs.

**D. GENERAL PROVISIONS**

8. This Code articulates principles applicable to the actions of APPF while performing security services in complex environments.

9. This Code complements and does not replace the control exercised by the APPF High Council and does not limit or alter applicable international law or relevant Afghan law.

10. This Code may be modified by the APPF High Council.

**E. GENERAL COMMITMENTS**

11. APPF agrees to operate in accordance with the principles contained in this Code. APPF will require its personnel, and all subcontractors or other parties carrying out security services under APPF contracts, to operate in accordance with the principles contained in this Code.

12. APPF will implement appropriate policies and oversight with the intent that the actions of its Personnel comply at all times with the principles contained herein.

13. APPF will make compliance with this Code an integral part of contractual agreements with personnel and subcontractors or other parties carrying out security services under its contracts.

14. APPF will adhere to this Code even when the Code is not included in a contractual agreement with a client.

15. APPF will not knowingly enter into contracts where performance would directly and materially conflict with the principles of this Code, applicable Afghan or international law, or applicable human rights law, and are not excused by any contractual obligation from complying with this Code. To the maximum extent possible, APPF will interpret and perform contracts in a manner consistent with this Code.

16. APPF and its personnel will comply with applicable law which may include international humanitarian law and human rights law as imposed upon them by applicable Afghan law, as well as all other applicable international and Afghan law. APPF will exercise due diligence to ensure compliance with the law and with the principles contained in this Code, and will respect the human rights of persons with whom it comes into contact including the rights of freedom of expression, association, and peaceful assembly and against arbitrary or unlawful interference with privacy or deprivation of property.

17. APPF agrees not to contract with, support or service any government, person, or entity in a manner contrary to United Nations Security Council sanctions. APPF and its personnel will not participate in, support, encourage, or seek to benefit from any Afghan or international crimes including but not limited to war crimes, acts of terrorism, terrorist funding, crimes against humanity, genocide, torture, enforced disappearance, forced or compulsory labor, hostage-taking, sexual or gender-based violence, human trafficking, the trafficking of weapons or drugs, child labor, or extrajudicial, summary or arbitrary executions.

18. APPF and its personnel will not invoke contractual obligations, superior orders or exceptional circumstances such as an armed conflict or an imminent armed conflict, a threat to Afghan or international security, internal political instability, or any other public emergency, as a justification for engaging in any of the conduct identified in the forgoing paragraph 17 of this Code.

19. APPF and all its personnel must report knowledge, or reasonable suspicion, of the commission of any of the acts identified in paragraph 17 of this Code to the client and the Afghan National Police (ANP).

20. APPF will take all reasonable steps to ensure the services it provides are not used to violate human rights law or international humanitarian law.

21. APPF and its personnel will not, consistent with applicable Afghan and international law, promise, offer, or give to any public official, directly or indirectly, anything of value to the public official himself or herself or another person or entity, in order that the public official act or refrain from acting in the exercise of his or her official duties if such inducement is illegal. Neither APPF nor its personnel will ever solicit or accept, directly or indirectly, anything of value in exchange for not complying with national and international law or standards, or with the principles contained within this Code.

22. APPF is responsible for establishing a corporate culture that promotes awareness of and adherence by all personnel to the principles of this Code. APPF will require its personnel to comply with this Code at all times and will provide sufficient training to ensure personnel are capable of doing so.

**F. SPECIFIC PRINCIPLES REGARDING THE CONDUCT OF PERSONNEL**

**General Conduct**

23. APPF will ensure its personnel treat all persons humanely and with respect for their dignity and privacy and will report any breach of this Code to appropriate authorities.

**Rules for the Use of Force**

24. APPF will adopt rules for the use of force consistent with applicable law and the minimum requirements contained in the section on the use of force in this Code and agree to those rules with the client.

**Use of Force**

25. APPF will require its personnel to take all reasonable steps to avoid the use of force. If force is used, it shall be in a manner consistent with applicable law. In no case shall the use of force exceed what is strictly necessary. Use of force should be proportionate to the threat and appropriate to the situation.

26. APPF will forbid its personnel to use firearms against persons except in self-defense or defense of others against the imminent threat of death or serious injury, or to prevent the preparation of a particularly serious crime involving grave threat to life.

