

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>	BPA NO.	1. CONTRACT ID CODE	PAGE 1	OF PAGE: 11
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2. AMENDMENT/MODIFICATION NO. 04	3. EFFECTIVE DATE See Block 16 C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)
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6. ISSUED BY Office of Acquisition & Assistance USAID/Afghanistan Great Massoud Road Kabul, Afghanistan	7. ADMINISTERED BY (If other than Item 6) CODE
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8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)  All Offerors	(X)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
		10A. MODIFICATION OF CONTRACT/ORDER NO. 306-08-026
	X	10B. DATED (SEE ITEM 13)

**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) N/A

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

(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, 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)

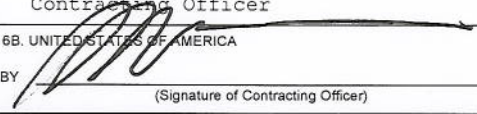
**E. IMPORTANT:** Contractor  is not,  is required to sign this document and return One copies to the issuing office.

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

- Incorporate the Minutes of the Meeting held at Fine Arts Building at Kabul University on August 20, 2008, as detailed in Attachment A;
- Incorporate the responses to the questions received from Offerors, as detailed in Attachment B; and
- Extend the due date of the RFP from September 15, 2008 to September 22, 2008.

Specific changes are detailed on Page 2 of this amendment:

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

15A. NAME AND TITLE OF SIGNER (Type or print) N/A	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Michael Rossman Contracting Officer
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED
	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)
	16C. DATE SIGNED 9/4/08

**Specifically, this RFP is hereby amended as follows:**

1. In Section C.5.c, Contractor's Responsibility, replace the entire paragraph with the following:  
  
"Payment/Performance Bond: The Contractor shall at the time of entering into the contract, provide USAID with a Bond or Bank guarantee in the amount not less than 100% of the original contract price."
2. In Section C.5.J, Project Acceptance, add as the last paragraph below:  
  
"The Contractor must notify USAID after substantial completion of one wing. Upon inspection, USAID may issue a Substantial Completion Certificate and a basis for student occupancy."
3. In Section C.5.M, Construction Warranty, add as the last paragraph below:  
  
"USAID may apply the construction warranty against defects and materials upon issuance of a Substantial Complete Certification or upon occupancy of the students per wing of building as deemed necessary. Upon USAID determination, the warranty period shall commence upon issuance of a Substantial Completion Certificate for each wing building. "
4. In Section I.1, NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE,
  - a) DELETE the following:  
  
"52.219-16 LIQUIDATED DAMAGES – SUB CONTRACTING PLAN  
52.225-1 BUY AMERICAN ACT – SUPPLIES"
  - b) ADD the following:  
  
"FAR 52.228-15 PERFORMANCE AND PAYMENT BONDS – CONSTRUCTION"
5. In Section L.11, paragraph "d", fourth sentence delete the phrase "the letters will not be part of the page limitation"
6. In Section L.11, h, first paragraph, third sentence delete the phrase "which will not count against the page limit"
7. In Section L.11, h, first paragraph, last sentence delete the phrase "and will not count against the page limit for the technical proposal."

Attachment A

**Minutes of Meeting for  
Renovation of Men's Dormitory and Design and Construction of Dining Facility  
Pre-proposal Meeting  
Kabul University, Fine Arts Building  
August 20, 2008**

USAID Representatives:

- |                    |                                     |
|--------------------|-------------------------------------|
| 1. Michael Rossman | Contracting Officer                 |
| 2. Jeff Hepler     | Head of Vertical Structure          |
| 3. Mohammad Nabi   | Vertical Structure, Engineer        |
| 4. Wali Achakzai   | Acquisition & Assistance Specialist |
| 5. Abdul Qader     | Acquisition & Assistance Specialist |

Kabul University Representatives:

1. Mohammad Aalim, Dean of Fine Arts of Kabul University
2. Zabardast, Deputy Dean of Fine Arts of Kabul University

Offerrors Representatives:

1. Interested Firms
  - Opening remarks from USAID Contracting Officer Michael Rossman
  - Introduction of USAID Personnel by Michael Rossman
  - Speech by Mr. Aalim, Dean of Fine Arts at Kabul University
  - Short briefing of the Project by Jeff Hepler
  - Presentation by Michael Rossman, USAID Contracting Officer
    - Timelines
    - procurement process
    - award process
  - site walk through the Men's Dormitory

Attachment B

**Responses to the Questions Received**  
**Renovation of Men's Dormitory and Design and Construction of Dining Facility**

1. What is the difference between Technical Approach and Work Plan?

Answer: Technical Approach is a clear description of how a contractor plans to implement the project, what methodologies, techniques and activities the contractor plans to do to achieve the desired objective or result.

A work plan is a plan that will describe the summary of project outcomes/results and an implementation schedule for achieving expected results. The work plan should provide a realistic schedule of performance milestones as steps toward achieving proposed results. The Work Plan should clearly outline links between the proposed results, technical approach, and performance milestones, and should reflect a realistic timeline for achieving the project results.

2. The RFP mentions page limits in several locations; however, no page limits are specified. Nor are there any font specifications provided. Are there any page limits or font specifications that we should adhere to?

Answer: There are no page limitations specified in this RFP. Section L.11.I.h is amended to delete page limits mentioned in this paragraph.

3. Please advise if FAR 52.225-1 BUY AMERICAN ACT—SUPPLIES should be included in this RFP since the acquisition is for supplies for use outside the United States (see FAR 25.1101 (a) (1) (iii).

Answer: The subject clause is not applicable to this solicitation. Section I is amended to delete FAR 52.225-1 Buy American Act – Supplies.

4. On page 63 of the RFP, it states that the Offeror's Small Business and Small Disadvantaged Business Subcontracting Plan is to be submitted as part of the Cost Proposal. This plan is usually not required for work outside of the CONUS - please confirm the requirement for a Small Business and Small Disadvantaged Business Subcontracting Plan.

Answer: The Paragraph on Page 63 is deleted and Small Business and Small Disadvantaged Business Subcontracting Plan is not applicable to this solicitation.

5. 752.228-3 Worker's compensation insurance (Defense Base Act) states that " The Contractor agrees to procure Defense Base Act (DBA) insurance pursuant to the terms of the contract between USAID and USAID's DBA insurance carrier unless the Contractor has a DBA self insurance program approved by the Department of Labor or has an approved retrospective rating agreement for DBA". If the Contractor needs to obtain DBA

insurance through USAID's carrier, can USAID provide information regarding this contract and how to obtain DBSA?

[Answer: USAID's Acquisition & Assistance Policy Directive \(AAPD\) 07-04, Defense Based Act \(DBA\) Insurance Rates for FY07 provides more information on DBA insurance. \(See Attachment C\)](#)

6. Under C.5 Contractor's Responsibility, section C., it states " Performance Bond: The contractor shall, at the time of entering into the contract, provide USAID with a Performance Bond or Bank Guarantee in the amount not less than 10% of the total contract amount." Is 10% the right percentage, or was 100% intended?

[Answer: The Performance Bond required is 100% of the total contract price.](#)

7. Page 65 of 88, d. Instructions regarding Key Personnel. "Key personnel must include a Chief of Party/Project Manager and should at a maximum, number five." Are there words missing within this statement?

[Answer: For clarity, the maximum number of Key personnel a Contractor may propose is five \(5\).](#)

8. Page 61 of 88, d. Statement of Resources- Are we required to use USAID Form 1420-17 Contractor Employee Biographical Data Sheet for the resumes of our personnel?

[Answer: The USAID form SF 1420-17 is only required for key personnel.](#)

9. (Part 2, Section I.1) FAR Section 52.219-16 was included by reference. This section is concerning Liquidated Damages. Is USAID expecting to be utilizing the liquidated damages clause in this contract?

[Answer: FAR 52.219-16, Liquidated Damages – Subcontracting Plan is deleted.](#)

10. Section I.3 (i) states the following

(i) Weapons.

