

General Terms and Conditions for Freelance Contracts (Version June 2017)

1. Scope

- (1) These General Terms and Conditions apply to all of AFC's freelance contracts and are an integral part of the freelance contract entered into by the contractor (hereinafter: the Contractor) and AFC Agriculture and Finance Consultants GmbH (hereinafter: AFC). In the event of any discrepancies, the contract shall take precedence.
- (2) Changes to the General Terms and Conditions may be stipulated in the contract only.

2. Performance of the assignment

- (1) The Contractor is free to decide how to perform his / her project tasks and how to organise and allocate his / her time. Where required for the performance of the contract, project-related deadlines and technical requirements set by AFC must, however, be met. The use of resources and any necessary and contractually authorised personnel is subject to the exclusive discretion of the Contractor.
- (2) When scheduling working hours the Contractor shall consider and respect local conditions (e.g. offices hours of public bodies, working hours of other consultants and employees involved in the Project), and as regards extent of time for Project activities this shall be dependent on rendering the services stated in the terms of reference.
- (3) During the term of this contract, the Contractor is free to seek other business and to work for other clients. If the Contractor works for a client who is a competitor of AFC, the Contractor must inform AFC immediately. Working time invoiced to AFC must not be invoiced to any other client.
- (4) The services under the contract and its appendices are to be provided personally. The Contractor is not authorised to delegate his / her tasks or parts thereof to any third party. In the event it becomes necessary to exceptionally assign any of such parts of tasks to a third party, the Contractor will be required to obtain AFC's prior written approval.
- (5) The timeframe stipulated in the contract can only be extended with AFC's written consent. In the absence of such consent, AFC's obligation to remunerate the Contractor ceases once he / she has completed all working days as stipulated in the contract.
- (6) In case a prolongation of the Project or a further Project phase, i.e. subsequent projects, are being tendered, the Contractor commits to work exclusively for AFC in case the Contractor is interested to continue his/her input in the Project.
- (7) On arrival in the Project Country, the Contractor shall immediately inform the Project office of his / her stay.
- (8) During and after contract performance, the Contractor will refrain from any statement or action that could be detrimental to the image of AFC, its clients and the country of assignment, both at home and abroad.

3. Report obligations and documents

- (1) All reports, drafts and the final report are only deemed accepted after confirmation in writing by AFC, following the approval of its Client.
- (2) Additional time and effort necessary for editing or revising the report within the context of the ToR is incorporated into the remuneration.
- (3) All working documents and materials shall be fully returned to AFC within four weeks of contract termination. Soft copies are to be treated confidentially and to be deleted at the end of the Project. Appropriate measures for data security and safety have to be taken.

4. Copyright work results and publications

- (1) The Contractor assigns to AFC an irrevocable, cost-free, transferable and exclusive right of use of all inventions, design documents, procedures, records and outputs resulting from the performance of the

contract both in Germany and abroad. Such right of use is deemed to be fully compensated by the remuneration paid to the Contractor.

- (2) Publications made by the Contractor in connection with the tasks subject to the contract require the prior and written approval of AFC and its Client, even after the end of the contract period.