27. To the extent personnel are formally authorized to assist in the exercise of the enforcement of Afghan law, APPF will require that its use of force or weapons will comply with all Afghan laws and, as a minimum, with the standards expressed in the United Nations Basic Principles on the Use of Force and Firearms by Law Enforcement Officials (1990).

**Detention**

28. APPF and its personnel will guard, transport, or question detainees only if: (a) APPF has been specifically contracted to do so by GIRoA; and (b) its personnel are trained in the applicable national and international law. APPF will require its personnel treat all detained persons humanely and consistent with their status and protections under applicable human rights law or international humanitarian law including, in particular, prohibitions on torture or other cruel, inhuman or degrading treatment or punishment.

**Apprehending Persons**

29. APPF and its personnel are prohibited from taking or holding any persons except when detaining persons to defend themselves or others against an imminent threat of violence, or following an attack, or crime committed, by such persons against APPF personnel, or against clients or property under their protection. Detained persons will be handed over to the ANP at the earliest opportunity. Any detention must be consistent with applicable Afghan or international law and be reported to the client at the earliest opportunity.

**Prohibition of Torture or Other Cruel, Inhuman or Degrading Treatment or Punishment**

30. No APPF personnel may engage in torture or other cruel, inhuman or degrading treatment or punishment.

31. Contractual obligations, superior orders or exceptional circumstances such as an armed conflict or an imminent armed conflict, a threat to natural or international security, internal political instability, or any other public emergency, can never be a justification for engaging in torture or other cruel, inhuman or degrading treatment or punishment.

32. APPF and its personnel will report any acts of torture or other cruel, inhuman or degrading treatment or punishment, known to them, or of which they have reasonable suspicion to, the ANP. Such reports will be forwarded to the client and the ANP.

**Sexual Exploitation and Abuse or Gender-Based Violence**

33. Neither APPF nor its personnel will engage in, or benefit from, sexual exploitation (including, for these purposes, prostitution) and abuse or gender-based violence or crimes, either within the organization or externally, including rape, sexual harassment, or any other form of sexual abuse or violence. APPF will require its personnel to remain vigilant for all instances of sexual or gender-based violence and, where discovered, report such instances to the ANP.

**Human Trafficking**

34. Neither APPF nor its personnel will engage in trafficking in persons. APPF and its personnel will remain vigilant for all instances of trafficking in persons and, where discovered, report all such instances to the ANP. For the purposes of this Code, human trafficking is the recruitment, harboring, transportation, provision, or obtaining of a person for (1) a commercial sex act induced by force, fraud, or coercion, or in which the person induced to perform such an act has not attained 18 years of age; or (2) labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, debt bondage, or slavery.

**Prohibition of Slavery and Forced Labor**

35. APPF will not use slavery, forced or compulsory labor, or be complicit in any other entity’s use of such labor.

**Prohibition on the Worst Forms of Child Labor**

36. APPF will respect the rights of children (anyone under the age of 18) to be protected from the worst forms of child labor, including:

a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labor, including forced or compulsory labor recruitment, of children for use in provision of armed services;

b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;

c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs;

d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

APPF and its personnel will report any instances of the activities referenced above that they have knowledge of, or have reasonable suspicion of, to the ANP.

**Discrimination**

37. Neither APPF nor its personnel will discriminate on grounds of race, ethnicity, color, sex, religion, social origin, social status, indigenous status, disability, or sexual orientation when hiring personnel and will select personnel only on the basis of their merit and qualifications and the inherent requirements of the contract.

**Identification and Registration**

38. APPF, to the extent consistent with reasonable security requirements and the safety of civilians, its personnel and clients, will:

a) require all personnel to be individually identifiable whenever they are carrying out activities in discharge of their contractual responsibilities;

b) ensure its vehicles are registered and licensed with the GIRoA whenever they are carrying out activities in discharge of their contractual responsibilities; and

c) ensure all hazardous materials are registered and licensed with the GIRoA.

**G. SPECIFIC COMMITMENTS REGARDING MANAGEMENT AND GOVERNANCE**

**Incorporation of the Code into Company Policies**

39. APPF will incorporate this Code into APPF policies and internal controls and compliance systems and integrate it into all relevant elements of its operations.