(1) If the Contracting Officer, subject to the approval of the Combatant Commander or the Chief of Mission, authorizes the carrying of weapons—

(i) The Contracting Officer may authorize an approved Contractor to issue Contractor-owned weapons and ammunition to specified employees;

Please confirm that we would be an approved Contractor and able to issue firearms to specified employees. Please further confirm that this approval also applies to our use of licensed security subcontractors.

[Answer: Section I.3.c, Support, is followed. Section I.3.c states that the Contractor shall be responsible for all logistical and security support required for contractor personnel engaged](#)

in this contract. The Contractor shall comply with the local laws and regulations in securing security subcontracts under this contract.

11. As per FAR 52.225-10, we are requesting a Determination of Inapplicability of the Buy American Act for Construction Materials. This request is based on the unreasonable cost and delivery times of American construction materials in Afghanistan.

Answer: See answer to Question 3.

12. (Section J) Please confirm that Project Acceptance will be contingent only on those items listed within the contract scope of work and that additional items that might be requested outside of scope of work by IRoA or others will not slow or halt project acceptance?

Answer: The Project Acceptance is contingent only on the Scope of Work listed in the contract.

13. In Section L.11.II.d, the RFP refers to a contract pricing table. Will a table be provided for this section by USAID or is up to the offeror to prepare an appropriate pricing table?

Answer: The contract pricing table is left with the offeror to propose.

14. Some of the rooms in the Fine Arts Building will be converted to Temporary Dormitory. Will any structural changes take place in this Temporary Dormitory?

Answer: There will be no structural changes that will take place in the Temporary Dormitory. The required work is detailed in Task A.12 of the Statement of Work.

15. Are there Maps and Drawings available for the Renovation of the Men's Dormitory and Design and Construction of Dining Facility?

Answer: USAID does not have drawings of the existing men's dormitory. USAID will request the Kabul University to make this available to offerors but there is no guarantee that there is an available set of drawing for the Men's dormitory.

There are no conceptual designs for the dining facility. The offeror must provide the dining facility design and specifications as required in the statement of work.

16. How the Renovation Plan will take Place? Will it be step by step on each floor or in a different way?

Answer: There are four wings at the dorm. The students of one wing at a time will be moved to Fine Arts Building. The selected Contractor shall be able to continue renovation at all floors of vacated wing. When renovation at that specific wing is completed and accepted by USAID, the students will be moved back from the Fine Arts Building to the completed wing. The same is applicable for all the wings. The offeror may propose a different approach on the phases of work and will be reviewed by USAID.

17. How long it will take place to move the students from one Wing to another, offerors are interested that time should not be wasted.

Answer: University of Kabul will coordinate wing evacuation plan with the contractor. USAID anticipates the evacuation of each wing to take less than 10 days when the fine art building is vacated.

18. Are there Maps and Drawings available for Dining Facility and Laundry space?

Answer: There are no conceptual designs for the dining facility and laundry space. The offeror must provide the dining facility design and specifications as required in the statement of work.

19. What is the size of the Dining Facility and Laundry area?

Answer: The number of beneficiary for the dining facility has been given in the RFP. Contractor shall prepare design and size the facility in conformance with International Building Code (IBC) 2006 and the specifications in the statement of work. As stated in RFP, the laundry facility at the boys' dormitory shall be designed and constructed comparable in size and quality to the laundry facility at the Kabul University women dormitory.

20. The RFP states that the warranty period after completion is for one year. When the warranty period will start after completion of one Wing?

Answer: Warranty period for each wing will start at the beneficial occupancy of each wing. Warranty period may also be determined on the offerors' proposal of the phases of work.

21. Who will do the design for the Heating System? Such mechanical work needs design, drawings and dimension. Are there any design and drawing available?

Answer: The contractor shall design and construct new heating system as per statement of work and International Mechanical Code 2006. USAID does not have design drawings available.

22. The current wiring system is inside the wall. How the future wiring system should be designed, under the wall or in conduit?

Answer: The conduit could be on wall surface or inside the wall as long as it meets National Electrical Code (NEC) 2008.

23. Will USAID be issuing a Certificate of Project Acceptance accepting the buildings as they are completed and occupied so that the warranty period on each building can begin with occupancy?

