



U.S. Department of Justice

Federal Bureau of Investigation
Washington, D.C. 20535

April 9, 2021

MR. JOHN GREENEWALD JR.
SUITE 1203
27305 WEST LIVE OAK ROAD
CASTAIC, CA 91384-4520

FOIPA Request No.: 1385180-000
Subject: Torres Advanced Enterprise Solutions

Dear Mr. Greenewald:

You were previously advised we were consulting with another agency concerning information located as a result of your Freedom of Information/Privacy Acts (FOIPA) request.

This consultation is complete and the enclosed material is being released to you with the appropriate exemption noted next to the redacted information pursuant to Title 5, United States Code, Section(s) 552/552a as noted below. Below you will find checked boxes under statute headings indicating the appropriate exemptions asserted to protect information which is exempt from disclosure. The checked exemption boxes used to withhold the information are further explained in the enclosed Explanation of Exemptions.

Section 552

☐ (b)(1)

☐ (b)(2)

☐ (b)(3)

☐ (b)(4)

☐ (b)(5)

☒ (b)(6)

☐ (b)(7)(A)

☐ (b)(7)(B)

☒ (b)(7)(C)

☒ (b)(7)(D)

☒ (b)(7)(E)

☐ (b)(7)(F)

☐ (b)(8)

☐ (b)(9)

Section 552a

☐ (d)(5)

☐ (j)(2)

☐ (k)(1)

☐ (k)(2)

☐ (k)(3)

☐ (k)(4)

☐ (k)(5)

☐ (k)(6)

☐ (k)(7)

159 pages were reviewed and 159 pages are being released.



The appropriate redactions were made by the Department of State (DOS) Office of Inspector General (OIG)

Please refer to the enclosed FBI FOIPA Addendum for additional standard responses applicable to your request. **"Part 1"** of the Addendum includes standard responses that apply to all requests. **"Part 2"** includes additional standard responses that apply to all requests for records about yourself or any third party individuals. **"Part 3"** includes general information about FBI records that you may find useful. Also enclosed is our Explanation of Exemptions.

For questions regarding our determinations, visit the www.fbi.gov/foia website under "Contact Us." The FOIPA Request Number listed above has been assigned to your request. Please use this number in all correspondence concerning your request.

If you are not satisfied with the Federal Bureau of Investigation's determination in response to this request, you may administratively appeal by writing to the Director, Office of Information Policy (OIP), United States Department of Justice, 441 G Street, NW, 6th Floor, Washington, D.C. 20530, or you may submit an appeal through OIP's FOIA STAR portal by creating an account following the instructions on OIP's website: <https://www.justice.gov/oip/submit-and-track-request-or-appeal>. Your appeal must be postmarked or electronically transmitted within ninety (90) days of the date of my response to your request. If you submit your appeal by mail, both the letter and the envelope should be clearly marked "Freedom of Information Act Appeal." Please cite the FOIPA Request Number assigned to your request so it may be easily identified.

You may seek dispute resolution services by contacting the Office of Government Information Services (OGIS). The contact information for OGIS is as follows: Office of Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, Maryland 20740-6001, e-mail at ogis@nara.gov; telephone at 202-741-5770; toll free at 1-877-684-6448; or facsimile at 202-741-5769. Alternatively, you may contact the FBI's FOIA Public Liaison by emailing foipaquestions@fbi.gov. If you submit your dispute resolution correspondence by email, the subject heading should clearly state "Dispute Resolution Services." Please also cite the FOIPA Request Number assigned to your request so it may be easily identified.



See additional information which follows.

The enclosed documents represent the final release of information responsive to your Freedom of Information/Privacy Acts (FOIPA) request.

This release is being provided to you free of charge.

Please be advised that the Record/Information Dissemination Section (RIDS) is operating at reduced staffing levels amidst the ongoing COVID-19 national emergency. The enclosed FOIPA release represents a work product that could be generated for you under these unprecedented circumstances. We appreciate your patience and understanding as we work to release as much information, to as many requesters as possible, as this emergency continues.

Sincerely,



Michael G. Seidel
Section Chief
Record/Information
Dissemination Section
Information Management Division

Enclosure(s)

FBI FOIPA Addendum

As referenced in our letter responding to your Freedom of Information/Privacy Acts (FOIPA) request, the FBI FOIPA Addendum provides information applicable to your request. Part 1 of the Addendum includes standard responses that apply to all requests. Part 2 includes standard responses that apply to requests for records about individuals to the extent your request seeks the listed information. Part 3 includes general information about FBI records, searches, and programs.

Part 1: The standard responses below apply to all requests:

- (i) **5 U.S.C. § 552(c).** Congress excluded three categories of law enforcement and national security records from the requirements of the FOIPA [5 U.S.C. § 552(c)]. FBI responses are limited to those records subject to the requirements of the FOIPA. Additional information about the FBI and the FOIPA can be found on the www.fbi.gov/foia website.
- (ii) **Intelligence Records.** To the extent your request seeks records of intelligence sources, methods, or activities, the FBI can neither confirm nor deny the existence of records pursuant to FOIA exemptions (b)(1), (b)(3), and as applicable to requests for records about individuals, PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(1), (b)(3), and (j)(2)]. The mere acknowledgment of the existence or nonexistence of such records is itself a classified fact protected by FOIA exemption (b)(1) and/or would reveal intelligence sources, methods, or activities protected by exemption (b)(3) [50 USC § 3024(i)(1)]. This is a standard response and should not be read to indicate that any such records do or do not exist.

Part 2: The standard responses below apply to all requests for records on individuals:

- (i) **Requests for Records about any Individual—Watch Lists.** The FBI can neither confirm nor deny the existence of any individual's name on a watch list pursuant to FOIA exemption (b)(7)(E) and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(7)(E), (j)(2)]. This is a standard response and should not be read to indicate that watch list records do or do not exist.
- (ii) **Requests for Records about any Individual—Witness Security Program Records.** The FBI can neither confirm nor deny the existence of records which could identify any participant in the Witness Security Program pursuant to FOIA exemption (b)(3) and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(3), 18 U.S.C. 3521, and (j)(2)]. This is a standard response and should not be read to indicate that such records do or do not exist.
- (iii) **Requests for Records for Incarcerated Individuals.** The FBI can neither confirm nor deny the existence of records which could reasonably be expected to endanger the life or physical safety of any incarcerated individual pursuant to FOIA exemptions (b)(7)(E), (b)(7)(F), and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(7)(E), (b)(7)(F), and (j)(2)]. This is a standard response and should not be read to indicate that such records do or do not exist.

Part 3: General Information:

- (i) **Record Searches.** The Record/Information Dissemination Section (RIDS) searches for reasonably described records by searching systems or locations where responsive records would reasonably be found. A standard search normally consists of a search for main files in the Central Records System (CRS), an extensive system of records consisting of applicant, investigative, intelligence, personnel, administrative, and general files compiled by the FBI per its law enforcement, intelligence, and administrative functions. The CRS spans the entire FBI organization, comprising records of FBI Headquarters, FBI Field Offices, and FBI Legal Attaché Offices (Legats) worldwide; Electronic Surveillance (ELSUR) records are included in the CRS. Unless specifically requested, a standard search does not include references, administrative records of previous FOIPA requests, or civil litigation files. For additional information about our record searches, visit www.fbi.gov/services/information-management/foipa/requesting-fbi-records.
- (ii) **FBI Records.** Founded in 1908, the FBI carries out a dual law enforcement and national security mission. As part of this dual mission, the FBI creates and maintains records on various subjects; however, the FBI does not maintain records on every person, subject, or entity.
- (iii) **Requests for Criminal History Records or Rap Sheets.** The Criminal Justice Information Services (CJIS) Division provides Identity History Summary Checks – often referred to as a criminal history record or rap sheet. These criminal history records are not the same as material in an investigative “FBI file.” An Identity History Summary Check is a listing of information taken from fingerprint cards and documents submitted to the FBI in connection with arrests, federal employment, naturalization, or military service. For a fee, individuals can request a copy of their Identity History Summary Check. Forms and directions can be accessed at www.fbi.gov/about-us/cjis/identity-history-summary-checks. Additionally, requests can be submitted electronically at www.edo.cjis.gov. For additional information, please contact CJIS directly at (304) 625-5590.
- (iv) **National Name Check Program (NNCP).** The mission of NNCP is to analyze and report information in response to name check requests received from federal agencies, for the purpose of protecting the United States from foreign and domestic threats to national security. Please be advised that this is a service provided to other federal agencies. Private Citizens cannot request a name check.

EXPLANATION OF EXEMPTIONS

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552

- (b)(1) (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified to such Executive order;
- (b)(2) related solely to the internal personnel rules and practices of an agency;
- (b)(3) specifically exempted from disclosure by statute (other than section 552b of this title), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld;
- (b)(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;
- (b)(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;
- (b)(6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;
- (b)(7) records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information (A) could reasonably be expected to interfere with enforcement proceedings, (B) would deprive a person of a right to a fair trial or an impartial adjudication, (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy, (D) could reasonably be expected to disclose the identity of confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of record or information compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source, (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or (F) could reasonably be expected to endanger the life or physical safety of any individual;
- (b)(8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or
- (b)(9) geological and geophysical information and data, including maps, concerning wells.

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552a

- (d)(5) information compiled in reasonable anticipation of a civil action proceeding;
- (j)(2) material reporting investigative efforts pertaining to the enforcement of criminal law including efforts to prevent, control, or reduce crime or apprehend criminals;
- (k)(1) information which is currently and properly classified pursuant to an Executive order in the interest of the national defense or foreign policy, for example, information involving intelligence sources or methods;
- (k)(2) investigatory material compiled for law enforcement purposes, other than criminal, which did not result in loss of a right, benefit or privilege under Federal programs, or which would identify a source who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(3) material maintained in connection with providing protective services to the President of the United States or any other individual pursuant to the authority of Title 18, United States Code, Section 3056;
- (k)(4) required by statute to be maintained and used solely as statistical records;
- (k)(5) investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment or for access to classified information, the disclosure of which would reveal the identity of the person who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(6) testing or examination material used to determine individual qualifications for appointment or promotion in Federal Government service the release of which would compromise the testing or examination process;
- (k)(7) material used to determine potential for promotion in the armed services, the disclosure of which would reveal the identity of the person who furnished the material pursuant to a promise that his/her identity would be held in confidence.

This document is made available through the declassification efforts
and research of John Greenewald, Jr., creator of:

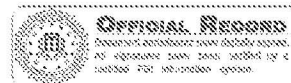
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**FEDERAL BUREAU OF INVESTIGATION****Electronic Communication****Title:** (U) Opening EC**Date:** 01/11/2016**From:** WASHINGTON FIELD

WF-CR12

Contact: [REDACTED]**Approved By:** SSA [REDACTED]**Drafted By:** [REDACTED]**Case ID #:** 205-WF-6804950

(U) [REDACTED]

Torres Advanced Enterprise Solutions;
FCPA**Synopsis:** (U) Opening EC**Full Investigation Initiated:** 01/11/2016**Details:**

In early January, 2015, [REDACTED]

[REDACTED]

[REDACTED] TORRES ADVANCE ENTERPRISE SOLUTIONS, which
is headquartered in Falls Church, Virginia.

According to DOS, TORRES AES has \$75 Million in DOS contracts for

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Title: (U) Opening EC

Re: 205-WF-6804950, 01/11/2016

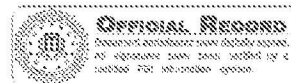
security guards and patrol services and \$92 million in translation and interpretation services.

FBI and DOS agreed to jointly investigate the allegations. The DOS case file is: C2015-022.

This case was consolidated with case file 205-HQ-6117076.

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UNCLASSIFIED//~~FOUO~~**FEDERAL BUREAU OF INVESTIGATION****Electronic Communication****Title:** (U) Open EC: [REDACTED]**Date:** 02/10/2015**CC:** [REDACTED]b6
b7C**From:** CRIMINAL INVESTIGATIVE
D6-ICU**Contact:** [REDACTED]**Approved By:** [REDACTED]b6
b7C
b7E**Drafted By:** [REDACTED]**Case ID #:** 205-HQ-6117076

(U) [REDACTED]

Torres Advanced Enterprise Solutions;
FCPA**Synopsis:** (U) Open EC**Full Investigation Initiated:** 02/10/2015**Enclosure(s):** Enclosed are the following items:

1. (U) Torres AES Argentina Allegation article
2. (U//~~FOUO~~) [REDACTED] Argentina Website
3. (U) [REDACTED] Argentina Kickback Article
4. (U) [REDACTED] Open Source Information.pdf

b6
b7C**Details:**

In early January, 2015, [REDACTED]

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b7DUNCLASSIFIED//~~FOUO~~

UNCLASSIFIED//~~FOUO~~

Title: (U) Open EC: [REDACTED]
Re: 205-HQ-6117076, 02/10/2015

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[REDACTED]

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[REDACTED] TORRES ADVANCE ENTERPRISE SOLUTIONS, which
is headquartered in Falls Church, Virginia.

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On 02/04/2015, writer met with Department of
State(DOS)/OIG/Investigations to discuss the allegations regarding
TORRES. [REDACTED] Assistant Special Agent in Charge

[REDACTED] stated that DOS had information on
an anonymous complaint alleging that TORRES bribed officials in
Argentina in order to grant authorizations to TORRESCO AES S.R.L for
security services in Argentina.

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b7C DOS-OIG

According to DOS, TORRES AES has \$75 Million in DOS contracts for
security guards and patrol services and \$92 million in translation and
interpretation services.

FBI and DOS agreed to jointly investigate the allegations. The DOS
case file is: C2015-022.

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<http://www.otroscirculos.com.ar/denuncian-coimas-en-la-oficina-que-habilita-las-agencias-de-seguridad-privada/>

Three senior employees of the Bureau for Private Security Management, during the term in which Minister Ricardo Casal holds office, are charged with an alleged corruption incident. The criminal complaint suggests a fundraising operation taking place at said government agency and it occurs under a "security emergency" situation which gives prominence to the companies of the sector as "public security forces auxiliary back-up".

The criminal complaint is based on an anonymous statement according to which in July 2013, Rodolfo Mario González Arrascaeta, linked to various security agencies in the City and in the Province of Buenos Aires, attended the Bureau for Private Security Management, depending on the Ministry of Justice and Security to make the relevant proceedings in order to be granted the relevant authorization for the company "Torresco AES S.R.L.". According to said anonymous report, the director of the government agency, Jorge Luis Cerulli, and "two assistants" received a "\$ 250,000 bribe" to grant the authorization for the agency in a week without completing the regulatory proceedings to be complied with therefor. For example, according to the complaint, the Secretariat of Human Rights did not issue itself on the case.

The anonymous complaint, which was brought to a prosecutor's office last April 11 by an official of the Ministry, indicates that when the greatest part of the staff went out, the Bureau got changed. The employees charged with the alleged corruption incident, took the opportunity to "summon people to attend the agency after 3 p.m." and one of them "took the kickbacks from them". According to the anonymous complaint received by Alejandro Inchaurregui, Director of the Register of Missing Person, and submitted to the criminal courts, if the applying agencies did not pay, their authorization proceeding was delayed during months while other authorizations became due.

The file based on the anonymous complaint was submitted to the Prosecutor's Office for Complex Offenses No. 8 in charge of Jorge Martín Paolini, who filed it resorting to a resolution issued when Attorney Eduardo Matías de la Cruz held office, and which allows to dismiss complaints based on anonymous allegations without any further proceedings being necessary.

All roads lead to Ezeiza

At the time of the allegations, Casal signed with representatives of private security companies, "an agreement to streamline the registration of the companies serving in the Province" and implemented the Sytem: Registry of Private Security Agencies, describing that it is "a technological tool aimed at speeding up authorizations of new agencies, renewals, cancellations and all kinds of proceedings linked to the companies database". "So far, this activity was carried out manually, now making it easier for companies to access updated information on their status and on available human and logistics resources", explained then Casal, Minister of Justice and Security.

The complaint occurs in a "security emergency" context, ordered by Governor Daniel Scioli earlier this month, with main focus on private security companies. "We want to give the neighbors the security they deserve and that is why we also move forward with this sector, in order for it to play a central role and make a significant contribution", said Minister Alejandro Granados. The Bureau for Private Security Management is headed by Fernando Amarilla, son

of the president of Ezeiza Legislative Council and Granados official in the Ministry of Edgardo Amarilla. In recent days they were entering into agreements with entrepreneurs under the "emergency" framework.

The decree states that "companies providing security services and the staff thereof shall perform their duties in their capacity as public security forces auxiliary back-up and they shall immediately report to the police force any situation posing a risk for individuals' physical integrity and for the property thereof"

Such prominence given to the sector resembles that granted thereto in 1980, during the dictatorship, by a rule on qualification and operation thereof, which stated: "The Province Police Force shall be entitled to require the cooperation of Private Security and Investigation Agencies and they shall be obliged to render said cooperation as required, as well as to submit the reports requested by said Force with respect to any matter relevant to their activities".

The entrepreneur Mario González Arrascaeta is linked to several sector companies in the City of Buenos Aires and in the provincial territory, developing his activities as "C.R. Seguridad S.A.", "Torresco AES S.R.L.", "Manuto Seguridad S.A", and according to the Ministry of Security website, he also heads an Institute devoted to "training" in private security qualified by the State in Malvinas Argentinas District, ruled by Jesús Cariglino, and on last April 16, Granados inaugurated the "first Community Patrol Command (CPC) as a starting point of the specific police performance on certain areas, which will cover over 40 districts".

In the book *Ezeiza*, by Horacio Verbitsky, reference is made to him in the chapter "Los fierros", which deals with "one of the mysteries that persisted after 1973 slaughter": "Where did the weapons used there come from?" (page 64, Contrapunto, 1985 edition).

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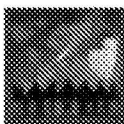
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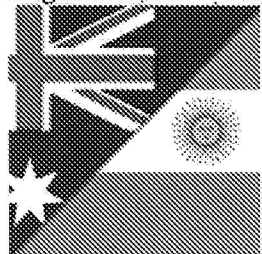
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Torres Takes Over Security of Australian Embassy in Argentina

August 14th, 2014 | Torres



For the first time in over a decade a U.S. security firm has taken over security for an Australian Embassy in South America. Torres Advanced Enterprise Solutions (Torres) was recently awarded a two-year contract to protect the Australian Embassy located in Buenos Aires, Argentina. The Argentine Embassy was impressed with the security that Torres provides at the U.S. Embassy and decided to change its security contractor. Under this contract, Torres will field security professionals and mobile patrols to protect the Australian embassy and its diplomats assigned to Argentina. Torres currently provides security and security-related services for U.S. and EU and NATO Embassies in Asia, Africa, the Americas, Europe and the Middle East.

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MONDAY, MAY 5, 2014

Argentina, Buenos Aires Complain "kickbacks" in the office that enables private security agencies OTHER CIRCLES

Three senior employees of the Office for the Management of Private Security in the period Minister Ricardo Casal are charged with an alleged episode of corruption. The criminal complaint suggests an operative collection and dependence occurs when governing "security emergency" that gives prominence to the companies in the industry as "auxiliaries to the public security forces".

The criminal complaint is based on an anonymous testimony that in July 2013 Rodolfo Gonzalez Mario Arrascaeta, linked to various security agencies in the City of Buenos Aires and the Province, was presented to the Bureau for Private Security Management Ministry of Justice and Security to process enabling the firm "Torresco AES SRL". Depending on the version, the director of the government agency, Jorge Luis Cerulli, and "two seconds" he charged "\$ 250,000 bribe" to enable you in a week the agency without completing the statutory procedures for the field. For example, according to the complaint, not the Ministry of Human Rights was issued.

Version born on April 11 passed to a prosecutor's office by an official of the Ministry indicates that when the bulk of staff retired office was transformed. The accused took the opportunity to "summon the agency after 3pm" and one "coimeaba". According to the anonymous received by Alejandro Inchaurregui, Director of Missing Person, and presented in the criminal courts, if the rating agencies applicants did



Emilio Corbiere, founding director of Argenpress

AWARDS

Awards received by Argenpress

CULTURAL ARGENPRESS



PROJECT CENSORED



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From: Spanish

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MAXIMUM SECURITY SA - 16/04/2012

The are: Edgardo Aníbal Pérez Famular , Argentina, 10/12/41, ID 6043263, Cont Public, married, O'Higgins 27, Floor 2, of 10, Bahía Blanca;. César García , Argentina, 9/18/60, DNI 14121115, businessman, married, November 24, 1278, 2nd floor, apartment. "B", CABA, Rodolfo Gonzalez Mario Arrascaeta , Argentina, 7/11/51, DNI 10,202,508, Bachelor of Security, married, Humboldt 2357, 8th floor, apartment. "C", CABA, Alejandra Vanessa Carreras , Argentina, 5/18/68, DNI 20,044,966, employed, married, Maipú 701, house No. 4 Barrio La Caleta, San Fernando, Buenos Aires Province Deed No. 22... 29/02/12 P° 86, 1420 Registration CABA " Maximum Security SA "Humboldt 2357, 8th floor, apartment. "C" CABA Object: perform by, or third parties, or in association with others, the activities of provider of private security services, namely:

- 1) Monitoring and protection of property;
- 2) Escort and protection of persons;
- 3) Transportation, custody and protection of any lawful order of transfer, except for the



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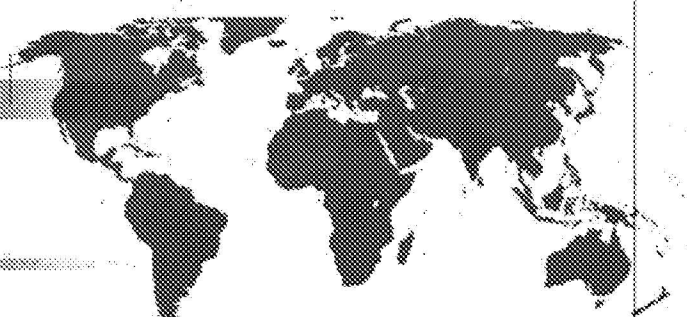
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Torres Advanced Enterprise Solutions is an internationally recognized Service Disabled Veteran Owned Business (SDVOB) headquartered in Falls Church, VA, with offices in the Middle East, Europe, Africa, Asia and throughout the Americas. Torres AES serves the highest levels of the U.S. government and commercial enterprises around the world.

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U.S. Congressional Wartime Commission Targets Armed Contractors

by Pratap Chatterjee, Special to CorpWatch
 June 23rd, 2010

On June 21 Jerry Torres, whose company provides translators and armed security guards in Iraq, was invited to testify before the Commission on Wartime Contracting (CWC). The bi-partisan body was created by the U.S. Congress in early 2008 to investigate waste, fraud and abuse in military contracting services in Afghanistan and Iraq.

The CEO of Torres Advanced Enterprise Solutions failed to show up for the hearing.

Torres is a relatively small player in an enormous and growing industry of private contractors, who are assuming more and more functions that used to be carried out by the U.S. military, and who are, some charge, assuming inherently governmental functions.



Aegis security contractor in Tikrit, Iraq, March 21, 2010
 Credit: Michael Heckman, U.S. Department of Defence

Today, every U.S. soldier deployed to Afghanistan and Iraq is matched by at least one civilian working for a private company. All told, about 239,451 contractors work for the Pentagon in battle zones around the world. Roughly one in five is a U.S. citizen, two out of five are natives of the country at war, and the remaining workers are from third countries, according to a census taken by the Pentagon's Central Command in the first quarter of 2010.

Torres, a former Green Beret, one of the elite Army Special Forces, is now a businessman and part of that army of private contractors. In 2007 the 7th annual "Greater Washington Government Contractor Awards" named him "Executive of the Year."

His empty chair sat in front of a witness table that bore a placard with his name and those for representatives of three other companies working in Iraq -- Virginia-based companies DynCorp and Triple Canopy, alongside UK-based Aegis who attended the hearing.

In January Torres's company had dispatched hundreds of Sierra Leonian armed security guards to protect Forward Operating Base Shield, a U.S. military base in Baghdad. "This Commission was going to ask him, under oath, why his firm agreed in January to assume private security responsibilities at FOB Shield with several hundred guards that had not been properly vetted and approved," said Michael Thibault, one of the co-chairs of the commission and a former deputy director of the Defense Contract Audit Agency.

"This Commission was also going to ask Mr. Torres why he personally flew to Iraq, to FOB Shield, and strongly suggested ... that Torres AES be allowed to post the unapproved guards, guards that would protect American troops, and then to 'catch-up the approval process,'" added Thibault.

Instead, Torres's lawyer informed the commission staff that the former Green Beret was "nervous about appearing."

The failure of a contractor to appear for an oversight hearing into lapses highlighted the entrenched reliance on private contractors in Afghanistan and Iraq that has led to numerous abuses from alleged fraud to the killing of innocent bystanders.

Currently, the Pentagon and the State Department employ some 18,800 armed "private security contractors" in Iraq and another 23,700 in Afghanistan to protect convoys, diplomats and other personnel, and military bases and other facilities at a cost estimated to run into billions of dollars a year.

Company Profiles

Boeing
 Blackwater USA
 Lockheed Martin
 Northrop Grumman
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Inherently Governmental

The Commission on Wartime Contracting hearings on June 18 and 21 was attempting to step back and ask basic questions about whether using private armed security in war zones usurps "inherently governmental" functions and if not, how contracting could be done better.

This thorny question of what constitutes an "inherently governmental" function, and what can be turned over to contractors was singled out by President Barack Obama. In March 2009 he ordered the Office of Federal Procurement Policy (OFPP), a department within the White House's Office of Management and Budget, to come up with an answer. More than a year later, a preliminary draft document has been issued that is narrowly focused on the issue of whether or not the contractors are making decisions that affect "national sovereignty"

The trend of using non-military personnel to conduct and support war has accelerated in the past decade and is part of a broader trend in government. President George W. Bush, for example, initiated a controversial program known as A-76 that forced selected government agencies to prove that they were more efficient than the private sector or "outsource" their work. By some estimates, as many as half the staff members at all U.S. government civilian agencies are now temporary and even long-term specialists contracted from the private sector.

The Pentagon caught the outsourcing bug when former Defense Secretary Donald Rumsfeld ordered that the March 2003 invasion of Iraq be conducted with no more than 150,000 troops. Almost by default and with little guidance, the military turned over as much as possible to private contractors.

John Nagl, president of the Washington, DC-based Center for a New American Security, submitted a report to the commission hearings that explained Rumsfeld's move to privatize formerly governmental functions. "Simple math illuminates a major reason for the rise of contractors: The U.S. military simply is not large enough to handle all of the missions assigned to it."

The bulk of this outsourced workforce consists of low-wage workers from South and Southeast Asia who perform menial tasks such as cooking and cleaning up after the troops. But such critical military tasks as the protection of senior diplomats and supply convoys as well as military bases and reconstruction projects are also turned over to armed men (and a few women) who work for private companies with exotic names like Four Horsemen and Blue Hackle.

While pay packets of \$15,000 a month and more marked the early days of the "war on terror" in 2003, salaries for private security contractors have spiraled down to \$1,200 for Peruvians, then \$800 for Ugandans. Torres' Sierra Leonian guards are being paid a new low -- \$250 a month, or about the same as local Iraqi security guards.

Blackwater's new Afghan contract

Curiously, Blackwater, the most famous private military contractor in Afghanistan and Iraq, was not even invited to sit at the congressional witness table, despite the fact that the North Carolina-based company had been the subject of several investigations into misconduct. (See sidebar.)

Outsourcing security has spawned a litany of abuses and allegations of killing innocent civilians. If perpetrated by U.S. troops such acts would undoubtedly constitute as war crimes:

* In late May 2005, Marines arrested U.S. private security guards from Zapata, a North Carolina company, after its convoy was alleged to have shot up a U.S. military guard tower in Fallujah, Iraq. (see David Phinney's "Marines Jail Contractors in Iraq")

* London-based Aegis Defence Services ran into trouble in November 2005 when an employee circulated a video of a contractor in Iraq holding a gun, apparently spraying bullets at civilian cars coming up behind. (see David Phinney's "From Mercenaries to Peacemakers?")

Members of the commission noted with astonishment that the State Department had awarded Blackwater a \$120 million contract to guard U.S. consulates in Herat and Mazar-i-Sharif in Afghanistan on June 18. (<http://www.cbsnews.com>)

Asked to explain why Blackwater, which has been banned by the government of Iraq, won the contract, Charlene R. Lamb, deputy assistant secretary for International Programs at the State department, stated that the competitors for the contract, DynCorp and Triple Canopy, weren't as qualified. (Don Ryder of DynCorp and Ignacio Balderas of Triple Canopy disagreed and threatened a formal protest.)

"What does it take for poor contractual performance to result in contract termination or non-award of future contracts?" wondered Thibault.

USAID ducks legal responsibility

* In July 2006, two employees of Virginia-based Triple Canopy, claimed that their shift leader, Jake Washbourne, deliberately fired at vehicles and civilians in two incidents, saying it was his last day in Iraq and he was determined to kill.

* DynCorp, a Virginia based company, that holds security contracts as well as police training contracts in Afghanistan, is currently being investigated after one of its employees died of a drug overdose in Kabul in March 2009. Four of his co-workers tested positive from drugs smuggled in from Thailand.

*In September 2007, security guards from North Carolina-based Blackwater shot and killed 17 Iraqi civilians in Baghdad's Nisour Square. Blackwater staff have also been accused of killing other private security contractors and in December 2006, Andrew J. Moonen, was accused of killing a security guard of the Iraqi vice president, Adel Abdul Mahdi.

*As recently as May 2009, four Blackwater contractors were accused of killing an Afghan on the Jalalabad road in Kabul.

The U.S. Agency for International Development (USAID) also drew extended criticism for David Blackshaw's contention that his agency was not legally responsible for the actions of armed guards that accompanied their grantees that are rebuilding schools, hospitals and power plants. "The role of the USAID's SEC's International Security Programs Division is limited to advice and counsel," the AID division chief for overseas security told the commissioners.

Incensed, several commissioners pulled out copies of a May USAID Office of Inspector General report on private contracting. It concluded that that a third of USAID private security contracts in Afghanistan have no standard security requirements.

Commissioner Christopher Shays, a former Republican member of Congress from Connecticut, alleged that USAID was trying to "wash their hands" of any responsibility.

"God forbid something would happen with a violent accident in Afghanistan that would affect our national policy in Afghanistan, and you would try that ridiculous line of argument," said Commissioner Robert Henke, a former assistant secretary for Management in the Department of Veterans Affairs, said. "It won't work."

Refusing to Acknowledge Reality

There are almost as many explanations of what is wrong with the contracting system as there are contractors. Some say that the problem is their poor quality. "Qualified security operatives were available only in limited numbers, so the fly-by-night firms took on virtually anyone who sought employment: military washouts, ex-cons, gunmen fired by other contractors, and the utterly unqualified," wrote Ralph Peters, a retired U.S. Army officer, in the Washington Post. "Many of the Western hires were dysfunctional characters who could make it in neither the military, with its demands for emotional stability and discipline, nor in the civilian world. Even many of the former special-operations personnel hired by firms such as Blackwater either left the military because they ultimately didn't measure up, or simply got out to grab the contractor money."

The reason for this is a system of awarding contracts to the "lowest price technically acceptable" bidder, said commission Co-chair Thibault, an opinion that was supported strongly by the contractors who testified.

Yet others say that the problem is inadequate regulation. "We need smart-sourcing that can restore proper government oversight while harnessing the energy and initiative of the private sector for the public good," says Allison Stanger, professor of international politics and economics at Middlebury College, Vermont, and author of *One Nation Under Contract*, who testified at the hearings. Some witnesses and experts saw a more fundamental issue: By definition this work should not be handed out to private contractors in a war zone. "Private security contractors are authorized to use deadly force to protect American lives in a war zone, and to me, if anything is inherently governmental, it's that," said Commissioner Clark Kent Ervin, a former inspector general at both the State Department and the Homeland Security Department. "We don't have a definitional problem, we have an acknowledgment of reality problem."

Private security contractors "are performing inherently governmental functions," said Danielle Brian executive director of the NGO Project on Government Oversight. "A number of jobs that are not necessarily inherently governmental in general become so when they are conducted in a combat zone. Any operations that are critical to the success of the U.S. government's mission in a combat zone must be controlled by government personnel."

Warlord, Inc.

"U.S. taxpayer dollars are feeding a protection racket in Afghanistan that would make Tony Soprano proud," said Massachusetts Democratic Rep. John Tierney, referring to a fictional mafia boss in a TV series *The Sopranos*. "This arrangement has fueled a vast protection racket run by shadowy network of warlords, strongmen, commanders,

corrupt Afghan officials, and perhaps others," the prepared statement charged.

New warlords spawned by the trucking contracts:

* "Commander Ruhullah" leads a small army of more than 600 armed guards, and is the single largest security provider for the U.S. supply chain in Afghanistan. Ruhullah operates under the license of Watan Risk Management, a registered private security company owned by Ahmed Ratab Popal and Rashid Popal, two cousins of President Karzai. (The Popals are now planning to sell their business to Ruhullah who is setting up a new company called Kandahar Security Force)

"Commander Ruhullah is prototypical of a new class of warlord in Afghanistan. Over a cup of tea in Dubai, he complained to the subcommittee staff about the high cost of ammunition in Afghanistan. He says he spends \$1.5 million per month on rounds for an arsenal that includes AK-47s, heavy machine guns, and RPGs. Villagers along the road refer to him as "the Butcher," write the investigators.

"Despite this critical and sensitive role, nobody from the Department of Defense or the U.S. intelligence community has ever met with him (except for a brief detention by U.S. Special Forces on what he says are false drug charges")

* Matiullah Khan, a former police officer and now top warlord in Uruzgan Province, just north of Kandahar, commands an armed militia of more than 2,000 men, called the Kandak Amnante Uruzgan (KAU), and controls all traffic along the main highway between Kandahar and Tarin Kowt, the provincial Uruzgan capital.

One high-ranking Dutch official claimed that Matiullah is so feared that, "If we appoint Matiullah police chief, probably more than half of all people in the Baluchi valley would run over to the Taliban immediately."

* Abdul Razziq controls the Spin Boldak border crossing, the crucial gateway for all supplies coming from Pakistan directly to southern Afghanistan. Several reports have conclusively linked him to drug trafficking

* Pacha Khan Zadran, also known as "the Iron Grandpa," reportedly commands a private militia of 2,000 men who "control all major checkpoints on the main roads." A reporter for the Christian Science Monitor once quoted him saying: "They must not call us warlords. If you call us warlords, we will kill you."

* Abdul Wali Khan, also known as "Koka" from Musa Qala district in northern Helmand Province. Koka was imprisoned by the U.S. for 14 months at Bagram jail

The lifeblood of that racket is as many as 260 trucks that flow every day from the Pakistani port of Karachi across the Khyber Pass into Afghanistan. The convoy is filled with supplies for U.S. troops - from muffins to fuel to armored tanks.

Supply lines through the high mountain passes of Afghanistan have always been a dangerous mission - Soviets soldiers reportedly spent most of their occupation in the 1980s fighting off attacks on the route. The U.S. has chosen another method - outsourcing the delivery and even the protection of the vehicles - to private contractors.

Almost four out of every five containers delivered to Afghanistan are now hauled by a consortium of eight Afghan, Middle Eastern, and U.S. companies under a \$2.16 billion contract called Host Nation Trucking (HNT) that started May 1, 2009. A typical large convoy of trucks may travel with 400 to 500 guards in dozens of trucks armed with heavy machine guns and rocket-propelled grenades.

These trucks come under irregular attack. On December 7, 2008, a parked convoy of trucks carrying military vehicles for U.S. forces in Afghanistan near Peshawar was attacked by insurgents who torched and destroyed 96 trucks. As recently as June 8, a convoy of contractor was attacked when it stopped at a depot just outside of Islamabad. The insurgents burned 30 trucks and killed six people.

In November 2009, Aram Roston in the Nation magazine, published a startling charge: The trucking and security contractors were paying off warlords, and perhaps even the Taliban.

On Tuesday, a new report by U.S. Congressional investigators: "Warlord, Inc. Extortion and Corruption Along the U.S. Supply Chain in Afghanistan," confirmed Roston's allegations. The six-month investigation was conducted by the staff of the House Subcommittee on National Security and Foreign Affairs, which is chaired by John Tierney, (D-MA).

"The HNT contractors and their trucking subcontractors in Afghanistan pay tens of millions of dollars annually to local warlords across Afghanistan in exchange for "protection" for HNT supply convoys to support U.S. troops," wrote the investigators in the 79-page report. "Within the HNT contractor community, many believe that the highway warlords who provide security in turn make protection payments to insurgents to coordinate safe passage."

Memos show that occasionally the

"for suspected insurgent involvement." According to the governor of Helmand, Koka took \$20,000 a day in opium taxes and was involved in many mass murders.

contractors even worked with the insurgents to shakedown the U.S. military for more money.