**Selection and Vetting of Personnel**

40. APPF will exercise due diligence in the selection of personnel, including verifiable vetting and ongoing performance review of its personnel. APPF will hire only individuals with the requisite qualifications as defined by the applicable contract and the principles contained in this Code.

41. APPF will not hire individuals under the age of 18 years to carry out security services.

42. APPF will assess and ensure the continued ability of personnel to perform their duties in accordance with the principles of this Code and will regularly evaluate personnel to ensure they meet appropriate physical and mental fitness standards to perform their contracted duties.

43. APPF will establish and maintain internal policies and procedures to determine the suitability of applicants and current personnel to carry weapons as part of their duties. At a minimum, these requirements will include checks that they have not:

a) been convicted of or engaged in any crime that would indicate that the individual lacks the character and fitness to perform security services pursuant to the principles of this Code;

b) been dishonorably discharged from the military;

c) had been terminated from other employment or engagement contracts for documented violations of one or more of the principles contained in this Code; or

d) had a history of other conduct that, according to an objectively reasonable standard, brought into question their fitness to carry a weapon, including but not limited to the use of illegal drugs, substance abuse, intoxication while on the job, or excessive use of alcohol.

For the purposes of this paragraph, disqualifying crimes may include, but are not limited to, battery, murder, arson, fraud, rape, sexual abuse, organized crime, bribery, corruption, perjury, torture, kidnapping, illegal drug use or trafficking or trafficking in persons. This provision shall not override any law restricting whether a crime may be considered in evaluating an applicant. Nothing in this section would prohibit APPF from utilizing more stringent criteria.

44. APPF will require all applicants to authorize access to prior employment records and available government records as a condition for employment or engagement. This requirement includes records relating to posts held with the military, police or public or private security providers. Moreover, APPF will, consistent with applicable national law, require all personnel to agree to participate in internal investigations and disciplinary procedures as well as in any public investigations conducted by competent authorities, except where prohibited by law.

**Selection and Vetting of Subcontractors**

45. APPF shall not subcontract for any security services.

46. APPF will require its personnel and any other parties carrying out security services under the contract, to operate in accordance with the principles contained in this Code and the standards derived from the Code. If APPF contracts with an individual or any other group or entity for any other type of services or supplies, and that individual or group is not able to fulfill the selection, vetting and training principles contained in this Code and the standards derived from the Code, APPF will take reasonable and appropriate steps to ensure all selection, vetting and training of such personnel is conducted in accordance with the principles contained in this Code and the standards derived from the Code.

**APPF Policies and Personnel Contracts**

47. APPF will ensure its policies on the nature and scope of services it provides, on hiring of personnel and other relevant personnel reference materials such as personnel contracts include appropriate incorporation of this Code and relevant and applicable labor laws. Contract terms and conditions will be clearly communicated and available in a written form to all personnel in a format and language accessible to them.

48. APPF will keep employment and service records and reports on all past and present personnel for 7 (seven) years. APPF will require all personnel to authorize the access to, and retention of, employment records and available government records, except where prohibited by law. Such records will be made available to any compliance mechanism established pursuant to this Code or GIRoA on request, except where prohibited by law.

49. APPF will hold passports, other travel documents, or other identification documents of APPF personnel only for the shortest period of time reasonable for administrative processing or other legitimate purposes. This paragraph does not prevent APPF from co-operating with law enforcement authorities in the event that a member of its personnel is under investigation.

**Training of Personnel**

50. APPF will ensure all personnel performing security services receive initial and recurrent professional training and are also fully aware of this Code and relevant national and international laws, including those pertaining to international human rights, international humanitarian law, international criminal law and other relevant criminal law. APPF will maintain records adequate to demonstrate attendance and results from all professional training sessions, including from practical exercises. Satisfactory performance at, and completion of, such training requirements will be a continuing condition of employment.

**Management of Weapons**

51. APPF will acquire and maintain authorization for the possession and use of any weapons and ammunition required by applicable law.

52. Neither APPF nor its personnel will possess or use weapons or ammunition that are illegal under Afghan law. APPF will ensure that neither it nor its Personnel will engage in any illegal weapons transfers and will conduct any weapons transactions in accordance with applicable laws and UN Security Council requirements, including sanctions. Weapons and ammunition will not be altered in any way that contravenes applicable Afghan or international law.