Answer: Yes, USAID will issue a Certificate of Project Acceptance as the buildings are completed. The warranty period is answered in Question No. 20.

24. Will beneficial use occupancy be accepted on the Mechanical Areas of the Central Core upon occupancy and operation of the first dormitory wing even though additional piping and units may have to be added as additional wings are completed and occupied? This is for the purpose of beginning warranty on the rooms and equipment that are being utilized?

**Answer: No. The warranty of the Mechanical system of the Central Core will start upon completion and commissioning of entire system and its acceptance by USAID.**

25. Who will be responsible for providing maintenance, fuel, etc. for the central heating and electrical equipment that is operational after opening of the first dormitory and during construction of the other three?

**Answer: The Government of Afghanistan will be responsible for operation and maintenance of mechanical systems that are accepted by USAID.**

26. Is an alternative with a larger temporary dormitory that houses the entire population being considered to save phasing?

**Answer: No, there are no other alternatives.**

27. (Tasks A3, A3 Option, A12, A12 Option, B1, B1 Option) RFP repeatedly mentions "heating" but does not mention cooling or air conditioning. Is cooling desired?

**Answer: There will be no cooling system**

28. (Task B1) The description of the New Dining Facility does not explicitly mention built-in refrigerator or freezer units. Are these required? If so, how large should the units be? If not, are freestanding refrigerator and freezer units required as furnishings or equipment? If so, what storage volume in free-standing refrigerators and freezers should be provided with the kitchen equipment?

**Answer: Contractor will be responsible for the design and construction of the cold storage units in the Dining Facility. Sizing of these units should be based upon the occupancy of 800 students per shift.**

29. (Task B1) The International Building Code requires sprinklers for assembly occupancy food service buildings of this size (Occupancy A-2). Section 903.2.1.2 Group A-2 states "An automatic sprinkler system shall be provided for Group A-2 occupancies where one of the following conditions exists:

1. The fire area exceeds 5,000 square feet (465 m<sup>2</sup>);
2. The fire area has an occupant load of 100 or more; or
3. The fire area is located on a floor other than the level of exit discharge.

Since the occupancy of the building is to be 800 diners, this building falls within definition #2. Is a waiver or exception being granted from IBC for the installation of a fire sprinkler for this building?



Answer: There is no waiver for the fire protection systems in the Dining Facility.

30. Task A6) The International Building Code requires sprinklers for dormitory buildings of this size. For Institutional Uses, Section 903.2.5 Group I states "An automatic sprinkler system shall be provided throughout buildings with a Group I fire area." For residential uses, Section 903.2.7 Group R states "An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area." Is a waiver or exception being granted from IBC for the installation of a fire sprinkler for this building? If not, will an NFPA 13R sprinkler system (for residential buildings up to four stories in height) be allowable?

Answer: If the egress from the dormitory to the exterior is separated from the remainder of the building by fire barriers having a fire resistance rating of no less than 1 hour, the automatic sprinkler system will not be required. For the design of sprinkler systems, NFPA, 13, *Standard for the Installation of Sprinkler Systems* shall apply.

31. (Task A3, A12 Option, B1) The central heating system for the dormitories and the dining facility call specifically for a diesel-fired boiler. Is a propane fired boiler an acceptable alternate?

Answer: Propane fired boiler is not an acceptable alternate.

32. (Task A3 Option, B1 Option) Solar Heating has various options as follows:

- Solar heating of the feed air to the diesel or gas burner to increase efficiency of that unit;
- Solar heating of glycol or some other non-hydrous heat transfer fluid and use of this fluid to heat the water for hot water use such as sinks and showers;
- Solar heating of glycol or some other non-hydrous heat transfer fluid and use of this fluid to heat the water for the recirculated heat water for the radiator heating system and for hot water use such as sinks and showers;
- Solar heating of glycol or some other non-hydrous heat transfer fluid and use of this fluid to heat the water only for the recirculated heat water for the radiator heating system;
- Solar heating of the water for the cold water feed into the boiler or water heater system to maximize the efficiency of these units.

The cost, complexity, and operational requirements of these systems varies greatly. Could more information please be provided concerning what end result is desired for the solar options?