The report comes on the heels of a two-day hearing in the U.S. Congress by the Commission on Wartime Contracting into abuses - including multiple charges of killings of civilians - by private security contractors hired by the State Department and the Pentagon in Iraq.

Three high-ranking military officials were asked to report to the Tierney and other members of the subcommittee at a public hearing in Congress on Tuesday. "Why weren't questions raised about these allegations earlier?" asked Congressman Mike Quigley (D-IL) echoing similar questions asked repeatedly by Tierney.

"I was personally unaware of these kind of allegations, but we take it seriously," replied Lieut. Gen. William Phillips, principal military deputy to the assistant secretary of the Army for Acquisition, Logistics, and Technology. He explained that it was difficult to investigate corruption in Afghanistan.

Tierney dismissed this answer. Noting that the allegations were widely rumored within days of the new contract and appeared in the media in late 2009, he pointed out that his staff was easily able to secure meetings with one of the warlords. "It took one email ... and when we met with him, he readily admitted to bribery and corruption."

Perhaps a more accurate answer came from Brig. Gen. John Nicholson. The highest priority of the military was making sure that supplies got to the troops, said the director of the Pakistan/Afghanistan Coordination Cell for the Joint Chiefs of Staff at the Pentagon: "Was the product delivered on time?"

Congressman Jeff Flake, a Republican from Arizona, said that a more appropriate question was: "Where is the tipping point when we say that that the funding of a parallel authority structure should become unacceptable?"

"There seems to be very little indication the Department of Defense is doing anything," Flake concluded.

Several experts also testified to the subcommittee to indicate that the new report presented a major problem for the U.S. military objectives in Afghanistan.

Colonel T.X. Hammes, senior research fellow at the National Defense University Hammes, said that the military needed to look into whether or not the choice of contractors "directly undercut[s] a central theme of our own counterinsurgency doctrine."

**** This article was produced in partnership with Inter Press Service News Agency. Pratap Chatterjee may be reached at "pchatterjee@ipc.org."***

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Security Contractor's Ex-CFO Ducks Stolen Equipment Claims

By Aeбра Coe

Law360, New York (October 31, 2014, 1:43 PM ET) -- A D.C. federal judge dismissed claims against the former chief financial officer of a U.S.-based security contractor Thursday, but declined to free the company's former vice president and CEO from the suit brought by an Iraqi company over two federal contracts.

U.S. District Judge Gladys Kessler freed former Torres Advanced Enterprise Solutions LLC CFO Kathryn Jones from the suit brought by Sabre International Security that originally alleged fraud, misappropriation and property conversion against its former business partner. As of the ruling, after several decisions trimming the case this year, the only remaining allegation is conversion and even that does not stick in the case of Jones, Kessler said.

Jones left the company in 2011, a year before Torres was alleged to have sold equipment belonging to Sabre, and there is no evidence of Sabre's claims that the equipment sale in 2012 was simply "the final act" of a long-running scheme to convert its property, which Jones allegedly "inspired" during her tenure as CFO, the judge concluded.

Sabre's sole evidence of such a scheme was a series of emails in 2010, in which CEO Jerry Torres, vice president Rebekah Dyer and Torres' program manager discussed the life support equipment at issue. The impetus for the email was that Sabre had sent an inquiry regarding the removal of its equipment from the task order site, according to the opinion.

"These emails, taken alone, simply could not lead a reasonable jury to conclude that its participants were engaged in a scheme to convert Sabre's property," Judge Kessler said. "Moreover, Jones had no role in this exchange of emails, other than the fact that she was copied as a recipient."

The remaining count of conversion still stands against Torres, its CEO and sole shareholder Jerry Torres, and the company's COO and vice president until 2013, Rebekah Dyer. Because of their intimate involvement in the business of Torres in 2012 when the equipment sale occurred, there is a genuine issue of fact and the matter will now head to trial, the judge said.

Sabre first launched the suit in April 2011, in connection with two U.S. government theaterwide internal security services multiple task order, or TWISS, contracts. The security company won one such contract, TWISS I, in September 2007, and Torres entered into a subcontractor agreement with Sabre to provide workers.

However, because the U.S. changed the standards for TWISS I contracts in 2009, non-U.S. company Sabre could not obtain the proper security clearance to fulfill its contract. To avoid losing the contract, Sabre and Torres entered an asset purchase agreement in which Torres became the prime contractor and Sabre became the subcontractor.

That same year, the two companies won a so-called TWISS II contract, for which Torres was the prime contractor and Sabre the subcontractor.

Sabre accused Torres of breaching the asset purchase agreement by failing to pay invoices or issue subtask orders for TWISS I. The company also alleges Torres breached a team agreement related to TWISS II, among other TWISS II-related claims.

After Judge Kessler trimmed the suit in October 2011, Sabre brought an amended complaint, which added seven new claims against Torres and the individual defendants for fraud, misappropriation and property conversion.

Judge Kessler subsequently granted Torres' bid to dismiss all of the amended complaint's new claims against Torres in January, except for the conversion of property claim, and then dismissed those same claims against the individual defendants in August, court records state.

Attorneys for Torres, Jones, Dyer and Sabre did not immediately respond to requests for comment Friday.

Jerry Torres is represented by Richard J. Conway of Dickstein Shapiro LLP.

Kathryn Jones and Rebekah Dyer are represented by Patricia Bruce of Caulkins & Bruce PC.

Sabre is represented by Timothy B. Mills and Tennant David Magee of Maggs & McDermott LLC and by Michael A. Gordon of Michael A. Gordon PLLC.

The case is Sabre International Security v. Torres Advanced Enterprise Solutions LLC, case number 1:11-cv-00806, in the U.S. District Court for the District of Columbia.

--Additional reporting by Allissa Wickham. Editing by Rebecca Flanagan.



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Authorities (12)

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- [Armstrong v. ACCREDITING COUNCIL FOR CONTINUING ED., 961 F. Supp.](#)
- [Ashcroft v. Iqbal, 556 U.S. 662 \(2009\)](#)
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Sabre International Security v. Torres Advanced Enterprise Solutions, LLC, Civil Action No. 2011-0806 (D.C. 2014)

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District Court, District of Columbia

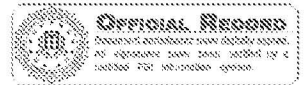
Filed: January 30th, 2014

Status: Precedential

Docket Number: Civil Action No. 2011-0806

Judges: Judge Gladys Kessler

Nature of suit: Civil

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FEDERAL BUREAU OF INVESTIGATION

Electronic Communication

Title: (U//~~FOUO~~) Torres AES Buenos Aires
Correspondence with DOS Contracting
Officer November 2014

Date: 02/24/2015

From: CRIMINAL INVESTIGATIVE

D6-ICU

Contact:

Approved By:

Drafted By:

Case ID #: 205-HQ-6117076

(U)

Torres Advanced Enterprise Solutions;
FCPA

Synopsis: (U//~~FOUO~~) Torres AES Buenos Aires Correspondence with DOS Contracting Officer November 2014

Full Investigation Initiated: 02/10/2015

Enclosure(s): Enclosed are the following items:

1. (U//~~FOUO~~) Argentina_Frequency_license_CNC.pdf
2. (U//~~FOUO~~) Argentina_City_Security_License_with_Weapons.pd
3. (U//~~FOUO~~) Argentina-Torres-Business_license_for_Argentina.
4. (U//~~FOUO~~) Argentina_Torres_Provence_License.pdf
5. (U//~~FOUO~~) Argentina_National_Weapons_License.pdf
6. (U//~~FOUO~~) Tax-ID_Number.pdf
7. (U//~~FOUO~~) Argentina_Incorporation_LLC_License.pdf
8. (U//~~FOUO~~) News article regarding Torresco AES and allegation of kickback
9. (U//~~FOUO~~) November 2014 Letters between DOS and Torres Regarding Kickbacks.pdf

Details:

On 02/12/2015, [REDACTED] Assistant Special Agent in Charge
[REDACTED] Department of
State(DOS)/OIG/Investigations provided correspondence between [REDACTED]

b6 Per
b7C DOS-OIG

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Title: (U//~~FOUO~~) Torres AES Buenos Aires Correspondence with DOS
Contracting Officer November 2014
Re: 205-HQ-6117076, 02/24/2015

[redacted] Contracting Officer, U.S. Department of State and TORRES AES dated 11/18/2014. The subject line is "Allegations of Kickbacks." In summary, the letter requests that TORRES respond to the allegations that TORRES provided kickbacks to the Minister of Security in exchange for licenses to operate as a security service in Argentina. TORRES responded via letter dated 11/19/2015 and signed by [redacted] Senior Program Manager and cc'd to [redacted] (NFI). Attached to [redacted] letter were Torres licenses' to operate in Argentina which were obtained in 2013. [redacted] denied the allegation of kickbacks and stated that the law firm [redacted] was hired to obtain the necessary licenses. [redacted] provided contact information as follows:

b6 Per
b7C DOS-OIG

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b7C DOS-OIG

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Province of Buenos Aires

Denounced "kickbacks" in the office that enables private security agencies

By Editorial Other Círculos | 04/24/2014



2013. The former Minister of Justice and Security Ricardo Casal with the holder of the Argentina Chamber of Business Security and Research, Achilles Goini, and President of the Chamber of Security Companies in the province of Buenos Aires, Luis Vecchi.

News Justice

Three senior employees of the Bureau for Private Security Management in minister Ricardo Casal period are charged with an alleged incident of corruption. The criminal complaint suggests an operative collection and dependence occurs when governing "security emergency" that gives prominence to the companies in the industry as "auxiliaries of the public security forces."

The criminal complaint is based on an anonymous testimony that in July 2013 Rodolfo Gonzalez Mario Arrascaeta, linked to various security agencies in the City of Buenos Aires and the Province, was presented to the Office of Management of the Private Security Ministry of Justice and Security to process enabling the firm "Torresco AES SRL". Depending on the version, the director of the government agency, Jorge Luis Cerulli, and "two seconds," he charged "\$ 250,000 bribe" to enable it in a week the agency without completing the regulatory process for the business. For example, according to the complaint, not the Ministry of Human Rights was

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A singular decree that brings children and police guns

issued.

Version born on April 11 last at a prosecutor's office by an official of the Ministry indicates that when the bulk of the office staff retired transformed. The accused took the opportunity to "summon the agency after 3 pm" and one "coimeaba". According to the anonymous Inchaurregui received by Alexander, Director of Missing Person, and presented in criminal cases, if the rating agencies applicants did not pay, they fell behind the proceeding months and were beating them other authorizations.

Based on the anonymous dossier was referred to the prosecution of offenses Complex No. 8 by Jorge Martin Pablini, who filed using a resolution of the time the Attorney Eduardo Matias de la Cruz allowing dismiss complaints based on anonymous without take any step.

All roads lead to Ezeiza

At the time of the allegations, Casal signed with representatives of private security companies, "an agreement to streamline the registration of firms serving in the Province" and he started the registry system Private Security Agencies, describing that it is "a technological tool that tends to accelerate the empowerment of high, renewals, cancellations and all kinds of procedures linked to the database of companies." "So far, this activity was carried out manually, so that they are now facilitating business access to update their status and respect of human and logistical resources that have information," said Casal then Minister of Justice and Security.

The context of the present complaint is the "emergency" security ordered by Governor Daniel Scioli earlier this month, that puts private security companies in the center of the scene. "We want to give the neighbors security they deserve and that too forward with this sector to be the protagonist and make a significant contribution," said Minister Alejandro Granados. The Bureau for Private Security Management is headed by Fernando Amarilla, son of the president of the Legislative Council of Ezeiza and Granados official in the Ministry Edgardo yellow. In recent days were signing agreements with employers under the "emergency".

The decree states that "companies providing security services and their staff perform their duties on the basis of auxiliary public security forces and have the obligation to report immediately to the police so any situation that poses a risk to the integrity physical persons and property."

Such prominence given to the sector resembles that granted in 1980, during the dictatorship, a standard for authorization and operation of the item, which stated: "The State Police may require the cooperation of the Research Agencies and Private Security and they You are obliged to lend it, as well to provide the reports that they seek distribution with respect to any aspect of their activities."

The businessman Mario Gonzalez Arrascaeta is linked to several companies in the industry in the City of Buenos Aires and in the province, as "CR SA Security", "Torresco AES SRL", "Security Manuto SA" and according to the website of the Ministry of Security is also at the head of an institute "training" private security enabled by the State party in the Malvinas Argentinas, where Jesus rules Cariglinó and April 16 last Granados opened the "First Command Patrol Community (CPC) and starting point for specific policing areas covering more



than 40 districts."

In the book *Ezeiza*, Horacio Verbitsky, I is mentioned in the chapter "irons", one dealing with "one of the unknowns that persisted after the slaughter" 1973, "where they came from weapons used" (page 64 edition of Counterpoint, 1985).

Comment

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Editorial: Josefina López Benítez Milva Mac Kenzie, Juan Manuel Bellini, Dolores Marengo, Carolina Borrego, Mauro Basiuk.

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United States Department of State

Washington, D.C. 20520

November 18, 2014

Torres, AES
2755 Hartland Road #300
Falls Church, VA 22043
Attn: Jerry Torres

Subject: Allegations of "Kickbacks"

Contract: SAQMMA13C0043 Local Guard Services Buenos Aires

Dear Mr. Torres:

A local article published online April 24, 2014 which implicates Torres in a kickback scheme in order to obtain its security license in Argentina was brought to our attention. The link is provided below:

<http://www.otroscirculos.com.ar/denuncian-coimas-en-la-oficina-que-habilita-las-agencias-de-seguridad-privada/>

Under contract clause DOSAR 652.242-73 Authorization and Performance, the contractor warrants that it will comply with all laws, decrees, labor standards, and regulations of said country or countries during the performance of this contract. Department of State is concerned about these allegations. Based upon these concerns, please provide information concerning the steps Torres has taken to investigate this matter including:

- A specific timeframe of when the alleged conduct occurred and when Torres learned of the conduct;
- The individuals involved;
- The status of Torres' licenses and its ability to continue performance without interruption;
- The status of the investigation and potential outcome/consequences; and
- The steps Torres is taking to address this conduct and safeguards to ensure that such conduct does not occur.

We are requesting Torres respond no later than 4:00pm Tuesday November 25, 2014.

Whether these allegations are true or not, the mere appearance of such allegations in a local publication brings into question Torres' satisfactory record of integrity and business ethics. We look forward to your response.

Please acknowledge receipt of this letter. If you have any questions, please contact myself at (571) 345-7897 or HendersonMP@state.gov.

Sincerely,

Michael P. Henderson
Contracting Officer
U.S. Department of State

TORRES

Advanced Enterprise Solutions

2755 Hartland Road, Suite 300 • Falls Church, VA 22043
t (703) 527-8088 • f (703) 351-8144 • www.torresco.com

Nov 19th, 2014

U.S. Department of State

A/LM/AQM/WWD/LGB

Attention: Mike Henderson, Contracting Officer

1801 North Lynn St., SA-20, 16th Floor

Arlington, VA 22209

Subject: Allegations of "Kickbacks"

Contract Number: SAQMMA13C0043, LGF Buenos Aires, Argentina

Mr Henderson,

These allegations are from a Political Blog against the Minister of Security, posted by an anonymous source. As for the licensing for the City of Buenos Aires and the Buenos Aires Province, Torres hired a law firm (Miguel Murray) to handle the entire process. There were no kickbacks involved, all the licenses are legal, legally obtained and in full force.

There were no specific timeframes mentioned in the blog as to when the alleged conduct occurred, this is the first time Torres has heard about these allegations.

There were no names provided in the blog, nor does Torres know anyone who was allegedly involved in this matter.

I've attached Torres' licenses. The licenses were obtained in 2013: B/A license is good until 2018; B/A Province, no date but probably 2018 too; and the Tax ID, no date but probably good until we're done using it.

There is no investigation going on right now. No one has contacted Torres officially or unofficially about the alleged incident, nor have we heard about these allegations before.

Given this is an anonymous political blog discussing the Minister of Security accepting kickbacks, I'm of the mindset that it may be best to let time dictate our next step. If there are further reports, we take action.

These allegations are without warrant, without merit and seem politically motivated.

If you have any questions or would like to discuss a plan of action please do not hesitate to call (cell: [REDACTED] or e-mail me at [REDACTED])

b6 Per DOS-OIG

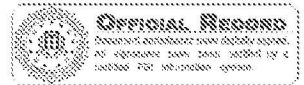
Sincerely,

////original signed////

Bruce Biddle

Senior Program Manager

cc: Kevin Smallwood

UNCLASSIFIED//~~FOUO~~**FEDERAL BUREAU OF INVESTIGATION****Electronic Communication**

Title: (U//~~FOUO~~) U.S. Embassy Local Guard Force
Contract Documents: Panama, Peru,
Argentina and Paraguay

Date: 06/02/2015**From:** CRIMINAL INVESTIGATIVE

D6-ICU

Contact: [REDACTED]**Approved By:** [REDACTED]**Drafted By:** [REDACTED]**Case ID #:** 205-HQ-6117076

(U) [REDACTED]

Torres Advanced Enterprise Solutions;
FCPA

Synopsis: (U//~~FOUO~~) U.S. Embassy Local Guard Force Contract Documents:
Panama, Peru, Argentina, and Paraguay awarded to TORRES AES.

Full Investigation Initiated: 02/10/2015**Enclosure(s):** Enclosed are the following items:

1. (U//~~FOUO~~) Documents Regarding Panama LGF Contract
2. (U//~~FOUO~~) Documents Regarding Peru LGF Contract
3. (U//~~FOUO~~) CD provided by ASAC [REDACTED] titled "TORRES Department of State Contracts."

Details:

On 05/07/2105, Assistant Special Agent in Charge [REDACTED]

[REDACTED] Department of

State(DOS)/OIG/Investigations provided a compact disc that contained documents pertaining to TORRES AES and U.S. Embassy Local Guard Force (LGF) contract awards. A sampling of the documents is as follows:

Pertaining to U.S. Embassy Panama contract for Local Guard Force:

1. Standard Form 33 Solicitation, Offer, and Award, signed on

UNCLASSIFIED//~~FOUO~~b6
b7C
b7Eb6 Per
b7C DOS-OIG

~~UNCLASSIFIED//FOUO~~

Title: (U//~~FOUO~~) U.S. Embassy Local Guard Force Contract Documents:
Panama, Peru, Argentina and Paraguay
Re: 205-HQ-6117076, 06/02/2015

01/31/2013 by [REDACTED]
(signed 01/02/2012 - which may be in error) awarding contract number
SAQMMA13C0033 to TORRES in the amount of \$11,581,633.23.

b6 Per
b7C DOS-OIG

2. Memorandum from [REDACTED] U.S. Department of State, dated July
29, 2014, Subject: Pricing for reducing Weapons requirement." This
memo stated, in part, "at contract start-up, [REDACTED] stated it would take
longer than expected to obtain the weapons permits due to the local
weapons laws."

3. Standard Form 30 Amendment of Solicitation/Modification of Contract
dated 08/01/2014 and signed by [REDACTED] on behalf of the
contractor. This modification decreased the contract ceiling price by
\$74,009.41 to reflect weapons requirements.

b6
b7C

Pertaining to U.S. Embassy Peru contract for Local Guard Force:

1. Standard Form 33 Solicitation, Offer, and Award, regarding contract
number SAQMMA12C0103 issued on 03/08/2012, signed by [REDACTED]
[REDACTED] on behalf of Torres AES. The contract amount is \$36,018,190.09

Pertaining to U.S. Embassy Argentina contract for Local Guard Force:

1. Standard Form 33 Solicitation, Offer, and Award, issued on
02/14/2013, signed on behalf of TORRES AES by [REDACTED]
awarding contract number SAQMMA13C0043 to TORRES in the amount of
\$13,584,319.97.

Pertaining to U.S. Embassy Paraguay contract for Local Guard Force:

1. Standard Form 33 Solicitation, Offer, and Award, issued on
11/09/2011, signed on behalf of TORRES AES by [REDACTED]
[REDACTED] awarding contract number SAQMMA12C00008 to TORRES in the
amount of \$4,887,778.17. Additional documentation regarding this
contract spans from 2011 - 2014. Standard Form 30 Amendment of
Solicitation/Modification of Contract effective 03/01/2014 to the

b6
b7C

~~UNCLASSIFIED//FOUO~~

UNCLASSIFIED//~~FOUO~~

Title: (U//~~FOUO~~) U.S. Embassy Local Guard Force Contract Documents:
Panama, Peru, Argentina and Paraguay
Re: 205-HQ-6117076, 06/02/2015

attention of [REDACTED] of TORRES extends TORRES' period of
performance to 02/28/2015.

b6
b7C

◆◆

UNCLASSIFIED//~~FOUO~~

SOLICITATION, OFFER, AND AWARD		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING	
2. CONTRACT NUMBER SAQMMA13C0033		3. SOLICITATION NUMBER		5. DATE ISSUED	
		4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (FBI) <input checked="" type="checkbox"/> NEGOTIATED (RFP)		6. REQUEST/PURCHASE NUMBER	
7. ISSUED BY OFFICE OF ACQUISITION MANAGEMENT (A/M/ACM) PO BOX 9115, ROSSLYN STATION US DEPARTMENT OF STATE ARLINGTON, VA 22219		8. ADDRESS OFFER TO (if other than item 7)			

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and _____ copies for furnishing the supplies or services in the Schedule will be received at the place specified in item 8, or if hand carried, in the depository located in _____ See Sections L and M, until _____ local time _____

CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION E-MAIL:	A. NAME Winkie W. Nemeth	B. TELEPHONE (NO COLLECT CALLS)	C. E-MAIL ADDRESS
			b6 Per DOS-OIG

11. TABLE OF CONTENTS (See Table of Contents on page 2)

(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
		PART I - SCHEDULE				PART II - CONTRACT CLAUSES	
	A	SOLICITATION/CONTRACT FORM			1	CONTRACT CLAUSES	CONTRACT
	B	SUPPLIES OR SERVICES AND PRICES/COSTS				PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS	
	C	DESCRIPTION/SPECIAL WORK STATEMENT			2	LIST OF ATTACHMENTS	
	D	PACKAGING AND MARKING				PART IV - REPRESENTATIONS AND INSTRUCTIONS	
	E	INSPECTION AND ACCEPTANCE			X	REPRESENTATIONS CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
	F	DELIVERY OR PERFORMANCE					
	G	CONTRACT ADMINISTRATION DATA			L	INSTR., COND., AND NOTICES TO OFFERORS	
	H	SPECIAL CONTRACT REQUIREMENTS			M	EVALUATION FACTORS FOR AWARD	

OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (30 calendar days unless a different from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite period is inserted by the offeror) each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-9)	15 CALENDAR DAYS (%)	20 CALENDAR DAYS (%)	30 CALENDAR DAYS (%)	CALENDAR DAYS (%)
14. ACKNOWLEDGEMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offers and related documents numbered and dated):	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR CONTACT: TORRES ADVANCED ENTERPRISE SOLUTIONS, LLC 2755 HARTLAND ROAD SUITE 300 FALLS CHURCH, VA 22043-3540	COUN: 165272699	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or Print) Rebekah Oyer 600 - VP
15B. TELEPHONE NUMBER 7035278088 x2502	<input type="checkbox"/> 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.	17. SIGNATURE
		18. OFFER DATE 1/31/2012

AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT \$11,581,633.23	21. ACCOUNTING AND APPROPRIATION See Line Item Detail
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) (1) <input type="checkbox"/> 41 U.S.C. 253(c) (1)	23. SUBMIT INVOICES TO ADDRESS SHOWN IN (if copies unless otherwise specified)	ITEM \$0.00
24. ADMINISTERED BY (if other than item 7) CODE:	25. PAYMENT WILL BE MADE BY DEMETRIO LUCAS STREET, BUILDING 733 ATTN: FINANCIAL MANAGEMENT OFFICE CLAYTON PANAMA	CODE: PANAMA
26. NAME OF CONTRACTING OFFICER (Type or print) Jan Visintainer	27. UNITED STATES OF AMERICA (Signature of Contracting Officer)	28. DATE 01 Feb 2012

IMPORTANT - Award will be made on this Form, or on Standard Form 28, or by other authorized official written notice.

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United States Department of State

Washington, D.C. 20520

MEMORANDUM

DATE: July 29, 2014

TO: File

FROM: Kelli Parker, A/LMAQM/WWD/LSG 

SUBJECT: Pricing for reducing Weapons requirement, Mod # SAQMMA13C0033-M006

Due to the Contractor not being able to obtain weapons permits in the first year of performance, it was decided by Post that the Exhibit A weapons requirement be reduced in the contract. The Department requested Torres to provide consideration for the revised Exhibit A reducing the amount of armed post. In response, Torres submitted a proposal dated (07/28/14) reducing the base year clin 0023 weapons/ammunition for all incurred cost for weapons, permits, ammunition, cleaning, maintenance and basic and annual refresher training. Torres also proposed reducing each option year clin. At contract start-up, Torres stated it would take longer than expected to obtain the weapons permits due to the local weapons laws. Torres conducted basic training along with an extra 16 hours of training for weapons. Post agreed to allow Torres to start up the contract unarmed until they received all the necessary permits. Torres did not obtain the weapons permits until a year after stand up. Once Torres obtained all the permits, post decided all post were no longer in need of being armed. Post revised the Exhibit A unarming more than half of the original armed post. The government has negotiated a reduction to the Weapons/Ammunition Other Direct Cost (ODC) Contract Line Item numbers (CLINs) listed below effective August 1 2014. For CLIN 0023, the government has negotiated a lot amount of \$50,334.97 and will instruct Torres to invoice for this CLIN in its August or September invoice. All changes in the rates are listed in the table below.

CLIN / ODC	Original Total Cost	Negotiated Total Cost	Total CLIN Reduction
0023 Weapons/Ammunition	\$62,867.16	\$50,334.97	(\$12,532.19)
1023 Weapons/Ammunition	\$23,638.56	\$20,159.76	(\$3,478.80)
2023 Weapons/Ammunition	\$24,325.44	\$20,742.72	(\$3,582.72)
3023 Weapons/Ammunition	\$25,032.84	\$21,343.20	(\$3,689.64)
4023 Weapons/Ammunition	\$25,761.60	\$21,961.68	(\$3,799.92)

Torres purchased all the number of weapons needed per the Exhibit A Post at contract start-up. The majority of the cost for weapons was wrapped up into the base year weapons/ammunition clin. Due to the requirement of weapons decreasing, the government will not reimburse for weapons not needed for the contract. The total changes to the ODC weapon/ammunition CLINs reduce the total ceiling of the contract by \$74,009.41.

Attachments:

1. Torres Revised Pricing
2. Revised Section B

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT RT CODE	RAYONE
2. AMENDMENT/MODIFICATION NO. M006		3. EFFECTIVE DATE 08/01/2014	4. REQUISITION/PURCHASE REQ. NO. Lines
5. PROJECT NO. (if applicable)			
6. ISSUED BY OFFICE OF ACQUISITION MANAGEMENT (A/LM/AQM) PO BOX 9115, ROSSLYN STATION US DEPARTMENT OF STATE ARLINGTON, VA 22219		7. ADMINISTERED BY (if other than item 6) NAME Keith M. Parker TEL. EMAIL parkerkm@state.gov	CODE
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, state and ZIP Code) TORRES ADVANCED ENTERPRISE SOLUTIONS, LLC 2755 HARTLAND ROAD SUITE 300 FALLS CHURCH, VA 22043-3540		9A. AMENDMENT OF SOLICITATION NO. 9B. DATED (SEE ITEM 11) 9C. MODIFICATION OF CONTRACT/ORDER NO. SAQMMA13C0033 9D. DATED (SEE ITEM 13) 01/31/2013	
CONTACT CODE 165272696		DUNS 165272696 FACILITY CODE 99100	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of offers ☐ is extended ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (if required)
See Line Item Detail

\$337,319.00

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHARGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 14.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) 52.243-1 Changes - Fixed Price (Aug 1987) - Alternate II (Apr 1984) DOSAR 652.232.72 Limitation of Funds

E. IMPORTANT: Contractor ☐ is not. ☒ is required to sign this document and return copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
The purpose of this bilateral modification is to:

1. Make changes to Exhibit A to reflect weapons requirements;
2. Reduce Section B base year CLIN (0023) Weapons/Ammunition in response to Torres' proposal dated (07/28/14). The new base year ceiling price is \$50,334.97;
3. Reduce Section B clins (1023,2023,3023,4023) Weapons/Ammunition in response to Torres' proposal dated (07/28/14). The new ceiling prices for each clin are as follows: 1023 (\$20,159.76), 2023 (\$20,742.72), 3023 (\$21,343.20), 4023 (\$21,961.68);
4. The total contract ceiling price has decreased from \$11,571,062.98 by \$74,009.41 to \$11,497,053.57;

See Continuation Page

LGF Panama City, Panama

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as hereinafter changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) Daniel P. Cotto	15A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Michael P. Henderson
15B. CONTRACT/ORDER NO. Daniel P. Cotto (Signature of person authorized to sign)	15C. DATE SIGNED 7-31-2014
15D. UNITED STATES OF AMERICA (Signature of Contracting Officer)	15C. DATE SIGNED 08/01/2014

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STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA FPMR (48 CFR) 53.243

Continuation Page

5. Revise Exhibit B Post Orders to reflect the revised weapons requirement in Exhibit A;
6. Obligate funds for performance in the amount of \$337,319.00. The amount of funds obligated are hereby increased from \$2,451,911.00 by \$337,319.00 to \$2,789,230.00.

Therefore, Exhibit A, Exhibit B, Exhibit I and Section B are deleted in their entireties and replaced with the attached Exhibit A, Exhibit B, Exhibit I and Section B. Changes are highlighted in yellow.

DOSAR 652.232-72 Limitation of Funds, paragraph (c)(1) is revised to read, It is contemplated that funds now obligated under this contract will cover the work to be performed until funds are exhausted."

****Contractor's Statement of Release****

In consideration of the modification(s) to herein as complete equitable adjustments for this modification, the Contractor hereby releases the Government from any and all liability under this contract for further equitable adjustments attributable to such facts or circumstances giving rise to this modification.

LGF Panama City, Panama



Exhibit A - Panama City
(Effective Date 8/1/2014) (Mod Number 7)

Tuesday, July 22, 2014
11:27:34 AM

Post No.	Old Post No.	Location	Guard Post Function	Labor Category	Scheduled Days	Post Hours	Other Hours	Description - Other Hours	Annual Hours	Manned Holidays	Armed	Radio	English Level	Function Code	Comments
Panama City															
E-01	GFC-01/C-1	Embassy Compound	Supervision	Guard Force Commander	Mon - Fri	0800 - 1600			2,080	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3	5826	cell phone
E-02	SO-01/C-2	Embassy Compound	Supervision	Supervisor	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	3	5826	cell phone, GEMS
E-03	SO-02/C-3	Embassy Compound	Dispatcher	Senior Guard	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3	5826	
E-04	SO-03/C-4	Service CAC CAC-1	Access Control Remixer	Guard	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2	5826	
E-05	SO-04/C-5	Service CAC CAC-1	Vehicle Screening	Guard	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-06	SO-05/C-6	Service CAC CAC-1	Visitor Control X-Ray	Guard	Mon - Fri	0700 - 1700			2,600	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-07	SO-06/C-7	Service CAC CAC-1	WTMD	Guard	Mon - Fri	0700 - 1700			2,600	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-08	SO-07/C-8	Main CAC CAC-2	Access Control Itemizer	Guard	Mon - Fri	0630 - 1830			3,120	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-09	SO-08/C-9	Main CAC CAC-2	Vehicle Screening	Guard	Mon - Fri	0630 - 1830			3,120	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-10	SO-09/C-10	Main CAC CAC-2	Access Control/Screening X-Ray	Guard	Mon - Fri	0800 - 1600			2,600	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	

* Additional Hours refers to total weekly non-standard or SO hours

Post No.	Old Post No.	Location	Guard Post Function	Labor Category	Scheduled Days	Post Hours	Other Hours	Description - Other Hours	Annual Hours	Manned Holidays	Armed	Radio	English Level	Function Code	Comments
E-11	SD-22/C-11	Main CAC CAC-2	Access Control WTMD	Guard	Mon - Fri	0700 - 1700			2,800	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2	5826	
E-12	SD-10/C-12	Consular CAC CAC-3	Access Control Door Control	Guard	Mon - Thu	0600 - 1600	7	Friday, 0600 - 1300	2,444	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3	5826	
E-13	SD-11/C-13	Consular CAC CAC-3	Access Control/Screening X-Ray	Guard	Mon - Thu	0600 - 1600	7	Friday, 0600 - 1300	2,444	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1	5826	
E-14	SD-12/C-14	Consular CAC CAC-3	WTMD	Guard	Mon - Thu	0600 - 1600	7	Friday, 0600 - 1300	2,444	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-15	SD-13/C-15	Consular CAC CAC-3	Rover Visitor Control	Guard	Mon - Thu	0630 - 1630	7	Friday, 0630 - 1330	2,444	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-16	SD-14/C-16	Embassy Compound Visa Lobby Area	Access Control/Screening WTMD	Guard	Mon - Thu	0630 - 1630	7	Friday, 0630 - 1330	2,444	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-17	SD-15/C-17	Embassy Compound ACS Lobby Area	Access Control/Screening WTMD	Guard	Mon - Thu	0630 - 1630	7	Friday, 0630 - 1330	2,444	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1	5826	
E-18	SD-16/C-18	Embassy Compound Main Gate	Perimeter Security Gate Operator	Guard	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-19	SD-17/C-19	Embassy Compound Cardenas Gate	Perimeter Security	Guard	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-20	SD-23/C-20	Embassy Compound	Perimeter Security Rover	Guard	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	

* Additional Hours refers to total weekly non-standard or SD hours

Post No.	Old Post No.	Location	Guard Post Function	Labor Category	Scheduled Days	Post Hours	Other Hours	Description - Other Hours	Annual Hours	Manned Holidays	Armed	Radio	English Level	Function Code	Comments
E-21	SD-24/C-21	Embassy Compound Visitor's Parking Lot	Rover	Guard	Sun - Sat	0600 - 1800			4,380	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-22	SD-27/C-22	Embassy Compound MSGR	Perimeter Security Rover	Guard	Sun - Sat	1800 - 0600			4,380	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
E-23	SD-18/C-23	Embassy Compound Employee Parking Lot	Access Control Vehicle Screening	Guard	Mon - Fri	0700 - 1700			2,600	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0	5826	
Total for Function Code 5826										106,064					
A-01	SD-19	Off-Site Single Agency	Access Control/Screening Perimeter Security	Guard	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5822	ABMC Cemetery
A-02	SD-20	Off-Site Single Agency	Access Control/Screening Perimeter Security	Guard	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5822	ABMC Cemetery
PC-01	P-1	Off-Site Single Agency	Access Control/Screening	Guard	Mon - Fri	0600 - 1900	9	Saturdays 0800 - 1700	3,848	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	5822	Peace Corps
Total for Function Code 5822										21,368					
MP-01	M-1	Mobile Patrol	Mobile Patrol Driver	Guard/Driver	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0	5823	cell phone, GEMS
MP-02	M-2	Mobile Patrol	Mobile Patrol Driver	Guard/Driver	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0	5823	
MP-03	M-3	Mobile Patrol	Mobile Patrol Driver	Guard/Driver	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0	5823	cell phone, GEMS
MP-04	M-4	Mobile Patrol	Mobile Patrol Driver	Guard/Driver	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0	5823	
Total for Function Code 5823										35,040					
R-01	SR-01	CMR	Supervision	Senior Guard	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2	5821	GEMS

* Additional Hours refers to total weekly non-standard or SD hours

Post No.	Old Post No.	Location	Guard Post Function	Labor Category	Scheduled Days	Post Hours	Other Hours	Description - Other Hours	Annual Hours	Manned Holidays	Armed	Radio	English Level	Function Code	Comments
R-02	SR-02	CMR	Access Control	Guard	24/7	0000 - 2400			8,760	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0	5821	
R-03	SR-03	CMR	Foot Patrol	Guard	Sun - Sat	1800 - 0600			4,380	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0	5821	
Total for Function Code 5821									21,900						
SD-01	SDS-01	SD Command Post	SD Supervisor	SD Supervisor			40	At RSO/COR discretion	2,080	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	9912	cell phone
SD-02	SDS-02	SD Coverage Area	Surveillance Detection	SD Specialist			40	At RSO/COR discretion	2,080	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	9912	cell phone
SD-03	SDS-03	SD Coverage Area	Surveillance Detection	SD Specialist			40	At RSO/COR discretion	2,080	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	9912	cell phone
SD-04	SDS-04	SD Coverage Area	Surveillance Detection	SD Specialist			40	At RSO/COR discretion	2,080	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	9912	cell phone
Total for Function Code 9912									8,320						
Total for Panama City									192,692						

* Additional Hours refers to total weekly non-standard or SO hours

Post No.	Old Post No.	Location	Guard Post Function	Labor Category	Scheduled Days	Post Hours	Other Hours	Description - Other Hours	Annual Hours	Manned Holidays	Armed	Radio	English Level	Function Code	Comments
(Green, Yellow, and Pink backcolor records are pending adds, edits, and deletes)						Total Hours	192,692								

Post No.	Old Post No.	Location	Guard Post Function	Labor Category	Scheduled Days	Post Hours	Other Hours	Description - Other Hours	Annual Hours	Manned Holidays	Armed	Radio	English Level	Function Code	Comments
Labor Category					Guard Posts			Annual Hours			Function Code				
Guard					25			120,972			Panama City				
Guard Force Commander					1			2,080			5821				
Guard/Driver					4			35,040			5822				
SD Specialist					3			6,240			5823				
SD Supervisor					1			2,080			5826				
Senior Guard					2			17,520			9912				
Supervisor					1			8,760			Totals				
Totals					37			192,692			37				
											192,692				

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The contractor shall provide the guard services shown below for the Base Year of the contract, starting on the date stated in the Notice to Proceed and continuing for a period of twelve (12) months. The fixed hourly rate, estimated number of hours, and ceiling for each category are:

U.S. Embassy Panama City, Panama

B.1.1 Base Year (05/01/13 - 04/30/14)

Line Item No. (CLIN)	Description (Labor Category)	Estimated Quantity	Unit	Unit Price	Total Cost (USD)
Standard Services					
0001	Guard Force Commander	2,080	hr	\$33.42	\$69,513.60
0002	Supervisor	8,760	hr	\$11.87	\$103,981.20
0003	Senior Guard	17,520	hr	\$10.11	\$177,127.20
0004	Guard/Driver	35,040	hr	\$10.11	\$354,254.40
0005	Guard	120,972	hr	\$8.47	\$1,024,632.84
0006	SD Supervisor	2,080	hr	\$13.09	\$27,227.20
0007	SD Specialist	6,240	hr	\$11.15	\$69,576.00
		192,692			\$1,826,312.44
Additional or Emergency Services					
0008	Guard Force Commander	62	hr	\$33.42	\$2,072.04
0009	Supervisor	263	hr	\$11.87	\$3,121.81
0010	Senior Guard	526	hr	\$10.11	\$5,317.86
0011	Guard/Driver	1,051	hr	\$10.11	\$10,625.61
0012	Guard	3,667	hr	\$8.47	\$31,059.49
0013	SD Supervisor	62	hr	\$13.09	\$811.58
0014	SD Specialist	187	hr	\$11.15	\$2,085.05
		5,818			\$55,093.44
Other Direct Costs					
0015	Mobile Patrol Vehicles	12	mo	\$10,410.41	\$124,924.92
0016	Uniforms/Equipment	1	lot	\$91,962.76	\$91,962.76
0017	SD Equipment	12	mo	\$369.43	\$4,433.16
0018	SD Command Post	12	mo	\$1,269.14	\$15,229.68
0019	GEMS	1	lot	\$14,970.96	\$14,970.96
0020	LGF Radio Network	12	mo	\$2,300.83	\$27,609.96
0021	Reimbursable Materials	1	NTE	\$2,000.00	\$2,000.00
0022	Cell Phones	12	mo	\$393.86	\$4,726.32
0023	Weapons/Ammunition	12	lot	\$50,334.97	\$50,334.97
0024	SD Vehicle	12	mo	\$1,166.25	\$13,995.00
Base Year Total Excluding DBA					\$2,231,593.61
0025	DBA	1	lot	\$115,808.57	\$115,808.57
Base Year Total Including DBA					\$2,347,402.18
The Contractor shall notify the Contracting Officer in writing 60 days before the Contractor expects the total cost incurred to exceed 75 percent of the ceiling price not to exceed the amount listed above.					