53. APPF policies or procedures for management of weapons and ammunition should include:

a) secure storage;

b) controls over their issue;

c) records regarding to whom and when weapons are issued;

d) identification and accounting of all ammunition; and

e) verifiable and proper disposal.

**Weapons Training**

54. APPF will require that:

a) Personnel who are to carry weapons will be granted authorization to do so only on completion or verification of appropriate training with regard to the type and model of weapon they will carry. Personnel will not operate any weapon until after successfully completing weapon-specific training.

b) Personnel carrying weapons must receive regular, verifiable and recurrent training specific to the weapons they carry and rules for the use of force.

c) Personnel carrying weapons must receive appropriate training in regard to rules on the use of force as set forth in this Code.

**Management of Material of War**

55. APPF will ensure that it and its personnel acquire and maintain all authorizations for the possession and use of any material of war, e.g. hazardous materials and munitions, as required by applicable law.

56. APPF will ensure that neither it nor any of its personnel possesses or uses any material of war, e.g. hazardous materials and munitions, illegal under any applicable law. APPF will ensure that neither it nor any of its personnel engages in any illegal material transfers and will conduct any material of war transactions in accordance with applicable laws and UN Security Council requirements, including sanctions.

57. APPF policies or procedures for management of material of war, e.g. hazardous materials and munitions, should include:

a) secure storage;

b) controls over their issue;

c) records regarding to whom and when materials are issued: and

d) proper disposal procedures.

**Incident Reporting**

58. APPF will prepare an incident report documenting any incident involving its personnel that involves the use of any weapon, which includes the firing of weapons in any circumstances (except authorized training), any escalation of force, damage to equipment or injury to persons, attacks, criminal acts, traffic accidents, incidents involving other security forces, or such reporting as otherwise required by the client, and will conduct an internal inquiry in order to determine the following:

a) time and location of the incident;

b) identity and nationality of any persons involved including their addresses and other contact details;

c) injuries / damage sustained;

d) circumstances leading up to the incident; and

e) any measures taken by the APPF in response to it.

Upon completion of the inquiry, APPF will produce in writing an incident report including the above information, copies of which will be provided to the client.

**Safe and Healthy Working Environment**

59. APPF will strive to provide a safe and healthy working environment notwithstanding the possible inherent dangers and limitations presented by the local environment. APPF will ensure all reasonable precautions are taken to protect relevant staff in high-risk of life-threatening operations. These will include:

a) assessing risks of injury to personnel and risks to the local population generated by the activities of APPF and/ or personnel;

b) providing hostile environment training;

c) providing adequate protective equipment, appropriate weapons and ammunition, and medical support; and

d) adopting policies that support a safe and healthy working environment within APPF, such as policies addressing psychological health and work-place violence, misconduct, alcohol and drug abuse, sexual harassment and other improper behavior.

**Harassment**

60. APPF will not tolerate harassment and abuse of co-workers by its personnel.

**Grievance Procedures**

61. APPF will establish grievance procedures to address claims alleging failure by the APPF to respect the principles contained in this Code brought by personnel or by third parties.

62. The APPF will:

a) establish procedures for its personnel and for third parties to report allegations of improper and/ or illegal conduct to designated personnel, including such acts or omissions that would violate the principles contained in this Code. Procedures must be fair, accessible and offer effective remedies, including recommendations for the prevention of recurrence. They shall also facilitate reporting by persons with reason to believe that improper or illegal conduct or a violation of this Code has occurred or is about to occur, of such conduct to designated individuals within APPF and, where appropriate, to proper authorities;

b) publish details of its grievance mechanism on a publically accessible website;

c) investigate allegations promptly, impartially and with due consideration to confidentiality;

d) keep records about any such allegations, findings or disciplinary measures. Except where prohibited or protected by applicable law, such records should be made available to the proper authorities on request;

e) cooperate with official investigations, and not participate in or tolerate from its personnel, the impeding of witnesses, testimony or investigations;

f) take appropriate disciplinary action, that could include termination of employment in case of a finding of such violations or unlawful behavior; and

g) ensure that its personnel who report wrongdoings in good faith are provided protection against any retaliation for making such reports, such as shielding them from unwarranted or otherwise inappropriate disciplinary measures, and that matters raised are examined and acted upon without undue delay.