5. Remuneration and reimbursement of expenses

- (1) The agreed fee under this contract becomes payable upon submission of an invoice by the Contractor and the deliverables as specified in the ToR. The Contractor's entitlement to payment of the fee, any per diem and other valid expenses is subject to the original evidence/supporting documents provided for the Project activity as required by the contract.
- (2) The Contractor's entitlement to remuneration is substantiated by 'time sheets' signed by both the Contractor and the Client. Additional instructions are subject of the Specific Contract Conditions.
- (3) If required, air tickets may also be bought by the Contractor after prior approval by AFC. Air travel tickets will only be reimbursed upon submission of original supporting documents (in particular the booking confirmation together with the corresponding travel agency's original invoice and boarding passes showing the flight details (flight number and date), and if available, a copy of the (e-)ticket). In the absence of documentary proof of air travels already reimbursed or included in a lump-sum payment, AFC is entitled to deduct the corresponding amount from the Contractor's fee. Likewise, all other costs related to travel and claimed need to be supported by respective original receipts.
- (4) For inputs exceeding one month the Contractor shall invoice and submit all supporting documents pertaining to his/her remuneration on a monthly basis. AFC shall execute the Contractor's monthly payment not later than two (2) calendar weeks upon receipt of the invoice and the original time sheet by the Contractor.
- (5) Advance payments and part payments against remuneration do not constitute partial acceptance, and are subject to the express provision that they may be reclaimed.
- (6) Travel expenses shall be claimed without delay after the end of the travel period. The invoice is to indicate the exact working period and shall be accompanied by the originals of all substantiating documents, including used boarding passes. If individual substantiating documents are not available, the Contractor may, exceptionally, present a pro-forma document, provided that the following data are given: travel date, travel purpose, destination and fare. Furthermore, the pro-forma document shall also bear the date of issuance and the issuer's signature as well as a statement why no original document can be presented.
- (7) Refundable expenses incurred by the Contractor in local currency are reimbursed in that currency, or converted at the exchange rate shown on the corresponding currency exchange receipt. The original of such currency exchange receipt shall be attached to the invoice. In the event the Contractor does not provide a currency exchange receipt, AFC reserves the right to pay the invoice at the exchange rate used by AFC's client in the corresponding month.
- (8) Bank transfer fees concerning the above mentioned payments are paid by AFC up to the correspondent bank.

6. Insurance

- (1) The Contractor is obliged to ensure adequate insurance cover (such as health, accident, third party liability, theft, medical repatriation insurance in case of fatality, etc.) for him- /herself at his /her own expense and to maintain the same for the duration of his/her assignment. AFC accepts no liability in this respect.
- (2) When working abroad, the Contractor is obliged, in particular, to take out a travel/overseas health insurance contract that covers medical repatriation. If necessary, a corresponding insurance cover can be affected by AFC upon written request of the Contractor. The costs incurred will be borne by the Contractor.
- (3) Upon request, the Contractor shall provide evidence to AFC that he/she has concluded such insurance contracts and paid contributions accordingly.

7. Taxes

- (1) The remuneration agreed between the parties covers all of the Contractor's expenses, inclusive of taxes and social security contributions, which have occurred during performance of services under the contract. It is the Contractor's sole responsibility to duly pay taxes for his / her fees obtained under the contract.
- (2) In the event AFC is required to make up payments for taxes, insurance or social insurance contributions as a result of an audit or in some other way, the Contractor, within his / her contractual relationship with AFC, undertakes to indemnify the latter therefrom and to settle any such payment him-/ herself.
- (3) If the Contractor has his / her place of residence in the Federal Republic of Germany and the activities under his / her contract is subject to value-added tax (VAT), VAT will be paid in accordance with the legal provisions, provided that the invoice shows the VAT amount and bears the tax registration number or tax ID of the Contractor, and that all legal requirements for paying input tax are met.
- (4) If the contractor is a natural person with his/her place of residence in the Federal Republic of Germany, he / she shall submit to AFC an updated certificate issued by the German statutory pension insurance scheme on his / her National Security status. If the contractor is not in possession of such a certificate, he / she shall immediately file an application with the Deutsche Rentenversicherung (German Pension Insurance Agency). AFC will, on request, provide the necessary application documents. In case of non-compliance with the above, AFC is entitled to send the corresponding application to the Deutsche Rentenversicherung.

8. Confidentiality

- (1) The Contractor is committed to strict secrecy regarding all confidential occurrences and internal affairs of AFC that become known to him, in particular with respect to the process of business activities, the origin of supply and resources, clients as well as calculations and annual accounts.
- (2) Documents and working results of all kinds may only be disclosed to third parties with prior written approval of AFC. The Contractor shall ensure that AFC-related documents provided to him / her do not become accessible to any third party. While performing the contract, the Contractor undertakes to comply with all relevant provisions of data protection legislation and ensures that data provided to him by AFC in the performance of the contract will be protected from access by third parties and that such data will neither be unlawfully used nor altered.
- (3) The above obligations shall remain in force after the end of the contract term unless the Contractor can demonstrate that the observance of such obligations oppose his / her own legitimate interests.