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The Government may extend the term of this contract by written notice to the Contractor in accordance with FAR 52.217-9 Option to Extend the Term of the Contract. If exercised, Option Year 1 shall continue for a period of twelve (12) months. The fixed hourly rates, estimated number of hours, and ceiling for each category are:

B.1.2 Option Year One (05/01/14 - 04/30/15)

Line Item No. (CLIN)	Description (Labor Category)	Estimated Quantity	Unit	Unit Price	Total Cost
Standard Services					
1001	Guard Force Commander	2,080	hr	\$34.43	\$71,614.40
1002	Supervisor	8,760	hr	\$12.23	\$107,134.80
1003	Senior Guard	17,520	hr	\$10.41	\$182,383.20
1004	Guard/Driver	35,040	hr	\$10.41	\$364,766.40
1005	Guard	120,972	hr	\$8.72	\$1,054,875.84
1006	SD Supervisor	2,080	hr	\$13.48	\$28,038.40
1007	SD Specialist	6,240	hr	\$11.48	\$71,635.20
		192,692			\$1,880,448.24
Additional or Emergency Services					
1008	Guard Force Commander	62	hr	\$34.43	\$2,134.66
1009	Supervisor	263	hr	\$12.23	\$3,216.49
1010	Senior Guard	526	hr	\$10.41	\$5,475.66
1011	Guard/Driver	1,051	hr	\$10.41	\$10,940.91
1012	Guard	3,629	hr	\$8.72	\$31,644.88
1013	SD Supervisor	62	hr	\$13.48	\$835.76
1014	SD Specialist	187	hr	\$11.48	\$2,146.76
		5,780			\$56,395.12
Other Direct Costs					
1015	Mobile Patrol Vehicles	12	mo	\$2,606.81	\$31,281.72
1016	Uniforms/Equipment	1	lot	\$42,630.00	\$42,630.00
1017	SD Equipment	12	mo	\$268.51	\$3,222.12
1018	SD Command Post	12	mo	\$1,048.53	\$12,582.36
1019	GEMS	1	lot	\$429.52	\$429.52
1020	LGF Radio Network	12	mo	\$304.25	\$3,651.00
1021	Reimbursable Materials	1	NTE	\$2,000.00	\$2,000.00
1022	Cell Phones	12	mo	\$346.27	\$4,155.24
1023	Weapons/Ammunition	12	mo	\$1,679.98	\$20,159.76
1024	SD Vehicle	12	mo	\$1,034.57	\$12,414.84
Option Year One Total Excluding DBA					\$2,069,369.92
1025	DBA	1	lot	\$119,282.82	\$119,282.82
Option Year One Total Including DBA					\$2,188,652.74

The Contractor shall notify the Contracting Officer in writing 60 days before the Contractor expects the total cost incurred to exceed 75 percent of the ceiling price not to exceed the amount listed above.

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The Government may extend the term of this contract by written notice to the Contractor in accordance with FAR 52.217-9 Option to Extend the Term of the Contract. If exercised, Option Year 2 shall continue for a period of twelve (12) months. The fixed hourly rates, estimated number of hours, and ceiling for each category are:

B.1.3 Option Year Two (05/01/15 - 04/30/16)

Line Item No. (CLIN)	Description (Labor Category)	Estimated Quantity	Unit	Unit Price	Total Cost
Standard Services					
2001	Guard Force Commander	2,080	hr	\$35.46	\$73,756.80
2002	Supervisor	8,760	hr	\$12.59	\$110,288.40
2003	Senior Guard	17,520	hr	\$10.73	\$187,989.60
2004	Guard/Driver	35,040	hr	\$10.73	\$375,979.20
2005	Guard	120,972	hr	\$8.99	\$1,087,538.28
2006	SD Supervisor	2,080	hr	\$13.89	\$28,891.20
2007	SD Specialist	6,240	hr	\$11.83	\$73,819.20
		192,692			\$1,938,262.68
Additional or Emergency Services					
2008	Guard Force Commander	62	hr	\$35.46	\$2,198.52
2009	Supervisor	263	hr	\$12.59	\$3,311.17
2010	Senior Guard	526	hr	\$10.73	\$5,643.98
2011	Guard/Driver	1,051	hr	\$10.73	\$11,277.23
2012	Guard	3,629	hr	\$8.99	\$32,624.71
2013	SD Supervisor	62	hr	\$13.89	\$861.18
2014	SD Specialist	187	hr	\$11.83	\$2,212.21
		5,780			\$58,129.00
Other Direct Costs					
2015	Mobile Patrol Vehicles	12	mo	\$2,685.90	\$32,230.80
2016	Uniforms/Equipment	1	lot	\$42,702.87	\$42,702.87
2017	SD Equipment	12	mo	\$274.98	\$3,299.76
2018	SD Command Post	12	mo	\$1,075.41	\$12,904.92
2019	GEMS	1	lot	\$429.52	\$429.52
2020	LGF Radio Network	12	mo	\$307.05	\$3,684.60
2021	Reimbursable Materials	1	NTE	\$2,000.00	\$2,000.00
2022	Cell Phones	12	mo	\$355.92	\$4,271.04
2023	Weapons/Ammunition	12	mo	\$1,728.56	\$20,742.72
2024	SD Vehicle	12	mo	\$1,065.61	\$12,787.32
Option Year Two Total Excluding DBA					\$2,131,445.23
2025	DBA	1	lot	\$122,861.31	\$122,861.31
Option Year Two Total Including DBA					\$2,254,306.54

The Contractor shall notify the Contracting Officer in writing 60 days before the Contractor expects the total cost incurred to exceed 75 percent of the ceiling price not to exceed the amount listed above.

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The Government may extend the term of this contract by written notice to the Contractor in accordance with FAR 52.217-9 Option to Extend the Term of the Contract. If exercised, Option Year 2 shall continue for a period of twelve (12) months. The fixed hourly rates, estimated number of hours, and ceiling for each category are:

B.1.3 Option Year Three (05/01/16 - 04/30/17)

Line Item No. (CLIN)	Description (Labor Category)	Estimated Quantity	Unit	Unit Price	Total Cost
Standard Services					
3001	Guard Force Commander	2,080	hr	\$36.52	\$75,961.60
3002	Supervisor	8,760	hr	\$12.97	\$113,617.20
3003	Senior Guard	17,520	hr	\$11.05	\$193,596.00
3004	Guard/Driver	35,040	hr	\$11.05	\$387,192.00
3005	Guard	120,972	hr	\$9.25	\$1,118,991.00
3006	SD Supervisor	2,080	hr	\$14.30	\$29,744.00
3007	SD Specialist	6,240	hr	\$12.18	\$76,003.20
		192,692			\$1,995,105.00
Additional or Emergency Services					
3008	Guard Force Commander	62	hr	\$36.52	\$2,264.24
3009	Supervisor	263	hr	\$12.97	\$3,411.11
3010	Senior Guard	526	hr	\$11.05	\$5,812.30
3011	Guard/Driver	1,051	hr	\$11.05	\$11,613.55
3012	Guard	3,629	hr	\$9.25	\$33,568.25
3013	SD Supervisor	62	hr	\$14.30	\$886.60
3014	SD Specialist	187	hr	\$12.18	\$2,277.66
		5,780			\$59,833.71
Other Direct Costs					
3015	Mobile Patrol Vehicles	12	mo	\$2,767.42	\$33,209.04
3016	Uniforms/Equipment	1	lot	\$42,777.92	\$42,777.92
3017	SD Equipment	12	mo	\$281.64	\$3,379.68
3018	SD Command Post	12	mo	\$1,103.09	\$13,237.08
3019	GEMS	1	lot	\$429.52	\$429.52
3020	LGF Radio Network	12	mo	\$309.93	\$3,719.16
3021	Reimbursable Materials	NTE	lot	\$2,000.00	\$2,000.00
3022	Cell Phones	12	mo	\$365.87	\$4,390.44
3023	Weapons/Ammunition	12	mo	\$1,778.60	\$21,343.20
3024	SD Vehicle	12	mo	\$1,097.58	\$13,170.96
Option Year Three Total Excluding DBA					\$2,192,595.71
3025	DBA	1	lot	\$126,547.15	\$126,547.15
Option Year Three Total Including DBA					\$2,319,142.86
The Contractor shall notify the Contracting Officer in writing 60 days before the Contractor expects the total cost incurred to exceed 75 percent of the ceiling price not to exceed the amount listed above.					

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The Government may extend the term of this contract by written notice to the Contractor in accordance with FAR 52.217-9 Option to Extend the Term of the Contract. If exercised, Option Year 4 shall continue for a period of twelve (12) months. The fixed hourly rates, estimated number of hours, and ceiling for each category are:

B.1.5 Option Year Four (05/01/17 - 04/30/18)

Line Item No. (CLIN)	Description (Labor Category)	Estimated Quantity	Unit	Unit Price	Total Cost
Standard Services					
4001	Guard Force Commander	2,080	hr	\$37.62	\$78,249.60
4002	Supervisor	8,760	hr	\$13.36	\$117,033.60
4003	Senior Guard	17,520	hr	\$11.38	\$199,377.60
4004	Guard/Driver	35,040	hr	\$11.38	\$398,755.20
4005	Guard	120,972	hr	\$9.53	\$1,152,863.16
4006	SD Supervisor	2,080	hr	\$14.73	\$30,638.40
4007	SD Specialist	6,240	hr	\$12.55	\$78,312.00
		192,692			\$2,055,229.56
Additional or Emergency Services					
4008	Guard Force Commander	62	hr	\$37.62	\$2,332.44
4009	Supervisor	263	hr	\$13.36	\$3,513.68
4010	Senior Guard	526	hr	\$11.38	\$5,985.88
4011	Guard/Driver	1,051	hr	\$11.38	\$11,960.38
4012	Guard	3,629	hr	\$9.53	\$34,584.37
4013	SD Supervisor	62	hr	\$14.73	\$913.26
4014	SD Specialist	187	hr	\$12.55	\$2,346.85
		5,780			\$61,636.86
Other Direct Costs					
4015	Vehicles	12	mo	\$2,851.46	\$34,217.52
4016	Uniforms/Equipment	1	lot	\$42,855.23	\$42,855.23
4017	SD Equipment	12	mo	\$288.50	\$3,462.00
4018	SD Command Post	12	mo	\$1,131.61	\$13,579.32
4019	GEMS	1	lot	\$429.52	\$429.52
4020	LGF Radio Network	12	mo	\$312.89	\$3,754.68
4021	Reimbursable Materials	NTE	lot	\$2,000.00	\$2,000.00
4022	Cell Phones	12	mo	\$376.11	\$4,513.32
4023	Weapons/Ammunition	12	mo	\$1,830.14	\$21,961.68
4024	SD Vehicle	12	mo	\$1,130.50	\$13,566.00
Option Year Four Total Excluding DBA					\$2,257,205.69
4025	DBA	1	lot	\$130,343.56	\$130,343.56
Option Year Four Total Including DBA					\$2,387,549.25

B.1.6 Grand Totals

Totals (Excluding DBA)	
Base Year	\$2,231,593.61
Option Year 1	\$2,069,369.92
Option Year 2	\$2,131,445.23
Option Year 3	\$2,192,595.71
Option Year 4	\$2,257,205.69
Grand Total Price	\$10,882,210.16
Totals (Including DBA)	
Base Year	\$2,347,402.18
Option Year 1	\$2,188,652.74
Option Year 2	\$2,254,306.54
Option Year 3	\$2,319,142.86
Option Year 4	\$2,387,549.25
Grand Total Price	\$11,497,053.57

SOLICITATION, OFFER, AND AWARD		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING	
2. CONTRACT NUMBER SAQMMA12C0103		3. SOLICITATION NUMBER		4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP)	
5. DATE ISSUED 03/08/2012		6. REQUISITION/PURCHASE NUMBER			
7. ISSUED BY OFFICE OF ACQUISITION MANAGEMENT (A/LM/AQM) PO BOX 9115, ROSSLYN STATION US DEPARTMENT OF STATE ARLINGTON, VA 22219		CODE: LMAQM		8. ADDRESS OFFER TO (if other than item 7) OFFICE OF ACQUISITION MANAGEMENT (A/LM/AQM) PO BOX 9115, ROSSLYN STATION US DEPARTMENT OF STATE ARLINGTON, VA 22219	

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and 3 copies for furnishing the supplies or services in the Schedule will be received at the place specified in item 8, or if hand carried, in the depository located in L5 until 14:00 local time 11/15/2011.

CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section I, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION E-MAIL:	A. NAME	B. TELEPHONE (NO COLLECT CALLS)	C. E-MAIL ADDRESS

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11. TABLE OF CONTENTS (See Table of Contents on page 2)

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X	C	DESCRIPTION/SPECS./WORK STATEMENT	12-24	X	J	LIST OF ATTACHMENTS	66
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X	F	DELIVERIES OR PERFORMANCE	28-30		INSTRS., CONDS., AND NOTICES TO OFFERORS		
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X	H	SPECIAL CONTRACT REQUIREMENTS	34-53	M			

OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within calendar days (80 calendar days unless a different from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite period is inserted by the offeror) each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)	10 CALENDAR DAYS (%)	20 CALENDAR DAYS (%)	30 CALENDAR DAYS (%)	CALENDAR DAYS (%)
14. ACKNOWLEDGEMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offers and related documents numbered and dated):	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR CONTACT: TORRES ADVANCED ENTERPRISE SOLUTIONS LLC 2111 WILSON BLVD SUITE 200 Arlington, VA 22201-3052	DUNS: 165272696	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or Print) Rebekah Dyer, VP/COO
15B. TELEPHONE NUMBER	<input type="checkbox"/> 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.	17. SIGNATURE Rebekah Dyer
		18. OFFER DATE 3/14/2012

AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED:	20. AMOUNT PEN36,018,190.06	21. ACCOUNTING AND APPROPRIATION See Line Item Detail
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) () <input type="checkbox"/> 41 U.S.C. 253(c) ()	23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	ITEM PEN0.00
24. ADMINISTERED BY (if other than item 7)	CODE:	25. PAYMENT WILL BE MADE BY AVENIDA ENCALADA, CUADRA 17, MONTECERRICO ATTN: GSO PERU CODE LMA
26. NAME OF CONTRACTING OFFICER (Type or print) Kelly Bracey	27. UNITED STATES OF AMERICA Kelly Bracey (Signature of Contracting Officer)	28. DATE 03/08/2012 15 MAR 2012

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

SECTION B SUPPLIES OR SERVICES AND PRICES

B.1 PRICE SCHEDULE

See Exhibit S for Price Schedule

B.2 SERVICES

The Contractor shall provide local guard services in accordance with Section C, Performance Work Statement, including all Exhibits. The Contractor shall be required to provide two types of services: (1) Standard and (2) Additional or Emergency.

The Government may require the Contractor to supply additional materials or equipment when ordering Additional or Emergency Services. The cost of the additional materials or equipment shall be reimbursed in accordance with the terms and conditions of this contract.

B.3 TYPE OF CONTRACT

This is a Time-and-Materials (T&M) Contract as defined in Federal Acquisition Regulation (FAR) 16.601. The contract also includes firm-fixed price and cost-reimbursement components.

B.4 OFFERS AND PAYMENT IN U.S. DOLLARS

A United States (U.S.) corporation desiring to be paid in U.S. Dollars should submit their offer in U.S. Dollars. A U.S. corporation should not be confused with the definition of a U.S. person for the purpose of applying U.S. preference in the proposal evaluation. (See Section K for U.S. Person definition). Any firm that does not meet the definition of a U.S. corporation shall submit its prices and receive payment in local currency.

B.5 VALUE ADDED TAX

Value Added Tax (VAT) is not included in the rates for Standard Services, Additional or Emergency Services, communications equipment, the estimated amount for materials, or DBA Insurance. Rather, the Contractor shall include VAT as a separate charge in the monthly invoice (see sample invoice in Exhibits I and S). The amount of VAT to be charged is **18 percent**. Local law dictates the portion of the contract price that is subject to VAT; this percentage is multiplied only against that portion. It is reflected for each performance period. All portions of the solicitation are subject to VAT.

B.6 PAYMENT, CEILING, AND WITHHOLDING

The Government will pay the Contractor for the number of hours worked. (See Section I, FAR 52.232-7)

The Contractor shall not exceed the ceiling prices, shown in pricing tables in Section B, either in total or for any category, unless the Contracting Officer (CO) signs a written contract modification to increase the ceiling. The Contractor shall notify the CO in writing 60 days

before the Contractor expects the total costs incurred to exceed 75 percent of any ceiling price/not to exceed amount listed above.

The Government will make no withholding/retainage pursuant to FAR 52.232-7(a)(7), "Payments Under Time-and-Materials and Labor-Hour Contracts."

The Government shall impose a deduction from the amount of payment for each instance of unacceptable performance or non-performance in accordance with Exhibit C, Quality Assurance and Surveillance Plan (QASP).

B.7 EMPLOYEE SALARY BENEFITS

The Government shall have no responsibility or liability for payment of any wages or benefits to Contractor's employees. The Government, its agencies, agents, and employees shall not be part of any legal action or obligation regarding these benefits, which may subsequently arise. Where local law requires bonuses, specific minimum wage levels, and premium pay for holidays, payments for social security, pensions, severance, sick or health benefits, childcare or any other benefit, the Contractor is responsible for these payments. The Contractor shall submit evidence of compliance with this requirement upon request by the Government. The rates/prices in Section B shall include all such costs.

B.8 LABOR CATEGORIES

Section C, Performance Work Statement, contains the specific tasks, and Section H contains personnel requirements the Contractor shall be required to provide and/or adhere to in the performance of this contract. All personnel requirements pertain to the labor categories contained under Standard, Optional Standard and Additional or Emergency (A&E) Services. The following Section J Exhibits provide additional information the Contractor shall use in generating prices:

Exhibit A	Guard Posts and Schedule of Guard Coverage
Exhibit B	General Orders and Post Orders
Exhibit C	Quality Assurance and Surveillance Plan
Exhibit D	Contractor-Furnished Property
Exhibit E	Government-Furnished Property
Exhibit F	Holidays
Exhibit H	Language Skill Level Descriptions

B.9 BASE YEAR, OPTION YEAR and OPTIONAL SERVICE PRICING

For the purposes of calculating premium pay, authorized holidays are shown in Section J, Exhibit F. Contractor employees who are either U.S. citizens or hired in the U.S. shall be entitled to premium pay for U.S. holidays only. Contractor employees who are neither U.S. citizens nor hired in the United States shall be entitled to only those holidays recognized by the Government of Peru. This includes other fringe benefits such as annual leave, sick leave and severance pay.

The Contract Line Item Numbers (CLINs) 0001 – 0030; 1001 – 1030; 2001 – 2030; 3001 – 3030; 4001 - 4030 prices in Section B shall contain only expenses associated with wages, fringe

benefits, severance costs, overhead, G&A and profit involved in administering, managing and providing services under this contract. Local labor laws may require bonuses, specific minimum wage levels, and premium pay for holidays, payments for social security, pensions, severance pay, sick or health benefits, childcare or any other benefit, the Contractor is responsible for these payments. The rates/prices in Section B shall include the applicable costs necessary to comply with local labor laws.

The Contractor shall not permit any employee to work more than 12 continuous hours in a 24-hour period, except in emergency situations or as authorized by the CO or Contracting Officer's Representative (COR). Supervisors and Surveillance Detection personnel must not work more than 8 continuous hours in a 24-hour period. Each guard shall have a minimum of 12 hours off duty between tours on this contract, except as authorized above. The Contractor shall provide a 15-minute break once every four (4) hours during an employee's tour of duty to allow for comfort, personal needs, stress, or other required or requested absences from the Exhibit A assigned post. The Contractor shall provide a minimum 30-minute meal break at an appropriate time once during every tour of duty lasting eight (8) or more hours. Breaks shall not run consecutively.

The Contractor shall obtain the prior written approval of the COR if any employee of the Contractor performing under this contract: 1) intends to work for another firm or organization in addition to the Contractor or 2) before assigning any guard performing under this contract to work with another client of the Contractor. The Contractor shall not bill for employee hours that exceed the 12-hour tour length.

In consideration of satisfactory performance, the Government will pay the Contractor each month for the Standard and/or A&E Services rendered. Additional or Emergency Services shall be requested by the Government. The Government may or may not need the maximum number of hours stated in Section B. The Government reserves the right to revise the requirements stated under this section as deemed necessary.

B.9.1 Standard Services

Section J, Exhibit A delineates the current work locations; functions; hours of coverage; days per week and hours per day for the Standard Services required herein. The Contractor shall not subcontract or lease Standard Services.

The fixed hourly rates for Standard Services are fully burdened rates and shall include all wages (local labor law compliance, if applicable, and any premiums relating to overtime, holidays, or night shifts), overhead, fringe benefits, severance costs, general and administrative expenses and profit for each category of labor. Overhead costs may include administrative personnel, transition costs, materials and supplies, training, or housing for example. Labor categories for Standard Services are outlined below:

LIMA

- CLINs 0001, 1001, 2001, 3001 and 4001 – Guard Force Commander: See paragraph H.5.2.
- CLINs 0002, 1002, 2002, 3002 and 4002 – Supervisor: See paragraph H.5.3.
- CLINs 0003, 1003, 2003, 3003 and 4003 – Senior Guard: See paragraph H.5.4.
- CLINs 0004, 1004, 2004, 3004 and 4004 – Guard: See paragraph H.5.5.-
- CLINs 0005, 1005, 2005, 3005 and 4005 - Guard/Driver: See paragraph H.5.6.

SAQMMA12C0103

-CLINs 0006, 1006, 2006, 3006 and 4006 - CAMS Dispatcher: See paragraph H.5.7

CUSCO

-CLINs 0017, 1017, 2017, 3017 and 4017 – Guard: See paragraph H.5.5.

PUCALLPA

-CLINs 0019, 1019, 2019, 3019 and 4019 – Supervisor: See paragraph H.5.3.

-CLINs 0020, 1020, 2020, 3020 and 4020 - Senior Guard: See paragraph H.5.4.

-CLINs 0021, 1021, 2021, 3021 and 4021 - Guard: See paragraph H.5.5.

TINGO MARIA

-CLINs 0025, 1025, 2025, 3025 and 4025 - Senior Guard: See paragraph H.5.4.

-CLINs 0026, 1026, 2026, 3026 and 4026 - Guard: See paragraph H.5.5.

IQUITOS

-CLINs 0029, 1029, 2029, 3029 and 4029 – Guard: See paragraph H.5.5.

B.9.2 Additional or Emergency (A&E) Services

The A&E Services contained in this contract are for contingency purposes only. The Contractor shall only provide A&E hours if requested by the COR.

Additional or Emergency Services are within the scope of this contract, but not specified in Section J, Exhibit A. The performance of duties listed in Section J, Exhibit A does not constitute A&E Services. The Contractor shall not subcontract or lease for the A&E Services. Materials shall be reimbursed at cost in accordance with FAR 16.601 (except as provided for in FAR 31.205-26(e) and (f)).

The COR may request A&E Services to meet increased workload or temporary needs for services arising from visitors to post or special events. The Contractor shall obtain the COR's written approval for reimbursement of any non-expendable equipment or expendable supplies to be supplied by the Contractor related to the A&E Services. The COR shall confirm any oral request for A&E Services in writing within 48 hours of the oral request.

The Contractor shall include in its next regular invoice details of the A&E Services and any materials provided. The Contractor shall also include a copy of the COR's written confirmation for providing such services and the written approval for the reimbursement of materials billed.

The fixed hourly rates for A&E Services are fully burdened rates and shall include all wages (local labor law compliance if applicable and any premiums relating to overtime, holidays, or night shifts), overhead, fringe benefits, severance, general and administrative expenses and profit for each category of labor. Materials shall be reimbursed at cost in accordance with FAR 16.601 (except as provided for in FAR 31.205-26(e) and (f)). Labor categories for A&E Services are outlined below:

LIMA

-CLINs 0007, 1007, 2007, 3007 and 4007 – Guard Force Commander: See paragraph H.5.2.

-CLINs 0008, 1008, 2008, 3008 and 4008 – Supervisor: See paragraph H.5.3.

-CLINs 0009, 1009, 2009, 3009 and 4009 - Senior Guard: See paragraph H.5.4.

SAQMMA12C0103

- CLINs 0010, 1010, 2010, 3010 and 4010 - Guard: See paragraph H.5.5.
- CLINs 0011, 1011, 2011, 3011 and 4011- Guard/Driver: See paragraph H.5.6.
- CLINs 0012, 1012, 2012, 3012 and 4012 - CAMS Dispatcher: See paragraph H.5.7

CUSCO

- CLINs 0018, 1018, 2018, 3018 and 4018 – Guard: See paragraph H.5.5.

PUCALLPA

- CLINs 0022, 1022, 2022, 3022 and 4022 – Supervisor: See paragraph H.5.3.
- CLINs 0023, 1023, 2023, 3023 and 4023 - Senior Guard: See paragraph H.5.4.
- CLINs 0024, 1024, 2024, 3024 and 4024 - Guard: See paragraph H.5.5.

TINGO MARIA

- CLINs 0027, 1027, 2027, 3027 and 4027 - Senior Guard: See paragraph H.5.4.
- CLINs 0028, 1028, 2028, 3028 and 4028 - Guard: See paragraph H.5.5.

IQUITOS

- CLINs 0030, 1030, 2030, 3030 and 4030 – Guard: See paragraph H.5.5.

B.9.3 Optional Standard Services

The Government reserves the option to request the Contractor to provide Optional Standard Services. Prior to the contractor providing the optional coverage the Contracting Officer must issue a written modification specifying the type and duration of the additional coverage.

The fixed hourly rates for Optional Standard Services are fully burdened rates and shall include all wages (local labor law compliance if applicable and any premiums relating to overtime, holidays, or night shifts), overhead, fringe benefits, severance costs, general and administrative expenses and profit for each category of labor. The Contractor shall not subcontract or lease Optional Standard Services.

- CLINs 0013, 1013, 2013, 3013 and 4013 – Surveillance Detection Supervisor: See paragraph H.5.9.
- CLINs 0014, 1014, 2014, 3014 and 4014 – Surveillance Detection Specialist: See paragraph H.5.10.

B.9.3.1 Optional Additional and Emergency Standard Services

The Government reserves the option to request the Contractor to provide Optional Additional and Emergency Standard Services. Prior to the contractor providing the optional coverage the Contracting Officer must issue a written modification specifying the type and duration of the additional coverage.

The fixed hourly rates for Optional Standard Services are fully burdened rates and shall include all wages (local labor law compliance if applicable and any premiums relating to overtime, holidays, or night shifts), overhead, fringe benefits, severance costs, general and administrative expenses and profit for each category of labor. The Contractor shall not subcontract or lease Optional Standard Services.

- CLINs 0015, 1015, 2015, 3015 and 4015 – Surveillance Detection Supervisor: See paragraph H.5.9.
- CLINs 0016, 1016, 2016, 3016 and 4016 - Surveillance Detection Specialist: See paragraph H.5.10.

B.9.4 Other Direct Costs

These are items for which the Contractor shall be reimbursed at cost for all non-expendable equipment and expendable supplies, related to performance of the contract.

B.9.4.1 Mobile Patrol Vehicles

CLINs 0031, 1031, 2031, 3031 and 4031 – Mobile Patrol Vehicles. The Contractor shall furnish sufficient vehicles to provide Mobile Patrol operations during the days and hours specified in Section J, Exhibit A. The mobile patrol units shall operate 24-hours per day, seven (7) days per week.

The Contractor shall have sufficient spare vehicles to ensure no lapses in coverage due to mechanical failure, regular maintenance or other unforeseen reasons (reference Section C.5.2.2 and Section J, Exhibit D). The Contractor shall be responsible for providing new 4-door, 4X4 air-conditioned SUV vehicles at the start of contract performance period. During contract performance any vehicle exceeding 200,000 kilometers shall be replaced at no additional cost to the government. In the event a replacement is required, the COR shall approve any vehicle that differs from the existing model. (On average, 10,500 kilometers are driven by each Mobile Patrol.)

The monthly rate for Mobile Patrol vehicles shall include all operating costs including, but not limited to fuel, lubricants, oil, routine and special maintenance, care and cleaning, and insurance. The Contractor shall take into account the residual value and only charge the Government for the prorated cost applicable to this contract. The titles to all vehicles supplied by the Contractor will remain with the Contractor. Local dealerships are available. **Vehicles performing under this CLIN shall be used only for Mobile Patrol purposes and shall display a COR-approved logo on the driver's side and passenger side doors. The costs related to vehicles used for other purposes in the performance of this contract shall be included in the Contractor's overhead. The monthly rate for vehicles is firm fixed price.**

B.9.4.2 Local Guard Force Radio Network

CLINs 0033, 1033, 2033, 3033 and 4033 – Radio Network: The monthly rate shall include all costs associated with radio/communications equipment (see Section C.5.9), including maintenance costs.

The Contractor is responsible for acquiring and paying for radios, all frequencies (UHF and VHF), usage fees, licenses and permits that may be required for the operation of the communications network throughout the life of the contract. It shall be an Embassy-dedicated radio network, which shall not be shared with other company networks. The Contractor shall provide to the Guard Force Commander and each Shift Supervisor a fully-enabled Blackberry/smart phone device with camera and email capabilities. Radio requirements are

indicated in Exhibit A. The Contractor is responsible for all maintenance and repair costs associated with all communications equipment included in the communications network. (See Exhibit D – Contractor-Furnished Property)

B.9.4.3 Central Alarm Monitoring System (CAMS)

CAMs equipment will be Government-Provided and maintenance and repair will be the responsibility of the Government. (See Exhibit E)

B.9.4.4 Guard Electronic Monitoring Systems (GEMS)

CLINs 0032, 1032, 2032, 3032, and 4032 – GEMS: The Contractor shall furnish a new GEMS, including the system and reporting software, sufficient numbers of hand-held data collection devices, data points such as bar code labels, data strips, touch tags or electronic buttons, batteries or recharging stations, computer, printer, and training and maintenance so the system can remain in continuous use. Monthly rate shall include all costs associated with GEMS equipment (see paragraph C.5.8), including maintenance costs.

B.9.4.5 Reimbursable Materials

CLINs 0034, 1034, 2034, 3034, and 4034 – Reimbursable Materials: In the event the Government requests the Contractor to purchase Reimbursable Materials, the Contractor shall provide two (2) competitive vendor quotes in support of the purchase as well as a written justification if the Contractor selects other than the lowest priced quote. The quotes shall serve as a determination of fair and reasonable pricing by the CO. However, the Contractor is not required to obtain competitive vendor quotes if the total value of the purchase does not exceed **\$3,000.00 USD**. The contractor shall receive COR written approval before procuring any reimbursable materials.

The Contractor shall be reimbursed for all non-expendable equipment and expendable supplies, related to the performance of A&E services. Reimbursable materials and equipment shall not exceed **US\$3,000.00 per contract year**. Contractor shall receive COR written approval before procuring any reimbursable materials.

B.9.4.6 Defense Base Act Insurance (DBA)

CLINs 0035, 1035, 2035, 3035 and 4035 – DBA Insurance: The cost of DBA insurance is paid on an annual basis. The period of performance of this contract may be extended beyond one (1) year. If so, the Contractor shall contact the CO Officer, request the new rates, and be reimbursed by the Government for the actual, documented DBA insurance costs.

The hourly rates and prices in the contract shall not include DBA Insurance. The Government will reimburse the Contractor directly for DBA Insurance that is required and obtained in accordance with Section I, DOSAR 652.228-71, "Worker's Compensation Insurance (Defense Base Act) – Services (DEVIATION)" incorporated by full text and FAR 52.228-3, "Worker's Compensation Insurance (Defense Base Act)" incorporated by reference.

When the contract is awarded, the Contractor shall contact the Contracting Officer and request the name of the insurance broker under contract to the Department of State. After paying the DBA insurance premium, the Contractor shall include copies of the invoice from, and proof of payment to, the insurance carrier as supporting documentation with any invoice submitted to the Government requesting reimbursement for DBA insurance under this contract (Section G.2.1). The Contractor shall submit the certification to the CO before the Notice-to-Proceed (see Section F.2 Notice-to-Proceed).

DOSAR 652.216-71 - PRICE ADJUSTMENT (AUG 1999)

(a) The contract price may be increased or decreased in actual costs of direct service labor. The changes result from laws enacted and effective during the term of this contract by Peruvian Government. Direct service labor costs include only the costs of wages and direct benefits (such as social security, health insurance, unemployment compensation insurance) paid to or incurred for the direct benefit of personnel performing services under one of the categories listed in Section B of this contract. Price adjustments will include only changes in direct service labor costs incurred in order to comply with the requirements of law. No adjustment will be made under this clause with respect to labor costs of personnel not performing direct service labor under the categories of Section B, or for overhead, profit, general and administrative (G&A) costs, taxes or any other costs whatsoever.

