

MODIFICATION OF GRANT

1. Grant No.:	LAC-0000-G-SS-4058-05
2. Agreement Date:	August 29, 1984
3. Modification No.:	05
4. Effective Date of Modification:	March 31, 1988

5. Grantee (Name & Address):	6. Administered By:
American Institute for Free Labor Development 1015 Twentieth St., N.W. Washington, D.C. 20036	Agency for International Development Regional Development Office/Caribbean P.O. Box 302 Bridgetown, Barbados

7. Amount Obligated Prior to this Amendment	\$365,875	3. Previous P10/T's:
Amount Obligated by this Modification	-0-	543-0000-1-40050
Obligated Amount	\$365,875	543-0002-3-50002
		E.I. No.: 52-074718

9. The Grant identified in Block 1 is hereby modified as follows:

Delete Section F of Attachment I and in lieu thereof insert the following:

/cont'd

10. Technical Office: RDO/C Grenada

11. This amendment is entered into pursuant to the authority of the Foreign Assistance Act of 1961, as amended. Except as herein provided, all terms and conditions of the agreement referenced in #1 remain unchanged and in full force and effect.

12. Grantee is required to sign this document and return 4 copies.

13. GRANTEE: AMERICAN INSTITUTE FOR FREE LABOR DEVELOPMENT	THE UNITED STATES OF AMERICA AGENCY FOR INTERNATIONAL DEVELOPMENT
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BY: Jesse D. Friedman

BY: S.D. Heishman  
S. D. Heishman

TITLE: Deputy Executive Director

TITLE: Grant Officer

DATE: 7/12/88

DATE: 26 OCT 1988

"F. Indirect Cost Rates

Pursuant to the Standard Provision of this grant entitled "Negotiated Overhead Rates - Nonprofit Organizations Other than Educational Institutions" a rate or rates shall be established for each of the Grantee's accounting periods which apply to this grant. Pending establishment of revised provisional or final indirect cost rates for each of the Grantee's accounting periods which apply to this grant, payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional/final rates applied to the base set forth below:

<u>Type</u>	<u>Rate</u>	<u>Base</u>	<u>Period</u>
Final	22.24%	Total Direct Costs	4/1/85 - 12/31/85
Provisional	21.7%	"	1/1/86 - 12/31/86
Provisional	21.36%	"	1/1/87 - 12/31/87
Provisional	21.36%	"	1/1/88 - 5/31/88"

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~~75-AAA2-887~~

MODIFICATION OF GRANT

DUNS NO. 074806654

1. Grant No.: LAC-0000-G-SS-4058-00  
 2. Grant Effective Date: August 29, 1984  
 3. Modification No.: 01  
 4. Effective Date of Modification: Signature date of Grants Officer

5. Grantee: (Name and Address)  
 Mr. William C. Doherty  
 Executive Director  
 American Institute for Free Labor  
 Development  
 1015 Twentieth Street, N.W.  
 Washington, D.C. 20036

6. Administered By:  
 Agency for International  
 Development  
 Office of Contract Management  
 CM/ROD/LAC: CG  
 Washington, D.C. 20523

7. PIO/T No.: 543-0002-3-50002  
 Appropriation No.: 72-11X1037  
 Budget Plan Code: LESX-85-25543-KG-13  
 Amt. Oblig. Prior to this Am. \$405,875  
 Amt. Oblig. by this Amendment \$560,000  
 Total Obligated Amount \$965,875

8. Previous PIO/T's:  
 543-0000-1-40050  
 E.I. No.: 52-074718

9. The Grant identified in Block 1 is hereby modified as follows:

II. Cover Letter:

A. Change the estimated completion date from "March 31, 1985" to "March 31, 1986".

B. Add the following sentence:

"The total cumulative obligation under this grant is now \$965,875."

AID TECHNICAL OFFICE: LAC/DP/SD, Peter Romano

10. This amendment is entered into pursuant to the authority of the Foreign Assistance Act of 1961, as amended. Except as herein provided, all terms and conditions of the agreement referenced in Block #1 remain unchanged and in full force and effect.