63. No provision in this Code should be interpreted as replacing any contractual requirements of APPF policies or procedures for reporting wrongdoing.

**ANNEX E – ADDITIONAL PROVISIONS**

1. Communication between Parties:

(a) Language and Measurements: The English language shall be used in all written and electronic communications between the parties under this Contract. Whatever measurements are required or authorized, they shall be made, computed and recorded in metric system units of measurement.

(b) Notice: Any notice required or permitted to be given under this Contract shall be written, and may be given by personal delivery or by commercial courier. Notice shall be deemed given upon actual receipt in the case of personal delivery. A notice sent by commercial courier shall be deemed to have been received on the date and time of delivery as evidenced by the records of the courier. Notices shall be made to the addresses that follow, though the Parties may change their notice address from time to time by written notice to the other Party:

To APPF at: Burj-e-shahara

Shar-e-Naw

Kabul, Afghanistan

To Client at: Name, Address, and Email Address

(c) Other Communication: It is anticipated that e-mail or other electronic communication will transpire between the Parties – in addition to formal written communication. APPF may request concurrence with its planned activities by any means of communication, but under no circumstances shall a lack of response by the Client be deemed acceptance of APPF’s request. The Client shall respond to any requests by APPF within ten (10) days of such written requests. Approval of all requests by the Client must be documented in a written format. This paragraph is intended to govern routine operations not covered by other paragraphs of this Contract; changes to any part of this Contract can be made only by an amendment to this Contract, duly executed by authorized representatives of both Parties.

2. Indemnification:

(a) APPF recognizes that the security services will be performed in extremely hostile areas and that its personnel and equipment will be at risk of attack, accident, loss, damage, injury and death. APPF knowingly accepts such risk on behalf of itself and its Guards, and hereby indemnifies and holds harmless the Client, including its employees, agents and subcontractors, including any Risk Management Companies and Consultants, in the event of any harm, injury, or death of a Guard and the damage or loss of any APPF equipment or other property.

(b) APPF specifically indemnifies and holds harmless the Client, including its employees, agents and Subcontractors, including any Risk Management Companies and Consultants, from all claims, suits, or actions arising from or occasioned by APPF’s acts in the provision of services under this Contract.

3. Suspension and Termination.

1. **Suspension of Work:** APPF will, upon written notice from the Client or its representative, suspend, delay, or interrupt all or a part of the Scope of Services for a period of up to ninety (90) days after the suspension order is delivered to APPF for good cause shown. Good cause shall constitute events beyond Client’s reasonable control that cause it to cease performance of its prime contract, including but not limited to the suspension of the prime contract by USAID, terrorist acts, war, fires, floods, earthquakes and other natural disasters. In such event, APPF will resume work of the suspended activities upon written notice from the Client or its representative. If any suspension, delay or interruption causes an increase or decrease in APPF’s cost of, or the time required for, the performance of any part of the services, the Client shall make an equitable adjustment and modify the Contract in writing. Any claim by APPF for an adjustment under this paragraph must be asserted in writing, fully supported by factual information, to the Client’s designated representative within thirty (30) calendar days from the date of receipt by APPF of the written notice of suspension from Client or within such extension of that 30-day period, as the Client, in its sole discretion, may grant in writing at APPF's request prior to expiration of said period. Nothing herein will be construed as relieving APPF of its obligations to perform the services required by Annex C during periods before and after any suspension of work, including without limitation, the failure of the parties to agree upon APPF’s entitlement to, or the amount of, any adjustment in time or compensation.

(b) **Termination for Default:** The Client may, by written thirty (30) day advance notice, terminate the whole or any part of the contract issued hereunder for default in the event that APPF fails to provide the security services specified in accordance with the terms and conditions of this Contract, and APPF fails to cure the default within a reasonable period of time, not to exceed thirty (30) days. In the event of termination for default, APPF will not be entitled to termination expenses.

(c) **Termination for Necessity of the Client:** The Client may terminate in full or in part of this Contract with written notice to APPF should events beyond the reasonable control of the Client occur that cause it to have to abandon its site(s), and cease performance, including, but not limited to, termination of the prime contract by USAID or any other donor, terrorist acts, war, fires, floods, earthquakes and other natural disasters.