(b) For the contracting officer to consider any request for adjustment, the Contractor shall demonstrate in writing:

- (1) That the change in the law occurred during the term of this contract and subsequent to the award date of this contract; and
- (2) That the change in the law could not have been reasonably anticipated prior to contract award; and,
- (3) How the change in the law directly affects the Contractor's costs under this contract.

(c) The Contractor shall present data that clearly supports any request for adjustment. This data shall be submitted no later than 90 calendar days after the changes in the law have been made public. This data shall include, but not be limited to, the following:

- (1) The calculation of the amount of adjustment requested; and,
- (2) Documentation that identifies and provides the appropriate portions of the text of the particular law from which the request is derived.

(d) In order to establish the change between the requested adjusted rate and the original rate, the Contractor shall support the appropriate data and composition of the original rate and the requested adjusted rate. This shall include details regarding specific hourly rates paid to individual employees. For contracts paid in U.S. dollars, the Contractor's request for price adjustment shall present data reflecting:

- (1) The exchange rate in effect on the date of the Contractor's proposal that was accepted for the basic contract; and
- (2) The current exchange rate and its effect on payment of workers in local currency. The allowable adjustment shall be limited to the extent to which increases in direct service labor costs due to host country law changes are not offset by exchange rate gains.

(e) Only direct cost changes mandated by enacted laws shall be considered for adjustment under this contract. Changes for purposes of maintaining parity of pay between employees at the minimum mandated levels and employees already paid at levels above the newly mandated minimums shall not be considered. Therefore, if the Contractor elects to increase payments to employees who are already being paid at or above the mandated amounts, such increased costs shall be borne solely by the Contractor and shall not be justification for an increase in the hourly and monthly rates under this contract.

(f) Any request for adjustment shall be presented by signature of an officer or general partner of the Contractor having overall responsibility for the conduct of the Contractor's affairs.

(g) No adjustment shall be made to the contract price that relates to any indirect, overhead, or fixed costs, profit or fee. Only the changes in direct service labor wages (and any benefits based directly on wages) shall be considered by the U.S. Government as basis for contract price changes.

(h) No request by the Contractor for an adjustment under this clause shall be allowed if asserted after final payment has been made under this contract.

(i) This clause shall only apply to laws enacted by the Government of Peru meeting the criterion set forth above in paragraph (b). No adjustments shall be made due to currency fluctuations in exchange rates.

(j) All requests that are not submitted timely, in accordance with paragraph (c) may result in the Government rejecting the request for price adjustment.

SECTION C - PERFORMANCE WORK STATEMENT (PWS)

C.1 PURPOSE AND OBJECTIVES

The United States Department of State (DOS) has a requirement for a qualified Contractor to provide local guard services for the U.S. Mission Peru, e.g., U.S. Embassy Lima, U.S. Consulate Cusco, and other locations, i.e., Tingo Maria, Pucallpa, and Iquitos. The Mission requires a secure environment to conduct its mission. The Contractor shall provide the organizational structure, management, and qualified staff at levels adequate to meet or exceed the requirement contained in this PWS.

C.2 BACKGROUND

The DOS Bureau of Diplomatic Security (DS) plays an essential role in ensuring that foreign policy missions are accomplished in a safe and secure environment. DS accomplishes this objective by making the protection of people, information, and property its top priority. DS develops and implements effective security programs to safeguard Foreign Service personnel as they implement foreign policy and promote U.S. interests around the world. The protection of life is the most critical element of the DS mission, and is an absolute requirement for the global conduct of foreign affairs.

DS Special Agents that are assigned to U.S. diplomatic missions overseas serve as the Regional Security Officers (RSO). The RSO provides the first line of defense for DOS personnel, their families, U.S. diplomatic missions, and national security information. The RSO develops and implement the programs that shield U.S. missions and residences from physical and technical attack. The RSO receives valuable assistance in this effort from other Diplomatic Security personnel, Marine Security Guards (MSG), local investigators, and security engineering officers, and host government officials. The RSO serves as the primary liaison with foreign police and security services overseas in an effort to obtain support for U.S. law enforcement initiatives and investigations. The RSO also serves to monitor the performance of the local guard services as the Contracting Officer's Representative (COR).

C.3 MISSION AND GOALS

The primary mission of the Local Guard Force (LGF) is to protect U.S. Government personnel, facilities, and equipment from damage or loss. The LGF is one component of the Mission's security apparatus and complements other physical, technical, and procedural security systems. The LGF shall carry out specific actions as described in these General and Post Orders (See Section J, Exhibit B). The local guard services shall prevent unauthorized access; protect life; maintain order; deter criminal attacks against employees; dependents and property and terrorist acts against all U.S. assets, and prevent damage to Government property.

C.4 LOCAL GUARD SERVICES

The Contractor shall be required to provide Standard and A&E local guard services. The Contractor shall maintain a sufficient number of trained and qualified personnel in order to meet the required hours of operation for each post. The Standard Services are set forth in Section J,

Exhibit A. The Contractor local guard services shall act as an early warning signal to the Embassy and RSO. The Contractor shall ensure that the local guard service personnel comply fully with the General and Post Orders contained in Section J, Exhibit B.

The requirement for A&E Services may stem from such things as a Very Important Person (VIP) visitor to the Embassy, information indicating a possible terrorist attack, or change in threat environment. These changes form the basis for on-going analysis and review of the structure and location of posts as well as the level of security in effect.

The Contractor shall provide both basic and annual re-certification training at no additional cost to the Government. Contractor personnel are prohibited from providing guard services if they have not successfully completed basic and/or annual re-certification training. Annual re-certification training shall include any new material bearing on the performance of the local guards that is deemed necessary by the COR. The Contractor is required to subject its personnel to the U. S. Government's approval prior to their posting (Section H.2).

C.4.1 General and Post Orders

The General Orders provide directions and instructions of general application to the Contractor personnel. Post Orders provide detailed instructions to persons assigned to a specific guard post. The Contractor shall ensure that guard personnel are complying with these orders. These orders will not be modified or revised without the written authority of the COR(s).

The Government may make changes to the General and Post Orders within the scope of the contract. All changes and revisions to the orders shall be accomplished by issuance of contract modification. The Contractor may submit to the COR(s) any request for changes to the orders.

The General and Post Orders will only be provided to the Contractor in English. The Contractor shall be responsible for translating both General and Post Guard Orders into the local language. The Contractor shall maintain a copy of the General Orders and the respective Post Orders in both English and local language versions, as applicable, at each designated post listed in Section J, Exhibit A, and shall ensure that all updates and revisions to the General and Post Orders are maintained at each post. See Section J, Exhibit B for General Orders and Post Orders.

C.4.2 Types of Service

The Contractor shall provide Standard Services for the posts set forth in Section J.1, Exhibit A. The Contractor shall provide A&E Services as requested by the COR. **The Contractor shall not subcontract or lease Standard Services, A&E services or Optional Standard Services.**

The COR may orally request A&E services to meet increased workload or temporary needs for services arising from visitors to post or special events. The COR will confirm any oral request for A&E services in writing within 48 hours of the oral request. The Contractor shall obtain the COR's approval for reimbursement of any non-expendable equipment or expendable supplies to be supplied by the Contractor related to the A&E services.

The Contractor shall include in its invoice details of the A&E services, any materials provided, and include a copy of the COR's written confirmation to provide such services.

C.5 SPECIFIC TASKS

In performing these services the Contractor shall be required to control access to the facilities; protect human life; maintain order, and resist attacks against mission personnel, visitors, and families under Chief of Mission authority. The Contractor shall provide roving foot patrols of the Embassy compound in accordance with Section J, Exhibits A and B. The Contractor shall be responsible for responding to intruder alerts, notifying the RSO and following instructions in Section J, Exhibit B.

The Contractor shall be required to utilize a Central Alarm Monitoring System (CAMS), vehicles, Guard Electronic Monitoring System (GEMS), radio network and equipment, and cellular/mobile telephones in performing the services listed hereafter.

C.5.1 Entry Control

The Contractor shall deter and intercept unauthorized personnel or vehicular entry into areas designated by the RSO/COR(s) as a controlled area, including but not limited to office buildings and official residences. The Contractor shall immediately report all serious or unexpected incidents as defined in Section J, Exhibit B.

C.5.1.1 Office Building Entry Control

The Contractor shall intercept and identify visitors outside the secure premises. Guards shall screen visitor identification. The guards shall screen visitors and their possessions using the access control equipment to detect the presence of weapons or other prohibited items.

C.5.1.2 Residential Entry Control

The Contractor shall identify and maintain a log of visitors entering the residences. Guards shall screen vehicles. Guards shall deny visitors whose arrival is not expected at the entrance until cleared by authorized personnel inside the residence or the RSO Duty Officer (See Section J, Exhibit B).

C.5.1.3 Vehicular Entry and Access Control

The Contractor shall examine all Government, commercial, and visitor vehicles entering an official facility. Guards shall check vehicle passengers for proper identification and screen the vehicle for explosives and suspect packages, following the procedures described in Section J, Exhibit B. Guards shall admit only authorized vehicles.

C.5.1.4 Inspection

The Contractor shall physically examine all packages and mail carried by any visitor or local employee who seeks access to official facilities or who seeks to leave or deliver such packages or mail. The Contractor shall maintain a log of all screened packages or mail. Guards shall inspect the perimeter of premises and report any suspicious vehicles or persons near the premises to the

RSO, the RSO local investigator and the Contractor following procedures in Section J, Exhibit B.

C.5.1.5 Explosive, X-Ray Inspection and Metal Detection Equipment

The Contractor shall provide personnel to operate the Equipment. The Contractor shall adhere to the applicable Post Orders, See Section J, Exhibit B (Specific Post Orders to be provided after award).

Contractor employees assigned to posts that utilize the equipment shall be adequately and properly trained. The posts are set forth in Section J, Exhibit A. The Government will provide the initial and refresher training to Contractor GFC and Supervisors. However, the Contractor will train individual employees thereafter.

C.5.2 Patrols

The Contractor shall be required to provide both roving foot patrols and Mobile Patrols. The Contractor shall implement patrol procedures that avoid establishing a set time and pattern for each patrol round.

C.5.2.1 Perimeter Patrol

The Contractor shall be required to perform roving foot patrols in accordance with Section J, Exhibit B. The Contractor shall make rounds within designated areas as directed by the RSO. Guards shall change their course and pace while patrolling grounds to avoid establishing a set time and pattern of perimeter rounds.

C.5.2.2 Mobile Patrol

The Contractor will provide Mobile Patrol services for residential and official facilities in accordance with Exhibit A. There are approximately 250 residences and facilities located in six (6) zones. Each Mobile Patrol unit drives approximately 10,500 kilometers per month. See Section J, Exhibit A.

The Contractor shall provide a sufficient number of vehicles to assure continued availability for the Mobile Patrol operations during the day and night hours as specified in Exhibit A. The Contractor shall maintain the ability to accommodate mechanical failure, regular maintenance, or any other foreseen or unforeseen event without having any lapse in coverage. All vehicles shall be marked with a COR-approved company logo.

C.5.2.3 Response to Alarm Activation

The security dispatcher shall contact the Mobile Patrol on duty for response to activated alarms, for accidents, criminal incidents and other exigent circumstances involving American mission members. COSMOS shall dispatch a Mobile Patrol to the scene. The Mobile Patrol shall arrive at the location within 20 minutes. The dispatched Mobile Patrol shall assess the cause for the alarm, immediately advise the dispatcher on duty, and await further instructions. The Mobile Patrol shall not enter a residence or a residential or facility compound unless directed by the

RSO. If the resident is present and gives permission, the Mobile Patrol may enter the residence or the resident's compound to look for possible intruders. The Mobile Patrol will not depart the residence without authorization of the RSO.

C.5.3 Escort Services

The Contractor does not normally perform escort duties; however, the COR may require the Contractor to provide temporary escort services under special circumstances. The COR will state the required duties when such services are directed.

C.5.4 Logs and Records

The Contractor shall be required to maintain all logs and records within the premises of the Embassy as determined by the COR and make them available to the COR for immediate inspection upon request. The Contractor shall submit all logs and records in a format mutually agreed to by the COR. The Contractor shall keep any additional logs as instructed by the COR for deliverable reports (See paragraph F.4).

C.5.4.1 Operational Records

The Contractor shall provide a log for each post, consisting of a bound ledger, with lined paper and numbered pages. Section J, Exhibit B provides instructions for the posting of each log. In addition, the Contractor shall provide the COR with Official Incident Reports pertaining to any event involving the guard force or observations or anomalies detected or experienced by the guard force at any post (see Section J, Exhibit B). Such reports may include but are not be limited to: procedural security violations; intruders; accidents; suspicious activity; equipment problems; lighting problems; and other incidents either not covered by or contradicting standing orders. All incident reports shall be written or typed and submitted to the COR not more than 24 hours after the actual event. Serious incidents must be reported to the COR immediately via telephone. The Contractor shall provide incident report forms for recording information regarding any incident at a post. **The Contractor shall submit the design of the incident report form in draft for approval by the COR.**

The Contractor shall maintain daily time and attendance records, which may be reviewed by the COR as required. The Contractor shall maintain all operational records for the duration of the contract, and shall make the records available for review by COR as required.

C.5.4.2 Individual Qualification Checklist (IQC)

The Contractor shall maintain the IQC and all supporting personnel and investigation records, training records, certifications and licenses as well as the information required in the nomination packages specified in Section H.2. The Contractor shall maintain daily time and attendance records. The Government shall have full access to inspecting the records on a random basis.

C.5.4.3 Explosive, X-Ray Inspection and Metal Detection Equipment

The Contractor shall keep equipment inspection records and maintenance logs as instructed by the COR (See paragraph F.4 Deliverables). Equipment maintenance log books shall be provided by the Contractor (See Section J, Exhibit D).

C.5.5 Surveillance Detection (SD) Operations-OPTIONAL

The Contractor shall provide SD operations as part of this contract, consisting of the following requirements. Surveillance Detection Operations are overt and are not to be considered as a replacement for ongoing efforts; they will only supplement activities already in place. Surveillance detection operations are intended to be an early warning mechanism to detect rather than protect. Since coordination and cooperation with host country police and/or security forces will be required, it will be essential to recognize any political sensitivity that may arise. The Contractor shall be able to adapt the program to accomplish its objectives while easing any concerns by either the Embassy or the host country. The number of SD Specialists per shift, their coverage assignments and scheduling will be determined by RSO assessment of threat, area analysis and SD coverage priorities.

C.5.5.1 Surveillance Detection (SD) Operations

C.5.5.1.1 General The contractor shall provide SD operations as described in this section. The objectives of the SD operations are to:

- identify and report suspected surveillance of official facilities, designated residences, routes of travel and U.S. personnel to the COR;
- verify reported surveillance activity as directed by the COR;
- assist the COR in evaluation of individual personal security practices;
- provide protective surveillance of U.S. personnel, upon direction of the COR; and,
- assist the COR in route planning and analysis.

C.5.5.1.2 Details

Surveillance Detection Coverage requirements: the COR will determine coverage locations and requirements at Post based on existing threat, area analysis, and manpower availability.

Personnel: Employees shall work in civilian clothes. There is no minimum English language proficiency requirement for SD Specialists and their supervisors. Work schedules for SD Supervisors and SD Specialist will be determined by the COR based on coverage requirements, priorities and manpower availability. SD personnel must accurately reflect the demographics found in operational areas.

C.5.5.1.3 Methods

Appropriate methods include surveillance on foot, bicycles, or vendor carts. Fixed methods include vantage points, planned and chosen to conceal or disguise the nature of the surveillance detection activity. Specific methods shall be flexible, adapting to situational variables.

C.5.5.1.4 Training of SD Specialists and Supervisors

The Government will provide basic training in SD techniques for the SD specialists and supervisors. The Government and the Contractor shall arrange a mutually agreeable time for the

training (see Section H.7.9). If, as a result of the training course, the Contractor determines that alternative approaches to SD would be advisable, the Contractor shall recommend such changes to the COR. No changes will be effective unless the Government modifies the contract. The Contractor shall provide annual refresher training.

C.5.6 CAMS Logs and Records

The CAMS Dispatchers shall provide a dedicated hardcopy record of individual alarm activations and malfunctions to include the location (by code), the date and time of activation. In addition, the CAMS Dispatchers shall be responsible for obtaining information as to the resolution of the alarm from the responding Mobile Patrol unit, and shall provide the COR a typed incident report explaining the resolution. The Contractor shall provide these reports to the COR within 24 hours after an alarm activation/malfunction (See Exhibit B).

The Contractor shall provide the COR monthly statistics showing all incidents involving the Mission properties, including but not limited to false alarms, trespassing, attempted burglaries, assaults.

C.5.7 Closed Circuit Television (CCTV)

RESERVED

C.5.8 Guard Electronic Monitoring System (GEMS)

In order to maintain the highest level of security for unmanned data points the Contractor shall be responsible for completing a required number of security checks during each shift. In order to ensure that inspections are maintained at the proper levels, the Contractor shall be required to employ a Guard Electronic Monitoring System (GEMS). The GEMS shall be comprised of a portable hand-held data collection device that scans each designated data point along a designated route, completing the required number of visits to each post throughout the daily/nightly tour. The Contractor shall use GEMS for monitoring the quality control of these inspection services. Posts with scanner responsibilities are annotated in Section J, Exhibit A and the duties described in the Post Orders in Section J, Exhibit B. During supervisory rounds, the supervisor is required to report all incidents and follow up with written reports as determined by COR. The Contractor is responsible for the acquisition, maintenance and repair of the GEMS and for:

- Ensuring the correct use of the hand-held data collection device
- Maintaining the integrity of the system
- Ensuring that designated individuals scan all checkpoints in the route
- Ensuring that data is properly entered into the computer

C.5.8.1 GEMS Components

The Contractor shall provide a new complete GEMS, which shall include the system and reporting software, hand-held data collection devices, data points such as bar code labels, data strips, touch tags or electronic buttons, batteries or recharging stations, computer, printer. The Contractor shall provide training to the employees who will be using the system. The Contractor

shall be responsible for the maintenance, replacement and support of the system to ensure continuous operation.

The GEMS shall be capable of collecting and downloading data to a computer in order to create computer generated reports. The reports shall serve to document guard activities and supervisor oversight. The system should have an archival capability so that historical information can be accessed via the computer. The integrity of the system shall ensure that data collected cannot be altered or modified. The Contractor shall utilize a scannable media assigned to individual guards, supervisors, guard posts, and certain defined incidents or events that will be contained on an incident card. The Contractor must obtain COR approval before making software changes/revisions.

C.5.8.2 GEMS Reports

The Contractor shall use the data collected in the system to generate reports for use by the COR. At a minimum, the Contractor shall prepare and furnish to the COR reports as instructed (Section F.4). The daily report shall include as a minimum:

- Incident reports - including the date, time location and type of incident,
- Patrol summary - verification of supervisor rounds by checkpoint, time and date,
- Exception reports that display, for example, the failure to log checkpoint or complete the route in the allotted time.

The system shall have additional reporting capabilities to include summarizing the daily reports on weekly, monthly or annual basis. The software system shall have flexibility to develop custom reports and modify standard report formats.

C.5.8.3 GEMS Responsibilities

The Contractor shall provide training to the employees who will be using the system and be responsible for the maintenance, replacement and support of the system to ensure continuous operation. The Contractor is responsible for ensuring the correct use of the scanner, for the integrity of the system, ensuring that supervisors scan all identification tags/buttons for the route and ensuring the data is properly entered into the computer. Any software changes and/or revisions must receive prior COR approval.

C.5.9 Radio Network

The Contractor shall be responsible for furnishing a radio network that can receive and transmit to all zones covered by Mobile Patrol units and to all facilities covered by this contract. The Contractor shall be responsible for furnishing communications equipment necessary to provide a reliable local guard force radio network that is fully functional and operable 24 hours per day, 7 days per week (Section J, Exhibit D).

The Contractor shall be responsible for obtaining the necessary radio frequency (UHF and VHF) for operation of its radio equipment. The Contractor is solely responsible for acquiring and paying for all licenses and permits that may be required for frequencies and the operation of all communications equipment throughout the life of the contract to include all maintenance and repair costs associated with all equipment included in the local guard force radio network.

C.5.9.1 Blackberry/Smartphone

The Contractor shall provide to the Guard Force Commander and each Shift Supervisor a fully-enabled Blackberry/Smartphone device with camera and email capabilities.

C.5.10 Post Hours

A detailed listing of posts and hours of coverage required, by guard category, is provided in Section J, Exhibit A as a part of this contract.

C.5.11 Weekly Guard Post Schedule

The Contractor shall prepare and maintain a Weekly Guard Post Schedule for all guard posts that lists the name of each previously approved guard to be assigned to each post for each shift. The Weekly Guard Post Schedule shall show the post number and location, the name of the guard assigned, and the shift assigned in terms of hours of the day. In addition, the schedule shall include the hours for the relief guards as well as their name and post assignment or rotation schedule.

The Contractor shall provide the COR and each Contractor employee affected a copy of the Weekly Guard Post Schedule by 12:00 noon of the last day of the work week for the upcoming work week. The Contractor shall notify the COR in writing three (3) days before any scheduled change of a guard (specific individual) to a post and shall provide a copy of the written notification to the resident (if a residential guard post). In the event the Contractor is instructed to make emergency changes to any post schedule per COR instructions – to include the removal of a guard from post for performance related issues – the Contractor shall update the schedule reflecting all emergency changes employed within 24 hours of the changes and shall provide written notification to the COR and a copy of the written notification to the resident (if a residential guard post). In cases of medical or other emergency affecting a guard's ability to provide services, the Contractor shall notify the COR as soon as possible of the change in guards.

C.5.11.1 Duty Hour Limits

No Contractor personnel shall be on duty for more than 12 consecutive hours in a 24-hour period (Supervisors and SD personnel shall not be on duty for more than 8 hours per shift), except under conditions of emergency or as authorized by the Contracting Officer or COR. At a minimum, the Contractor shall provide a 15-minute break once during every four (4) hour period of an employee's tour of duty to allow for comfort, personal needs, stress, or other required or requested absences from the Exhibit A assigned post. The Contractor shall provide a minimum 30-minute meal break at an appropriate time once during every tour of duty lasting eight (8) or more hours. Breaks shall not run consecutively.

C.5.11.2 Relief Guards

The Contractor shall provide the security personnel at the Section J, Exhibit A posts with COR-approved, fully-trained and qualified, relief personnel to allow for comfort, personal needs, stress, meals, or other required or requested absences from the assigned post. Relief personnel

shall be at the same category of labor as specified on Section J, Exhibit A. The Contractor shall provide this relief service to the Government at no additional charge. Relief personnel are not required for the Guard Force Commander, Supervisors, Mobile Patrol or Surveillance Detection (optional) personnel.

C.5.12 Organization Chart and Employee Listing

The Contractor shall maintain an up-to-date organization chart that includes the names of all supervisors, shift organization for each post, and a listing of all current employees by name. A copy of the organization chart shall be provided to the COR (See paragraph F.4). A current employee listing shall be provided with each monthly invoice and include employee names, ID numbers, and date of ID card issuance.

The Contractor shall also provide a corporate organizational chart that depicts how this local guard program contract fits into the overall corporate structure. The organizational chart shall include the names, e-mail addresses and telephone numbers for all layers of management that preside over the division or organization directly responsible for performance of this contract.

C.5.13 Supervision

The Contractor shall provide adequate on-site supervision of all employees and inspection of employees in accordance with Section J, Exhibit B. The Contractor shall inspect each post during daylight hours at least twice and three times during night hours and as directed by the COR. This inspection shall assure that:

- Post is properly manned and equipped;
- All guard and security equipment is operational;
- Assigned guard is fully familiar with the General Orders and Post Orders; and,
- Post log is properly maintained.

The Contractor shall conduct a muster of guards prior to going on duty for purposes of attendance, inspection for proper uniform, review of current security problems, special instructions, and training unless waived by the COR. The time required for this muster is in addition to that required to provide a timely relief for guards on post. The Contractor shall provide this muster at no additional charge.

The organizational structure of guard services consists of staff led by a **Project Manager (PM)**. The PM shall oversee operations in Lima, Cusco, Tingo Maria, Pucallpa and Iquitos. The PM shall be the Contractor's liaison with the Government. All locations outside of Lima shall be visited on a quarterly basis and/or as determined by the COR.

The PM shall be available 24-hours per day, seven (7) days per week to receive and implement orders or special instructions from the Contracting Officer or COR concerning the operation, protection, and security of assigned areas. The PM position is a key position and is staffed in accordance with the requirements described in Section H.5.1. The PM position is excluded from Section J, Exhibit A and may be included in the overhead rate.

The uniformed guard force is led by the **Guard Force Commander** (GFC) during hours indicated in Exhibit A. The GFC's work hours are considered flexible and the COR may adjust the GFC's daily work schedule to include assignment to evening, weekend and holiday periods without a further equitable adjustment in the terms and conditions of the contract. Cumulative adjustments to the daily work schedule shall not exceed the total weekly hours described on Exhibit A for this post. The COR shall provide reasonable prior notification in writing of all schedule changes. The GFC position is a key position and is staffed in accordance with the requirements described in Section H.5.2. After the GFC ends his daily duties, the supervision of the uniformed guard force is transferred to the Supervisors.

The GFC may have one or more supervisors reporting to him/her. The scope and size of the guard services will determine the number of supervisor positions required. Normally supervisor positions are manned twenty-four (24) hours a day, seven (7) days a week. A supervisor's function shall be to supervise all guard personnel assigned during the shift.

The GFC and Supervisor positions are set forth in Section J, Exhibit A.

C.5.14 CONTINGENCY PLAN

The Contingency Plan shall address how the Contractor will deal with situations caused by direct labor personnel, including but not limited to employee illness, employee family emergency, strikes, labor unrest, and disruption of operations. Describe what management techniques will be used to stay aware of and deal with disgruntled or unhappy employees, actions organized by local unions, or local government labor actions. Describe what procedures will be in place to deal with anticipated and unanticipated strikes, work slowdowns, organized failure of employees to report for shift changes, or failure of employees to report for shift changes due to employee illness, family emergency, failure of the transportation system or major natural disaster (i.e, earthquake); maintaining coverage of Chancery, COMR, MSGQ (see Section J, Exhibit O).

The Contractor shall submit a Final Contingency Plan reflecting any revisions or changes to the Preliminary Contingency Plan within 10 calendar days after contract award. Any proposed revisions to the Contractor's Preliminary Contingency Plan shall not result in an increase in the allotted 90-day transition timeframe. The Contracting Officer shall approve any changes shown in the Final Contingency Plan within 10 calendar days of receipt.

C. 6 TRANSITION PLAN

The Contractor shall perform in accordance with the Preliminary Transition Plan submitted (see Section L.11.2.3) and approved at the time of award. The transition period shall not exceed 90-calendar days and full performance shall commence at the date specified in the Notice-to-Proceed issued by the Contracting Officer (see Section F.2).

The Contractor shall submit a Final Transition Plan reflecting any revisions or changes to the Preliminary Transition Plan at the Post Award Conference. (See Section F.4). Any proposed revisions to the Contractor's Preliminary Transition Plan shall not result in an increase in the allotted 90-calendar-day transition timeframe. The CO shall review any changes shown in the Final Transition Plan within 10 calendar days of receipt.

C.6.1 PHASE-IN PERFORMANCE (NEW CONTRACTOR)

The Contractor shall assume full responsibility for an orderly phase-in of operations that minimize the impact to the Embassy. The Government will make all facilities and equipment cited herein accessible to the Contractor upon contract award. During the transition period the Contractor shall:

- Complete staffing in accordance with the Contractor's Staffing Plan
- Submit an Organization Chart
- Prepare staffing nomination packages for COR review (Subparagraph H.2)
- Conduct the required basic training (Subparagraph H.7.1)
- Schedule and complete the GEMS Training (Subparagraph H.7.4)
- Schedule and complete the Explosive Detectors and/or X-Ray Inspection Equipment Operator Training with the Government (Subparagraph H.7.6)
- Schedule and complete the Chemical and/or Biological Awareness and Countermeasures Briefing with the Government (Subparagraph H.7.7)
- Acquire all necessary equipment, licenses, permits, and insurance (Subparagraph H.9)
- Participate in a preliminary-joint inventory of all Government-Furnished Property (Subparagraph H.15)

C.6.2 PHASE-IN PERFORMANCE (INCUMBENT CONTRACTOR)

If award is made to the incumbent, the Preliminary Transition Plan should address how the Contractor will make the transition to the new contract, including any work requirements or terms and conditions that did not appear in the incumbent's current contract. During the transition period, the Contractor shall:

- Submit an Organization Chart;
- Acquire all necessary equipment, licenses, permits, and insurance (Subparagraph H.9);
- Participate in a preliminary-joint inventory of all Government Furnished Property (Subparagraph H.15).
- Prepare staffing nomination packages for COR review (Subparagraph H.2);
- Conduct the required basic training (Subparagraph H.7.1);
- Schedule the Explosive Detectors and/or X-Ray Inspection Equipment Operator Training with the Government (Subparagraph H.7.6);
- Schedule the Chemical and/or Biological Awareness and Countermeasures Briefing with the Government (Subparagraph H.7.7); and,

C.6.3 PHASE-OUT PERFORMANCE

At the end of the contract, a follow-on competition shall be conducted by the Contracting Officer. In the event the current Contractor is not awarded the follow-on contract, the Contractor shall, within 30 calendar days of notice by the Contracting Officer, develop a Phase-Out Plan for the orderly transition of the operations. The Contractor phase-out procedures shall not disrupt or adversely affect the day-to-day operations of the Mission and shall result in a smooth and orderly transfer of responsibility to the successor.

The Phase-Out Plan is due to the Contracting Officer within 10-business days from the request date. The Phase-Out Plan shall include when personnel records will be made available for the new Contractor to review and facilitate offering the Right of First Refusal.

The incumbent shall follow FAR 52.237-3 CONTINUITY OF SERVICES (CSO) (JAN 1991) to ensure transition is accomplished without difficulty until the awardee can fully provide services under the contract, which must be continued without interruption. Any failure to fully implement the CSO, including attendance at all scheduled meetings and timely submission of all required documents, may result in a negative past performance evaluation and unfavorable responsibility determination.

C.6.4 COMPLETION OF TRANSITION PLAN

The Final Transition Plan will be discussed during the Post-Award Conference with the Government providing input and recommendations to the Contractor. See Section F for the due date and distribution of the Final Transition Plan.

C.7 DEFINITIONS

TERM	DEFINITION
General Orders	Instructions, directives and guidelines that apply to all guard personnel
Government	The Government of the United States unless specifically stated otherwise.
Guard	A contractor's employee who performs routine guard services for the protection of U.S. Mission facilities and personnel and their dependents.
Guard/Driver	Person who performs driver and guard duties as part of mobile patrol unit.
Guard Force Commander	A contractor's employee whose duty is to command/supervise the local guard force and directly coordinate guard force operations with the Regional Security Officer (RSO).
Guard Post	A site or location where a guard is assigned for a specific period of time to perform prescribed functions. One location may have more than one guard post. Thus, one site, such as an access point for the Mission, could have several guards assigned during the same time. The number of guard posts, therefore, is not the same as the number of guards assigned.
Muster	Assembling the guard force in a single location.
Post Orders	Detailed instructions to persons assigned to a specific guard post
Semi-Annually	Means twice per calendar year, twice per Government fiscal year or twice per contract year, whichever is applicable. The two events should be conducted at a minimum of 165 but not more than 185 calendar days apart.
Senior Guard	A Contractor employee whose duty is to supervise other guards or to perform special duties, such as detector operations or routine operator maintenance.
Supervisor	A Contractor employee whose duty is to supervise guards on a specific shift or at a specific facility.
Surveillance Detection	The act of determining whether surveillance is being conducted against a particular target.
SD Supervisor	Under the direction of the RSO or an ARSO, commands, coordinates and supervises the activities, schedules and

	interchanges of the SD unit on a day-to-day basis, assists in identifying areas of potential threat and provides recommendations regarding SD performance and operations.
SD Specialist	Under the direction of the SD Shift Supervisor or RSO observes areas of assignment and provides discreet security services as part of the Surveillance Detection unit.
United States Firm	A company which operates as a corporation incorporated under the laws of a state within the United States.
Unmanned Post	A post is considered unmanned when it is either vacant during normal post hours for guard coverage or when a guard on-duty is found sleeping, not qualified or has not been approved by the Government or exceeds the 12 working hours without COR approval.

SECTION D – PACKING AND MARKING

-RESERVED-

SECTION E - INSPECTION AND ACCEPTANCE

CLAUSES INCORPORATED BY REFERENCE

The following clauses are incorporated by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, reference Section I for information on accessing the full text electronically.

FAR 52.246-3 INSPECTION OF SUPPLIES—COST REIMBURSEMENT (MAY 2001)

FAR 52.246-4 INSPECTION OF SERVICES—FIXED-PRICE (AUG 1996)

FAR 52.246-6 INSPECTION—TIME-AND-MATERIAL AND LABOR-HOUR (MAY 2001)

E.1 ACCEPTABLE LEVELS OF PERFORMANCE

When the Contractor fails to provide the services at the performance standards required by this contract, the Government shall assess a negative incentive expressed as a deduction for each instance of unacceptable performance and/or non-performance following Section J, Exhibit C, Quality Assurance and Surveillance Plan (QASP). Unless the deficiencies were not reasonably discoverable by the Government, the Government will notify the Contractor and assess deductions as soon as practicable after the unacceptable performance and/or non-performance is discovered by the Government.

If the Contractor believes that mitigating circumstances precluded the Contractor from meeting the terms and conditions of the contract as it relates to performance or administration of the contract, a request for waiver or reduction of the amount of the deductions may be requested. This request should be submitted to the Government within five (5) calendar days from receipt of notice of proposed deductions for noncompliant performance, unless otherwise approved by the Contracting Officer.

The Contractor's request for relief should provide a detailed explanation as to why the circumstances surrounding the contract noncompliance occurred and why this action could not have been prevented. If the Contractor does not request that the proposed amount of the deduction be waived in part or its entirety by the Government within the prescribed time period, the Government will deduct the full amount of the proposed deduction from the next invoice approved for payment. In those instances where the proposed amount of the deduction is substantial, the Government may agree to a longer time period for excising deductions against processed invoices in order to reduce the financial impact of such action in order to ensure continued uninterrupted guard services.

The Contractor shall be required to submit a Quality Assurance Compliance Report (QACR) with each invoice submission. This report shall be in narrative format and address any noncompliant action for which a deduction could be assessed in accordance with Sections C and H and Section J, Exhibit C.

The QACR shall serve as the Contractor's certification that all services included on the invoice were rendered in accordance with the contractual terms and conditions. In the event that the Contractor failed to deliver all the required services as well as meet the requirements, an explanation shall be given in the QACR as to why the noncompliant action(s) occurred and what

action will be taken during the next month to preclude the same and/or similar noncompliant actions.

The Contractor shall also address why their Quality Control Plan (QCP) failed to prevent and/or mitigate the noncompliant acts and what action has been taken or will be taken to modify the QCP accordingly. Furthermore, the Contractor shall state whether any part of its Management Plan was revised as part of its efforts to preclude the same and/or similar noncompliant actions in the future.

The Contractor shall reduce the amount of each invoice submitted for payment by the amount of work not performed in accordance with the terms and conditions of the contract per the amount stated in Section J, Exhibit C (i.e., Negative Incentive for Not Meeting Performance Standards) for each Desired Outcome, such as Unmanned Post, beyond the Maximum Allowable Deviation from the Performance Standard unless the Contractor plans to submit a request for waiver or reduction of the amount of the deductions. Should the Contractor elect to submit a request for waiver or reduction of the amount of the deductions, the request should be submitted with the invoice.

When calculating the amount of the self-imposed deduction for noncompliance beyond the Maximum Allowable Deviation from the Performance Standard, the Contractor shall use the hourly rates specified in Exhibit C as well as provide the Government with a Microsoft Excel document depicting how the deducted amount was calculated.

The failure of the Contractor to provide a QACR along with supporting documentation to include the deduct calculation sheet with each invoice will result in the invoice being rejected as being improperly prepared.

SECTION F - DELIVERIES OR PERFORMANCE

CLAUSES INCORPORATED BY REFERENCE

The following clauses are incorporated by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, reference Section I for information on accessing the full text electronically.

FAR 52.242-15 STOP-WORK ORDER (AUG 1989)

FAR 52.242-15 STOP-WORK ORDER (AUG 1989) ALTERNATE I (APR 1984)

FAR 52.242-17 GOVERNMENT DELAY OF WORK (APR 1984)

F.1 PERIOD OF PERFORMANCE

This contract contains a one (1) year Base Period and four (4) one-year Option Periods to be exercised at the sole discretion of the Government. The Contracting Officer (CO) can extend the term of the contract for an additional six (6) months in accordance with FAR clause 52.217-8 Option to Extend Services contained in Section I of this contract. In the event the Option to Extend Services clause is exercised by the CO, the Contractor shall provide the services at the same billable rates as the previous performance period.