11. Grantee is required to sign this document and return 8 copies.

12. GRANTEE: American Institute For  
Free Labor Development

THE UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT

*Handwritten initials*

BY: [Signature]  
Samuel Haddad  
(Name typed or printed)

BY: [Signature]  
Wesley L. Hawley  
(Name typed or printed)

TITLE: Deputy Executive Director

TITLE: Grants Officer

DATE: November 15, 1985

DATE: SEP 27 1985

III. Attachment 1 - Schedule:

A. Under paragraph B. Period of Grant, delete the estimated completion date of "March 31, 1985" and insert in lieu thereof "March 31, 1986."

B. Delete paragraph C. Amount of Grant and Payment, in its entirety and substitute the following in lieu thereof:

"1. The total obligated amount under this grant is \$965,875.

2. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 - Standard Provision No. 7A, entitled, 'Payment - Letter of Credit (August 1984)'".

C. Delete subparagraph 1 under paragraph D. Financial Plan, in its entirety and substitute the following in lieu thereof:

"1. The following is the Financial Plan for this grant. Except as specified in the Standard Provision of this grant entitled, 'Revision of Financial Plans', the Grantee may adjust line item amounts within the grand total as may be reasonably necessary for the attainment of program objectives.

<u>Category</u>	<u>Budget</u>	<u>Total Estimated Cost</u>
1. Salary		\$ 107,800
2. Benefits		46,950
3. Overseas Allowances		26,280
4. Travel and Per Diem		27,400
5. Rent and Utilities		7,500
6. Supplies and Equipment		11,250
7. Program Costs		626,000
8. Overhead		96,000
9. Consultants		10,000
10. Other Direct Costs		6,695
Grand Total		<u>\$965,875</u>

D. Add the following sentence to paragraph E. Reporting:

"4. Copies of all reports prepared by AIFLD under this grant will also be submitted to USAID Grenada."

E. Delete paragraph F. Overhead Rate, in its entirety and substitute the following in lieu thereof:

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"F. Indirect Cost Rates

Pursuant to the Standard Provision of this grant entitled "Negotiated Overhead Rates - Nonprofit Organizations Other than Educational Institutions", a rate or rates shall be established for each of the Grantee's accounting periods which apply to this grant. Pending establishment of revised provisional or final indirect cost rates for each of the Grantee's accounting periods which apply to this grant, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which are set forth below:

<u>Type</u>	<u>Rate</u>	<u>Base</u>	<u>Period</u>
Provisional Overhead	20.7%	Total Direct Cost	From: 4/1/85 Until Amended"

F. Delete paragraph G. Special Provision, in its entirety and substitute the following:

"For the purposes of this grant, references to 'OMB Circular A-122' in the Standard Provisions of this grant shall include the AID implementation of such Circular, as set forth in subpart 731.7 of the AID Acquisition Regulations (AIDAR) (41 CFR Chapter 7)."

G. Under paragraph G. Alterations and Additions to Standard Provisions, add the following:

"4. The Standard Provisions of this grant are hereby amended to include the attached Alterations in Grant dated November 1984."

IV. Attachment 2 - Program Description:

The attached program description is hereby added to this grant.

V. All other terms and conditions of this Grant remain unchanged.

PROGRAM DESCRIPTION  
GRENADA

April 1, 1985 - March 31, 1986

I. GOAL

The development of strong, democratic independent trade unions capable of making a major contribution to the economic, social and political development of Grenada.

I. OBJECTIVES

Objective No. 1:

By the end of the period, AIFLD expects:

- a. 80 percent of all trade union members to be members of unions whose leaders are committed to the democratic process.
- b. All of these leaders will have completed an in-country program designed to:
  1. Broaden their understanding of basic trade union subjects such as collective bargaining, grievance handling, union administration and economics.
  2. Enhance their understanding of the role of government in a society committed to freedom and social justice.
  3. Increase their appreciation for the role trade unions can play in concert with other groups in the society in preserving freedom and promoting social justice.
- c. Approximately 25 percent of these leaders will have participated in regional and/or George Meany labor leadership development programs.
- d. An increase in the percent of the workforce organized and covered by collective bargaining agreements.
- e. Union leadership committed to the democratic process to be actively engaged in activities which are significantly contributing to shaping public opinion and government policies which affect the climate of freedom and the achievement of social justice.
- f. Union members to have a greatly increased understanding of economic realities and a heightened ability to evaluate proposed political solutions in terms of their workability and their compatibility with the democratic process.