(d) **Termination by APPF:** As APPF is the only legally au**t**horized security provider for the Client in Afghanistan and the Client has no other legal option for security services, APPF may only terminate this Contract if the Client fails to make payment to APPF, for a consecutive two (2) month period, in accordance with the Contract payment provision at paragraph 10 of the Contract and where the amount of such payment is not the subject of a dispute in accordance with the dispute provisions of this Contract set forth in paragraph 4 of Annex E. Such termination by APPF shall be considered to be termination for default.

(e) The termination of this Contract by either Party under this paragraph shall be without prejudice to the rights of the Parties accrued prior to the date of termination, including any claim for breach of contract or other damages, and such rights shall survive its termination.

4. Settlement of Disputes:

1. The Parties agree to seek, in good faith, to use all reasonable efforts to resolve any dispute under this Contract by mutual agreement at or below the level of the signatories of each Party to this Contract.
2. Upon the express agreement of the Parties, all disputes under this contract may be subject to voluntary mediation. The mediator may be chosen by mutual agreement of the Parties and shall take place in Afghanistan using any rules or procedures agreed upon by the Parties that are consistent with applicable Afghan Commercial Mediation Law. The Parties shall each bear its own fees and costs.
3. If the Parties are unable to resolve a dispute under this Contract at or below the level of the signatories to this Contract, or through mediation as voluntarily agreed upon by the Parties, they shall then settle the dispute through binding arbitration under the Rules of Arbitration of the International Chamber of Commerce (“ICC”) in accordance with the Commercial Arbitration Law of Afghanistan as published in the official gazette no. 913 on March 1, 2007. In the alternative, the Client, at its sole discretion, can elect to have the dispute resolved by the Afghan civil court system.
4. Any Arbitral Tribunal constituted pursuant to this Agreement shall consist of a sole arbitrator, who shall be appointed by the International Court of Arbitration of the ICC.
5. Arbitration hearings conducted pursuant to this agreement shall take place in Kabul, Afghanistan, unless the Parties consent to conduct hearings by video teleconference or the Arbitral Tribunal decides the video teleconference is a suitable alternative to hearings in Kabul.
6. The language of any arbitration shall be English.
7. As a legal for-profit commercial entity under the laws of the Islamic Republic of Afghanistan, APPF is subject to legal and other action under this commercial services contract and cannot claim or assert sovereign immunity based on its status as a parastatal of the Government of the Islamic Republic of Afghanistan.
8. If an arbitration proceeding is conducted pursuant to this Contract, the cost of the arbitrator’s fee and necessary associated expenses shall be borne by the Client. Each Party, however, shall solely bear the expense of its own preparations for such proceeding, including but not limited to attorneys’ fees, witnesses, and travel expenses.
9. The APPF expressly agrees, that in accordance with Article 8 of the Commercial Arbitration Law of Afghanistan that it shall not seek to use any Afghan Court or other Government Agency to intervene or interfere in any way with the orderly resolution of the arbitral tribunal or arbitration process.

1. In accordance with Article 56(1), as well as the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (Ratified by the Government of Afghanistan on November 30, 2004 and entered into force on February 28, 2005, and Ratified by the Government of the United States of America on September 30, 1970 and entered into force on December 29, 1970) the final arbitral award shall be enforceable.

5. Entire Contract: This Parties expressly acknowledge that this Contract is the complete and exclusive expression of the rights and obligations of the Parties with respect to the subject matter of the Contract and that this Contract supersedes and cancels any previous written or oral agreements, including other contracts, relating to that subject matter of this Contract if such agreements exist.

6. Legal Construction: In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability shall not affect any other provision in this Contract and this Contract shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in it. The Parties shall in good faith attempt to replace any invalid or unenforceable provision with one that is valid and enforceable, and which comes as close as possible to expressing the intent of the original provision.

7. Assignment: This Contract and any rights and obligations hereunder may not be assigned or otherwise transferred or disposed of by either Party without the prior written consent of the other Party. This Contract shall inure to the benefit of and bind the authorized successors and assigns of the Parties.