9. Guarantee - Liability

- (1) To be able to carry out his / her tasks, the Contractor ensures that he / she is medically fit to travel and, if need be, fit to work in the tropics. In the event the Contractor has any concerns about meeting the medical requirements, he / she shall inform AFC immediately. Upon request a medical certificate of good health can be requested.
- (2) Furthermore, the Contractor warrants the accuracy of the details contained in the curriculum vitae submitted to AFC, and will be personally liable to AFC for any wilful violation of his / her obligation to truthfulness up to the full amount of damages resulting from such violation.
- (3) When incurring costs that are to be borne by AFC, the Contractor shall always take account of the need for efficiency and economy and act with the due diligence of a prudent businessman. Furthermore, the Contractor shall take account of the relevant specifications provided by AFC's client.
- (4) The services to be provided and the documents pertaining thereto shall take account of the Project Country's local conditions, the financing possibilities as well as of the general and specific economic and social impact of the Project. The services must correspond to the relevant state-of-the-art scientific approaches and to the generally recognised codes of practice.
- (5) If AFC is held liable for culpable damages caused by the Contractor during or on occasion of the performance of this contract, the Contractor undertakes to release AFC from this liability.

- (6) In the event the Contractor's inability to provide the services subject to the contract is not of a temporary nature, he / she shall inform AFC immediately of the reason and the expected duration of his / her inability to perform, so that the necessary steps can be taken (e.g. shortening or extending the Project), to ensure that the services will be provided in accordance with the contract.
- (7) If through his / her own fault the Contractor fails to start the Project activities as agreed in the time schedule, the Contractor shall pay a penalty of 20 % of the agreed contract honorarium to AFC (up to two monthly honoraria).

10. Termination

- (1) The contract with the Contractor is connected with the assignment given to AFC to implement the Project and shall share its fate. Therefore, the contract is subject to the resolutive condition that AFC continues to be the contract partner for implementing the Project.
- (2) In the event the Project is not implemented or realised only in part, due to a decision by the Client, or if the Contractor is not or is only partly required for the Project, AFC may unilaterally amend or terminate the contract accordingly. In case the Contractor is not required to perform any further activity within the Project, AFC may terminate the contract.
- (3) The parties cannot derive any rights from a premature termination or amendment of the contract pursuant to § 10(2). Activities performed up to the point of termination of the contract will be paid for in accordance with the terms of the contract.
- (4) In addition it is herewith explicitly agreed that AFC is entitled to terminate the contract without serving notice in case:
 - a. strict confidentiality is not maintained towards third parties regarding all matters concerning the Project,
 - b. the performance of services by the Contractor is reduced by the abuse of drugs and/or alcohol in a way that he/she is not able to carry out his/her specified tasks or that the inappropriate behaviour resulting thereof should considerably contribute to damage the reputation of AFC in the Project area.
- (5) In the event AFC terminates the contract, the Contractor undertakes to provide AFC with the results of his / her work to be performed in accordance with the terms of reference up to the time of contract termination. Working or business documents supplied by AFC or its clients as well as other resources are to be returned without request on termination of the contractual relationship. No right of retention may be asserted.

11. Force majeure

- (1) In the event a contracting party is prevented from fulfilling its contractual obligation, in total or in part, due to force majeure, any such non-fulfilment shall not be deemed to be a breach of the obligations under the contract. The party concerned shall take the necessary measures to limit a possible damage due to force majeure to the extent possible.
- (2) Force majeure includes situations or events that are unpredictable and extraordinary, which, despite due diligence are unavoidable and beyond the control of the parties. Nor are they attributable to a fault or negligence of a party preventing it from fulfilling its obligation under the contract. Such unavoidable situations or events may include but are not limited to: war (whether declared or not), civil war, acts of terrorism, civil unrest, heavy clashes, natural disasters such as earthquakes, fire, flood or storm.
- (3) If one of the parties is subject to force majeure, it shall inform the other party immediately about this event, indicating its nature, probable duration and foreseeable consequences.