Scope of Work

- a. Sponsor approximately 1,500 participant days of education (in-country) in a variety of formats and time frames.

- b. Provide funding for staffing assistance to TUC and/or individual trade unions for increasing capacity of the organization to educate and serve its members in all appropriate ways.
- c. Provide funding for the publishing and widespread dissemination of a periodical publication presenting the democratic trade union perspective on public issues of concern to workers and the society of which they are a part.
- d. Sponsor the participation by approximately 10 Grenadian trade union leaders in regional and/or George Meany Center labor studies program.
- e. Provide limited logistical and administrative support required to perform these tasks.

Objective No. 2:

To intensify the involvement of trade unions in socio-economic activities which will serve the interest of their members while simultaneously contributing to the economic and social development of the nation.

Indicators

By the end of the period, AIFLD expects:

- a. Several trade union administered self-help institutions such as cooperatives and credit unions and voluntary social efforts such as adult education programs to become operational.
- b. Significant improvement in the physical facilities available to union members to serve their needs.
- c. A significant increase in consumer education efforts by trade unions.
- d. Trade unions to be playing a major role in programs providing skill training to prepare workers to fill jobs for which insufficient skilled workers are either currently not available or which will be required in the future as the economy expands and becomes more diverse.
- e. The establishment of one or two additional "trade union centers" providing a wide-range of educational and other services to workers.

Scope of Work

To achieve this objective AIFLD will provide:

- a. Materials and professional expertise required to design and implement the diversity of programs described above.

- b. Technical assistance and limited seed capital for the development of facilities and economic self-help projects.
- c. Limited logistical and administrative support required to perform these tasks.

Objective No. 3:

To provide the technical expertise required for the Grenadian trade union movement to participate directly in the formulation and implementation of Government policies and programs affecting government's role in: 1) the industrial relations area generally and 2) in the improvement of the staffing, compensation, performance management and evaluation of those working in the public sector.

Indicators

By the end of the period, AIFLD expects:

- a. Trade unions will have played a significant role in shaping government policy regarding industrial relations.
- b. Trade unions will have provided technical advise and education programs regarding staffing, compensation, evaluation and performance of public sector workers.

Scope of Work

To achieve this objective AIFLD will provide:

- a. Funding to enable the trade union movement to provide technical advise and assistance to those in government responsible for industrial relations policy and legislation.
- b. Technical expertise and funding for education programs for public sector workers in the areas described in the foregoing objective (No. 3).
- c. Limited logistical and administrative support required to perform these tasks.

ALTERATIONS IN GRANT

The following alterations have been made in the standard provisions of this grant:

1. Standard Provision No. 7A entitled "Payment - Federal Reserve Letter of Credit (FRLC) Advance" is deleted in its entirety and Attachment A entitled "Payment - Letter of Credit (August 1984)" is substituted.
2. Standard Provision No. 7B entitled "Periodic Advance" is changed as follows:
  - a. Applicability Statement: Delete "an FRLC" and substitute "a letter of credit".
  - b. Paragraph (c): Delete "an original and two copies" and substitute "one copy".
3. Standard Provision No. 7C entitled, "Payment - Reimbursement": In the applicability statement, delete "an FRLC" and substitute "a letter of credit".
4. Standard Provision No. 8, entitled "Travel and Transportation", is deleted in its entirety and Attachment B entitled "Air Travel and Transportation" is substituted.
5. Standard Provision No. 9, entitled "Ocean Shipment Of Goods" is deleted in its entirety and Attachment C, entitled the same, is substituted.
6. Standard Provision No. 10A, entitled "Procurement of Goods and Services Under \$250,000": Delete paragraph (c) and substitute the following:

"(c) Geographic Source and Order of Preference

All goods (e.g., equipment, materials, and supplies) and services, the costs of which are to be reimbursed under this grant, and which will be financed with United States dollars, shall be purchased in and shipped from only "Special Free World" countries (i.e., AID Geographic Code 935) in accordance with the following order of preference:

- (1) The United States (AID Geographic Code 000),
- X (2) The cooperating country,

- (3) "Selected Free World" countries (AID Geographic Code 941),
- (4) "Special Free World" countries (AID Geographic Code 935)."