F.2 NOTICE-TO-PROCEED

After receiving contract award, the Contractor shall begin the 90-day transition period. During the transition period the Contractor shall complete the steps necessary to obtain all required personnel, conduct training, and acquire all necessary equipment, licenses, permits, and insurance (See Section H for details regarding Government assistance in this process). The Contractor shall follow the tasks set forth in their Transition Plan.

At or before the end of the 90-day transition period the Contractor shall provide the CO acceptable evidence that all required actions have been successfully completed. Upon Contractor notification, the CO shall issue a Notice-to-Proceed.

On the date established in the Notice-to-Proceed, the Contractor shall assume full responsibility for the performance of this contract. If the Contractor has provided evidence of licenses, permits, and insurance as part of its proposal, the CO may issue a Notice-to-Proceed at time of contract award.

F.3 PHASED TAKEOVER

The Government prefers that the Contractor begin full performance of the contract requirements on a specific changeover date. If a phased take-over is required, the Government will pay only for hours provided and accepted. Failure of the Contractor to complete transition either within

90 days after contract award or by the start date stated in the Notice-to-Proceed, whichever is later, is grounds for termination of the contract for default.

F.4 DELIVERABLES

The Contractor shall provide the following deliverables/submittals when required. Additional deliverables mandated by statute or Federal Regulation may be required. The CO shall notify the Contractor in writing of any additional deliverables with the required due dates. The deliverables shall be submitted in a timely fashion and at no additional cost to the Government.

Contractor deliverables (All days are calendar days unless otherwise stated):

SUBPARAGRAPH REFERENCE	CONTRACTOR DELIVERABLES	DUE DATE
C.5.4.1	Post Logs	Daily
C.5.4.2	Individual Qualification Checklist	Within 5 days of any update or changes occurring to the employees file
C.5.4.3	Explosive Detectors, Metal Detectors and/or X-ray Inspection Equipment Operation Reports	Daily, Weekly, Monthly or as required by the COR
C.5.5 (Optional)	SD Reports	As required by Section J, Exhibit B or COR
C.5.6	CAMS Incident Report	No later than 24 hours after an alarm activation.
C.5.11	Weekly Guard Post Schedule	Each Friday
C.5.12	Organization Chart and Employee Listings	10 days after contract award. Current employee listings shall be provided with each monthly invoice
C.5.8	Guard Electronic Monitoring System Reports	Daily, Weekly, Monthly
C.5.14	Contingency Plan - Final	60 days after issuance of NTP
C.6	Final Transition Plan	Post-Award Conference
C6.3	Phase-Out Plan	Upon a 30-day notice from CO
G.2	Electronic Invoice (Section J, Exhibit I) with Quality Assessment and Compliance Report	Not later than 30-calendar days after the end of the month
H.2	Nomination Package	30-business days before employee being assigned to guard duties to the COR
H.7.1	Basic Training Program	10 days after contract award
H.7.2	Annual Refresher Training Course Outline	90 days after issuance of NTP and on the first day of the new option year of the contract
H.9	Licenses and permits	Before issuance of NTP

H.13	Insurance (including War-Hazard or DBA Insurance, if required)	Before issuance of NTP
H.15	Preliminary Inventory Report	Prior to the end of the transition period
H.15	Final Inventory Report	10 days after receiving the NTP and provided annually thereafter for the duration of the contract
Exhibit B	Official Incident Reports (typed)	As required by Section J, Exhibit B

Government Deliverables (All days are calendar days unless otherwise stated):

SUBPARAGRAPH REFERENCE	CONTRACTOR DELIVERABLES	DUE DATE
C.4.2	Request for Additional or Emergency Hours	At discretion of COR; if oral initial request, to be followed up in writing within 48 hours
F.2	Notice-to-Proceed	TBD
G.3 (DOSAR 652.242-70)	Copy of COR designation letter	After contract award and thereafter as appropriate.
H.2	Nomination Package Approval Letter	30-business days after receipt of properly prepared nomination package
Exhibit B	Guard Specific Orders	At/after contract award
Exhibit E	Updated list of Government-Furnished Property	At/after contract award
Exhibit I	Current Invoice Template	At/after contract award

SECTION G - CONTRACT ADMINISTRATION DATA

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 DESIGNATION OF ADMINISTRATIVE CONTRACTING OFFICE

Primary Contracting Officer (CO):

Kelly Bracey, Branch Chief
Department of State
Office of Acquisition Management
A/LM/AQM/WWD/LGB
1701 N. Ft. Myers Street, 2nd Floor
Arlington, VA 22209
Office: (703) 875-6298
Cell: (202) 340-2124
E-Mail: BraceyKM@state.gov

Authorized Department of State Alternate Contracting Officers:

Sharon D. James, Senior Contracting Officer
Jon R. Troyer, Contracting Officer

Administrative Contract Specialist:

Larry Pruitt
Department of State
Office of Acquisition Management
A/LM/AQM/WWD/LGB
1801 N. Lynn Street, 16th Floor
Arlington, VA 22209
E-Mail: pruittla@state.gov

Designated Contracting Officer's Representative (COR):

TBD at/after award.
Name, Title and Location

Written communications regarding the administration of this contract shall make reference to the contract number and modification number, if applicable, shall be submitted to the CO, ACS, COR and alternate points of contact, as delineated herein.

G.2 INVOICING INSTRUCTIONS

The Contractor shall submit **one original signed and dated hardcopy invoice** and an electronic copy. The original invoice and electronic submission shall be submitted to the designated billing office identified below:

U.S. Mission Peru
Financial Management Office

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Avenida La Encalada Cdra 17
Monterrico, Lima

The Contractor shall also submit an electronic copy of the invoice **with** the documentation specified in paragraph G.2 to the COR and to fpddata@state.gov. The electronic version shall use the Excel spreadsheet format provided in Section J, Exhibit I. Submittal of an electronic copy of the invoice to the COR and to fpddata@state.gov shall not be construed as delivery to the designated billing office for purposes of FAR 52.232-25.

If the Government rejects an invoice, the Contractor shall submit a revised invoice to the designated billing office and an electronic copy of the revised invoice to fpddata@state.gov. Revised invoices shall be marked as “revised” with a sequentially assigned revision number.

G.2.1 Required Invoice Information

The invoice shall contain all the information required in Section G, Section I (including, FAR 52.232-7 and 52.232-25), and the Contractor's Quality Assessment and Compliance Report (QACR). The invoice shall include each element of the services provided as listed within Section B. The Government will pay U.S. firms in U.S. dollars, if requested.

The invoice format is defined in an Excel spreadsheet; reference Section J, Exhibit I. The invoice spreadsheet contains the following sections or worksheets:

- (a) Monthly Invoice Summary. This section contains the labor categories, hourly rates, number of hours, and a total amount for each element billed.
- (b) Cumulative Summary. This section shall include a cumulative summary for each of the elements described under subparagraph (a) above for the contract year.
- (c) Standard Services. This section for the invoice period shall include a detailed listing of hours worked by individual post listed on Section J, Exhibit A. Invoices claiming reimbursement for standard service hours worked in excess of 12 hours in a 24-hour period shall include a copy of authorization given by either the CO or COR.
- (d) Additional-Emergency Services. This section for the invoice period shall include a listing by Post, labor category and the hours of all requests for Additional or Emergency Services.

The Contractor shall provide the following documentation with each invoice.

- (a) Individual time sheets to support the number of hours worked for the invoice period. The total of all hours worked from the time sheets must match the summary of hours for all guard posts.
- (b) Invoices claiming payment for Additional or Emergency Services shall include copy(s) of the COR's written confirmation of the request for services, (B.8.2).
- (c) Invoices claiming reimbursement under (B.8.4.5), Reimbursable Materials, relating the Additional or Emergency Services, shall include copies of paid receipts showing the cost to the Contractor of the materials or equipment.

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- (d) Invoices claiming reimbursement under (B.8.4.6), Defense Base Act Insurance, shall include copies of the invoice from, and proof of payment to, the insurance carrier.
- (e) A completed QACR, reference Section E, Acceptable Levels of Performance.
- (f) Invoices claiming reimbursement for standard service hours worked in excess of 12-consecutive hours in a 24-hour period shall include a copy of the CO or COR's authorization.
- (g) Updated employee listing (C.5.12).

G.2.2 Invoice Format

A format for the Contractor's invoice is shown at Section J, Exhibit I.

G.3 FINAL INVOICE

The Contractor shall specifically identify its last invoice as the "final invoice." The final invoice shall include the remaining amounts claimed to be due under the contract. It shall include a certification that all subcontractors, suppliers, and consultants have been paid (or will be paid upon Contractor's receipt of payment), and that all Government-Furnished or Contractor-Acquired Property has been disposed of in accordance with COR direction. This includes return of all ID badges, keys, laptop computers and other Government property. A full and accurate inventory, accounting for all lost, stolen or damaged property must also be furnished to the COR before final payment is authorized. The final invoice shall include the Contractor's Release of Claims.

DOSAR 652.242-70 Contracting Officer's Representative (COR) (AUG 1999)

(a) The Contracting Officer may designate in writing one or more Government employees, by name or position title, to take action for the Contracting Officer under this contract. Each designee shall be identified as a Contracting Officer's Representative (COR). Such designation(s) shall specify the scope and limitations of the authority so delegated; provided, that the designee shall not change the terms or conditions of the contract, unless the COR is a warranted Contracting Officer and this authority is delegated in the designation.

(b) The COR is the Regional Security Officer, U.S. Mission Peru, as stipulated at paragraph G.1 Designation of Administrative Contracting Office.

(c) The COR is responsible for inspection and acceptance of services. These duties include review of Contractor invoices, including the supporting documentation required by the contract. The COR may provide technical advice, substantive guidance, inspections, invoice approval, and other purposes as deemed necessary under the contract.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

This section is augmented by information contained in Exhibit B - General Orders and Post Orders.

H.1 SECURITY

The Government reserves the right to deny access to U.S.-owned and U.S.-operated facilities to any individual. The Contractor shall provide the names, biographic data, and police clearance for all Contractor personnel who will be working under this contract before they report for duty.

The Government shall issue identity cards to approved Contractor personnel. The identity cards must be approved by the COR. These personnel shall display their identity cards on the uniform at all times while on duty. These identity cards are the property of the Government. The Contractor shall maintain a record of the identity cards which have been issued and provide this record to the COR upon request. The Contractor will notify the COR if an identity card is lost or stolen. The Contractor shall retrieve issued identity cards when the contract is completed, a Contractor employee leaves this contract, or at the request of the Government.

H.2 APPROVAL AND ACCEPTANCE OF CONTRACTOR EMPLOYEES

The Contractor shall subject its personnel to the Government's approval. All employees must pass a COR approved suitability investigation conducted by the Contractor, including proof of successful employment during the past three (3) years as well as recommendation(s) from their respective supervisor(s). A police check covering criminal and/or subversive activities, a check of personal residence and a credit investigation is also required. For employees who will operate vehicles in performance of this contract, a Contractor review of the individual's driving record is also required. For contractor personnel who are intended to be firearm qualified and who shall be armed, the COR shall approve those personnel for suitability for an armed position in advance of their performance in one such armed position.

The Contractor shall develop a Nomination Package for each employee proposed for duty under this contract. The Nomination Package is comprised of the following:

- Nomination Letter (Section J, Exhibit J),
- Individual Qualification Checklist (Section J, Exhibit L),
- Criminal Evidence Form,
- Application for Employment,
- Summary of all suitability investigative records, and
- Physical examination report.
- Designation of the function that the individual is proposed to fill.

The packages are to be presented to the COR for review within 30-business days prior to the date the individual is to report for duty. The Nomination Packages shall be retained by the COR for

the life of the contract. The Contractor shall provide the COR with any updates or changes to the information contained in the Nomination Package.

The Contractor shall continue to maintain the Individual Qualification Checklist (IQC) for each employee throughout the life of the contract. The COR shall conduct random inspections of the Checklist to ensure contract compliance. The IQC shall be stored in a manner that creates a centralized repository of all the required certifications for all current or former employees.

The COR will approve or disapprove the Nomination Package within 30-business days after receipt. In the event that the Nomination Package is rejected by the COR, the Contractor will be given an opportunity to correct or supplement the original nomination package for a single resubmission attempt. A second disapproval by the COR is final and not subject to further discussion from the Contractor. The Contractor shall not use any employees under this contract without Government approval. The Contractor shall not bill for employees who have not received approval under this clause.

All documentation contained in the Nomination Package shall be submitted and approved no later than 90 days after full performance begins for guards previously approved by the COR. For all new employees, the Contractor shall submit the required nomination package for review and approval before the guard is allowed to stand a position listed on Section J, Exhibit A.

H.3 HEALTH

All Contractor employees working under this contract shall be well proportioned in height and weight. These employees shall be in good general health, without physical disabilities that would interfere with acceptable performance of their duties, including standing for prolonged periods in performance of guard duty. All employees shall be free from communicable disease. They shall possess binocular vision, correctable to 20/30 (Snellen) and shall not be colorblind. They shall be capable of hearing ordinary conversation. The Contractor shall have evidence of physical fitness by a certification from a licensed physician, based on a physical examination conducted prior to the employee's assignment to duty and annually thereafter. The Contractor shall keep this certification with the Individual Qualification Checklist file required.

H.4 LANGUAGE/READING PROFICIENCY

Contractor employees assigned to certain guard posts must be able to converse in English and Spanish with employees and visitors. The English language requirement shall be specified by guard post in Exhibit A. Levels of language "speaking" and "reading" proficiencies are defined in Exhibit H. The COR may interview guard(s) and/or specialist(s) to verify specified language capability level as part of the approval process or at any time when an individual is performing their duty.

Contractor employees shall be able to read and understand printed instructions, maps, orders, and must demonstrate the ability to carry out instructions. All employees shall have sufficient knowledge of the local language(s) to be able to perform the work required by the contract.

H.5 PERSONNEL REQUIREMENTS

The following delineates the minimum personnel requirements of for the Local Guard Force. The Contractor shall provide trained guard personnel for posts designated and for the hours indicated in Exhibit A. Listed below are the labor categories set forth under Standard and A&E Services. The specific job duties for each position listed below are delineated in Section J, Exhibit B.

H.5.1 Project Manager

The Project Manager (PM) shall have experience and qualifications on a range of security-related skills and a verified record of proven reliability and good conduct. The PM shall have a minimum of five (5) years police, military, related security, or local guard force management experience with half of the guard work experience being at supervisory or command levels. The PM shall reside in Lima, Peru. Travel by the PM to all locations shall be accomplished on a quarterly basis. In addition, the PM shall meet the following qualifications:

- English Speaking/Reading Skill Level S3/R3
- Able to use a computer and applicable administrative MS Office software (Word, Excel, Power Point).
- Experience managing security staff;
- Be an expert in all areas of physical security and access control;
- Understand operational methods of all the guard force;
- Maintain a professional demeanor under highly stressful circumstances;
- Experienced in basic communications and radio use/procedures;
- Be a licensed driver; and,
- Meet with the COR and Local Guard Coordinator (LGC) at least weekly.

The PM shall be accessible and responsive to the CO or COR on all matters related to performance of this contract 24 hours per day, seven (7) days per week. Should the PM require personal or professional travel outside the country, or should he/she become otherwise incapable of fulfilling his/her duties (such as in the case of a medical illness or injury), the PM must designate the next senior member of the guard management team to assume responsibilities, including 24 hours per day, seven (7) days per week availability. The designation of a replacement is subject to COR approval.

H.5.2 Guard Force Commander

The Guard Force Commander (GFC) shall have completed high school and have a minimum of five (5) years of police, similar military, or local guard force supervisory experience. He/she shall demonstrate command of English at the S3/R2 level. He/she shall be computer literate to a basic level (able to use a computer and applicable administrative MS Office software (Word, Excel, PowerPoint), able to write basic reports, Standard Operational Procedures, and email. Desirable but not mandatory qualifications include advanced security training. The GFC shall be required to perform supervisory duties that shall include:

- Supervision of the guard force;
- Ability to prepare guard orders, deploy guards and weekly scheduling;
- Conducting regular inspections of guards and guard posts;
- Investigation of irregularities;
- Preparing reports and making recommendations regarding discipline and termination;
- Overseeing the refresher training program to ensure compliance and effectiveness;
- Overseeing guard program logistics including, e.g., explosive detection and x-ray equipment;

- Acting as a point of contact with the RSO/Security Coordinator on operational guard force matters; and,
- Be a licensed driver.

H.5.3 Supervisor

Supervisor shall have successfully completed high school and been issued a completion certificate; shall have one (1) year of university or five (5) years of police, similar military or security, or local guard force management experience. Desirable, yet not mandatory, qualifications include advanced security training. In addition, Supervisor shall meet the following qualifications:

- English Language S2/R2 proficiency
- Have experience managing security staff;
- Have military, police or private security experience;
- Be proficient in all areas of physical security and access control;
- Be trained in the use of physical methods of control and restraint;
- Be experienced in basic communications and radio use/procedures; and,
- Possess a driver's license.

The Supervisor shall be required to perform supervisory duties that may include all or part of the responsibilities set forth below:

- Supervising the guard force;
- Conducting inspections of guards and guard posts;
- Investigating irregularities or incidents;
- Supervising special function teams, such as mobile patrol units;
- Preparing reports and making recommendations regarding the discipline and termination actions;
- Providing on-the-job training of subordinates;
- Deploying guards for a shift or at a facility per RSO/GFC instructions; and,
- Acting as a point of contact with the RSO or his/her designate on operational guard force matters.

H.5.4 Senior Guard

The Senior Guard shall have successfully completed a 9th grade education and been issued a completion certificate and shall have three (3) years of police, similar military or security, or local guard force management experience; OR Senior Guard shall have successfully completed a 6th grade education and been issued a completion certificate and shall have five (5) years of police, similar military or security, or local guard force management experience. The Senior Guard shall be required to perform duties that may include all or part of the responsibilities set forth below:

- Supervision of access control points and special function teams such as mobile patrol units;
- On-the-job training of subordinates;
- Performing duties requiring special skills or increased responsibilities other than supervision; and,
- See Exhibit A for English speaking/reading level required.

H.5.5 Guard

The Guard shall have successfully completed a 6th grade education and been issued a completion certificate. The Guard shall be required to perform all or part of the responsibilities set forth below:

- See Exhibit A for English speaking/reading level required.
- Performing security duties at fixed or walking posts;
- Performing access control duties to limit entry to authorized personnel or visitors; and,
- Operating of walk-through metal detectors, hand-held metal detectors, electronic hydraulic barriers, and special monitoring devices.

H.5.6 Guard/Driver

The Guard/Driver shall have successfully completed a 6th grade education and been issued a completion certificate; must have a minimum of three (3) years driving experience; must possess a valid driver's license and good vision. The Guard/Driver must attend a Contractor-administered driving training and safety program and must attain a 'satisfactory' performance during practical examination prior to assuming Guard/Driver duties. The Guard/Driver shall be required to perform all or part of the responsibilities set forth below:

- See Exhibit A for English speaking/reading level required.
- Observing a specific area for suspicious persons, vehicles, and activities;
- Recording and reporting observations;
- Questioning persons;
- Calling for police support;
- Responding to calls for assistance; and,
- Demonstrating competent driving skills under normal and high-stress circumstances.

H.5.7 CAMS Dispatcher

The CAMS Dispatcher shall monitor and control the Local Guard Command Center, which includes the CAMS systems, mobile patrol units, and is the first point of contact for all emergencies on or off compound. The CAMS Dispatcher shall have at least a 9th grade education and been issued a completion certificate, OR a 6th grade education (and been issued a completion certificate) with 5 years experience in a similar type of work.

The CAMS Dispatcher shall have

- Ability to operate the CAMS Computer system;
- Understands operational methods of all guard force units and zones for response;
- English Language of S3/R3 proficiency;
- Maintains professional demeanor under high stress circumstances; and,
- Be experienced in basic communications and radio use/procedures

Duties include:

- Monitoring all residential alarm activation;
- Provide interpretation and translation services in emergencies;
- Dispatches mobile units and Embassy compound guards to respond to alarms and other emergencies;
- Acts as the communications link with all Embassy security elements;
- Acts as the first point of contact for Embassy personnel in emergency situations;
- Answers the Embassy phone lines after hours;
- Calls for police, fire and/or medical support;

-Creates incident reports and updates all access rosters;

H.5.8 Surveillance Detection (SD) Supervisor-OPTIONAL

The SD team Supervisor is a contract employee whose duty is to command and supervise the SD Specialists under the direction of the SD Coordinator and COR. The SD Supervisor shall have completed high school and been issued a completion certificate and shall have five (5) years of police, similar military, security, or supervisory experience under the Embassy contract and may be responsible for:

- Changes to orders;
- Deployment of Specialists in coordination with the SD Coordinator and RSO
- Weekly scheduling;
- Reviews reports from Surveillance Detection Specialists for completeness and accuracy;
- Conducting inspections, investigating irregularities;
- Making recommendations regarding discipline and termination actions;
- Report any suspicious activity;
- Must have technical competency to include ability to operate digital cameras, video cameras, and other electronic equipment;
- Vision correctable to 20/20 with eye glasses provided by the Contractor;
- Report any findings, make oral and written reports;
- Cellular telephone operation function to provide the communication link between the SD unit supervisors and SD team members;
- Overseeing logistical aspects; and
- Acting as point of contact with the RSO on operational SD Specialist matters.

H.5.9 Surveillance Detection (SD) Specialist-OPTIONAL

The SD Specialist is a contractor's employee whose duty is to observe and report unusual or suspicious activities directed toward the American Embassy or its personnel. The SD Specialist shall have a 9th grade education and been issued a completion certificate. The Specialist shall have vision correctable to 20/20 with eye glasses provided by the Contractor.

Major Duties and Responsibilities: All SD Specialists shall be able to operate all special equipment after relevant training. SD Specialist duties may include:

- Conducts Surveillance Detection within an assigned area
- Identifies suspicious activity or possible surveillance
- Report findings, makes oral or written reports of findings to the responsible supervisory security personnel.
- Provides other surveillance services as assigned
- Cellular telephone operation function to provide the communication link between the SD unit supervisors and SD team members; and,
- Operations clerk function to perform administrative operations for the SD unit.

H.6 KEY PERSONNEL

The Contractor shall assign the following key personnel to this contract:

Position/Function
Project Manager

Name

During the first 90 days of performance, the Contractor shall make no substitutions of key personnel unless the substitution is required due to illness, death, or termination of employment. The Contractor shall notify the Contracting Officer within 15 calendar days after the occurrence of any of these events and provide the information required below to the Contracting Officer at least 15 days before making any permanent substitutions.

After the first 90 days of performance, the Contractor may substitute a key person if the Contractor determines that it is necessary. The Contractor shall notify the CO/COR of the proposed action immediately. Prior to making the substitution, the Contractor shall provide the following required information to the CO/COR:

- 1) The Contractor shall provide a detailed explanation of the circumstances requiring the proposed substitution, a complete resume for the proposed substitute, and any additional information requested by the Contracting Officer.
- 2) The proposed substitute shall possess qualifications comparable to the original key person and meet the minimum standards set forth in the contract.
- 3) The CO will notify the Contractor of its approval or disapproval of the substitution within 15 calendar days after receiving the required information.

The Government will modify the contract to reflect any changes in key personnel.

H.7 TRAINING REQUIREMENTS

The types of training required for this contract are basic training; firearms qualification; annual refresher training; GEMS training; explosive detection and X-ray training ; chemical and/or biological awareness and countermeasures training, and safe-driving training.

The Contractor shall develop a Training Program that addresses each course, instructor(s) qualifications, measures the effectiveness of training (i.e. methods to test guards' understanding of instruction/level of proficiency), proposed training facilities, training aids to be used by the Contractor and what type of remedial training will be given for guards that fail to demonstrate the requisite level of proficiency. The Contractor shall maintain employee-training records to document the training each employee receives. These records shall be part of the files required and shall be available for review by the COR upon request.

H.7.1 Basic Training

The training requirements listed below apply to all employees assigned to a position listed in Section J, Exhibit A. Before assigning an employee, the Contractor shall have the employee satisfactorily complete a program of basic training approved by the COR. This program shall be a minimum of 80 hours and include the activities listed below. An additional 40 hours of firearms training is required since this contract requires firearms. This Basic Training requirement does not apply to employees who have already completed the training. All costs of basic training, including labor, are the responsibility of the Contractor.

- Orientation: Introduction to the training program, training objectives, the role of the guard force in the Mission Security Plan. The post Regional Security Officer (RSO) shall participate in this block of instruction.
- U.S. Government Assets: Description of U.S. assets to be protected, including name, location, and function. The RSO shall provide this information.
- Local Law and the Power of Arrest: The powers and legal limitations of the guard to use force and arrest offenders, and the relationship of the guard force to the host government security forces.
- Terrorism and Criminality: Description of the nature of the threat to U.S. assets, with examples.
- Fires and Explosions: Description of the threat to assets of fire and explosions, with examples.
- Mission Emergency Plans: Role of the guard force in cases of fire, explosions, bomb search and building evacuation. The RSO shall provide this information.
- Physical Security Measures Employed by the Mission: Description of the access control systems employed, including alarms used (anti-intrusion and fire).
- Basic Guard Duties: General description of guard actions for protection of facilities and residences. Denial of access to unauthorized persons, preparation and maintenance of guard force records, logs, and reports.
- Guard Force Communications: Procedures to be used in case of incident; notification of others; use of radio equipment.
- General Orders and Post Orders: Details of Exhibit B. Emphasis on guard responsibilities, conduct, and penalties for violating orders.
- Maintenance of Post Logs and Preparation of Incident Reports: Procedures for preparing daily logs and official incident reports.
- Unarmed Defense and Restraint of Disorderly Persons: Procedures for defending against physical attack; procedures for restraining others; guidance on the use of force.
- The Use of Personal Equipment: Procedures for the use of the baton, handcuffs, and Mace, as applicable.
- Use of Deadly Force: Review of the guidelines contained in Exhibit J (Policy on use of deadly force).
- Access Control Equipment Use and Procedures: Use of electronic body and package search equipment; body search manually; vehicle search and building search for suspected bombs; visitor control systems, including badge issuance and control. (Training shall include general coverage of this subject for all guard personnel, with special hands-on training for those with access control duties.)
- Observation Techniques: Use of observation techniques for static guards, mobile patrol units, and foot patrols to identify, report and record suspicious acts and persons, with special emphasis on surveillance detection techniques for all guards.
- Dealing with Government Employees and the General Public: Procedures to be used when conversing with Government employees and the general public; actions to be taken when confronted by hostile individuals and mentally disturbed persons.
- First Aid/CPR: Dealing with medical emergencies at the scene of an injury or illness.
- WMD Awareness and Counter Measures Briefing: Description of equipment usage. The RSO shall provide this training.

H.7.2 Annual Refresher Training

The Contractor shall have each employee successfully complete at least 16 hours of annual refresher training, which may include an overview of all or some of the elements of the basic training course (e.g. U.S. Government Assets, Local Law and the Power of Arrest, Use of Force, Terrorism and Criminality, Fires and Explosives, Mission Emergency Plans, Physical Security Measures, Basic Guard Duties, etc.). The Contractor shall submit to the COR a refresher course outline within 90 days following the issuance of the Notice-to-Proceed (Subparagraph F.2) and update quarterly or more frequently as required by the COR. The course outline shall specifically address the refresher training requirements the Contractor deems important for the current local guard staff.

The Contractor shall not provide services of employees unless they are certified on all required training. The training shall include any new material affecting the performance of local guard force duties, recertification in CPR, and refresher training in first aid. All costs of refresher training, including labor, are the responsibility of the Contractor. Upon completion of annual refresher training the Contractor shall notify the COR which guards have completed the required training.

H.7.3 FIREARMS TRAINING

Firearms training requirements apply to all employees assigned to an armed guard post listed in Section J, Exhibit A. The contractor shall maintain employee-training records to document the training each employee receives. These records shall be part of the contractor's administrative files (see C.5.4.2). The Contractor shall act in accordance with any firearms training requirements mandated by host country law. The Government reserves the right to monitor all firearms training conducted by the contractor.

H.7.3.1 Certified Firearms Instructor

All firearms training conducted by the contractor shall be performed under the direction of certified Firearms Instructor(s). The Firearms Instructor(s) shall be of a qualification level necessary to provide firearms instruction for the weapons described in Exhibit E. The Contractor shall provide proof of the instructor's certification to the COR prior to conducting firearm training.

H.7.3.2 Firearms Training

Basic Firearms Training shall be a minimum of 40 hours of training, and semi-annual refresher training and qualifications shall be eight hours. This training shall be conducted in both a classroom environment and at a suitable firing range. A syllabus for training must be submitted and approved by the COR prior to commencement of training, and the COR has the right to be present during any or all stages of training. Firearm training shall address the weapons described in Exhibit E.

The contractor shall furnish all necessary materials for the training including classrooms, firing range, targets, ammunition, weapons, and any other miscellaneous supplies and equipment. This program shall include the following activities:

- Classroom instruction shall include weapon nomenclature (to include safety features), safe weapon handling and proper marksmanship techniques for the firearms described in Section J, Exhibit E. Strict instruction shall be provided regarding the host country laws and regulations that pertain to the carrying and use of weapons; the Section J, Exhibit B, General Orders and Post Orders; Exhibit G, Firearm Qualification Standard; and Section J, Exhibit J, Policy on Use of Deadly Force.

- Firing Range training shall include hands-on familiarization with the proper use of the weapon, firing positions, firing, speed reloading, firearm safety, cleaning and maintenance of the firearm. This aspect of the firearm training shall include familiarization firing of the weapon to ensure the guard can successfully qualify with the assigned weapon(s) (see Exhibit D for required rounds of ammunition).

The Basic Firearms Training requirement does not apply to employees who have been hired under the right of first refusal of employment clause found at Section I, provided the employees satisfactorily completed basic firearm training substantially the same as described above. Such employees must have satisfactorily previously completed the Basic Firearms Training and documentation of the satisfactory completion of basic firearms training course shall be subject to the review and approval by the COR.

H.7.3.3 Weapon Certification

All Contractor employees who must be armed in the performance of their duties shall be qualified using the qualification standards described in Section J, Exhibit G prior to assignment to an armed guard post under this contract. Armed Contractor employees shall re-qualify semi-annually thereafter. The Contractor shall have the employees satisfactorily complete both the firearms training and achieve qualification standards at the Contractor's expense. Copies of initial qualification and annual requalification scores must be submitted to the RSO and included in each of the appropriate contractor's personnel files.

H.7.3.4 Firing Range

The Contractor shall be responsible for procuring/providing a safe firing range for instructional purposes. Range use proposals should be discussed and an inspection of the facility made by the COR or his/her delegate prior to the use of any facility to ensure the firing range is adequate to handle the weapons described in Exhibit E, and has adequate space allowances for an instruction area, and that Contractor transportation is available for transporting the guards to and from the firing range.

H.7.4 GEMS Training

The Contractor, at its own expense, shall provide each supervisor and any other employee using GEMS with training in the proper use, maintenance, replacement and support of the system to

ensure continuous operation of the system. For these employees, GEMS training shall also be part of their annual refresher training. The Contractor is responsible for ensuring the correct use of the GEMS reader, for the integrity of the system, ensuring supervisors scan all GEMS points for the route, and ensuring the data is **properly entered into the computer**.

H 7.5 CAMS Training

The Government will provide employees monitoring CAMS with training in its proper use and maintenance to ensure continuous operation of the system. For these employees, CAMS training shall also be part of their annual refresher training provided by the Contractor. The Contractor is responsible for ensuring the correct use of the CAMS system. The contractor shall maintain employee-training records to document the CAMS training. These records shall be part of the contractor's administrative files (see paragraph C.5.4.2).

H.7.6 Explosive Detectors, Metal Detectors and/or X-Ray Inspection Equipment Operator Training

The Government will provide the Contractor with training for the explosive detector equipment and system operation (see paragraph C.5.4.3) for a maximum of five (5) hours per year. Training shall cover equipment operation, operator maintenance, log book procedures, and alarm resolution guidance.

The Government will provide the Contractor with training for the metal detectors and x-ray inspection equipment for a maximum of two (2) hours annually. Training for the metal detectors and x-ray equipment will cover equipment operation and hazardous device recognition.

H.7.7 WMD Awareness and Counter Measures Briefing

The Government will provide an initial briefing about chemical and/or biological awareness and countermeasures to the Contractor guard supervisory staff or local guard trainer. The Contractor may use the materials provided in the Government briefing for the initial or recertification training of the guard force or to develop their own curriculum which would need to be submitted to the COR for review and approval prior to the commencement of the Contractor-provided training sessions. For all guards assigned to the contract, an annual Chemical/Biological Awareness and Countermeasures briefing will be included as part of the mandated 16 hours of annual refresher training.

H.7.8 Closed Circuit Television (CCTV) Operator Training

RESERVED

H.7.10 Safe Driving Program

The Contractor shall maintain a COR approved safe driving program and annual refresher course for all contract employees required to operate a motor vehicle as part of their duties/responsibilities. The program will include both preventative and remedial measures to promote safe driving. Preventative measures will include:

- Restricting selection of drivers to those with satisfactory driving records;
- Ongoing driver safety awareness training;
- Special driver's training for adverse weather/road conditions prevalent in the region where the contract is executed;
- Mandatory use of seat belts at all times – driver and passenger(s);
- Prohibition against driving while using any substance that impairs:
 - Sound judgment
 - Visual acuity
 - Motor skills
- Prohibition against using a cell phone in any way while driving;
- Limiting the number of hours driving without a break; and,
- Limiting maximum number of hours driving.

Remedial measures will include:

- After action reviews for any accident involving a contract employee working for the US Mission;
- Mandatory driver safety re-training for any Contractor employee involved in an accident and determined to be at fault.

H.8 AUTHORITY AND JURISDICTION

Authority of the Contractor's personnel to detain and/or make arrests shall be that of private citizens as defined by host country law.

H.9 LICENSES, BONDS AND PERMITS

The Contractor shall provide and pay for any official bonds and/or licenses required for the performance of this contract.

The Contractor shall obtain all permits, licenses, and appointments required for the execution of work under this contract at no additional cost to the Government. The Contractor shall obtain these permits, licenses, and appointments in compliance with host country laws. Failure to be fully licensed by date planned for commencement of contract performance may result in contract termination. The Contractor shall be responsible for application, justification, fees, and certifications for any licenses required by the host government. Once the contract is awarded, the Embassy may assist the Contractor to obtain permits and licenses as necessary. The Contractor shall request any assistance in writing to the CO.

Contractor shall be solely responsible for maintaining all the required terms of any host country labor law and security service law.

H.9.1 Duty Free Entry Permits - RESERVED

H.10 VEHICLES

The Contractor shall provide all vehicles necessary for the performance of this contract. The Contractor shall be responsible for providing new 4-door, 4X4 air-conditioned SUV vehicles at

the start of contract performance period. During contract performance any vehicle exceeding 200,000 kilometers shall be replaced at no additional cost to the government. Contractor employees who operate vehicles in performance of this contract shall be properly licensed to operate such vehicles. All operators shall have maintained a good operating record during the preceding five (5) years and maintain that record during all periods of performance of this contract. The Contractor will have proper insurance to operate in the host country and will not operate vehicles without proper licenses and insurance.

The Contractor shall keep all vehicles in safe operating condition at all times with a valid safety inspection sticker attached if required by local law. The Contractor shall further provide the following:

- insurance premiums and deductibles
- costs of fuel, oil, and lubricants
- routine and special maintenance
- care and cleaning

The Contractor shall provide a price to the Government for vehicle operation as provided for in Section B. The Contractor shall take into account the residual value and only charge the Government for prorated cost applicable to this contract.

H.11 WEAPONS

Section J, Exhibit A identifies the posts manned by armed guards. Section J, Exhibit D lists the types and quantities of weapons, ammunition, ancillary supplies and equipment to be furnished by the Contractor. Section J, Exhibit E lists the types and quantities of equipment to be furnished by the Government. Guards shall only use the weapons described in Section J, Exhibit D and they are prohibited from carrying or using any other firearms in performance of this contract.

The weapons used by the guards will be legally registered to the Contractor. In addition, weapons will be individually issued to those guards who will use them. An armed guard is subject to Peruvian law regarding the proper use of a firearm. If an incident occurs, the guards involved can be subject to an investigation and prosecution by Peruvian authorities.

H.11.1 ARMED PERSONNEL

The Contracting Officers Representative (COR) shall approve in advance contractor personnel who shall be armed. Prior to requesting approval, the Contractor shall, at the Contractor's expense, have the employee satisfactorily complete Basic Firearm Training and qualify with the weapons as described in H.7.3. The contractor shall ensure all armed personnel are and remain properly licensed in accordance with local law. Under no circumstances shall a guard carry or handle a firearm if not properly licensed or if the individual has not completed the required firearm training. An armed guard will work a maximum shift of 12 hours (Supervisor labor category a maximum of 8 hours) in order to remain alert and attentive to his/her duties.