12. Applicable law / Additional agreements

- (1) The contract entered into is subject exclusively to the law of the Federal Republic of Germany.
- (2) The parties to the contract agree that disagreements concerning the validity, interpretation and performance of the contract must be settled wherever possible by mutual agreement. If these efforts fail, the right to seek redress through the courts remains unaffected. The competent court is in Bonn / Germany, unless mandatory statutory provisions stipulate otherwise. In particular, this Court shall have jurisdiction if

- a) both parties are traders (§ 38 para. 1 German Code of Civil Procedure)
- b) at least one of the parties to the contract does not have any general jurisdiction in Germany (§ 38 para. 2 German Code of Civil Procedure)
- c) the party facing legal action has relocated its place of residence or regular place of abode after entering into the contract to a location outside the Federal Republic of Germany or whose place of residence or regular place of abode is unknown at the time of the legal action (§ 38 para. 3 no. 2 German Code of Civil Procedure).
- (3) If any provision of the contract is invalid or unenforceable or becomes invalid or unenforceable, in whole or in part, after the contract is signed, the validity of the remaining provisions of the contract shall remain unaffected. The invalid or unenforceable provision shall be replaced, to the extent possible, by a valid and enforceable provision covering the economic purpose and intended meaning of the invalid or unenforceable provision the parties have originally meant to determine.
- (4) The parties have not concluded any additional agreements other than the contract. To be effective, additional agreements and amendments to the contract are only valid if made in writing. This formal requirement cannot be waived by tacit consent, nor can it be rescinded.

Annexes

- I. Code of Conduct**
- II. Child Protection Policy**
- III. HIV/AIDS Policy**
- IV. Environmental Policy**

I. CODE OF CONDUCT

PRINCIPLES

AFC's Code of Conduct is derived from the company's mission and common corporate values. In all of its activities, AFC upholds the principles of integrity, quality and social responsibility. AFC participates in tenders and implements private and donor-financed projects in keeping with the highest standards of corporate ethics and competitive practices. This requires high personal and professional standards for the management and staff, the observance of which AFC ensures by:

- carefully selecting members of its head office management and personnel, external experts and cooperation partners;
- assuring compliance to the Code at AFC's headquarters and in project offices worldwide; and
- applying the Code when dealing with cooperation partners, donors and all stakeholders in projects that AFC implements.

APPLICATION

The Code of Conduct applies to all AFC's staff, i.e. management and other employees at the AFC head office and team leaders, team members, short- and long-term experts in the field as well as company representatives, and is part of AFC's employment contracts and contracts with representatives, partners and experts.

STANDARDS

Equal rights

AFC works with people without making any differentiation in respect of gender, age, nationality, ethnic origin, religion, culture, education, social status, disabilities, or sexual orientation. Equal rights principles are observed in all of the company's activities. AFC dissociates itself from and does not tolerate bullying/mobbing, sexual harassment and racism, neither in its head office nor in project offices worldwide.

Legal compliance

AFC fulfils its contractual obligations. The company respects the laws in force in Germany and in the countries where the company is working. AFC complies with all applicable laws, statutes, regulations and codes relating to anti-corruption and antitrust.

Transparency

Through its management and accounting systems, rules and procedures AFC ensures that its actions and motives are clear and comprehensible.

Partnership

Partnership is characterised by mutual respect, trust and confidentiality. AFC strives for a partnership based cooperation with associate firms, and freelance experts deployed in its projects. The same applies to its cooperation with donors, beneficiaries, target groups and authorities in the projects implemented.

Conflict of interest

By having the respective contractual arrangements and obligations in place AFC takes care to separate business and private spheres and to immediately reveal conflicts between personal interests and AFC's corporate interests in order to resolve them in a verifiable and understandable manner for all parties involved. Any paid or honorary activity of personnel related to AFC's field of activities and falling outside employment contracts with AFC has to be reported to and possibly approved by the management. The same applies to any connections of personal, familial, financial or of any other nature a staff member might have to



AFC's clients, business partners, competitors or their employees, which could impinge on the objectivity of the staff member's work.

Bribery

AFC disassociates itself from active and passive bribery and neither encourages nor tolerates the direct or indirect acceptance of bribes or the offering of bribes.