7. Standard Provision No. 10B, entitled "Procurement of Goods and Services Over \$250,000": Delete paragraph (d) in its entirety and substitute the language shown in Attachment D.

8. Standard Provision No. 13A, entitled "Title To and Use of Property (Grantee Title)":

- a. Delete "(1)" under paragraph (c), and
- b. Delete subparagraph (2) in its entirety under paragraph (c).

9. Standard Provision No. 15 entitled "Termination" is amended as follows:

a. Change the title of Standard Provision No. 15, dated 2-82, to read: "TERMINATION AND SUSPENSION".

b. Delete paragraph (d) in its entirety and substitute the following:

"(d) Suspension: Termination for Changed Circumstances  
If at any time AID determines (1) that disbursement by AID would be in violation of applicable law, or (2) that continuation of funding for a program should be suspended or terminated because such assistance is not in the national interest of the United States, then AID may, following notice to the Grantee, suspend this Grant and prohibit the Grantee from incurring additional obligations chargeable to this grant other than necessary and proper costs in accordance with the terms of this Grant during the period of suspension. If the situation causing the suspension continues to pertain for 60 days or more, then AID may terminate this Grant on written notice to the Grantee and cancel that portion of this Grant which has not been disbursed or irrevocably committed to third parties. Financial settlement of this Grant shall be governed by the termination procedures specified in paragraph (c) above.

10. Standard Provision No. 16, entitled "Voluntary Participation": Delete the applicability statement and substitute the following: "(This provision is applicable to all grants involving any aspect of family planning or population assistance activities.)"

**11. Standard Provision No. 17, entitled "Prohibition on Abortion-Related Activities":**

a. Delete the applicability statement and substitute the following: "(This provision is applicable to all grants involving any aspect of family planning or population activities.)"

b. Add the following to the last line of paragraph (a):  
"; (5) lobbying for abortion."

c. Delete paragraph (b) and substitute the following:

"(b) No funds made available under this Grant will be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of abortions or involuntary sterilizations as a means of family planning. Epidemiologic or descriptive research to assess the incidence, extent, or consequences of abortion is not precluded."

d. Add paragraph (c) as follows:

"(c) The Grantee shall insert paragraphs (a), (b), and (c) of this provision in all subgrants, subcontracts, purchase orders, and any other subordinate agreements hereunder."

12. Standard Provision No. 20, entitled "Patents", is deleted in its entirety and Attachment E, entitled "Patent Rights", is substituted.

13. Standard Provisions No. 26 and 27 entitled, "Participant Training" and "Health and Accident Coverage for AID Participant Trainees", respectively, are deleted in their entirety and Attachment F, entitled "Participant Training", is substituted.

**7A. Payment - Letter of Credit (AUGUST 1984)**

(This provision is applicable only when the following conditions are met: (i) the total advances under all the grantee's cost-reimbursement contracts and assistance instruments with AID exceed \$120,000 per annum, (ii) AID has, or expects to have, a continuing relationship with the grantee for at least one year; (iii) the grantee has the ability to maintain procedures that will minimize the time elapsing between the transfer of funds and the disbursement thereof; (iv) the grantee's financial management system meets the standards for fund control and accountability required under the standard provision of this grant, entitled "Accounting, Audit, and Records" and, either (v) the foreign currency portion of the total advance under this grant is less than 50% or (vi) the foreign currency portion of the total advance under this grant is more than 50% but more than one foreign currency country is involved.)

(a) Payment under this grant shall be by means of a Letter of Credit (LOC) in accordance with the terms and conditions of the LOC and any instructions issued by AID's Office of Financial Management, Program Accounting and Finance Division (N/FM/PAFD).

(b) As long as the LOC is in effect, the terms and conditions of the LOC and any instructions issued by N/FM/PAFD constitute payment conditions of this grant, superseding and taking precedence over any other provision of this grant concerning payment.

**(c) Reporting:**

(1) A "Financial Status Report" SF-269, shall be prepared on an accrual basis and submitted quarterly no later than 30 days after the end of the period, in an original and two copies to AID/N/FM/PAFD, Washington, D.C. 20523. If the grantee's accounting records are not normally kept on the accrual basis, the grantee shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand. The final report must be submitted within 90 days after the conclusion of the grant to N/FM/PAFD. In cases where grants are Mission funded, the Grantee will forward an information copy to the AID Mission accounting station at the same time the original and one copy are mailed to N/FM/PAFD, AID/Washington.