8. Confidentiality: The Parties shall keep confidential any confidential business, proprietary or other information received from the other party. This obligation shall survive the termination of this Contract for a period of one (1) year from the date of such termination.

9. General Provisions:

1. Purpose: The Purpose to this Contract is to be read as an integral part of it.
2. Headings: Headings in this Contract are for convenience only and shall not be used to interpret or construe its provisions.
3. Language: The Contract is prepared in English and Dari. In the event of a conflict or ambiguity between the two, the English version will control.

(d) Duplicate Originals: This Contract may be executed in duplicate originals in both English and Dari, each of which shall be deemed to be a counterpart original.

(e) Governing Law: This Contract is governed by the laws of the Islamic Republic of Afghanistan.

10. Terrorist Financing: The laws of the Islamic Republic of Afghanistan, the laws of the United States of America and United States Presidential Executive Orders prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. APPF agrees not to enter into transactions with, or provide resources or support to, any individuals and organizations associated with terrorism as determined by the Government of the Islamic Republic of Afghanistan and the Government of the United States of America. APPF further agrees that this paragraph will be included in any subcontract issued under this contract.

11. Restrictions On Certain Foreign Purchases: APPF agrees not to acquire knowingly, for use in the performance of this contract, any supplies or services manufactured or assembled in, or derived or imported from any restricted countries as determined by the Government of the Islamic Republic of Afghanistan and the Government of the United States of America.

12. Anti-Corruption Provision: APPF and its personnel will not, consistent with its obligations under the United Nations Convention on Corruption and other international laws, applicable Afghan law and policy, including the Law of Campaign Against Bribery and Official Corruption, Afghan Anti-Corruption Policy, MOI Anti-Corruption Policy, and the Code of Conduct for Civil Servants, promise, offer, receive, solicit or give to any public or private official, directly or indirectly, money or anything of value to a public or private official himself or herself or another person or entity, in order to influence that public or private official to act or refrain from acting in the exercise of his or her official duties in violation of that lawful duty.

Neither APPF nor its personnel will solicit or accept, directly or indirectly, anything of value in exchange for not complying with national and international law or standards. APPF shall report all known violations of this provision to Afghan law enforcement authorities, and any international authorities assisting Afghan authorities, and the Client to the extent they are not the subject of said violations. APPF will cooperate with any resulting investigation authorized under Afghan law.

The phrase “anything of value,” means any item, whether tangible or intangible, that the person giving or offering or the person demanding or receiving considers to be worth something, including but not limited to money, favorable treatment, the awarding of a contract, a job, or special consideration.

13. Debarment: APPF certifies none of its subcontractors are currently debarred, suspended, or pending debarment by the Government of the Islamic Republic of Afghanistan, Ministry of Finance, Procurement Policy Unit and the Government of the United States of America, Excluded Parties List System. APPF agrees to notify the Client should one of its subcontractors be debarred, suspended or proposed for debarment by the Government of the Islamic Republic of Afghanistan, Ministry of Finance, Procurement Policy Unit and the Government of the United States of America, Excluded Parties List System. The Client may continue to receive services under the terms of this contract after a full review of the circumstances leading to the subcontractor’s debarment, suspension, or proposed debarment unless the Client directs termination of the contract.

14. Serious Incident Reporting:

a. Serious incidents shall be reported immediately to the Client and the APPF Officer by any representative of a Party to this Contract who becomes aware of such incident. Serious incidents reportable under this provision include, but are not limited to:

i. The discharge of a weapon by an APPF guard or other APPF representative while performing services pursuant to this Contract.

ii. The death of, or injury to, an APPF guard or other APPF representative while performing services pursuant to this Contract.

iii. The death of, or injury to, any representative of the Client and any other person during the performance of this Contract, including but not limited to death or injury caused by APPF guard or other APPF representative while performing services under this Contract.

iv. Damage to, or destruction of, property belonging to the Client or any third party during the performance of this Contract, including, but not limited to damage or destruction of property resulting from the conduct of an APPF guard or other APPF representative while performing services pursuant to this Contract.

b. APPF will promptly notify appropriate Afghanistan law enforcement officials of any incident.

c. APPF will produce and maintain a written report of any serious incident reported pursuant to this provision of the Contract.