Answer: One of the probable end results for alternative solar hot water systems is to provide hot water for sinks and showers. However, because this is an option, USAID may review other proposed end results for the solar system.

33. (Task A12) The SOW for the Temporary Student Housing (former Fine Arts Building) lists paint, plaster, replace electrical equipment, replace plumbing fixtures, and add electrical

heating. Does this renovation also include roof repair, flooring, windows, doors, fire code compliance, and furnishings?

**Answer:** Yes. It includes repair of the roof, filling cracks on the floor, repair of doors and windows (if required) and fire code compliance.

34. (Section F.4 B) Plans must be submitted at the 35%, 65%, and 100% levels. At what point will we be able to assume that significant changes (room sizes, building sizes, and wall locations, etc.) will not occur in the plan in order to determine final pricing?

**Answer:** Significant changes should not be anticipated after the 35% (preliminary) design review.

35. (Quality Control / Quality Assurance) This section states that "The Contractor shall be responsible for constructing the work in accordance with approved plans and specifications." What is the process for plans and specifications approval? Will IRD be performing the plans review? What is the turnaround time for review comments on submitted plans?

**Answer:** The design process will start with a design charrette followed by the submittal of 35% design to USAID for review. Contractor shall incorporate the comments received from USAID on 35% into 65% and so on to 100% design package. USAID may ask other organizations working on behalf of USAID to participate in the review; however contractors will receive all comments and approval from USAID. Design review turnaround is 14 calendar days from submittal of all required documentation design level.

36. (Task B1) Does USAID have any standards for sizing of the Dining Facility? Area per diner, etc?

**Answer:** No. Sizing shall be in accordance with International Building Code (IBC) 2006.

37. (Task A11) Can USAID provide the size and number of washers and dryers in the Laundry Facility? Can this facility be incorporated into the Dining Facility Building?

**Answer:** As stated in RFP, the laundry facility at the boys' dormitory shall be designed and constructed comparable in size and quality to the laundry facility at the Kabul University women dormitory.

**No.** The laundry facility is not part of the dining facility building.

38. Will the site be accessible for our survey teams to make detailed measurements over the next two weeks?

**Answer:** Offerors could directly contact and coordinate with the University for further assessment and survey. USAID will no longer have participation with offeror's intention to conduct further surveys and assessments after the General Site Visit conducted last August 20, 2008.

39. Are any architectural or as-built floor plans of the existing buildings available?

[Answer: Please see answer no. 15.](#)

40. Are any surveys or as-built available showing the utilities around the buildings?

[Answer: USAID has no information to date whether the university has as-built drawings showing the utilities around the building in their record.](#)

41. It was evident that some of the utilities were not functioning (specifically sewer on the west side of the dormitory building). Repair of site utilities is not listed in the scope of work. It would be very difficult to repair site utilities under a fixed price building contract. Are there any plans for upgrading and repairing site utilities under a separate contract?

[Answer: SOW states that the building sewage system shall be thoroughly checked and examined to ensure its smooth operation and connection with the Kabul University main sewage system. There are no plans to do a separate contract.](#)

42. It appears likely that the requirements for number of toilet fixtures based on the occupancy of these buildings and the International Plumbing Code will be at variance with the number of fixtures in the existing Dormitories. Are we to price for increasing the numbers of fixtures to meet the IPC?

[Answer: Yes.](#)

43. The above question about plumbing fixtures is particularly relevant to the Temporary Dormitory (former Fine Arts Building). Are we to renovate the toilets in that building to accommodate 400 live-in personnel meeting the IPC?

[Answer: Yes. Codes requirement for plumbing is the same as it is for Men's dormitory building.](#)

44. In the former Fine Arts Building, the auditorium appeared to structurally not meet any reasonable code. Will there be a waiver to this building meeting the IBC if it does not structurally meet the IBC requirements now?