(2) The grantee shall submit an original and one copy of SF-272, "Federal Cash Transactions Report," within 15 working days following the end of each quarter to N/FM/PAFD. Grantees receiving advances totaling more than \$1 million per year shall submit the SF-272 on a monthly basis within 15 working days following the close of the month. Grantees shall report all cash advances in the Remarks section of SF-272. Those cash advances in excess of immediate disbursement requirements in the hands of subrecipients or the grantee's field organizations shall be supported by short narrative explanations of action taken by the grantee to reduce the excess balances.

(d) Revocation of the LOC is at the discretion of the authorized LOC certifying officer of N/FM/PAFD after consultation with the grant officer. Notification of revocation must be in writing and must specify the reason for revocation. FM/PAFD shall provide the grant officer a copy of the revocation notice and a recommendation for an alternative method of payment (periodic advance or cost reimbursement) based upon the reasons for the revocation. The grant officer shall immediately amend this agreement to provide for an appropriate alternative method of payment. The recipient may appeal any such revocation to the grant officer.

### 3. AIR TRAVEL AND TRANSPORTATION (OCTOBER 1964)

(This provision is applicable when any costs for air travel or transportation are included in the budget).

(a) The grantee is required to present to the project officer for written approval an itinerary for each planned international trip financed by this grant, which shows the name of the traveler, purpose of the trip, origin/destination (and intervening stops), and dates of travel, as far in advance of the proposed travel as possible, not in no event at least three weeks before travel is planned to commence. At least one week prior to commencement of approved international travel, the grantee shall notify the cognizant U.S. Mission or Embassy, with a copy to the project officer, of planned travel, identifying the travelers and the dates and times of arrival.

(b) Travel to certain countries shall, at AID's option, be funded from U.S.-owned local currency. When AID intends to exercise this option, AID will, after receipt of advice of intent to travel required above, either issue a U.S. Government S.F. 1169, Transportation Request (GTR) which the grantee may exchange for tickets, or AID will issue the tickets directly. Use of such U.S.-owned currencies will constitute a dollar charge to this grant.

(c) All air travel and shipments under this grant are required to be made on United States flag air carriers to the extent service by such carriers is available. A U.S. flag air carrier is defined as an air carrier which has a certificate of public convenience and necessity, issued by the U.S. Civil Aeronautics Board authorizing operations between the United States and/or its territories and one or more foreign countries.

(d) Use of foreign air carrier service may be deemed necessary if a U.S. flag air carrier otherwise available cannot provide the foreign air transportation needed, or if use of such service will not accomplish the agency's mission. Travel and transportation on non-free world air carriers are not reimbursable under this grant.

(e) U.S. flag air carrier service is considered available even though:

1. Comparable or a different kind of service can be provided at less cost by a foreign air carrier;
2. Foreign air carrier service is preferred by or is more convenient for the agency or traveler; or
3. Service by a foreign air carrier can be paid for in excess foreign currency, unless U.S. flag air carriers decline to accept excess or near excess foreign currencies for transportation payable only out of such monies.

(f) Except as provided in paragraph (b) of this section, U.S. flag air carrier service must be used for all Government-financed commercial foreign air travel if service provided by such carriers is available. In determining availability of a U.S. flag air carrier, the following scheduling principles should be followed unless their application results in the last or first leg of travel to or from the United States being performed by foreign air carrier:

1. U.S. flag air carrier service available at point of origin should be used to destination or in the absence of direct or through service to the farthest interchange point on a usually traveled route;
2. Where an origin or interchange point is not served by U.S. flag air carrier, foreign air carrier service should be used only to the nearest interchange point on a usually traveled route to connect with U.S. flag air carrier service; or
3. Where a U.S. flag air carrier involuntarily reroutes the traveler via a foreign air carrier the foreign air carrier may be used notwithstanding the availability of alternative U.S. flag air carrier service.