H.11.2 WEAPON CONTROL

The contractor is required to issue weapons to guards prior to each posting, assuring that all weapons are clean and serviceable, and that each weapon is loaded with the appropriate type and amount of ammunition. The contractor shall have an accountability program in place to account for weapons at all times. The contractor shall provide and utilize a proper weapons storage container and location approved by the COR. The Contractor shall provide containers or cabinets that must meet applicable laws and regulations for the storage of weapons and ammunition.

H.11.3 WEAPON MAINTENANCE

The contractor is responsible for providing all cleaning supplies and for cleaning the weapon. Weapons shall be cleaned weekly at the contractor's headquarters, and the contractor will maintain a log listing weapon make, model, serial number and the date on which it was cleaned.

H.11.4 FIREARMS MISUSE

The misuse, mishandling, or negligent discharge of any weapon by a contractor employee may result in the requirement that the contractor, at COR direction, immediately remove the individual from any further services provided under this contract. See also Exhibit C.

H.12 PERSONAL INJURY, PROPERTY LOSS OR DAMAGE (Liability)

The Contractor assumes absolute responsibility and liability for any and all personal injuries or death and property damage or losses suffered due to:

- 1) Negligence of the Contractor's personnel in the performance of this contract; or
- 2) Any cause arising from accidental, careless or irresponsible discharge of any firearms assigned to the Contractor's personnel.

The Contractor's assumption of absolute liability is independent of any insurance policies.

H.12.1 Insurance

The Contractor, at its own expense, shall provide and maintain during the entire period of performance of this contract whatever insurance is legally required by the host country regarding labor laws and special regulatory laws for security companies and their employees. The Contractor shall carry the following minimum insurance:

Automobile Insurance-(SOAT) Personal injuries for all persons involved in a car accident including pedestrians:

Coverage:

- Medical treatment expenses: up to 5 UITs
- Temporal disability: up to 1 UIT

- Permanent disability: up to 4 UITs
- Death: up to 4 UITs
- Burial expenses: up to 1 UIT

[UIT (Unidad Impositiva Tributaria)= Soles/3,600 per UIT. **Tax Unit** is a reference value used in the tax rules to determine a tax base, deductions and other aspect of taxes that the legislature may deem appropriate.]

SOAT (Seguro Obligatorio de Accidentes de Transito) is mandatory insurance of traffic accidents.

Vehicle Insurance (Property damage) – Up to CIF price of vehicle per occurrence
[CIF (*Cost, Insurance, Freight*) price invoiced or quoted by a seller, which includes insurance and all other charges up to the named port of destination.]

Social Security

Personal injuries insurance that includes accidental death

Life insurance – 42 percent of the monthly salary times 12 months

General Liability - \$50,000

Dishonesty Insurance (theft against Embassy and/or employees) - \$5,000

Private security companies are obligated to hold a Life and Accident Insurance Policy to safeguard the physical integrity of operating personnel, resulting from its activities, with coverage for accidental death, total and permanent disability, with a minimum of (US\$50,000) fifty thousand dollars of the United States of America; and medical insurance, with a minimum of (US\$20,000) twenty thousand dollars of the United States by event.

Employer's Liability

☐ Statutory

☒ As required by host country law

Private Security Companies are obligated to hold a Third party liability-policy at the time of signing a contract for the provision of private security and surveillance services.

Private Security Companies must provide proof that they have a policy of civil liability against damage to third parties and/or users, to compensate anyone who may be harmed in the process of services, with a minimum insured value of (US\$100,000) one hundred thousand United States dollars.

H.12.2 Workers Compensation

The Contractor shall provide workers' compensation insurance in accordance with FAR clause 52.228-3, "Worker's Compensation Insurance (Defense Base Act)" for those Contractor employees assigned to this contract who are:

- a) Hired in the United States;
- b) Residents of the United States; or
- c) Citizens of the United States.

See also DOSAR 652.228-71, "Worker's Compensation Insurance (Defense Base Act) – Services" and 652.228-74 "Defense Base Act Insurance Rates – Limitation (DEVIATION)." The Contractor agrees to provide all other Contractor employees with worker's compensation benefits as required by the laws of either the country in which the employees are working or the employee's native country, whichever offers greater benefits, following FAR 52.228-4 "Worker's Compensation and War-Hazard Insurance Overseas."

H.13 VARIATION IN QUANTITY

- (a) The Government reserves the right to increase or decrease the number of hours required for each labor category of Standard Services shown in Section B.
- (b) As long as the cumulative number of hours required due to increases or decreases is not less than 75 percent or more than 125 percent of the number of hours specified for that labor category in Section B at the time award, neither the Contractor nor the Government shall be entitled to an adjustment of the hourly rates. The Government will modify the contract to show any decrease or increase in the number of hours with a unilateral modification. The contract modification may include revisions to Section B, Exhibits A and B, and any other portion of the contract requiring revision to reflect the increase or decrease in the number of hours.
- (c) If the cumulative number of hours required as the result of any increases or decreases is less than 75 percent or more than 125 percent of the number of hours required for the labor category in Section B for Standard Services, the Government or the Contractor may request adjustment of the hourly rates under the Changes clause or the Termination clause. The allowable adjustment shall be based only on any increase or decrease in costs due to the variation above 125 percent or below 75 percent. Requests for adjustments shall be made within 90 days of the change in requirements that caused the hours to exceed the 25 percent variation. The Contractor and the Government shall sign modifications adjusting the hourly rates. If an agreement cannot be reached on the amount of the adjustment the Government shall prepare a unilateral modification and the Contractor may assert its rights under the Changes clause or the Termination for Convenience clause.

H.14 GOVERNMENT-FURNISHED PROPERTY

The Contractor shall physically inventory all Government-Furnished Property in its possession **at least annually** or as requested by the COR. Physical inventories consist of sighting, tagging or marking, describing, recording, reporting, and reconciling the property with written records.

The Contractor shall follow the inventory practices prescribed in FAR 52.245-1 Government Property. The Contractor shall submit a Preliminary Inventory Report prior to the end of the

Transition Period. Upon receiving the Notice-to-Proceed, the Contractor shall have 10 days to re-inspect the property and issue a Final Property Report prior to acceptance.

A final inventory shall be conducted at the completion or termination of the contract as directed by the CO. Unless approved in advance by the CO, personnel other than those who maintain the property records or who have custody of the property shall conduct the inventory.

The Contractor shall establish and maintain a property management system that is in accordance with FAR 52.245-1 Government Property clause. Government-furnished property, government property, and Contractor-acquired property are all defined in FAR 45.101.

H.14.1 Pre-Inventory Meetings

The Government shall hold a pre-inventory meeting with the Contractor to discuss property locations and review the layout of areas to be inventoried and establish an orderly movement through locations to avoid property being overlooked. The meeting shall discuss property condition codes used and how to apply them. The Contractor shall ensure that all property record data remains current and accurate. The inventory process shall be conducted in accordance with the requirements of the Foreign Affairs Handbook (FAH) 14-1 H-620, titled Inventory Requirements for Department and Field Offices. A copy of the FAH can be provided to the Contractor by request to the CO or COR.

H.14.2 Key Control

The Contractor shall receive, secure, issue, and account for any keys issued for access to buildings, offices, equipment, gates, and similar controls for the purposes of this contract. The Contractor **shall not** duplicate keys without the COR's approval. If the Contractor or its agents have duplicated a key without permission of the COR, the Contractor shall remove the individual(s) responsible from work under this contract. If the Contractor has lost any keys used under this contract, the Contractor shall immediately notify the COR. For lost or improperly duplicated keys, the Government shall deduct from the Contractor's next invoice the cost of re-keying any compromised system.

H.15 Technical Direction

a. Performance of the work hereunder shall be subject to technical instructions, whether oral or written, issued by the Contracting Officer's Representative(s) specified in Section G of this contract. As used herein, technical instructions are defined to include the following:

1. Directions to the Contractor which suggest pursuit of certain lines of inquiry, change work emphasis, fill in details or otherwise serve to assist in the Contractor's accomplishment of the Statement of Work.
2. Guidance to the Contractor which assists in the interpretation of drawings, specifications or technical portions of work description.

b. Technical instructions must be within the general scope of work stated in the contract. Technical instructions may not be used to:

1. Assign additional work or reduce work under the contract.

2. Direct a change as defined in the "Changes" clause of this contract.
3. Increase or decrease the contract price or estimated contract amount (including fee), as applicable, the level of effort, or the time required for contract performance.
4. Change any of the terms, conditions or specifications of the contract.

c. If, in the opinion of the Contractor, any technical instruction calls for effort outside the scope of the contract or is inconsistent with this requirement, the Contractor shall notify the Contracting Officer in writing within five working days after the receipt of any such instruction. The Contractor shall not proceed with the work affected by the technical instruction unless and until the Contractor is notified by the Contracting Officer that the technical instruction is within the scope of this contract.

d. Nothing in the foregoing paragraph shall be construed to excuse the Contractor from performing that portion of the contractual work statement which is not affected by the disputed technical instruction.

H.16 Safeguarding of Information

The Contractor, its employees, and subcontractors shall exercise the utmost discretion in regard to all matters relating to their duties and functions. They shall not communicate to any person any information known to them by reason of their performance of services under this contract which has not been made public, except in the necessary performance of their duties or upon written authorization of the Contracting Officer.

a. All documents and records (including photographs) generated during the performance of work under this contract shall be for the sole use of and become the exclusive property of the U.S. Government. Furthermore, no information, article, book, pamphlet, recording, broadcast, speech, television appearance, film or photograph concerning any aspect of work performed under this contract shall be published or disseminated through any media (including the internet) without the prior written authorization of the Contracting Officer.

b. These obligations do not cease upon the expiration or termination of this contract. The Contractor shall include the substance of this provision in all contracts of employment and in all subcontracts hereunder.

H.16.1 Restricted Distribution of Documents

a. The Contractor, its employees, and subcontractors may be provided access to documents deemed Sensitive by the Government. Access to these documents shall be limited to members contract team on a need to know basis. The Government may limit the number of hard copies and prohibit electronic copies of such Sensitive documents. These documents shall be used on this contract only and shall not be used on any other contract or given or sold to another company person(s) or entity.

b. The Contractor, its employees, and subcontractors shall exercise the utmost discretion in regard to all matters relating to these documents. They shall not communicate to any person any information known to them because of their access to the above referenced documents. These documents are for use on this contract and are the exclusive property of the U.S. Government. Furthermore, no information, article, book, pamphlet, recording, broadcast, speech, television

appearance, film or photograph concerning any aspect of these documents shall be copied, reproduced, published or disseminated through any media or the internet.

c. The above does not cease upon submission of the contractor's proposal, notice of being an unsuccessful offeror, or the expiration or termination of the contract which is the result of this solicitation. The Contractor shall include the substance of this provision in all contracts of employment and in all subcontracts hereunder.

d. The documents referenced in this section shall be stored in a separate locked, secured container.

e. Within 20 days of the expiration or termination of this contract, the above referenced documents shall be returned to the Department of State, Bureau of Diplomatic Security, Office of Overseas Protection, SA-20, 16th Floor, 1801 N. Lynn Street, Arlington, VA 22209. ATTN: Chief, Contracts Support Branch. The package shall reference the contract number as indicated on this document. Furthermore, the Contractor shall certify it has not made any copies or distributed this information to any person or entity.

H.16.2 Media Relations

The Contractor shall advise all employees and subcontractors of its established policy and guidelines for dealing with media, press and other inquiries about the company's customers, business, and other information deemed important and/or business sensitive. A copy of the company's media relations policy as well as that of any subcontractor shall be provided as part of the proposal. The Contractor shall update this document within 10 days after contract award. The Contractor shall provide a copy of their media policy to the CO and COR anytime it changes.

H.17 Standards of Conduct

The Contractor shall maintain satisfactory standards of employee and subcontractor competency, conduct, cleanliness, appearance, and integrity. The Contractor shall take any necessary disciplinary action for its employees and subcontractors. Each Contractor employee is expected to adhere to standards of conduct that reflect credit on themselves, their employer, and the United States Government. Guards must at all times use politeness and courtesy when dealing with visitors to the Government's offices and residences.

The Contractor shall notify the COR of proposed disciplinary actions 24 hours in advance.

In addition, the Government reserves the right to direct the Contractor to remove an employee or subcontractor from the work site for failure to comply with the standards of conduct. The Contractor shall immediately replace such an employee or subcontractor to maintain continuity of services at no additional cost to the Government. Additional standard of conduct provisions can be found at Exhibit B.

H.18 POST-AWARD CONFERENCE

Approximately 10 calendar days after contract award, the Government will hold a post-award conference. The Government will provide the location, date, and time of the conference when the contract is awarded. At the beginning of this conference, the Contractor shall present a detailed transition plan.

DOSAR 652.204-70

DEPARTMENT OF STATE IDENTIFICATION CARD PROCEDURES (MAY 11)

(a) The Contractor shall comply with the Department of State (DOS) Personal Identification Card Issuance Procedures for all employees performing under this contract who require frequent and continuing access to DOS facilities, or information systems. The Contractor shall insert this clause in all subcontracts when the subcontractor's employees will require frequent and continuing access to DOS facilities, or information systems.

(b) The DOS Personal Identification Card Issuance Procedures may be accessed at <http://www.state.gov/m/ds/rls/rpt/c21664.htm>.

SECTION I - CONTRACT CLAUSES

CLAUSES INCORPORATED BY REFERENCE

52.202-1	DEFINITIONS (JUL 2004)
52.203-3	GRATUITIES (APR 1984)
52.203-5	COVENANT AGAINST CONTINGENT FEES (APR 1984)
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006)
52.203-7	ANTI-KICKBACK PROCEDURES (OCT 2010)
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (OCT 2010)
52.204-4	PRINTING/COPYING DOUBLE-SIDED ON RECYCLED PAPER (MAY 2011)
52.204-7	CENTRAL CONTRACTOR REGISTRATION (APR 2008)
52.204-9	PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (JAN 2011)
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (DEC 2010)
52.215-2	AUDIT AND RECORDS – NEGOTIATION (OCT 2010)
52.215-8	ORDER OF PRECEDENCE -UNIFORM CONTRACT FORMAT (OCT 1997)
52.216-7	ALLOWABLE COST AND PAYMENT (JUN 2011)
52.216-29	TIME-AND-MATERIALS/LABOR-HOUR PROPOSAL REQUIREMENTS – NON-COMMERCIAL ITEM ACQUISITION WITH ADEQUATE PRICE COMPETITION (FEB 2007)
52.222-19	CHILD LABOR – COOPERATION WITH AUTHORITIES AND REMEDIES (JUL 2010)
52.224-1	PRIVACY ACT NOTIFICATION (APR 1984)
52.224-2	PRIVACY ACT (APR 1984)
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUN 2008)
52.225-14	INCONSISTENCY BETWEEN ENGLISH VERSION AND TRANSLATION OF CONTRACT (FEB 2000)
52.228-3	WORKERS' COMPENSATION INSURANCE (DEFENSE BASE ACT) (APR 1984)
52.228-4	WORKERS' COMPENSATION AND WAR-HAZARD INSURANCE OVERSEAS (APR 1984)
52.228-5	INSURANCE - WORK ON A GOVERNMENT INSTALLATION (JAN 1997)
52.229-6	TAXES - FOREIGN FIXED PRICE CONTRACTS (JUN 2003)
52.232-1	PAYMENTS (APR 1984)
52.232-7	PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS (FEB 2007)

52.232-8	DISCOUNTS FOR PROMPT PAYMENT (FEB 2002)
52.232-11	EXTRAS (APR 1984)
52.232-17	INTEREST (OCT 2010)
52.232-24	PROHIBITION OF ASSIGNMENT OF CLAIMS (JAN 1986)
52.232-25	PROMPT PAYMENT (OCT 2008)
52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER—CENTRAL CONTRACTOR REGISTRATION (OCT 2003)
52.233-1	DISPUTES (JUL 2002) ALTERNATE I (DEC 1991)
52.233-3	PROTEST AFTER AWARD (AUG 1996) ALTERNATE I (JUN 1985)
52.233-4	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM (OCT 2004)
52.237-2	PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION (APR 1984)
52.242-13	BANKRUPTCY (JUL 1995)
52.243-1	CHANGES--FIXED PRICE (AUG 1987) - ALTERNATE II (APR 1984)
52.243-2	CHANGES—COST-REIMBURSEMENT (AUG 1987)
52.243-3	CHANGES - TIME AND MATERIALS OR LABOR HOURS (SEP 2000)
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS (DEC 2010)
52.245-1	GOVERNMENT PROPERTY (AUG 2010)
52.245-2	GOVERNMENT PROPERTY INSTALLATION OPERATIONS SERVICES (AUG 2010)
52.245-9	USE AND CHARGES (AUG 2010)
52.246-25	LIMITATION OF LIABILITY - SERVICES (FEB 1997)
52.248-1	VALUE ENGINEERING (OCT 2010)
52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED PRICE) (MAY 2004)
52.249-6	TERMINATION (COST-REIMBURSEMENT) (SEP 1996) ALTERNATE IV (MAY 2004)
52.249-8	DEFAULT - FIXED PRICE SUPPLY AND SERVICE (APR 1984)
52.249-14	EXCUSABLE DELAYS (APR 1984)

I.1 TRAVEL AND SUBSISTENCE COSTS

The Government will reimburse the Contractor for travel and subsistence costs when the Government requires the Contractor's services outside specified contract locations. All travel under this clause must be approved by the COR.

I.2 RIGHT OF FIRST REFUSAL OF EMPLOYMENT

The Contractor shall give those guards under contract employment who are terminated as a result of a change in Contractors the right of first refusal for employment openings under this contract in positions for which they are qualified.

I.3 CONTRACT CHANGES

I.3.1 Temporary Changes

The COR may orally request changes on a temporary basis to meet revised security needs. These temporary changes shall not exceed the ceiling price in the contract for Additional or Emergency (A&E) Services. The Government will pay for these temporary changes at the rates stated in Section B for A&E Services. The COR shall confirm each oral request in writing within 48 hours of the oral request. If the Contractor has not received this written confirmation within 72 hours, the Contractor shall immediately notify the Contracting Officer.

I.3.2 Other Changes

The changes in Subparagraph I.3.1 above shall not result in changes to Section J, Exhibit A, because they are only temporary services. The Government will modify the contract (Exhibit A) for any non-temporary need for location changes. If the Contractor has reason to believe that it has been directed by the COR to perform work that is not a temporary change, the Contractor shall immediately notify the Contracting Officer in writing.

FAR CLAUSES INCORPORATED IN FULL TEXT

FAR 52.209-9 Updates of Publicly Available Information Regarding Responsibility Matters (JAN 2011)

(a) The Contractor shall update the information in the Federal Awardee Performance and Integrity Information System (FAPIIS) on a semi-annual basis, throughout the life of the contract, by posting the required information in the Central Contractor Registration database at <http://www.ccr.gov>.

(b)(1) The Contractor will receive notification when the Government posts new information to the Contractor's record.

(2) The Contractor will have an opportunity to post comments regarding information that has been posted by the Government. The comments will be retained as long as the associated information is retained, *i.e.*, for a total period of 6 years. Contractor comments will remain a part of the record unless the Contractor revises them.

(3)(i) Public requests for system information posted prior to April 15, 2011, will be handled under Freedom of Information Act procedures, including, where appropriate, procedures promulgated under E.O. 12600.

(ii) As required by section 3010 of Public Law 111-212, all information posted in FAPIIS on or after April 15, 2011, except past performance reviews, will be publicly available.

(End of clause)

FAR 52.217-8 Option to Extend Services (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. The option clause may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may

exercise the option by written notice to the Contractor within the performance period of the contract.

FAR 52.217-9 Option to Extend the Term of the Contract (MAR 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within the performance period of the contract or within 30 days after funds for the option year become available, whichever is later.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed a base year plus four option years (60 months).

FAR 52.222-20 Combating Trafficking in Persons (FEB 2009)

(a) *Definitions.* As used in this clause --

"Coercion" means--

- (1) Threats of serious harm to or physical restraint against any person;
- (2) Any scheme, plan, or pattern intended to cause a person to believe that failure to perform an act would result in serious harm to or physical restraint against any person; or
- (3) The abuse or threatened abuse of the legal process.

"Commercial sex act" means any sex act on account of which anything of value is given to or received by any person.

"Debt bondage" means the status or condition of a debtor arising from a pledge by the debtor of his or her personal services or of those of a person under his or her control as a security for debt, if the value of those services as reasonably assessed is not applied toward the liquidation of the debt or the length and nature of those services are not respectively limited and defined.

"Employee" means an employee of the Contractor directly engaged in the performance of work under the contract who has other than a minimal impact or involvement in contract performance.

"Forced Labor" means knowingly providing or obtaining the labor or services of a person --

- (1) By threats of serious harm to, or physical restraint against, that person or another person;
- (2) By means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint; or
- (3) By means of the abuse or threatened abuse of law or the legal process.

"Involuntary servitude" includes a condition of servitude induced by means of --

- (1) Any scheme, plan, or pattern intended to cause a person to believe that, if the person did not enter into or continue in such conditions, that person or another person would suffer serious harm or physical restraint; or
- (2) The abuse or threatened abuse of the legal process.

"Severe forms of trafficking in persons" means --

- (1) Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or
- (2) The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

"Sex trafficking" means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.

(b) *Policy*. The United States Government has adopted a zero tolerance policy regarding trafficking in persons.

Contractors and contractor employees shall not --

(1) Engage in severe forms of trafficking in persons during the period of performance of the contract;

(2) Procure commercial sex acts during the period of performance of the contract; or

(3) Use forced labor in the performance of the contract.

(c) *Contractor requirements*. The Contractor shall --

(1) Notify its employees of --

(i) The United States Government's zero tolerance policy described in paragraph (b) of this clause; and

(ii) The actions that will be taken against employees for violations of this policy. Such actions may include, but are not limited to, removal from the contract, reduction in benefits, or termination of employment; and

(2) Take appropriate action, up to and including termination, against employees or subcontractors that violate the policy in paragraph (b) of this clause.

(d) *Notification*. The Contractor shall inform the Contracting Officer immediately of --

(1) Any information it receives from any source (including host country law enforcement) that alleges a Contractor employee, subcontractor, or subcontractor employee has engaged in conduct that violates this policy; and

(2) Any actions taken against Contractor employees, subcontractors, or subcontractor employees pursuant to this clause.

(e) *Remedies*. In addition to other remedies available to the Government, the Contractor's failure to comply with the requirements of paragraphs (c), (d), or (f) of this clause may result in--

(1) Requiring the Contractor to remove a Contractor employee or employees from the performance of the contract;

(2) Requiring the Contractor to terminate a subcontract;

(3) Suspension of contract payments;

(4) Loss of award fee, consistent with the award fee plan, for the performance period in which the Government determined Contractor non-compliance;

(5) Termination of the contract for default or cause, in accordance with the termination clause of this contract; or

(6) Suspension or debarment.

(f) *Subcontracts*. The Contractor shall include the substance of this clause, including this paragraph (f), in all subcontracts.

(g) *Mitigating Factor*. The Contracting Officer may consider whether the Contractor had a Trafficking in Persons awareness program at the time of the violation as a mitigating factor when determining remedies.

Additional information about Trafficking in Persons and examples of awareness programs can be found at the website for the Department of State's Office to Monitor and Combat Trafficking in Persons at <http://www.state.gov/g/tip>.

(End of clause)

FAR 52.237-3 Continuity of Services (JAN 1991)

(a) The Contractor recognizes that the services under this contract are vital to the government and must be continued without interruption and that, upon contract expiration, a successor, either the government or another Contractor, may continue them. The Contractor agrees to (1) furnish phase-in training and (2) exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

(b) The Contractor shall, upon the contracting officer's written notice, (1) furnish phase-in, phase-out services for up to 90 days after this contract expires and (2) negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the contracting officer's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this contract are maintained at the required level of proficiency.

(c) The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

(d) The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract.

FAR 52.252-2 Clauses Incorporated by Reference (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far> or, <http://farsite.hill.af.mil/search.htm>

*These addresses are subject to change. If the Federal Acquisition Regulation (FAR) is not available at the locations indicated above, use the Dept. of State Acquisition Website at <http://www.statebuy.state.gov/> to see the link to the FAR under 'References' section. The

Contractor may also use an Internet “search engine” (e.g., Yahoo, Google, MSN, etc.) to obtain the latest location of the most current FAR.

DEPARTMENT OF STATE ACQUISITION REGULATIONS

DOSAR 652.206-70 Competition Advocate/Ombudsman (AUG 1999)

(a) The Department of State's Competition Advocate is responsible for assisting industry in removing restrictive requirements from Department of State solicitations and removing barriers to full and open competition and use of commercial items. If such a solicitation is considered competitively restrictive or does not appear properly conducive to competition and commercial practices, potential Offerors are encouraged to first contact the contracting office for the respective solicitation. If concerns remain unresolved, contact the Department of State Competition Advocate on (703) 516-1680, by fax at (703) 875-6155, or write to: U.S. Department of State, Competition Advocate, Office of the Procurement Executive (A/OPE), Suite 603, SA-6, Washington, DC 20522-0602.

(b) The Department of State's Acquisition Ombudsman has been appointed to hear concerns from potential Offerors and Contractors during the pre-award and post-award phases of this acquisition. The role of the ombudsman is not to diminish the authority of the contracting officer, the Technical Evaluation Panel or Source Evaluation Board, or the selection official. The purpose of the ombudsman is to facilitate the communication of concerns, issues, disagreements, and recommendations of interested parties to the appropriate Government personnel, and work to resolve them. When requested and appropriate, the ombudsman will maintain strict confidentiality as to the source of the concern. The ombudsman does not participate in the evaluation of proposals, the source selection process, or the adjudication of formal contract disputes. Interested parties are invited to contact the contracting activity ombudsman, Lisa L. Million, at 703-875-5230. For an American Embassy or overseas post, refer to the numbers below for the Department Acquisition Ombudsman. Concerns, issues, disagreements, and recommendations which cannot be resolved at a contracting activity level may be referred to the Department of State Acquisition Ombudsman at (703) 516-1680, by fax at (703) 875-6155, or write to: Department of State, Acquisition Ombudsman, Office of the Procurement Executive (A/OPE), Suite 603, SA-6, Washington, DC 20522-0602.

DOSAR 652.225-71 Section 8(a) of the Export Administration Act of 1979, as Amended (AUG 1999)

(a) Section 8(a) of the U.S. Export Administration Act of 1979, as amended (50 U.S.C. 2407(a)), prohibits compliance by U.S. persons with any boycott fostered by a foreign country against a country which is friendly to the United States and which is not itself the object of any form of boycott pursuant to United States law or regulation. The Boycott of Israel by Arab League countries is such a boycott, and therefore, the following actions, if taken with intent to comply with, further, or support the Arab League Boycott of Israel, are prohibited activities under the Export Administration Act:

(1) Refusing, or requiring any U.S. person to refuse to do business with or in Israel, with any Israeli business concern, or with any national or resident of Israel, or with any other person, pursuant to an agreement of, or a request from or on behalf of a boycotting country;

(2) Refusing, or requiring any U.S. person to refuse to employ or otherwise discriminating against any person on the basis of race, religion, sex, or national origin of that person or of any owner, officer, director, or employee of such person;

(3) Furnishing information with respect to the race, religion, or national origin of any U.S. person or of any owner, officer, director, or employee of such U.S. person;

(4) Furnishing information about whether any person has, has had, or proposes to have any business relationship (including a relationship by way of sale, purchase, legal or commercial representation, shipping or other transport, insurance, investment, or supply) with or in the State of Israel, with any business concern organized under the laws of the State of Israel, with any Israeli national or resident, or with any person which is known or believed to be restricted from having any business relationship with or in Israel;

(5) Furnishing information about whether any person is a member of, has made contributions to, or is otherwise associated with or involved in the activities of any charitable or fraternal organization which supports the State of Israel; and,

(6) Paying, honoring, confirming, or otherwise implementing a letter of credit which contains any condition or requirement against doing business with the State of Israel.

(b) Under Section 8(a), the following types of activities are not forbidden "compliance with the boycott," and are therefore exempted from Section 8(a)'s prohibitions listed in paragraphs (a)(1)-(6) above:

(1) Complying or agreeing to comply with requirements:

(i) Prohibiting the import of goods or services from Israel or goods produced or services provided by any business concern organized under the laws of Israel or by nationals or residents of Israel; or,

(ii) Prohibiting the shipment of goods to Israel on a carrier of Israel, or by a route other than that prescribed by the boycotting country or the recipient of the shipment;

(2) Complying or agreeing to comply with import and shipping document requirements with respect to the country of origin, the name of the carrier and route of shipment, the name of the supplier of the shipment or the name of the provider of other services, except that no information knowingly furnished or conveyed in response to such requirements may be stated in negative, blacklisting, or similar exclusionary terms, other than with respect to carriers or route of shipments as may be permitted by such regulations in order to comply with precautionary requirements protecting against war risks and confiscation;

(3) Complying or agreeing to comply in the normal course of business with the unilateral and specific selection by a boycotting country, or national or resident thereof, of carriers, insurance, suppliers of services to be performed within the boycotting country or specific goods which, in the normal course of business, are identifiable by source when imported into the boycotting country;

(4) Complying or agreeing to comply with the export requirements of the boycotting country relating to shipments or transshipments of exports to Israel, to any business concern of or organized under the laws of Israel, or to any national or resident of Israel;

(5) Compliance by an individual or agreement by an individual to comply with the immigration or passport requirements of any country with respect to such individual or any member of such individual's family or with requests for information regarding requirements of employment of such individual within the boycotting country; and,

(6) Compliance by a U.S. person resident in a foreign country or agreement by such person to comply with the laws of that country with respect to his or her activities exclusively therein, and such regulations may contain exceptions for such resident complying with the laws or regulations of that foreign country governing imports into such country of trademarked, trade named, or similarly specifically identifiable products, or components of products for his or her own use, including the performance of contractual services within that country, as may be defined by such regulations.

DOSAR 652.228-71 Worker's Compensation Insurance (Defense Base Act) – Services (JUN 2006)

(a) This clause supplements FAR 52.228-3. For the purposes of this clause, covered Contractor employees includes the following individuals:

(1) United States citizens or residents;

(2) Individuals hired in the United States or its possessions, regardless of citizenship; and

(3) Local nationals and third country nationals where contract performance takes place in a country where there are no local workers compensation laws.

(b) The Contractor shall procure Defense Base Act (DBA) insurance pursuant to the terms of the contract between the Department of State and the Department's DBA insurance carrier for covered Contractor employees, unless the Contractor has a DBA self-insurance program approved by the Department of Labor. The Contractor shall submit a copy of the Department of Labor's approval to the contracting officer upon contract award, if applicable.

(c) The current rate under the Department of State contract is **\$3.60 per \$100** of compensation for services.

(d) The Contractor shall insert a clause substantially the same as this in all subcontracts. The Contractor shall require that subcontractors insert a similar clause in any of their subcontracts.

(e) Should the rates for DBA insurance coverage increase or decrease during the performance of this contract, the contracting officer shall modify this contract accordingly.

(f) The Contractor shall demonstrate to the satisfaction of the contracting officer that the equitable adjustment as a result of the insurance increase or decrease does not include any reserve for such insurance. Adjustment shall not include any overhead, profit, general and administrative expenses, etc.

(g)(1) Section 16 of the State Basic Authorities Act (22 U.S.C. 2680a), as amended, provides that the Defense Base Act shall not apply with respect to such contracts as the Secretary of State determines are contracts with persons employed to perform work for the Department of State on an intermittent basis for not more than 90 days in a calendar year. Persons includes individuals hired by companies under contract with the Department. The Procurement Executive has the authority to issue the waivers for Contractor employees who work on an intermittent or short-term basis.

(2) The Contractor shall submit waiver requests to the contracting officer. The request shall contain the following information:

- (i) Contract number;
- (ii) Name of Contractor;
- (iii) Brief description of the services to be provided under the contract and country of performance;
- (iv) Name and position title of individual(s);
- (v) Nationality of individual(s) (must be U.S. citizen or U.S. resident);
- (vi) Dates (or timeframe) of performance at the overseas location; and,
- (vii) Evidence of alternative workers' compensation coverage for these employees (e.g., evidence that the State workers' compensation program covers workers on short-term foreign assignments).

(3) The contracting officer shall provide to the Contractor the original of the approved or disapproved document and maintain a copy in the contract file.

DOSAR 652.228-74 Defense Base Act Insurance Rates - Limitation (JUN 2006)

(a) The Department of State has entered into a contract with an insurance carrier to provide Defense Base Act (DBA) insurance to Department of State covered Contractor employees at a

contracted rate. For the purposes of this provision, 'covered Contractor employees' includes the following individuals:

- (1) United States citizens or residents;
- (2) Individuals hired in the United States or its possessions, regardless of citizenship; and
- (3) Local nationals and third country nationals where contract performance takes place in a country where there are no local workers' compensation laws.

(b) In preparing the cost proposal, the bidder/offeror shall use the following rates in computing the cost for DBA insurance:

 X Services @ \$3.60 per \$100 of employee compensation; or

 Construction @ \$4.95 per \$100 of employee compensation

(c) Bidders/Offerors shall compute the total compensation (direct salary plus differential, but excluding per diem, housing allowance and other miscellaneous allowances) to be paid to covered Contractor employees and the cost of DBA insurance in their bid/proposal using the foregoing rate. Bidders/Offerors shall include the estimated DBA insurance costs in their proposed fixed price or estimated cost. However, the DBA insurance costs shall be identified in a separate line item in the bid/proposal.

DOSAR 652.229-71 Personal Property Disposition at Posts Abroad (AUG 1999)

Regulations at 22 CFR Part 136 require that U.S. Government employees and their families do not profit personally from sales or other transactions with persons who are not themselves entitled to exemption from import restrictions, duties, or taxes. Should the Contractor experience importation or tax privileges in a foreign country because of its contractual relationship to the United States Government, the Contractor shall observe the requirements of 22 CFR Part 136 and all policies, rules, and procedures issued by the chief of mission in that foreign country.

DOSAR 652.232-72 Limitation of Funds (AUG 1999)

(a) Of the total price in Section B (or the "Prices" section), only the amount stated on the contract award document or subsequent modifications is now available for payment and obligated under this contract. It is anticipated that from time to time, additional funds will be obligated under the contract until the total price of the contract is obligated.

(b) The Government is not obligated to pay or reimburse the Contractor more than the amount obligated pursuant to this clause. The Contractor agrees to perform the contract up to the point at which the total amount paid and payable by the Government (including amounts payable for subcontracts and settlement costs if this contract is terminated for convenience) approximates but does not exceed the total amount obligated.

(c)(1) It is contemplated that funds now obligated under this contract will cover
INSERT INFORMATION AT CONTRACT AWARD.

(2) If the Contractor considers the funds obligated under this contract to be insufficient to cover the work to be performed until that date, or another date agreed to by the parties, the Contractor shall notify the contracting officer in writing and indicate the date on which it expects expended funds to approximate 75 percent of the total amount obligated. The notice shall state the estimated amount of additional funds required to continue performance through the date specified in paragraph (c) (1) of this clause or another date agreed to by the parties.

(3) If, after notification is provided pursuant to paragraph (c) (2) of this clause, additional funds are not obligated, or an earlier date than the date in paragraph (c) (1) of this clause is not agreed to, the Contractor shall not be obligated to continue performance under this contract (including actions under the termination clause of this contract) beyond the funds obligated for contract performance.

(d) When additional funds are obligated from time to time for continued performance of this contract, the contract shall be modified to increase the funds obligated and to indicate the period of performance for which funds are applicable. The Contractor may notify the contracting officer as provided in paragraph (c) (2) of this clause regarding any additional funds obligated.

(e) If the Contractor incurs additional costs or is delayed in the performance of work under this contract, solely by reason of the Government's failure to obligate additional funds in amounts sufficient for the timely performance of this contract, an equitable adjustment may be made to the price, or time of delivery, or both.

(f) This clause shall become inoperative upon obligation of funds sufficient to cover the full price stated in the contract, except for rights and obligations then existing under this clause.

(g) Nothing in this clause shall affect the Government's right to terminate the contract for convenience or default.

DOSAR 652.237-72 Observance of Legal Holidays and Administrative Leave (APR 2004)

(a) The Department of State observes the following days as holidays:

New Year's Day
Martin Luther King's Birthday
Washington's Birthday
Memorial Day
Independence Day
Labor Day
Columbus Day
Veterans Day
Thanksgiving Day
Christmas Day

Any other day designated by Federal law, Executive Order, or Presidential Proclamation.