[Answer: It is not required to bring the Fine Art Building structurally up to code.](#)

45. Could you please give me the contact person in the Men's Dormitory if we could have a site visit ourselves?

[Answer: Please see answer no. 38.](#)



## Acquisition & Assistance Policy Directive (AAPD)

From the Director, Office of Acquisition & Assistance Issued: August 1, 2007

**AAPD 07-04**

### Defense Base Act (DBA) Insurance Rates for FY 2007

Subject Category: Acquisition Management  
Type: POLICY

AAPDs provide information of significance to all agency personnel and partners involved in the Acquisition and Assistance process. Information includes (but is not limited to): advance notification of changes in acquisition or assistance regulations; reminders; procedures; and general information. Also, AAPDs may be used to implement new requirements on short-notice, pending formal amendment of acquisition or assistance regulations.

AAPDs are EFFECTIVE AS OF THE ISSUED DATE unless otherwise noted in the guidance below; the directives remain in effect until this office issues a notice of cancellation.

This AAPD:  Is New  Replaces/  Amends CIB/AAPD No: 04-05

Applicable to:

- Existing awards;  Modification required
- No later than
- As noted in guidance below
- RFPs/RFAs issued on or after the effective date of this AAPD; all other Pending Awards, i.e., 8(a), sole source, IQC
- Other or N/A

Precedes change to:

- AIDAR Part(s) Appendix
- USAID Automated Directives System (ADS) Chapter
- Code of Federal Regulations
- Other
- No change to regulations

New Provision/Clause Provided Herein: If checked, scheduled update to Prodoc:

(Signature of File)

Michael F. Walsh

**PURPOSE:** The purpose of this directive is to provide rate and contact information relative to USAID's contract with Fidelity and Casualty of New York to provide Defense Base Act (DBA) coverage to USAID direct and host country contractors.

**BACKGROUND:** Guidance concerning DBA insurance requirements previously published in AAPD 04-05 (and its supplements) has been incorporated into ADS 302. As stated in ADS 302, updated information concerning USAID's contract for DBA insurance will be provided through annual AAPDs.

**GUIDANCE:** The rates and contact information for Fidelity and Casualty of New York are as follows:

A. RATES:

For policies issued during the period 10/01/2006 - 09/30/2007, the premium is based upon a rate of \$1.58 per \$100 of employee remuneration. The contract includes a provision for periodic adjustment of the basic rate that is applicable upon the renewal of the insurance policies for 12-month periods.

Employee remuneration is defined as salary plus overseas recruitment incentive and post differential (including danger pay), but excludes per diem, housing allowance, travel expenses, temporary quarters allowance, education allowance and other miscellaneous post allowances. Changes in the amount of remuneration during the term of the policy will result in corresponding changes in the amount of coverage and premium.

An individual's coverage is effective the day the individual leaves the United States, and ends the date of his return.

B. OBTAINING DBA COVERAGE

Contractors must make applications for coverage directly to the administrative agent for Fidelity and Casualty of New York:

Rutherford International, Inc.  
5500 Cherokee Avenue, Suite 300  
Alexandria, VA 22312  
Points of Contact:

Name	E-mail
Diane Proctor	Diane.Proctor@rutherford.com
Taunya Jones	Taunya.Jones@rutherford.com

Hours of Operation: 8:00 AM. to 5:00 PM (Eastern Time)  
Telefax: (703) 354-0370  
Website: [www.rutherford.com](http://www.rutherford.com)  
Telephone: (703)813-6500

Applicants must request coverage in accordance with USAID Contract No. REE-Q-03-00090-00 with Fidelity and Casualty of New York. Its administrative agent, Rutherford International, Inc., will require a faxed copy of the Application for Defense Base Act Coverage (see Attachment).

C. FORMS/REPORTS

Copies of Department of Labor (DOL) forms LS 201 and LS 202 necessary to make an initial report of death, injury, or illness are available at DOL website: <http://www.dol.gov/>.

## INSTRUCTIONS FOR COMPLETING THE USAID/TDA DEFENSE BASE ACT (DBA) APPLICATION

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### **Full Name of Insured or Company and Complete Mailing Address:**

This is whoever has the contract with USAID. Generally, it is a company name, but it could be an Independent Consultant, hence asking for the full name of the insured or company. If you are a subcontractor, you would indicate your name and address, not that of the prime contractor. You do not need to list the names of the employees (or consultants, if hired by a company) who are actually going to be doing the work overseas.