(g) For travel between a gateway airport in the United States (the last U.S. airport from which the traveler's flight departs or the first U.S. airport at which the traveler's flight arrives) and a gateway airport abroad (that airport from which the traveler last embarks enroute to the U.S. or at which he first debarks incident to travel from the U.S.), passenger service by U.S. flag air carrier will not be considered available:

1. Where the gateway airport abroad is the traveler's origin or destination airport, and the use of U.S. flag air carrier service would extend the time in a travel status, including delay at origin and accelerated arrival at destination, by at least 24 hours more than travel by foreign air carrier;

2. Where the gateway airport abroad is an interchange point, and the use of U.S. flag air carrier service would require the traveler to wait six hours or more to make connections at that point, or delayed departure from or accelerated arrival at the gateway airport in the United States would extend the time in a travel status by at least six hours more than travel by foreign air carrier.

(h) For travel between two points outside the United States the rules in paragraphs (d) through (f) of this section will be applicable, but passenger service by U.S. flag air carrier will not be considered to be reasonably available:

1. If travel by foreign air carrier would eliminate two or more aircraft changes enroute;

2. Where one of the two points abroad is the gateway airport (as defined in paragraph (g) of this section) enroute to or from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier including accelerated arrival at the overseas destination or delayed departure from the overseas origin as well as delay at the gateway airport or other interchange point abroad; or

3. Where the travel is not part of a trip to or from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier including delay at origin, delay enroute and accelerated arrival at destination.

(i) When travel under either paragraph (g) or (h) of this section involves three hours or less between origin and destination by a foreign air carrier, U.S. flag air carrier service will not be considered available when it involves twice such travel time or more.

(j) Nothing in the above-guidelines shall preclude and no penalty shall attend the use of a foreign air carrier which provides transportation under an air transport agreement between the United States and a foreign government, the terms of which are consistent with the international aviation policy goals set forth at 49 U.S.C. 1502(b) and provide reciprocal rights and benefits.

(k) Where U.S. Government funds are used to reimburse the grantee's use of other than U.S. flag carriers for international transportation, the grantee will include a certification on vouchers involving such transportation which is essentially as follows:

#### CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG AIR CARRIERS

I hereby certify that the transportation service for personnel (and their personal effects) or property by certificate air carrier was unavailable for the following reason(s): (State appropriate reason(s) as set forth above).

#### (1) International Travel

(i) As used herein, the term "international travel" means travel to all countries other than those within the home country of the traveler. Travel outside the United States includes travel to the U.S. Trust Territories of the Pacific Islands.

(ii) The grantee will be reimbursed for travel and the reasonable cost of subsistence, post differentials and other allowances paid to employees in an international travel status in accordance with the grantee's established policies and practices which are uniformly applied to federally financed and other activities of the grantee. The standard for determining the reasonableness of reimbursement for overseas allowance is the Standardized Regulations (Government Civilians, Foreign Areas), published by the U.S. Department of State, as from time to time amended. The most current subsistence, post differentials, and other allowances may be obtained from the grant officer.

(m) This provision will be included in all subgrants and contracts which require air travel and transportation under this grant.

9. OCEAN SHIPMENT OF GOODS (OCTOBER 1984)

(This provision is applicable when goods purchased with funds provided under this grant are transported to cooperating countries on ocean vessels).

(a) At least 50% of the gross tonnage of all goods purchased under this grant and transported to the cooperating countries shall be made on privately owned U.S. flag commercial ocean vessels, to the extent such vessels are available at fair and reasonable rates for such vessels.

(b) At least 50% of the gross freight revenue generated by shipments of goods purchased under this grant and transported to the cooperating countries on dry cargo liners shall be paid to or for the benefit of privately owned U.S. flag commercial ocean vessels to the extent such vessels are available at fair and reasonable rates for such vessels.

(c) When U.S. flag vessels are not available, or their use would result in a significant delay, the grantee may request a determination of non-availability from the AID Transportation Support Division, Office of Commodity Management, Washington, D.C. 20523, giving the basis for the request which will relieve the grantee of the requirement to use U.S. flag vessels for the amount of tonnage included in the determination. Shipments made on non-free world ocean vessels are not reimbursable under this grant.

(d) Vouchers submitted for reimbursement which include ocean shipment costs shall contain a certification essentially as follows:

"I hereby certify that a copy of each ocean bill of lading concerned has been submitted to the U.S. Department of Transportation, Maritime Administration, Division of National Cargo, 400 7th Street, S.W., Washington, D.C. 20590, and that such bills of lading state all of the carrier's charges including the basis for calculation such as weight or cubic measurement."