Gifts

AFC personnel is not allowed to accept gifts from or to make gifts to business partners, except for small give-aways such as pens, stickers, etc., which do not exceed a commercial value defined by the applicable law/regulation per employee or business partner per year. AFC staff may accept occasional lunch or dinner invitations or may invite business partners to lunch/dinner, as these are informal work platforms between AFC and its partners.

Loyalty to the Client

AFC personnel must respect the commercial interest of the companies (in the case of this contract: the partner banks) that partner with AFC. In particular, AFC personnel must keep the commercial secrets of the partner banks and not link the customers of one bank to another bank unless their loan application has been declined or seriously delayed.

VIOLATIONS

If AFC's management becomes aware of the fact that a partner or an employee has violated the Code of Conduct, whether explicitly or by implication, it will act in each individual case by carefully evaluating the degree and the seriousness of the contempt and undertake the necessary action.

Where a staff member, a business or project partner or any other person considers that the principles of this Code are not being upheld, he/she shall address the compliance officer designated for the purpose of reviewing compliance with this Code of Conduct (compliance@gopa-group.org) who acts independently and autonomously. Any information provided will be handled with strict confidentiality.

II. HIV/AIDS Policy

Context and Objectives

AFC acknowledges the seriousness of the HIV/AIDS epidemic and the impact it has in many of the countries they work in. The company understands AIDS as a chronic, life-threatening disease with social, economic and human rights implications.

AFC recognises its responsibility towards its employees and therefore strives to minimize these implications through comprehensive, proactive HIV/AIDS workplace programmes, and commits itself to providing leadership in implementing such programmes. The objectives of these programmes are to ensure an effective prevention of HIV/AIDS among employees and their families, and the comprehensive management of the needs of HIV-positive employees and employees living with AIDS.

This policy is in compliance with the position paper "HIV/AIDS in German Technical Cooperation (TC)" of the German Federal Ministry for Economic Cooperation and Development (BMZ). It has been developed and will be implemented in consultation with AFC's employees at all levels: Head Office personnel, seconded field staff, international experts, and national personnel. Since the degree of suffering caused by HIV/AIDS, the legal framework conditions and the social security systems vary widely from country to country, this framework policy must be adapted to local conditions and be implemented accordingly wherever AFC operates.

Basic Principles

Through the provision of information, education and communication about HIV/AIDS this policy aims to protect all HIV/AIDS-positive employees from stigmatisation and/ or discrimination by colleagues.

Employees living with HIV/AIDS have the same rights and obligations as all staff members, and they will be protected against all forms of discrimination resulting from their HIV status. AFC therefore guarantees that job access, status, promotion and job security and training will not be influenced by an employee's HIV status.

AFC rejects HIV testing as a prerequisite for recruitment, access to training or promotion. It guarantees confidentiality of any medical information relating to the HIV status of employees that any of their representatives may have by virtue of his/her position in the company. AFC strives to create a climate that allows for and encourages voluntary disclosure of an individual's positive HIV status.

For this reason AFC facilitates access to voluntary counselling and testing (VCT) for all employees. •

With this policy, AFC acknowledges the desire and ability of HIV-positive employees to work. They therefore guarantee that employees living with HIV and AIDS may continue to work as long as they are able to perform their duties in accordance with job requirements.

If, for medical reasons, an employee is no longer able to continue his or her normal employment duties, AFC will make efforts to reasonably accommodate the employee in another position in line with existing legislation and company policies.

Workplace Programmes

Based on a situation analysis on HIV/AIDS policy development and performance in all countries where they operate, AFC will develop context-specific workplace programmes that provide information on HIV/AIDS and make access to condoms at the workplace possible.

Information in workplace programmes will comprise:

- basic knowledge on HIV-Infection and the Acquired Immunodeficiency Syndrome;
- transmission and factors fuelling the epidemic;
- suitable prevention measures and treatment options;
- information on places to seek further services; and
- impact of the HIV/AIDS epidemic.

In addition, such programmes will include, where necessary and appropriate:

- appointment of and ongoing support for peer educators in the workplace;
- promotion of voluntary counselling and testing and demonstration of proper condom use;
- inclusion of expectations on HIV/AIDS prevention-related behaviour into the orientation of local employees;
- provision of guidance to local implementing partners on HIV/AIDS programme design; and