### **Telephone Number and Fax Number**

**Contact Person:** This would be the person we send the complete policy and invoice to (generally the person who contacts Rutherford for the coverage, but may be someone else in your company—if so, please be sure they are aware that they will be receiving this policy from Rutherford).

**E-mail address:** This should be the e-mail address of the contact person.

**Coverage Effective Date:** This is generally the date an employee leaves the U.S. to do the work, or, if outside of the U.S., the date they actually start working. All initial policies will be open for 1 year from this date, with renewal an option, if needed. If you need to add or increase coverage during the policy period, please indicate a new effective date for the change, as the policy period will remain the same based on the original effective date.

**Contract Number:** This is your specific contract number with USAID. Please do NOT indicate the number HNE-Q-00-98-00163 (or 00106)-00 or REE-Q-00-03-00090; these numbers identify the USAID/TDA DBA program, but for purposes of this coverage, you need to indicate your contract number with USAID, which is a separate number found in your contract. If you are a subcontractor, please indicate the prime contractor's contract number on the application and not your subcontract number.

**Total Payroll:** There should be only one (1) figure on the application for payroll, regardless of how many people are traveling to do the work. Payroll includes standard salary, overtime, bonuses, danger/hazard pay, recruitment incentive, and post differential. To calculate, you would take the daily rate of each worker x the number of working days only and this would equal the payroll. For example, you have 5 people working overseas on the contract for \$500 per day, for 15 days. The total payroll you would indicate on the application would be \$37,500. We would then take the \$37,500 and multiply it by the rate for the coverage and that would equal the premium we would charge. The current rate as of 10/1/06 is \$1.58 per \$100 of payroll, so the premium based on the above example would be \$593. We round all payrolls and premiums to the nearest whole dollar. You can also include the payroll for consultants here to be covered under your policy.

**Important:** See attached notice regarding Third Country Nationals and Local Nationals!

#### **Brief Description of Work to be performed**

#### **Principal Country(ies) in which contract will be performed**

**Date, Signature and Title:** We have an e-mail version of our application (a word version document) which can be completed, saved and e-mailed back to Diane Proctor at [diane.proctor@rutherfordord.com](mailto:diane.proctor@rutherfordord.com) or Taunya Jones at [Taunya.jones@rutherfordord.com](mailto:Taunya.jones@rutherfordord.com) his method is preferred, and the date, signature and title should be also typed on the application even if you do not have an electronic signature. One copy returned is all that is needed; you do not need to fax a signed copy or send the original by mail.

#### **Notes:**

- Please do not complete and return the application to us if you have not actually been awarded a contract. If you need to know the cost for bidding purposes, please use the example above under payroll to calculate the cost.
- All of the policies we issue for this coverage are annual (1 year policies) however, we only bill premiums based on the time overseas for the workers. Unless the workers will be overseas for at least 1 year where you can give an annual payroll, the policy can be endorsed as needed during the policy year for additional trips or new contracts to add, etc. at that time.
- This policy is renewable, if needed, with a renewal sheet being sent to you approximately 1 month prior to your policy expiration.
- This policy is audited at the end of your policy year, which is basically a worksheet that we will send indicating the contract number(s) and payroll(s) that were given to us during the year. You would then indicate the actual payroll for the contract and we would adjust the payrolls accordingly.



**\*USAID DBA INSURANCE IMPORTANT NOTICE\***

**Subcontractors versus Independent Contractors/Consultants**

We can no longer allow you to include subcontractors' payroll in your USAID DBA policy. Each subcontractor must obtain their own USAID DBA insurance policy. We can bill the subcontractor's policy premium to you at your request. It is acceptable to include payroll of independent contractors and/or consultants who have a written employment contract with your firm in your USAID DBA policy. Please note the difference.

