

## **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@rutherford.com](mailto:diane.proctor@rutherford.com) or Taunya Jones at [Taunya.jones@rutherford.com](mailto:Taunya.jones@rutherford.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	Krygyzstan	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>	(DBA rate: \$1.58 per \$100 of payroll)	<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:** \_\_\_\_\_