(e) Shipments by voluntary nonprofit relief agencies (i.e., PVOs) shall be governed by this standard provision and by AID Regulation 2, "Overseas Shipments of Supplies by Voluntary Nonprofit Relief Agencies (22 CFR 202).

## Procurement of Goods and Services Over \$250,000

(4) **Nationality.** Except as specified in paragraph (c) of this provision, in order to be eligible for AID financing under this grant, suppliers, contractors, or subcontractors must fit one of the following categories:

(i) **Suppliers of commodities.** A supplier providing goods under this grant must fit one of the following categories for the costs of such goods to be eligible for AID financing:

(ii) An individual who is a citizen or, except as provided in paragraph (d)(7) of this clause, a legal resident of a country or area included in the authorized geographic code;

(iii) A corporation or partnership organized under the laws of a country or area included in the authorized geographic code;

(iii) A controlled foreign corporation, i.e., any foreign corporation of which more than 50 percent of the total combined voting power of all classes of stock is owned by United States shareholders within the meaning of Section 937 or seq. of the Internal Revenue Code, 26 U.S.C. 937; or

(iv) A joint venture or unincorporated association consisting entirely of individuals, corporations, or partnerships which are eligible under any of the foregoing categories.

(2) **Privately owned commercial suppliers of services.** An individual or a privately owned commercial firm is eligible for financing by AID under this grant as a contractor providing services only if the criteria in paragraphs (d)(2)(i), (ii), or (iii) of this provision are met and, in the case of the categories described in paragraphs (d)(2)(ii) and (iii), the certification requirements in paragraph (d)(2)(iv) are met.

(i) The supplier is an individual who is a citizen of and whose principal place of business is in a country or area included in the authorized geographic code or a non-U.S. citizen lawfully admitted for permanent residence in the United States whose principal place of business is in the United States;

(ii) The supplier is a privately owned commercial (i.e., for profit) corporation or partnership that is incorporated or legally organized under the laws of a country or area included in the authorized geographic code, has its principal place of business in a country or area included in the authorized geographic code, and meets the criteria set forth in either subparagraph (A) or (B) below:

(A) The corporation or partnership is more than 50% beneficially owned by individuals who are citizens of a country or area included in the authorized geographic code. In the case of corporations, "more than 50% beneficially owned" means that more than 50% of each class of stock is owned by such individuals; in the case of partnerships, "more than 50% beneficially owned" means that more than 50% of each category of partnership interest (e.g., general, limited) is owned by such individuals. (With respect to stock or interest held by companies, funds or institutions, the ultimate beneficial ownership by individuals is controlling.)

(B) The corporation or partnership:

(1) has been incorporated or legally organized in the United States for more than 3 years prior to the issuance date of the invitation for bids or request for proposals, and

(2) has performed within the United States similar administrative and technical, professional, or construction services under a contract or contracts for services and derived revenues therefrom in each of the 3 years prior to the issuance date of the invitation for bids or request for proposals, and

(3) employs United States citizens in more than half its permanent full-time positions in the United States, and

(4) has the existing capability in the United States to perform the contract.

(iii) The supplier is a joint venture or unincorporated association consisting entirely of individuals, corporations, partnerships, or nonprofit organizations which are eligible under paragraphs (d)(2)(i), (d)(2)(ii), or (d)(3) of this provision.

(iv) A duly authorized officer of a firm or nonprofit organization shall certify that the participating firm or nonprofit organization meets either the requirements of paragraphs (d)(2)(ii)(A), (d)(2)(ii)(B), or (d)(3) of this clause. In the case of corporations, the certifying officer shall be the corporate secretary. With respect to the requirements of paragraph (d)(2)(ii)(A), the certifying officer may proceed on the basis of the stockholder's record address, provided the certifying officer certifies, regarding any stockholder (including any corporate fund or institutional stockholder) whose holdings are material to the corporation's eligibility, that the certifying officer knows of no fact which might rebut that presumption.