June 15, 2005

**IMPORTANT**

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**USAID WAIVERS  
(AS PERTAINS TO THIRD COUNTRY NATIONALS AND LOCAL  
NATIONALS IN RELATION TO DBA COVERAGE—WAIVER  
DOES NOT APPLY TO U.S. CITIZENS)**

The USAID waivers have been granted on the basis of **where the work is being performed**, rather than the nationality of the workers. For example, there is a waiver for the Philippines. If you hire a German to do work in the Philippines (a Third Country National), he/she would be exempt from the DBA requirement. If you hire a Filipino to do work in the Philippines (a Local National), he/she would also be exempt from the DBA requirement.

If you took the same two hires and had them working in Germany, where there is no waiver, they would have to be covered by the DBA.

All waivers contain the following wording: “In granting this waiver, it is understood that employees covered by the waiver will be provided worker’s compensation benefits prescribed in the applicable foreign laws as the contracts require.” It is the contractor’s responsibility to secure this benefit.

If a country listed on the waiver list does not have a valid worker’s compensation scheme, the waiver by definition would not apply. In that case, the Defense Base Act applies to all workers on the contract, including American hires, TCNs, and locals. The burden of proof that a valid worker’s compensation scheme exists or not lies with the contractor.

Please see the attached list of countries that have waivers.

## DEFENSE BASE ACT (DBA) WAIVER LIST

Albania	Haiti	Russian Federation
Antigua	Honduras	Rwanda
Armenia	Hungary	St. Christopher and Nevis
Azerbaijan	India	St. Lucia
Bahamas	Indonesia	St. Vincent
Bangladesh	Israel	Senegal
Barbados	Italy	Serbia
Belarus	Jamaica	Seychelles
Belize	Jordan	Sierra Leone
Benin	Kazakhstan	Slovak Republic
Bolivia	Kenya	Slovenia
Bosnia & Herzegovina	Korea	Somalia
Botswana	Kyrgyzstan	South Africa
Brazil	Latvia	Sri Lanka
Bulgaria	Lebanon	Sudan
Burkina Faso	Lesotho	Swaziland
Burundi	Liberia	Syria
Cambodia	Lithuania	Tajikistan
Cameroon	Macedonia	Tanzania
Cape Verde	Madagascar	Thailand
Chad	Malawi	Togo
Chile	Mali	Tonga
Colombia	Mauritania	Tunisia
Costa Rica	Mauritius	Turkey
Cote d'Ivoire	Mexico	Turkmenistan
Croatia	Moldova	Uganda
Czech Republic	Mongolia	Ukraine
Democratic Republic of the Congo	Montenegro	Uruguay
Djibouti	Morocco	Uzbekistan
Dominica	Mozambique	Vietnam
Dominican Republic	Namibia	Western Samoa
Ecuador	Nepal	Yemen
Egypt	New Caledonia	Yugoslavia
El Salvador	Nicaragua	Zambia
Equatorial Guinea	Niger	Zimbabwe
Estonia	Nigeria	
Ethiopia	Oman	
Fiji	Pakistan	
Gambia	Panama	
Georgia	Papua New Guinea	
Ghana	Paraguay	
Grenada	Peru	
Guatemala	Philippines	
Guinea	Poland	
Guinea-Bissau	Portugal	
Guyana	Romania	

**APPLICATION FOR DEFENSE BASE ACT COVERAGE**

**U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT**

FULL NAME OF INSURED OR COMPANY: \_\_\_\_\_  
(as it appears on contract with U.S. AID/TDA)

COMPLETE MAILING ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_  
FAX NUMBER: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

E-MAIL ADDRESS: \_\_\_\_\_

COVERAGE EFFECTIVE DATE: \_\_\_\_\_

<b>CONTRACT NUMBER:</b>	<b>(DBA rate: \$1.58 per \$100 of payroll)</b>	<b><u>TOTAL PAYROLL:</u></b>
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

(Attach a separate sheet or copy application for more than 3 contracts)

BRIEF DESCRIPTION OF WORK TO BE PERFORMED UNDER THIS CONTRACT:  
\_\_\_\_\_  
\_\_\_\_\_

PRINCIPAL COUNTRY(IES) IN WHICH CONTRACT WILL BE PERFORMED:  
\_\_\_\_\_

**DATE:** \_\_\_\_\_ **SIGNATURE/TITLE:** \_\_\_\_\_