(b) When any such day falls on a Saturday or Sunday, the following Monday is observed. Observance of such days by Government personnel shall not be cause for additional period of performance or entitlement to compensation except as set forth in the contract. If the Contractor's personnel work on a holiday, no form of holiday or other premium compensation will be reimbursed either as a direct or indirect cost, unless authorized pursuant to an overtime clause elsewhere in this contract.

(c) When the Department of State grants administrative leave to its Government employees, assigned Contractor personnel in Government facilities shall also be dismissed. However, the Contractor agrees to continue to provide sufficient personnel to perform round-the-clock requirements of critical tasks already in operation or scheduled, and shall be guided by the instructions issued by the contracting officer or his/her duly authorized representative.

(d) For fixed-price contracts, if services are not required or provided because the building is closed due to inclement weather, unanticipated holidays declared by the President, failure of Congress to appropriate funds, or similar reasons, deductions will be computed as follows:

(1) The deduction rate in dollars per day will be equal to the per month contract price divided by 21 days per month.

(2) The deduction rate in dollars per day will be multiplied by the number of days services are not required or provided.

(e) If administrative leave is granted to Contractor personnel as a result of conditions stipulated in any "Excusable Delays" clause of this contract, it will be without loss to the Contractor. The cost of salaries and wages to the Contractor for the period of any such excused absence shall be a reimbursable item of direct cost hereunder for employees whose regular time is normally charged, and a reimbursable item of indirect cost for employees whose time is normally charged indirectly in accordance with the Contractor's accounting policy.

DOSAR 652.242-73 Authorization and Performance (AUG 1999) Alternate I (AUG 1999)

(a) The Contractor warrants the following:

(1) That it has obtained authorization to operate and do business in the country or countries in which this contract will be performed, or will obtain such authorization before performance of this contract begins;

(2) That it has obtained all necessary licenses and permits required to perform this contract, or will obtain such licenses and permits before performance of this contract begins;

(3) That it shall comply fully with all laws, decrees, labor standards, and regulations of said country or countries during the performance of this contract.

(b) If the party actually performing the work will be a subcontractor or joint venture partner, then such subcontractor or joint venture partner agrees to the requirements of paragraph (a) of this clause.

DOSAR 652.243-70 Notices (AUG 1999)

Any notice or request relating to this contract given by either party to the other shall be in writing. Said notice or request shall be mailed or delivered by hand to the other party at the address provided in the schedule of the contract. The contracting officer must make all modifications to the contract in writing.

SECTION J – LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

J.1 LIST OF EXHIBITS

EXHIBIT A GUARD POSTS AND SCHEDULE OF GUARD COVERAGE

EXHIBIT B GENERAL ORDERS AND POST ORDERS (Post Orders added at award)

EXHIBIT C QUALITY ASSURANCE AND SURVEILLANCE PLAN

EXHIBIT D CONTRACTOR-FURNISHED PROPERTY

EXHIBIT E GOVERNMENT FURNISHED PROPERTY

EXHIBIT F HOLIDAYS

EXHIBIT G FIREARM QUALIFICATION STANDARDS - RESERVED

EXHIBIT H SPEAKING AND READING SKILL LEVEL DESCRIPTIONS

EXHIBIT I MONTHLY INVOICE (SAMPLE) (final version provided at award)

EXHIBIT J POLICY ON USE OF DEADLY FORCE

EXHIBIT K NOMINATION LETTER

EXHIBIT L INDIVIDUAL QUALIFICATION CHECKLIST

EXHIBIT M – *RESERVED, SOLICITATION ONLY*

EXHIBIT N – *RESERVED, SOLICITATION ONLY*

EXHIBIT O CONTRACTOR CONTINGENCY PLAN (final incorporated after Post Award Conference)

EXHIBIT P – *RESERVED, SOLICITATION ONLY*

EXHIBIT Q – *RESERVED, SOLICITATION ONLY*

EXHIBIT R SEXUAL HARRASSMENT

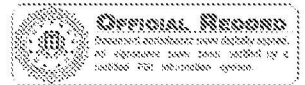
EXHIBIT S – *RESERVED, SOLICITATION ONLY*

UNCLASSIFIED//~~FOUO~~

Physical 1A/1C Cover Sheet for Serial Export

Created From: 205-WF-6804950
Serial 20
Package: 1A23
Stored Location: None
Summary: (U//~~FOUO~~) CD provided by
[redacted] titled
"TORRES Department of
State Contracts."
Acquired By: [redacted]
Acquired On: 2015-05-07
Attachment: (U//~~FOUO~~) CD provided by
[redacted] titled
"TORRES Department of
State Contracts."

b6 Per
b7C DOS-OIG

UNCLASSIFIED//~~FOUO~~

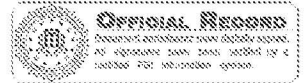
FEDERAL BUREAU OF INVESTIGATION

Date of entry 06/29/2015

On 05/28/2015, [redacted] Financial Specialist, U.S. Embassy Lima, Peru, [redacted] provided the attached Department of State COAST Reporting Voucher Summary Reports for TORRES SOLUTIONS from 02/07/2013 to 05/22/2015. The reports contain the voucher reference number, disbursement date, payee (TORRES), amount paid, check number and other information. **b6 Per b7C DOS-OIG**

UNCLASSIFIED//~~FOUO~~Investigation on 05/28/2015 at Lima, Peru (In Person)File # 205-HQ-6117076Date drafted 06/02/2015

by [redacted]

UNCLASSIFIED//~~FOUO~~**FEDERAL BUREAU OF INVESTIGATION****Electronic Communication**

Title: (U//~~FOUO~~) Interview Reports Provided by
DOS/OIG

Date: 07/06/2015

From: CRIMINAL INVESTIGATIVE
D6-ICU

Contact: [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 205-HQ-6117076

(U) [REDACTED]

Torres Advanced Enterprise Solutions;
FCPA

Synopsis: (U//~~FOUO~~) Interview Reports Provided by DOS/OIG

Full Investigation Initiated: 02/10/2015

Enclosure(s): Enclosed are the following items:

1. (U//~~FOUO~~) DOS OIG Interview Reports 6-24-2015

Details:

On 06/24/2015, [REDACTED] Assistant Special Agent in Charge

[REDACTED] Department of

State(DOS)/OIG/Investigations provided the attached interview reports:

b6 Per
b7C DOS-OIG

◆◆

UNCLASSIFIED//~~FOUO~~

**U.S. Department of State
Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: May 26, 2015

Date Prepared: June 2, 2015

Interview

b6 Per
b7C DOS-OIG

On May 26, 2015, at approximately 10:20 a.m., RA and FBI Supervisory Special Agent [] conducted an interview of Assistant Regional Security Officer [] at US Embassy Lima (Embassy) [] was the former Contracting Officer's Representative (COR) on the Torres Advanced Enterprise Solutions (Torres) local guard force contract. [] consented to the interview and provided the following pertinent information:

[] explained that in Lima, ARSOs rotate portfolios every six months in order to gain experience in all programs, but [] requested that he [] for one year on the local guard force contract in order to better assess how well Torres was performing on the contract.

b6 Per
b7C DOS-OIG

[] recalled that for eight months after the contract was enacted, Torres did not have the proper weapons licenses. The licenses were obtained approximately three or four months ago. He said this was due to the Peruvian government transitioning between agencies responsible for issuing the licenses. [] said 99% of the guards did not have the licenses authorizing them to carry a weapon, but they still carried weapons. [] recalled specifically that for the Pucallpa region, Torres did not even apply for the necessary licenses and they were given monetary deductions.

[] opined that Torres was likely unwilling to bribe the Peruvian government for the issuance of the licenses, because if they had, the weapon licenses would have been issued sooner.

b6 Per
b7C DOS-OIG

[] said Torres had not been licensed as a business in Peru prior to obtaining the local guard force contract with the Embassy and, therefore, had no infrastructure to operate in country. In essence, Torres went from not existing in Peru to handling a 250 member guard force contract.

[] identified [] as the former Torres Program Manager (PM) and [] as the temporary PM who worked out of the Virginia office. [] identified a female named [] LNU as a quasi PM that worked in Panama but was tasked with solving problems for the Peru location (NFI). He further identified [] as the current PM. [] was the PM with former local guard force contractor G4S, but was re-hired by Torres for the same position. [] stated Torres was able to obtain the contract due to the company submitting a lower bid than the other offers, but they then submit change orders that increase the total contract amount.

[] said [] owner of Torres, flew out to the Embassy a few times. [] believed that [] made most of the business decisions and would not delegate to his staff due to a lack of trust. [] interactions with [] were polite and professional. [] said [] former Deputy RSO, had negative interactions with [] is currently posted in Liberia.

b6 Per
b7C DOS-OIG

Sensitive But Unclassified

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Interview: [] May 26, 2015

C2015-022

[] stated Torres is constantly firing employees and has a lot of turnover within the local guard force.

The Torres business office is located across the street from the Embassy. Only one or two employees work out of that office.

[] stated that the same Peruvian government agency that issues weapon licenses issues the business license and all weapon licenses are issued/registered under the business licensee. The prior agency was called DESCAMEC (phonetic) but was recently changed to SUCAMEC; both under the Ministry of Interior. DESCAMEC was operated by police/military and SUCAMEC is operated by civilian employees, mostly attorneys. [] advised SUCAMEC stopped issuing licenses for some time as a way to exert influence over the applicants.

Prior to [] the COR was [] is currently posted in Seattle, WA.

[] said Torres had several attorneys, and he knew that one (NFI) had provided a legal opinion on the weapon licensing issue, but he did not recall any names. [] believed that a copy of the opinion could be obtained from Torres employee [] or Contracting Officer []

b6 Per
b7C DOS-OIG

Post interview, [] provided a list of his Torres points of contact.

The interview ended at approximately 11:00 a.m.

Report Prepared By:

[]

Assistant Special Agent in Charge

Report Approved By:

Robert J
Smolich

[]

Robert Smolich
Special Agent in Charge

b6 Per
b7C DOS-OIG

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**U.S. Department of State
Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: May 26, 2015

Date Prepared: June 2, 2015

Interview

b6 Per
b7C DOS-OIG

On May 26, 2015, at approximately 9:45 a.m., RA and FBI Supervisory Special Agent [redacted] interviewed Assistant Regional Security Officer [redacted] at U.S. Embassy Lima (Embassy). [redacted] is the Contracting Officer's Representative (COR) on the local guard force contract awarded to Torres Advanced Enterprise Solutions (Torres). [redacted] consented to the interview and provided the following pertinent information:

The following individuals have been assigned as CORs, in order of assignment: [redacted]

[redacted] recalled Torres having issues in Peru with the issuance of weapons licenses, and explained that it was during the Peruvian government transition from DESCAMEC (phonetic) to SUCAMEC. This organization is responsible for issuing the guard identification cards, known as carnets, and the weapon licenses. DESCAMEC was replaced by SUCAMEC one year ago; SUCAMEC had stricter requirements, but [redacted] explained that if a security company had the proper paperwork filed with DESCAMEC, it was "grandfathered" into SUCAMEC and compliance with new SUCAMEC procedures was not required. Torres's attorneys handled the necessary SUCAMEC filing requirements.

b6 Per
b7C DOS-OIG

[redacted] point of contact with Torres is current Program Manager (PM) [redacted] has been assigned as the PM since Spring 2014. Prior to [redacted] the PM was [redacted] Torres's Senior PM in the US is [redacted] [redacted] recalled that Torres sent Fred Meade to Peru to check up on issues such as radios, improper payments to guards and contract performance. [redacted] also recalled an instance in which a PM (NFI) left Peru for Panama and/or Argentina.

[redacted] identified [redacted] as Torres's Local Guard Force Coordinator and [redacted] as the Embassy's Local Guard Force Commander. He further identified Foreign Service National Investigator [redacted] as the SUCAMEC POC for the Embassy regarding any weapon licensing issues.

b6 Per
b7C DOS-OIG

The Torres business office is located across the street from the Embassy.

[redacted] said [redacted] had not been employed by Torres in Peru since Feb. 2014, and [redacted] has not been employed on the Peru contract since Feb. 15, 2013.

[redacted] provided a copy of the Torres employee list dated February 2013, a SUCAMEC website printout identifying what the SUCAMEC acronym stands for and a printout outlining the SUCAMEC process.

The interview concluded at approximately 10:15 a.m.

Sensitive But Unclassified

WARNING

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Interview: May 26, 2015

C2015-022

b6 Per
b7C DOS-OIG

Report Prepared By:

Assistant Special Agent in Charge

Report Approved By:

Robert J
Smolich

Robert Smolich
Special Agent in Charge

Sensitive But Unclassified

WARNING

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**U.S. Department of State
Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: May 29, 2015

Date Prepared: June 10, 2015

Interview

b6 Per
b7C DOS-OIG

On May 29, 2015, at approximately 11:05 a.m. RA and FBI Supervisory Special Agent [redacted] conducted an interview of former Torres Advanced Enterprise Solutions (Torres) employee [redacted] at the JW Marriott Hotel in Lima, Peru. [redacted] was advised he was being interviewed in regards to his previous employment with Torres. [redacted] consented to be interviewed in Spanish and provided the following pertinent information:

[redacted] was born on [redacted]. His cell phone number is [redacted]. He currently works for 1Seq Company. His address is [redacted]. His email is [redacted].

[redacted] worked for Torres between April 2012 and March 2014. Between July 2012 and December 2013, he was the Project Manager (PM). [redacted] was replaced as the PM by [redacted].

b6 Per
b7C DOS-OIG

Torres Senior PM [redacted] offered [redacted] a job in the commercial contract side, but Torres would not accept [redacted] demands for a company car and a percentage of the contract value for any new contracts signed. Therefore, they mutually agreed to cancel his employment contract. His salary was 5,300 Peruvian Soles per month; he received a severance payout of 30,000 Peruvian Soles upon contract termination. The payout equated to 1.5 times the salary he was due for the remainder of the contract term. The negotiation for the commercial position was handled by Senior PM [redacted]. Torres Senior PMs were in constant turnover; [redacted] recalled the names of [redacted] in that role.

[redacted] supervisor was [redacted] who worked out of the Virginia office. [redacted] identified [redacted] as a Torres employee that transferred from Panama to Peru to run the Torres office there.

[redacted] duties at Torres included coordinating with the attorneys, making vendor payments, accounting, payroll, and obtaining the SUCAMEC weapon licenses. [redacted] identified the attorney as [redacted] and stated that as the legal representative, [redacted] name appeared on all documents and he signed all paperwork as owner of the company. [redacted] office was located in San Isidro, Miraflores, Lima. [redacted] did not recall how much [redacted] charged Torres for their services, but he opined the fees were within normal range.

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[redacted] identified Torres office employees [redacted] Administrative Assistant in charge of finance and other administrative duties; [redacted] Human Resources; [redacted] LNU; [redacted] assistant FNU LNU; and [redacted] Training Instructor.

When asked if [redacted] was familiar with the name [redacted] stated that he worked with [redacted] for approximately three months in Peru, but she was relocated to Panama in early 2013. [redacted] was the Administrative Assistant and worked directly for [redacted] Program Manager. Both [redacted] were

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Interview: [redacted] May 29, 2015

C2015-022

[redacted] in Panama together. [redacted] was sent to Panama to help establish Torres as a business there. While in Peru, [redacted] was the point of contact for the attorneys, and the point of contact for obtaining all licenses from the Ministry of Labor, SUCAMEC, Municipality and radio licenses. [redacted] was able to obtain the contacts by cold calling the ministries.

[redacted] advised that when he began working for Torres, the licenses were already in process and he was not involved in obtaining them in Peru. [redacted] did obtain the required licenses from municipalities but said these were much easier to get than obtaining them from the Lima office.

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[redacted] coordinated with SUCAMEC to obtain the weapon licenses in Peru. [redacted] described [redacted] as an older male, former military man with lots of experience. [redacted] never witnessed [redacted] talk to anyone within SUCAMEC about the licenses, but said [redacted] often said he knew people working for SUCAMEC. [redacted] described [redacted] as a reserved person that mostly spoke to [redacted] and [redacted]. He did recall that initially the SUCAMEC licenses were obtained faster, but later on were more delayed. [redacted] recalled that Torres requested assistance from the embassy in expediting the licenses, but they were not able to help. [redacted] further recalled that it was more difficult to obtain the licenses once [redacted] contact was no longer working for SUCAMEC.

SUCAMEC was under the Ministry of Interior and the current director is [redacted]

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Regarding the security license fees, [redacted] managed the finances in Peru. Whenever [redacted] needed funds, he would request the money from [redacted]. Torres maintained a bank account at the Banco Continental, which was located one block from the office. [redacted] did not know the amount charged per license and did not witness any conversations on the topic. He recalled [redacted] often held private conversations.

[redacted] explained that whenever Torres needed funds, they would request money from [redacted] Finance Manager in Virginia, and a wire transfer was sent. A business check made out to [redacted] would then be cashed. In general, the Torres employees that handled the funds were [redacted]. The money was maintained inside the safe in the Torres business office.

As PM, [redacted] never processed any weapon license paperwork and said his strategy focused on retaining the employees so that no new guards would need to get hired and no new licenses would need to be obtained.

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[redacted] recalled that [redacted] was hired by Torres in March 2012 and left his job in December 2013. [redacted] believed [redacted] was fired because Torres was trying to cut down their expenses and terminated him when his contract was up for renewal. [redacted] replaced [redacted] and was responsible for obtaining the weapon licenses. [redacted] did not believe [redacted] had a point of contact inside SUCAMEC that could assist with obtaining the licenses.

[redacted] stated [redacted] left her job with Torres in 2014, but he did not know why and has no contact with her.

[redacted] stated no one at Torres asked him to find "shortcuts" to get things done in Peru. [redacted] never heard of anyone at Torres soliciting or paying a bribe in order to obtain the licenses, but said he had heard rumors of this occurring with bigger companies like G4S. [redacted] never solicited or paid a bribe when obtaining licenses from the municipalities. Nevertheless, [redacted] stated it was possible that [redacted] paid

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Interview: [redacted] May 29, 2015

C2015-022

bribes to obtain the licenses and would not be surprised if someone from Torres had paid a bribe to obtain them.

The interview ended at approximately 1:15 p.m.

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Report Prepared By:

[redacted]

Assistant Special Agent in Charge

Report Approved By:

Robert J
Smolich

[redacted]

Robert Smolich
Special Agent in Charge

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**U.S. Department of State
Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: May 26, 2015

Date Prepared: June 2, 2015

Interview

b6 Per
b7C DOS-OIG

On May 26, 2015, at approximately 11:50 a.m., RA and FBI Supervisory Special Agent [redacted] conducted an interview of [redacted] at U.S. Embassy Lima (Embassy). [redacted] was advised he was being interviewed regarding his former employment with local guard force contractor Torres Advanced Enterprise Solutions (Torres). [redacted] consented to be interviewed in Spanish and provided the following pertinent information:

[redacted] He was previously employed with Torres between February 2012 and February 2015. Between March 2013 and June 2013, [redacted] traveled to Panama to conduct new guard training. His supervisor in Panama was [redacted]. [redacted] traveled to Argentina with Torres between June 2013 and February 2014 as a Security Instructor/Alarm Installer. The Program Manager (PM) in Argentina was [redacted].

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While in Peru, he was a local guard force instructor and his supervisor was PM [redacted]. Prior to [redacted] his supervisor was PM [redacted]. [redacted] was fired from Torres, but [redacted] did not know the circumstances for the termination. [redacted] also identified [redacted] as the former guard force commander; [redacted] was fired by [redacted] when [redacted] was in Peru as the In-country manager. He estimated [redacted] was terminated in February 2013 because between February 2013 and February 2014, [redacted] was the guard force commander in Peru. [redacted] identified [redacted] as a Torres employee that traveled from Peru to Panama, on [redacted] request, to help with time sheets and invoices because too many invoices were past due. [redacted] is a current Torres employee. [redacted] identified [redacted] as the Torres employee that handled the finances in Peru. Sometime in October 2012, [redacted] was transferred to Paraguay with Torres. [redacted] has since quit her job with Torres, but [redacted] did not know why.

[redacted] stated in March 2014 [redacted] hired a new attorney and accountant in Peru. [redacted] recalled the attorney's name as [redacted] LNU, but he had no further information.

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In addition to [redacted] Torres employees in Panama were [redacted] and FNU [redacted] was in Peru but transferred to Panama in December 2012 as the HR Assistant. While in Panama [redacted] and [redacted] lived in the same apartment, but [redacted] described their relationship as co-workers and not as friends.

[redacted] recalled that [redacted] traveled to Colombia with [redacted]. [redacted] did not travel to Colombia as he was no longer employed with Torres. [redacted] did not know if [redacted] was fired or if he quit his job. [redacted] was [redacted] replacement. [redacted] did not know [redacted] role in Colombia but stated she routinely took care of all the paperwork needed to stand up a contract and Torres had recently been awarded an interpreting contract in Colombia. Shortly after arriving in Colombia, [redacted] quit her job with Torres and returned to Peru but would not discuss the circumstances surrounding her departure with [redacted].

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Interview: [redacted] May 26, 2015

C2015-022

[redacted] did not know where [redacted] was currently working, but was aware she was attending school.

[redacted] lost all contact with [redacted] when [redacted] returned to Peru from Argentina. [redacted] identified [redacted] wife's name as [redacted]. Because [redacted] are friends [redacted] learned through [redacted] that [redacted] had been hired as the director of a hospital somewhere in the U.S.

Regarding weapon licenses in Panama, [redacted] stated although [redacted] does not speak Spanish, he was the Torres employee familiar with the process and would routinely inform the office personnel of any updates. Torres attorneys were responsible for obtaining the licenses. [redacted] did not recall the names of the attorneys but said one male and one female attorney were assigned to work on the Torres licensing issue. The attorneys were not able to obtain the licenses before the contract was stood up. Since the licenses were not obtained, Torres began working on the contract without having the proper weapon licenses. [redacted] said he knew the attorneys tried to get the licenses for Torres and recalled [redacted] reassuring them the attorneys knew what they were doing and that everything would be fine. Because the licenses were not obtained by the attorneys in a timely manner, Torres purchased Corteseg, a shell company that already had the required weapon and business licenses. Purchasing Corteseg enabled Torres to have the proper licenses in place as required by the Embassy contract. [redacted] did not know how much Torres paid for Corteseg or whom they paid the money to. [redacted] said the name of the company in Panama was CortesegTorres.

[redacted] did not have any information regarding [redacted] meeting with members of the Panamanian government to discuss the weapon licensing issue. He was aware of [redacted] once meeting with the Panamanian metro company to discuss Torres's interest in obtaining the security contract with the metro company.

[redacted] advised he was only in Panama for four months and during that time witnessed two or three conversations related to security licenses. These conversations normally took place at the end of the month. [redacted] spent approximately two hours daily at the Torres office as he was usually out in the field conducting training. He typically arrived at the office around 5:00 p.m. or 6:00 p.m. and would leave around 7:00 p.m. Individuals that worked out of the Torres office included [redacted] LNU, and [redacted] assistant (NFI). [redacted] recalled that [redacted] quit his job with Torres after undergoing eye surgery. When [redacted] departed, [redacted] began doing the payroll for the company. [redacted] assistant is still employed by Torres.

[redacted] was not familiar with the names [redacted]

[redacted] was not familiar with the process for Torres obtaining funds in Panama, but he knew that all expenses were paid by [redacted] recalled overhearing the attorney telling [redacted] what expenses she needed to pay. [redacted] explained that the attorney's office was located next to the Torres business office, but he did not know if Torres rented the office space from the attorneys. The expenses the attorney advised [redacted] to pay included expenses such as official government payments, legal invoices, business licenses, taxes, etc. [redacted] did not know if this included payments for weapon licenses, but recalled overhearing the attorney once tell [redacted] to pay the business license tax and the radio station license fee. [redacted] explained they did this because all invoices were addressed to the attorney and they processed all the mail. [redacted] never saw [redacted] give the attorneys cash for them to pay the expenses. He did recall [redacted] taking [redacted] to different places to pay expenses and would normally see [redacted] with cash on him. If [redacted] had business expenses to pay, he would request funds through [redacted] as she oversaw the petty cash.

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Interview: [redacted] May 26, 2015

C2015-022

[redacted] identified [redacted] as the former Torres employee responsible for obtaining the weapon licenses in Peru. [redacted] is currently a SUCAMEC instructor. After [redacted] left Torres, [redacted] was responsible for obtaining the licenses. [redacted] described [redacted] as a trusted employee or a "confidence person" within Torres. [redacted] said it was likely that because [redacted] was prior military, he had contacts within SUCAMEC as it used to be run by military officials and that was why he was entrusted with obtaining the licenses for Torres. [redacted] advised that sometime in 2014 [redacted] told him Torres was still having problems obtaining the weapon licenses.

[redacted] was paid by Torres via direct deposit. Torres maintained a bank account in Peru with Continental Bank.

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[redacted] advised [redacted] would be able to provide further information regarding Torres's business practices.

[redacted] said as a Peruvian, he has no confidence in the Peruvian government as there is a lot of corruption in Peru, and that bribes are routinely solicited/paid in order to get anything done.

The interview ended at approximately 1:35 p.m.

Post interview [redacted] provided contact information for [redacted]
[redacted] (attorney identified earlier as [redacted])

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Report Prepared By:

[redacted]

Assistant Special Agent in Charge

Report Approved By:

Robert J
Smolich

[redacted]

Robert Smolich
Special Agent in Charge

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**U.S. Department of State
Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: May 28, 2015

Date Prepared: June 10, 2015

Interview

b6 Per
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On May 28, 2015, at approximately 7:55 p.m., RA and FBI Supervisory Special Agent [redacted] conducted an interview of former Torres Advanced Enterprise Solutions (Torres) employee [redacted] at the JW Marriott Hotel in Lima, Peru. [redacted] was advised he was being interviewed in regards to his previous employment with Torres. [redacted] consented to be interviewed in Spanish and provided the following pertinent information:

[redacted] was born on [redacted]. His telephone number is [redacted]. His address is [redacted]. [redacted] worked for Torres between May 2012 and February 2014 and was assigned to four different countries. His monthly salary was 1,350 Peruvian Soles per month.

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PERU:

[redacted] began working for Torres in May 2012 in Peru. His supervisor was Regional Manager [redacted] LNU. [redacted] also identified [redacted] as a Torres employee in Peru.

In May and June 2012, [redacted] installed antennas with [redacted] Torres's owner [redacted] brother [redacted] and Torres employee [redacted] throughout six embassy owned locations in Lima, Peru. They also installed and removed cable at the embassy. [redacted] explained that although he is a trained electrical technician, Torres hired him to be a guard because he had experience as a guard in Iraq between 2008 and 2010 and in Afghanistan in 2005. Nevertheless, [redacted] was later assigned to do logistics for Torres. This duty included purchasing uniforms, equipment, conducting inventory, etc. He worked at the Torres office location until his security guard identification card, known as a carnet, was issued. Once the identification card was issued, he was employed as a guard at the embassy between February and March 2013.

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In Peru, the weapon licenses were obtained by [redacted]. The normal process for obtaining a license was 30-45 days. The Torres attorney signed all documents as the Torres legal representative, but he then gave Power of Attorney (POA) to [redacted]. [redacted] was never identified as the owner of the company.

[redacted] knew that [redacted] would ask for money in order to pay for the licenses and he witnessed [redacted] or [redacted] give him money to pay the license fees. [redacted] did not know how much money was given to [redacted] for the license fees. [redacted] had a conversation twice in which [redacted] told [redacted] that he bribed a Colonel in order to facilitate the issuance of the licenses, but he did not know how much money he paid the Colonel or the name of the Colonel. Once [redacted] the licenses, he was fired from Torres. Around the time that [redacted] was fired, the Peruvian government agency responsible for issuing the licenses was changing from DESCAMEC to SUCAMEC. [redacted] opined that SUCAMEC had stricter regulations and it was more difficult to process the licenses after the change was effective. According to what [redacted] Torres terminated [redacted] because they argued regarding how long it was taking to obtain the licenses. [redacted] told [redacted] it was taking a long time because he no longer had a contact inside the agency that could assist him with obtaining the licenses. [redacted] was typically at the office about

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Interview: [redacted] May 28, 2015

C2015-022

one or two hours per day and witnessed the conversations that took place only during the time he was there.

In June 2012 [redacted] became the Torres Program Manager in Peru, but then transferred to Panama.

PANAMA:

[redacted] moved to Panama after [redacted] was transferred to take care of the logistics for that contract and was responsible for purchasing uniforms, equipment and maintaining the vehicle books. He relocated with Torres to Panama from March to June 2013. [redacted] was told that Torres would pay him a bonus, which [redacted] paid with his own personal funds. The monthly bonus was \$500/month.

[redacted] identified [redacted] and [redacted] as other Torres employees in Panama.

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In Panama, Torres contracted a shooting range to obtain the required weapon licenses. After the range was not able to secure them, Torres's attorney FNU [redacted] suggested Torres purchase a shell company, Corteseg, that already had the required licenses. [redacted] agreed to purchase the company, although he did not know how much they paid for the company. [redacted] represented Torres on the transaction. [redacted] was typically at the office about one to two hours per day and was a witness to the conversations that took place only during the time he was there.

While in Panama, [redacted] lived in an apartment in Via Argentina with [redacted]. The rent was paid by Torres and the apartment was close to the office. The Torres vehicle was driven by [redacted].

ARGENTINA:

[redacted] was posted in Argentina from July through September 2013 to take care of logistics. His responsibilities were purchasing and distributing the uniforms.

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In Argentina, Torres obtained the weapon licenses by paying a facilitator money for each license. [redacted] did not know how much the facilitator charged per license. The facilitator was not a Torres employee, but being in the office he overheard conversations that the money was to speed up the licensing process. The PM in Argentina was [redacted] LNU. [redacted] spent approximately one hour each day at the office and was a witness to the conversations that took place during this time only.

UGANDA:

[redacted] was posted in Uganda from September to November 2013, also for logistics purposes where he was responsible for uniforms. In Uganda, the local guard force was unarmed, therefore they did not obtain any weapon licenses.

[redacted] returned to Peru in January 2014 and quit his job with Torres on February 12, 2014. [redacted] quit his job with Torres because he felt he was due additional pay for the time he was posted out of Peru, but his pay remained the same Peruvian rate as when he got hired. [redacted] salary was paid via direct deposit to his bank account in Peru.

[redacted] stated he never solicited or paid a bribe when purchasing uniforms or any equipment.

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[redacted] met [redacted] once in Lima.

[redacted] said he is personal friends with [redacted] but has no contact with any Torres employees.

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Interview: May 28, 2015

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The interview ended at approximately 9:30 p.m.

Report Prepared By:

Assistant Special Agent in Charge

Report Approved By:

Robert J
Smolich

Robert Smolich
Special Agent in Charge

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**U.S. Department of State
Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: May 27, 2015

Date Prepared: June 10, 2015

Interview

b6 Per
b7C DOS-OIG

On May 27, 2015, at approximately 2:00 p.m. RA and FBI Supervisory Special Agent [redacted] conducted an interview of former Torres Advanced Enterprise Solutions (Torres) employee [redacted]. The interview took place inside a vehicle near [redacted] home; also present was [redacted]. [redacted] was advised he was being interviewed in regards to his previous employment with Torres. [redacted] consented to be interviewed in Spanish and provided the following pertinent information:

[redacted] was born on [redacted]. His address is [redacted]. His cell number is [redacted]. He was employed with Torres between March 2012 and March 2013.

[redacted] supervisor at Torres was Project Manager (PM) [redacted]. His title was Administrative Coordinator and his monthly salary was 2,400 Peruvian Soles. His duties included obtaining the necessary documents and filing the proper paperwork with SUCAMEC to obtain the necessary identification cards (known as carnets) and weapon licenses for the local guard force. [redacted] noted that Torres was also required to obtain a business license in Peru.

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[redacted] was not able to estimate how many licenses Torres applied for, but explained that the licenses were obtained from four different offices within the Peruvian government: SUCAMEC for the approval and issuance of identification cards and weapon licenses; Civil Defense for the approval of the business's contingency plans; Labor Ministry for the approval of the business's payroll, health and security plans, benefit compensation plan, retirement plan, social security plan and also verification that a business was registered with the Peruvian government; and the Municipality for the approval and issuance of the business license.

[redacted] said the process to obtain a license from SUCAMEC was troublesome and time consuming and usually took two to three months for the issuance of one license. To expedite the process, Torres requested assistance from the embassy. The Ambassador reached out to the Minister of Interior, who facilitated the process for Torres employees, but the only step that went faster was the time it took for the guards to attend the range for qualification purposes. [redacted] identified [redacted] as being in charge of SUCAMEC.

[redacted] identified the following Torres office personnel: [redacted] Operations; [redacted] LNU, Accountant; and an Assistant, name unknown. [redacted] was later sent to Panama and Argentina and is the only employee that still works for Torres.

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[redacted] explained the SUCAMEC process for licenses as follows: Once an applicant completes the basic training courses of firearms, defensive tactics, customer service, ethics, morals, protection, etc., the paperwork for the license is submitted. Once it is approved, an identification card is issued identifying the applicant as a security guard. The applicant then goes to the range to qualify with a weapon and undergoes a verbal exam. Once a passing score on both tests is received, the license is issued and the guard may begin work. Every

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Interview: [redacted] May 27, 2015

C2015-022

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employee assigned as a local guard must undergo this process.

[redacted] was the only Torres employee responsible for obtaining the SUCAMEC licenses. The SUCAMEC fees for obtaining each license were 6.20 Peruvian Soles for the identification card, 2.20 Peruvian Soles for the range fee and 64 Peruvian Soles for the issuance of the license. The fees were paid directly to Banco La Nacion. [redacted] would normally request the funds from the PM and would either obtain the funds in cash or with a business check.

[redacted] said no one from Torres, including himself, met with Peruvian government officials to discuss the license process or request it be facilitated, and if they did want a meeting, it would have to be scheduled between Torres's attorneys and the SUCAMEC General Manager. When [redacted] went to SUCAMEC, which he said he did daily, he merely dropped off documents for the licenses. Whenever licenses were ready for pickup, it would get published on the website and he would go pick them up.

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[redacted] was not aware of Torres employees soliciting or paying bribes to Peruvian government officials and said if they had, the timing to obtain the licenses would have been shortened and would not have taken the 30-45 days it normally took. [redacted] stated it was possible that larger companies did pay a bribe and would receive the licenses within seven days, but this was not the case for Torres applications.

When Torres began work on the LGF contract, they did not have the proper licenses.

[redacted] recalled [redacted] owner of Torres, visited Peru two or three times and inquired as to why the licenses were taking a long time to get issued. [redacted] responded that he should talk to the embassy about it. [redacted] believed Torres met with security personnel at the embassy (NFI).

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[redacted] later advised that as a former military man, he knew three SUCAMEC employees [redacted] although he alleged he did not know them very well. [redacted] said he was not personal friends with the [redacted] was not close to his cousin [redacted] and he was merely a business acquaintance of [redacted]. All correspondence sent to SUCAMEC was addressed to [redacted]. [redacted] denied that he ever discussed Torres or the Torres licenses with [redacted] who left his employment with SUCAMEC two years ago. [redacted] denied that he ever discussed the licenses with [redacted] explaining that the General was not someone who was easily accessible.

[redacted] said he did receive ethics training when he was hired by Torres.

[redacted] believed Torres's attorney's name was [redacted] LNU.

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[redacted] stated it took approximately twenty days to obtain the business license and it cost 14,600 Peruvian Soles; the fee was paid directly to the bank.

[redacted] is currently employed as an independent SUCAMEC instructor. He obtained his license while employed with Torres. As a SUCAMEC instructor, he is able to train security guards for any contractor and is constantly traveling around the country. He has been an instructor for three years; his instructor license is renewed on an annual basis. [redacted] stated SUCAMEC has strict procedures in place for instructors. The instructor licenses are issued by the Department of Instruction of SUCAMEC. It took [redacted] about two months to obtain the instructor license. He charges contractors approximately 100 to 200 Peruvian Soles per trainee that attends his training class.

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Interview: [] May 27, 2015

C2015-022

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The interview ended at approximately 3:07 p.m.

Report Prepared By:

[]

Assistant Special Agent in Charge

Report Approved By:

Robert J
Smolich

[]

Robert Smolich
Special Agent in Charge

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Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: June 4, 2015

Date Prepared: June 10, 2015

b6 Per

b7C DOS-OIG

Interview

On June 4, 2015, at approximately 8:45 a.m. RA conducted a telephonic interview of former Torres Advanced Enterprise Solutions (Torres) employee [redacted] was advised she was being interviewed in regards to her previous employment with Torres. [redacted] consented to be interviewed in Spanish and provided the following pertinent information:

[redacted] was born in Peru on [redacted] Her [redacted] cell phone number is [redacted] and her address is [redacted] moved to [redacted] in December 2014 to further her English language studies and plans to reside in [redacted] at least one more year.

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[redacted] worked for Torres between April 2012 and April/May 2014. She was hired by [redacted] She was assigned to the Lima, Peru office between April 2012 and January 2013; to Panama from the end of January 2013 until May 2014, but during the month of April 2014 she worked in Colombia. She returned to Panama for one month before leaving her job to pursue her studies. [redacted] returned to Lima in June 2014.

In Peru [redacted] was her direct supervisor and later on it was [redacted] was the South America Manager for Torres. When [redacted] departed [redacted] was going to take over his position, but she decided to move to another country and [redacted] remained as the supervisor. [redacted] departed to Panama in October 2012 to stand up the embassy contract.

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PERU:

[redacted] responsibilities in Peru were to provide logistics assistance, recruitment, maintain employee files, interact with vendors, accounting, banking, and support all operations, administrative and the Program Manager. Torres later hired [redacted] to oversee the Human Resources responsibilities which allowed [redacted] to no longer oversee that area.

[redacted] stated when she began working for Torres, [redacted] had already obtained the business license. She did not have any information on that matter.

Regarding the weapon licenses [redacted] stated this was a continuous process. She did not know who initially started the weapon license process, but identified [redacted] as the Torres employee who oversaw them. [redacted] stated she was not involved with obtaining the weapon licenses.

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When RA asked [redacted] about [redacted] recalled his name and stated that he was the person that obtained the weapon licenses at the beginning, but was no longer employed by [redacted] took over his job when [redacted] left.

[redacted] stated Torres management often had meetings that she was not a part of and did not know any details

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of how the licenses were obtained. [REDACTED] stated she assumed [REDACTED] had contacts within the weapon licensing agency but she never heard any specific comments or names.

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PANAMA:

[REDACTED] helped stand up the contract in Panama. Her responsibilities included supporting the attorneys, obtaining weapon licenses, accounting and payroll. When [REDACTED] arrived in Panama [REDACTED] had already hired attorneys and rented the office space. Torres's attorney in Panama was LCGroup, a law firm comprised of three attorneys. [REDACTED] was responsible for all labor issues [REDACTED] was listed as the legal representative and was responsible for obtaining the licenses and other administrative matters. [REDACTED] said she was not involved with obtaining the weapon licenses as the attorneys handled this. [REDACTED] often met with the attorneys and [REDACTED] was not invited to those meetings therefore she did not know if weapon licenses or the process was discussed among [REDACTED] and the attorneys.

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[REDACTED] explained the weapon license process as follows: the attorneys would send the required paperwork that needed to be filled out for each applicant; the paperwork, medical clearance, psychological exam, firearm qualification score and a picture for each applicant, plus the required fee payment was submitted for each applicant back to the attorneys. The attorneys would take the paperwork to the Ministry and handle the entire process. The Torres legal representative was [REDACTED]

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[REDACTED] said [REDACTED] was not Torres's attorney, and she did not recall what his law firm's role was (After the interview [REDACTED] sent RA an email stating [REDACTED] role at Torres was overseeing Torres's purchase of Corteseg.) [REDACTED] recalled that [REDACTED] law firm was trying to sign Torres as a client and she and [REDACTED] met with an attorney (NFI) to obtain guidance such as what type of uniforms were needed. The law firm did not charge for the services, but after a few months when they found out that Torres already retained a law firm and was not planning on hiring them, they informed Torres they would be charging for future services rendered. At this point, [REDACTED] requested they stop consulting with [REDACTED] law firm. [REDACTED] stated although the law firm was named [REDACTED] himself never dealt with Torres. An associate in the law firm was Torres's point of contact, [REDACTED] did not recall his name. [REDACTED] stated that [REDACTED] initially met with both [REDACTED] and LCGroup, but decided to hire LCGroup. [REDACTED] did not know the deciding factors [REDACTED] considered before making this decision. [REDACTED] stated she and [REDACTED] consulted with LCGroup on the same issues they did with [REDACTED] and were merely trying to make sure they were doing everything in accordance with Panamanian laws. [REDACTED] explained that some law firms specialize in security companies, which she believed [REDACTED] was, and this is why she consulted both law firms.

[REDACTED] stated [REDACTED] law firm did not help Torres obtain the weapon licenses and never attempted to get them for Torres. [REDACTED] did not recall Torres discussing the weapon licenses with [REDACTED] law firm.

[REDACTED] stated she never met with [REDACTED] and any Panamanian government official to discuss the weapon licenses and never met with Panamanian government officials for any other reason.

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[REDACTED] initially stated she never went with [REDACTED] to any Panamanian ministry office. [REDACTED] later recalled that she attended a meeting with [REDACTED] law firm at a building which she believed was the Ministry of Justice in which the weapon licenses was discussed. The meeting was held because Torres wanted to know how to expedite the licenses. [REDACTED] stated she did not talk during the meeting and the person doing most of the talking, which she later identified as attorney [REDACTED] was not friendly towards [REDACTED] told [REDACTED] that the paperwork had been filed and they just needed to wait for the paperwork to go through the entire process. [REDACTED] stated [REDACTED] was very negative during his interaction with them. The meeting was

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Interview: [] June 4, 2015

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attended by [] two attorneys, []

RA asked [] if the individual referenced in the meeting was [] but she said no. [] recognized [] name as he is the Panamanian government official that approved the weapon licenses, but said she never met him or any other ministry employees.

[] explained that [] was requesting to expedite the paperwork because it was delayed and took about three months for the issuance of a license. [] did not know if [] offered to bribe them to expedite the licenses, but doubted he had attempted to bribe them because the paperwork had already been submitted. [] said she never heard that a bribe was offered.

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[] denied being present in meetings between [] and Minister [] and further denied witnessing bribe payments from []

[] denied witnessing bribe payments from [] to any Panamanian government official.

[] explained that [] attended meetings without her being present and she did not know what transpired in any other meetings.

[] denied having any knowledge of any bribe payments made on behalf of Torres.

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b7C DOS-OIG

[] denied ever hearing that Torres employees made any bribe payments.

[] denied ever witnessing bribe payments made to any government official on behalf of Torres.

[] said she does not keep in contact with [] or any Torres employees.

[] stated Torres did obtain the weapon licenses, but only because the attorneys were persistent with the ministry and ARSO/COR [] deadline extension.

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[] identified [] LNU as the Torres accountant in Panama.

[] said she was responsible over petty cash, which typically had between \$300 and \$500.

[] was Torres's accountant in the US and was responsible for sending the payroll wire transfers.

[] departed Panama September 2013; she did not know why he left. After his departure, [] was [] supervisor in country.

[] stated the attorneys should be able to further explain the weapon licensing process/issues since they were responsible for obtaining them.

b6 Per
b7C DOS-OIG

[] explained the reason why she was sent to Panama from Peru was, as a result of working in Peru, she knew what to do operationally and logistically to stand up the contract in Panama.

[] stated [] was very reserved and never discussed with her if he paid bribes to government officials. Nevertheless, she stated she did not believe he paid any bribes because he left Torres before the licenses were

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Interview: [redacted] June 4, 2015

C2015-022

obtained. [redacted] recalled [redacted] was the supervisor when the licenses were obtained. She further stated the embassy kept extending the due date for the licenses and [redacted] continued working with the attorneys until the licenses were received.

[redacted] stated vendor invoices were received at the Torres office address even if they were addressed to the legal representative. [redacted] stated the only invoice sent directly to the attorney was the phone bill. Expenses such as rent, electricity, etc. were paid with wire transfers. [redacted] denied that the attorneys advised her when bills, other than the phone bill, were due or what bills to pay. She did state the Torres accountant, [redacted] LNU, would advise her when bills were due; the bills were paid in person or via wire transfer. [redacted] was "outsourced" by Torres and was not a Torres employee.

[redacted] advised she was available for future contact.

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The interview concluded at approximately 10:01 a.m.

Report Prepared By:

[redacted]

Assistant Special Agent in Charge

Report Approved By:

Robert J
Smolich

Robert Smolich
Special Agent in Charge

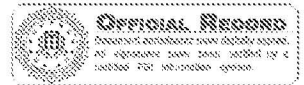
[redacted]

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UNCLASSIFIED//~~FOUO~~**FEDERAL BUREAU OF INVESTIGATION****Electronic Communication**

Title: (U//~~FOUO~~) Interview Reports Provided by
State Department OIG

Date: 07/06/2015

From: CRIMINAL INVESTIGATIVE
D6-ICU

Contact: [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 205-HQ-6117076

(U) [REDACTED]

Torres Advanced Enterprise Solutions;
FCPA

Synopsis: (U//~~FOUO~~) Interview Reports: [REDACTED]
[REDACTED]

Full Investigation Initiated: 02/10/2015

Enclosure(s): Enclosed are the following items:

1. (U//~~FOUO~~) [REDACTED]
2. (U//~~FOUO~~) [REDACTED]
3. (U//~~FOUO~~) [REDACTED]
4. (U//~~FOUO~~) [REDACTED]
5. (U//~~FOUO~~) [REDACTED]

Details:

On 06/09/2015, [REDACTED] Assistant Special Agent in Charge
[REDACTED] Department of
State(DOS)/OIG/Investigations provided the attached interview reports:

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[REDACTED]
[REDACTED] These interviews were conducted jointly with writer and took
place in Panama.

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UNCLASSIFIED//~~FOUO~~

Title: (U//~~FOUO~~) Interview Reports Provided by State Department OIG
Re: 205-HQ-6117076, 07/06/2015

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UNCLASSIFIED//~~FOUO~~

**U.S. Department of State
Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: April 20, 2015

Date Prepared: April 28, 2015

Interview

b6 Per
b7C DOS-OIG

On April 20, 2015, at approximately 9:45a.m., RA and FBI Supervisory Special Agent (SSA) [redacted] interviewed [redacted] Foreign Service National Investigator (FSNI) at U.S. Embassy Panama. RA advised [redacted] of her identity as a special agent of the U.S. Department of State (Department), Office of Inspector General, Office of Investigations (OIG/INV) and the identity of FBI SSA [redacted]. RA advised [redacted] he was being interviewed regarding the Local Guard Force (LGF) contractor Torres. [redacted] consented to be interviewed and provided the following pertinent information:

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[redacted] recalled that ARSO [redacted] FSNI [redacted] and possibly FSNI [redacted] met with [redacted] at La Esquinita, the embassy coffee shop; the meeting date was not recalled. (Agent Note: Between 2009 and 2014, [redacted] was an employee of the Panamanian Ministry of Public Security.) During the meeting [redacted] complained that the Panamanian security companies were upset that [redacted] was awarded the embassy LGF contract. [redacted] stated that [redacted] goal was to warn the embassy that there would likely be a lapse in security because Torres's licenses would be delayed. According to [redacted] if a Panamanian company had been awarded the LGF contract, no other local companies would have complained.

[redacted] did not recall [redacted] specifically using the word bribe, but recalled that it was implied that the company (Torres) was attempting to bribe him in order to expedite the issuance of the weapon licenses. [redacted] did not recall [redacted] saying the amount of the bribe offered or the name of the involved parties. He also did not recall [redacted] saying that they were visiting or calling [redacted] at his office. [redacted] explained that in Panama, it is normal for an attorney to advise a client that a bribe is an acceptable business practice. [redacted] further explained that per Panamanian law, a security company needs two years of operational experience, which Torres did not have, and that was why the attorneys likely attempted to bribe [redacted]. [redacted] opined that the attorneys likely advised Torres that they knew individuals that would accept a bribe in exchange for obtaining the required licenses. [redacted] stated that in Torres's case, it did not work with [redacted] because he did not accept the bribe.

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[redacted] does not know anyone that works in [redacted] office.

[redacted] identified FNU [redacted] as an individual that bid on the contract and complained when it was awarded to Torres. [redacted] owns Zeteca/Wackenhut.

[redacted] advised that due to Torres's labor disputes, the company owes \$55,000 to ten former employees. [redacted] is Torres's attorney handling the labor lawsuits.

[redacted] had no additional information, but recalled hearing that Torres's attorney tried to go to [redacted] (Agent Note: [redacted] was the Minister of Public Security.) [redacted] said [redacted] is a tough guy and a "big fish" and opined the LGF contract was too small of a contract for him to get in trouble over (Agent Note: [redacted])

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Interview [redacted] April 20, 2015

C2015-022

was referring to [redacted] accepting a bribe.).

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The interview concluded at approximately 10:10 a.m.

Report Prepared By:

[redacted]

Special Agent

Report Approved By:

Tamara Yoder

[redacted]

Tamara Yoder
Special Agent in Charge (Acting)

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Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: April 17, 2015

Date Prepared: April 28, 2015

Interview

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On April 17, 2015, at approximately 9:20a.m., RA and FBI Supervisory Special Agent (SSA) [redacted] interviewed [redacted] Foreign Service National Investigator (FSNI), at U.S. Embassy Panama. RA advised [redacted] of her identity as a special agent of the U.S. Department of State (Department), Office of Inspector General, Office of Investigations (OIG/INV) and the identity of FBI SSA [redacted]. RA advised [redacted] he was being interviewed regarding the Local Guard Force (LGF) contractor Torres. [redacted] consented to be interviewed and provided the following pertinent information:

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[redacted] portfolio includes obtaining the proper Panamanian licenses to carry firearms from the Ministry of Public Security (Ministerio de Seguridad Publica) for all 1811s posted in Panama. [redacted] explained that between 2009 and 2014, the Director of the DIASP (Direccion Institucional en Asuntos de Seguridad Publica) office, which issues the licenses, was [redacted]. [redacted] was appointed to this position by former President [redacted]. Regarding licenses for contractors, [redacted] explained those are obtained by the employing contractor, not [redacted] or the embassy.

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[redacted] explained he and [redacted] were acquaintances prior to [redacted] being assigned as the DIASP Director.

[redacted] recalled contacting [redacted] to obtain four or five permits (date unknown) and [redacted] advising him that the Panamanian security companies were complaining about U.S. company Torres being awarded the embassy LGF contract and using a shell company, Corteseg, as a partner. [redacted] explained that Corteseg was not operational and that it is common practice in Panama to file documentation and open companies that are not operational in case foreign companies require a Panamanian company's licenses/documents to legally operate in Panama. For the LGF contract, Panamanian law required that foreign companies partner with a local security company. According to [redacted] one of the stipulations of the contract was for the LGF to be armed, but Torres was not able to purchase weapons without the proper licenses that should have been issued by the Ministry of Foreign Affairs and [redacted]. In order to obtain the licenses, Torres purchased Corteseg, a shell company.

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[redacted] recalled that [redacted] met him, ARSO [redacted] FSNI [redacted] at La Esquinita, a coffee shop inside the embassy, about one to one and a half years ago, after Torres began work on the LGF contract. Although [redacted] is an attorney, he was new to the position of DIASP Director and was concerned with Torres's business practices and the embassy contract. Specifically, [redacted] advised RSO personnel that Torres representatives were going to his office repeatedly to check the status of the weapon permits. [redacted] said he advised the Torres employees that the paperwork had been submitted and they needed to let the process run. [redacted] felt pressured by Torres to obtain the permits. Torres, in turn, was being pressured by the embassy to obtain the weapons licenses because if the guards were not armed, the company would receive monetary deductions from their invoice. [redacted] recalled [redacted] stating that Torres representatives (NFI) offered to bribe him to expedite the issuance of the licenses, but [redacted] declined the

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Interview: [redacted] April 17, 2015

C2015-022

bribe. [redacted] explained that [redacted] is not only an attorney, but his family is wealthy and he knew his government position would only last during the then current administration, therefore it was not worth accepting or soliciting bribes. [redacted] did not tell them how much they offered or how often they offered a bribe. The bribe was not discussed with [redacted] again and [redacted] did not hear about this from other sources. [redacted] did not recall the name of the Torres employee that worked out of the embassy, but described him as a 40-45 year old Caucasian male. [redacted] said he routinely saw the Torres employee at the embassy, but never discussed the bribe with him. [redacted] never discussed the topic either.

[redacted] provided [redacted] local cell phone number as [redacted]

The interview concluded at approximately 10:25am.

Report Prepared By:

[redacted]

Special Agent

Report Approved By:

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Tamara Yoder

[redacted]

Tamara Yoder
Special Agent in Charge (Acting)

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**U.S. Department of State
Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: April 21, 2015

Date Prepared: April 30, 2015

Interview

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b7C DOS-OIG

On April 21, 2015, at approximately 2:50 p.m., Reporting Agent (RA) and FBI Supervisory Special Agent [redacted] interviewed [redacted] a former Torres Advanced Enterprise Solutions (Torres) employee, outside Grand Deli Gourmet, Costa del Este, Panama, Panama. RA advised [redacted] of her identity as a special agent of the U.S. Department of State (Department), Office of Inspector General, Office of Investigations (OIG/INV) and the identity of SSA [redacted] RA advised [redacted] he was being interviewed regarding his former employer and Local Guard Force (LGF) contractor at U.S. Embassy Panama, Torres. [redacted] consented to be interviewed and provided the following pertinent information:

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[redacted] advised his date of birth is [redacted] He was employed by Torres between March and August 2013; his title was [redacted] [redacted] recalled finding out about the Torres vacancy through a newspaper advertisement, which he replied to and had a five minute interview with [redacted] LNU. [redacted] was offered the job immediately after the interview. On May 2, 2013 [redacted] was in a boating accident. The accident caused him to not be able to work out of the office and telework the majority of the time, for which Torres ended up terminating him. [redacted] said he did not challenge the termination as he just wanted to fully recover from the accident. [redacted] did not recover eyesight to his right eye.

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[redacted] identified [redacted] as [redacted] assistant [redacted] and two employees from Peru, [redacted] LNU and [redacted] LNU, were the only Torres office employees in Panama. [redacted] did not recall the name of the Torres accountant or attorneys, but stated the accountant was actually an employee of Torres's attorneys. [redacted] identified [redacted] LNU as current Torres employees in Panama.

[redacted] stated when hiring guards, Torres was hiring inexperienced guards and not conducting full background investigations. Eventually, Torres sent the guards to a 15-20 day training program in Panama.

Regarding wire transfers into Panama, [redacted] advised [redacted] would email the U.S. based Torres office when funds were needed. Funds would get transferred from the U.S. bank account to the Panama bank account via an interbank transfer with Citibank. [redacted] was the person that withdrew the funds at the bank. The guards' payroll and all administrative office expenses were paid in cash. Towards the end of [redacted] employment, the guards were paid via direct deposit.

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[redacted] advised he was not involved in the weapon permit process. Nevertheless, being in the Torres office, he overheard several conversations pertaining to the topic. [redacted] was aware that [redacted] had several, possibly four or five, meetings with [redacted] Director of Security (identified as [redacted]) [redacted] specifically recalled overhearing that [redacted] did not attend the first meeting, which upset [redacted] Before the second meeting, which he believed took place sometime in April 2013; he overheard the comment "looks like everything is in place." [redacted] stated he interpreted the comment to mean they had paid a bribe

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Interview: [redacted] April 21, 2015

C2015-022

to somebody to expedite the issuance of the weapon permits. Based on what [redacted] observed, he further stated he believed that [redacted] had an established friendship with members of the Panamanian government. While Torres awaited the issuance of the permits, they were also in the process of purchasing a company, Corteseg, which already had the required weapon permits. The purchase of the company was finalized after the weapon permits were not obtained. [redacted] said the purchase of the company cost Torres \$15,000. [redacted] did not recall the name of the individual that owned Corteseg.

[redacted] was aware [redacted] were meeting with [redacted] because he recalled them specifically saying [redacted] name. [redacted] was not familiar with [redacted] secretary's name.

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[redacted] did not know how much Torres paid [redacted] but recalled overhearing the comment "we have to meet with him and provide him X amount." [redacted] said he overheard this comment three or four times. [redacted] said the meetings with [redacted] took place in restaurants and not at his office. [redacted] recalled that he once saw a yellow envelope about one inch thick on top of [redacted] desk, which [redacted] picked up and placed in his shirt front pocket then left the office to meet with [redacted]. [redacted] did not see the contents of the envelope and said the outside of the envelope had no markings.

[redacted] said he was not sure how involved Torres attorneys were with the weapon permits process, but recalled overhearing the attorneys ask both [redacted] on three separate occasions if they had met with [redacted]. [redacted] explained [redacted] maintained the office calendar and reminded [redacted] of the upcoming meetings. [redacted] recalled that because [redacted] had missed the first meeting, [redacted] picked him up at his apartment for the second meeting and drove him to the meeting place (NFI).

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Although [redacted] did not attend any meetings, he said both [redacted] acted very suspicious and secretive.

[redacted] recalled [redacted] asking [redacted] to make a call "to you know who" but no name was mentioned. [redacted] overheard the phone call between [redacted] and the unknown party in which [redacted] asked the other party why it was taking so long if he had already been paid, then demanded to know when they would be ready. [redacted] believed the conversation was in reference to the weapon licenses and that [redacted] was speaking to [redacted] because he was the only individual able to sign the weapon permits. [redacted] recalled the tone of the conversation being respectful, but eventually [redacted] became angry, hung up the phone and walked out of the office with [redacted]. [redacted] estimated that every two weeks [redacted] had the same conversation regarding them already meeting with [redacted] wondering when it (permits) would be ready, and [redacted] saying it would be ready in one week's time.

Because [redacted] was the HR representative, he was concerned with the guards not being armed, but said that [redacted] told him not to worry about the weapons issue.

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[redacted] explained that the Torres offices were located within the attorney's office space in Via Argentina. The monthly lease rate was \$400 which [redacted] advised was cheap for the area and said a typical office would have cost \$700/month.

[redacted] did not believe anyone else attended the meetings between [redacted]. [redacted] stated he believes [redacted] is currently in Peru working for Torres, but said that [redacted] was terminated by Torres.

[redacted] recalled [redacted] were friends prior to them working in Panama as they all

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Interview: [redacted] April 21, 2015

C2015-022

worked for Torres in Peru; all four lived in the same home close to the Torres office in Panama. [redacted] estimated [redacted] was in her early 30s and [redacted] was in his mid 40s. [redacted] said [redacted] routinely carried \$500 in cash with him and the office maintained a petty cash balance of \$300-\$400 for which [redacted] maintained the receipts.

[redacted] recalled meeting [redacted] once in Panama when [redacted] visited the office and showed employees photos of Torres's operations in Iraq and Peru.

[redacted] provided his email address as [redacted] his local home telephone number as [redacted] and personal cell phone number as [redacted]

The interview concluded at approximately 3:50 p.m.

b6 Per
b7C DOS-OIG

Report Prepared By:

[redacted]

Special Agent

Report Approved By:

Tamara Yoder

[redacted]

Tamara Yoder
Special Agent in Charge (Acting)

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**U.S. Department of State
Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: April 16, 2015

Date Prepared: April 28, 2015

Interview

b6 Per
b7C DOS-OIG

On April 16, 2015 at approximately 3:30p.m., Reporting Agent (RA) interviewed [redacted] at U.S. Embassy Panama. RA advised [redacted] of her identity of as a special agent of the U.S. Department of State (Department), Office of Inspector General, Office of Investigations (OIG/INV). RA advised [redacted] he was being interviewed regarding his previous employer and current Local Guard Force (LGF) contractor, Torres. [redacted] consented to be interviewed, in Spanish, and provided the following pertinent information:

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[redacted] provided his full name as [redacted]. He has been employed by numerous contractors providing local guard services at the embassy for over thirty years. Of those thirty years, he was the [redacted] [redacted] including with Torres between May 2013 and December 2014. On December 2014, he was hired at the embassy in the newly created [redacted] position. His supervisor is Assistant Regional Security Office [redacted]. As the [redacted] he supervises the contractor's (Torres) Local Guard Force (LGF) and the Guard Force Commander (GFC). The Torres contract start date was May 1, 2013.

[redacted] identified [redacted] as the owner of Torres [redacted] met [redacted] once in Panama in 2013 when he visited the embassy to share the company's expansion plans. [redacted] did not recall who visited Panama with him but believed it was the vice president (NFI).

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[redacted] advised that Torres has approximately one hundred employees in the Panama office - three office employees and approximately ninety-seven local guards. The three administrative office employee positions are payroll [redacted] timesheets [redacted] and the Project Manager (PM) [redacted].

[redacted] Prior to [redacted] was the PM, but he passed away.

[redacted] said [redacted] told him it was impossible for Torres to obtain the required weapon licenses in the thirty days that they claimed to be able to get them. He also said Torres representatives (NFI) had met with DIASP Director [redacted] on numerous occasions and attempted to bribe him in order to expedite the issuance of the weapon licenses. [redacted] recalled meeting [redacted] once at the embassy with previous Regional Security Officer [redacted].

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[redacted] stated the LGF did not obtain the weapons licenses for one year after the contract start date. He explained that as a result of Torres's attorneys not being able to obtain the licenses, Torres hired a different law firm. Their new attorney was [redacted] and she was able to obtain the required licenses. [redacted] opined that [redacted] obtained the licenses in a legal manner because she followed proper procedures when filing paperwork and fulfilled all required steps. The licenses were issued by the DIASP office at the Ministry of Justice. [redacted] recalled that [redacted] called the Torres business office to advise them that the business licenses had been received.

[redacted] explained that the previous LGF contractor, G4S, was bankrupted by one of the local labor unions.

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Interview: [] April 16, 2015

C2015-022

Because of this, Torres employees [] attempted to educate Torres about the local labor laws and the unions, but they were not interested. [] advised Torres was sued by sixteen former employees due to illegal terminations. The judgment was made in favor of the employees, but Torres did not want to pay the judgment. The Panamanian government then attempted to seize their bank accounts, but neither Torres nor Corteseg had funds available. The Torres office was then raided in an attempt to seize assets, something he learned after it was publicized by the media. According to [] during the legal proceedings, Torres stated they did not have a security company in Panama, but he was not able to provide an official court document with this testimony. [] explained that Torres purchased the shell company of Corteseg in order to legally operate in Panama.

[] advised [] would be able to provide information as she routinely dealt with Torres attorneys. [] recently relocated to Peru and he did not her contact information.

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The interview concluded at approximately 4:00pm.

Post interview, [] provided the following information (not attached electronically):

1. [] Facebook profile printout and local telephone number [] is Torres's former Accountant.
2. [] Facebook profile printout; he is a former Torres employee in Panama, but is currently posted to the motorpool section at U.S. Embassy Lima, Peru.
3. [] Facebook profile printout; she is a former Torres employee in Panama, but recently relocated to Peru.

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4. Names of former Torres employees: [] NFI, and [] Senior Program Manager. [] was previously assigned to Lima, Peru and also allegedly attended meetings between [] and the Panamanian government.

5. Copy of the Panama Embassy identification badge for [] a member of the LGF who allegedly attempted to obtain the required licenses for Torres. After he was unsuccessful, he was re-assigned to the mobile patrol unit.

6. Copy of the Panama Embassy identification badge for [] current Torres PM. [] was one of the employees that assisted with establishing Torres in Panama.

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7. Printout of an email with [] contact information.

8. The name of [] security company is [] stated he assumed [] bid for the embassy LGF contract because he was upset that Torres won it. (Verbal comment, no related attachment.)

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Interview: April 16, 2015

C2015-022

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Report Prepared By:

Special Agent

Report Approved By:

Tamara Yoder

Tamara Yoder
Special Agent in Charge (Acting)

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**U.S. Department of State
Office of Inspector General**

Information of Record Form

CASE NUMBER: C2015-022

Activity Date: April 16, 2015

Date Prepared: April 28, 2015

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Interview

[REDACTED]

On April 16, 2015, at approximately 10:15a.m., FBI SSA [REDACTED] and RA interviewed Assistant Regional Security Officer (ARSO) and Contracting Officer's Representative (COR) [REDACTED] at the Regional Security Office (RSO) in Panama City, Panama. SSA [REDACTED] and RA advised [REDACTED] he was being interviewed in regards to a Federal Corrupt Practices Act (FCPA) violation involving Torres, the Local Guard Force (LGF) contractor in Panama, a contract for which he serves as the COR. RA provided [REDACTED] with OIG/INV Warnings and Assurances Form (Garrrity - Employee) dated 11/09 (Attachment 1). [REDACTED] consented to the interview and provided the following pertinent information:

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[REDACTED] arrived at post in May 2012 and was assigned as the COR for the LGF contract shortly thereafter. [REDACTED] received his COR certification in July 2012 and he also chaired the technical evaluation panel (TEP) for the Panama LGF contract. According to [REDACTED] zero qualified proposals were received in response to the LGF solicitation. From chairing the TEP [REDACTED] learned Torres had been awarded about nine LGF contracts in a short amount of time. [REDACTED] opined that because Torres previously held canine training contracts, but then evolved into LGF contracts, the company was not able to absorb additional business. The Torres LGF contract in Panama began on May 1, 2013.

During the solicitation process, Panama was proposing the implementation of two new laws - Law 56 and Law 57. Law 56 dealt with what [REDACTED] described as "4159 partnerships" while Law 57 dealt with weapons. Although the laws had not been passed, they were being loosely enforced by the Panamanian government. As a result, Torres was not able to import weapons and was required, per Panamanian law, to have a Panamanian company as a business partner. The local security company would either already have weapon permits or weapons for Torres use as the Panamanian government was not allowing new/foreign companies to import weapons. Torres did not have a local security company as a partner, but eventually purchased a shell company named Corteseg. It was alleged that Corteseg was a shell company because it had no assets, had not conducted any business in Panama and appeared to exist in paper only.

[REDACTED] recalled the Torres proposal stated they would have the proper weapon licenses in place prior to the contract initiation date.

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As the COR, [REDACTED] requested that the Contracting Officer (CO) issue two letters to Torres. The first one was a deduction notice for approximately \$367K. And the second one was a corrective action plan because Torres had been non-compliant since the day the contract started. After the deduction notice was received by Torres, Torres Executive Vice President [REDACTED] met with [REDACTED] and merely stated the deduction was "not right."

[REDACTED] explained that Torres recently received the proper weapon permits but up until then the LGF had not been armed. Per [REDACTED] recollection, the Panamanian government agreed to issue the licenses in May 2014, but by this time, the Ambassador rescinded the authority for all LGF to carry weapons and approved that only up to fourteen (14) guards be armed. [REDACTED] believed Torres was still getting compensated as if

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Interview: [] April 16, 2015

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the entire LGF was armed. [] did not know how Torres was finally able to obtain the proper licenses, but believed the licenses were obtained after the new administration took over in July 2014. [] stated the new administration was not requiring foreign security companies to partner with Panamanian companies. Furthermore, [] stated that up until recently the LGF uniforms did not identify the LGF company as Torres, instead the LGF contractor was identified as Corteseg.

[] provided Contract Specialist []
[]

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[] recalled an instance in which he and [] Foreign Service National Investigator (FSNI), met with [] friend at La Esquinita, a coffee shop inside the embassy. (Note: [] did not recall the individual's name but called [] on speakerphone to obtain this information.) During the call [] identified the individual as [] the former Director of the Panamanian agency that oversees the security companies in Panama. [] held that position between 2009 and 2014, during President Martinelli's administration. [] did not recall exactly when the meeting happened, but estimated it took place between January and May 2014. During the meeting [] understood [] to say that an unidentified Torres representative had offered [] a bribe in order to facilitate and/or expedite the issuance of the weapon permits. The amount of the bribe was unknown.

[] explained [] oversaw the four security companies in Panama and that the same four companies attempted to "box out" Torres by purchasing all the in-country weapons. The local companies did this to ensure no weapons were available for Torres to purchase. [] did not know if the contract required new or used weapons.

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[] recalled the names of FNU [] as former Torres employees. Both [] were hired as program managers (PM), but fired before they arrived in Panama. The former PM, [] passed away from a heart attack and the current PM is [] [] said [] was formerly employed in Peru, but was promoted and relocated to Panama. The former Torres Guard Force Commander (GFC) [] is currently the Embassy/RSO GFC and has thirty (30) years experience in the field.

[] advised Torres has not received payment since October 2014 and further advised he was still holding onto the November 2014 invoice as it contained errors. [] stated that the Office of Acquisitions Management requested that all CORs closely inspect the November invoices. [] identified [] as the Torres employee responsible for invoicing [] was not sure what office [] worked out of, but believed she worked in both Peru and Panama. [] said it was difficult for American companies/individuals to obtain a local bank account, and therefore Torres was paying the employees in cash.

As a result of local labor issues Torres is having due to approximately seven lawsuits with former employees, the ministry seized some of Torres assets because the company bank account had no funds. As part of the official process, Torres stated that they have no security guard offices in country. No official documentation verifying this statement has been received by the embassy.

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[] advised he will be returning to a domestic assignment in September 2015, but has a scheduled meeting with AQM and the follow on COR on May 13, 2015, where he plans to propose a show cause termination for the Torres LGF contract.

[] did not know what the process to obtain a security license entailed, but stated []

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Interview: [redacted] April 16, 2015

C2015-022

Foreign Commercial Services, would be able to assist.

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[redacted] was asked if he was familiar with witnesses [redacted] (unrelated), but he was not familiar with the names and did not have these individuals contact information.

[redacted] provided a copy of the Torres Contract Award Meeting presentation dated February 6, 2013. This document will not be electronically attached to this IRF. Subsequent to the interview, [redacted] provided copies of the weapons licenses (Attachment 2). Twenty-nine of those licenses are dated April 16, 2014 and eighteen are dated June 25, 2014.

The interview concluded at approximately 11:50 a.m.

Report Prepared By:

[redacted]

Special Agent

Report Approved By:

Tamara Yoder

[redacted]

Tamara Yoder
Special Agent in Charge (Acting)

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The digital copy of this file contains the following attachments:

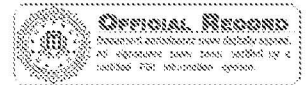
1. [redacted].pdf
2. [redacted] Security Licenses.pdf

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FEDERAL BUREAU OF INVESTIGATION**Electronic Communication****Title:** (U) TAES DOS Contracts 2-1-2016**Date:** 02/02/2016**From:** WASHINGTON FIELD
WF-CR12**Contact:** [REDACTED]**Approved By:** SSA [REDACTED]**Drafted By:** [REDACTED]**Case ID #:** 205-WF-6804950

(U) [REDACTED]

Torres Advanced Enterprise Solutions;
FCPA**Synopsis:** (U) SA [REDACTED] requested contract information from the Department of State on TAES.**Full Investigation Initiated:** 01/11/2016**Enclosure(s):** Enclosed are the following items:

1. (U) Spreadsheet

Details:

On or around January 12, 2016, SA [REDACTED] requested information from the Department of State (DOS) regarding contracts awarded to TORRES ADVANCED ENTERPRISE SOLUTIONS ("TAES"). DOS Special Agent [REDACTED] provided a draft spreadsheet containing the DOS contracts awarded to TAES.

Below is a summary of the spreadsheet:

1. Contract Number: SAQMPD06C0084

Award Amount: \$832,192.46

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Title: (U) TAES DOS Contracts 2-1-2016

Re: 205-WF-6804950, 02/02/2016

Start Date: 4/8/2006 End Date: 9/30/2011

Location: Baghdad, Iraq

2. Contract Number: SAQMMA10C0186

Award Amount: \$3,801,448.56

Start Date: 10/29/2011 End Date: 10/28/2015

Location: Bujumbura, Uganda

3. Contract Number: SAQMMA12C0008

Award Amount: \$3,536,692.75

Start Date: 2/29/2012 End Date: 2/28/2016

Location: Asuncion, Paraguay

4. Contract Number: SAQMMA12C0103

Award Amount: \$28,255,704.14

Start Date: 7/1/2012 End Date: 6/30/2015

Location: Lima, Peru

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Title: (U) TAES DOS Contracts 2-1-2016

Re: 205-WF-6804950, 02/02/2016

5. Contract Number: SAQMMA13C0033

Award Amount: \$2,789,230.00

Start Date: 5/1/2013 End Date: 4/30/2018

Location: Panama City, Panama

6. Contract Number: SAQMMA12C0107

Award Amount: \$5,028,679.67

Start Date: 7/10/2012 End Date: 7/9/2017

Location: Amman, Jordan

7. Contract Number: SAQMMA12C0086

Award Amount: \$6,729,630.58

Start Date: 5/22/2012 End Date: 5/21/2017

Location: Maputo, Mozambique

8. Contract Number: SAQMMA12C0113

Award Amount: \$1,652,782.91

Start Date: 6/1/2012 End: 5/31/2017

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Title: (U) TAES DOS Contracts 2-1-2016

Re: 205-WF-6804950, 02/02/2016

Location: Willemstad, Curacao

9. Contract Number: SAQMMA12C0109

Award Amount: \$51,176,478.85

Start Date: 7/1/2012 End Date: 6/30/2017

Location: Islamabad, Pakistan

10. Contract Number: SAQMMA12C0021

Award Amount: \$6,070,475.00

Start Date: 4/1/2012 End Date: 3/31/2017

Location: Lusaka, Zambia

A copy of the spreadsheet provided by SA is attached.

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