(3) **Nonprofit organizations.** Nonprofit organizations, such as educational institutions, foundations, and associations, are eligible for financing by AID under this grant as contractors for services if they meet all of the criteria listed in paragraphs (d)(2)(i), (ii), and (iii) below, and the certification requirement in paragraph (d)(2)(iv) of this clause is met. (International agricultural research centers and such other international research centers as may be, from time to time, formally listed as such by the Senior Assistant Administrator, Bureau for Science and Technology, are considered to be of U.S. nationality for purposes of this provision.) Any such organizations must:

(i) Be organized under the laws of a country or area included in the authorized geographic code; and

(ii) Be controlled and managed by a governing body, a majority of whose members are citizens of countries or areas included in the authorized geographic code; and

(iii) Have its principal facilities and offices in a country or area included in the authorized geographic code.

(4) **Government-owned organizations.** Except as may be specifically approved in advance by the Grant Officer, firms operated as commercial concerns or other organizations (including nonprofit organizations other than public educational institutions) which are wholly or partially owned by governments or agencies thereof are not eligible for financing by AID under this grant as contractors.

(5) **Joint ventures.** A joint venture or unincorporated association is eligible only if each of its members is eligible in accordance with paragraphs (d)(2), (3), or (4) of this clause.

(6) **Construction services from local firms.** When the host country is an authorized source for services, and the estimated cost of the construction services is \$5 million or less, a corporation or partnership may be determined by AID to be an integral part of the local economy in accordance with AID Regulation 1B, Chapter 5, Paragraph 303, is eligible.

(7) **Ineligible suppliers.** Citizens of any country or area, and firms and organizations located in or organized under the laws of any country or area, which is not included in Geographic Code 935 are ineligible for financing by AID as suppliers of services or of commodities, or as agents acting in connection with the supply of services or of commodities, except that non-U.S. citizens lawfully admitted for permanent residence in the United States are eligible regardless of such citizenship.

(8) **Special restrictions on procurement of construction or engineering services.** Section 604(g) of the Foreign Assistance Act provides that AID funds may not be used for "procurement of construction or engineering services from advanced developing countries, eligible under the Geographic Code 941, which have attained a competitive capability in international markets for construction services or engineering services." In order to insure eligibility of a Code 941 contractor for construction or engineering services, obtain the AID Grant Officer's approval for any such contract."

13. PATENT RIGHTS (OCTOBER 1964)

(This provision is applicable whenever patentable processes or practices are financed by the grant.)

a. Definitions.

(1) "Invention" means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code.

(2) "Subject Invention", means any invention of the recipient conceived or first actually reduced to practice in the performance of work under this agreement.

(3) "Practical Application" means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

(4) "Made" when used in relation to any invention means the conception or first actual reduction to practice of such invention.

(5) "Small Business Firm" means a domestic small business concern as defined in Section 2 of Public Law 85-436 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this clause, the size standards for small business concerns involved in Government procurement and subcontracting at 13 CFR 121.3-6 and 13 CFR 121.3-12, respectively, shall be used.

(6) "Nonprofit Organization" means a domestic university or other institution of higher education or an organization of the type described in Section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)(3)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)) or any domestic nonprofit scientific or any educational organization qualified under a state nonprofit organization statute.

b. Allocation of Principal Rights.

The recipient may retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 U.S.C. 203. With respect to any subject invention in which the recipient retains title, the Federal Government shall have a non-exclusive, non-transferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States the subject invention throughout the world.

c. Invention Disclosure, Election of Title and Filing of Patent Applications by Recipient.

(1) The recipient shall disclose each subject invention to AID within two months after the inventor discloses it in writing to recipient personnel responsible for patent matters. The disclosure to AID shall be in the form of a written report and shall identify the agreement under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding, to the extent known at the time of the disclosure, of the nature, purpose, operation, and physical, chemical, biological or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale or public use of the invention and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to AID the recipient shall promptly notify AID of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the recipient.

(2) The recipient shall elect in writing whether or not to retain title to any such invention by notifying AID within twelve months of disclosure to the recipient, provided that in any case where publication, on sale, or public use has initiated the one-year statutory period wherein valid patent protection can still be obtained in the United States, the period of election of title may be shortened by AID to a date that is no more than 60 days prior to the end of the statutory period.

(3) The recipient shall file its initial patent application on an elected invention within two years after election or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. The recipient shall file patent applications in additional countries within either ten months of the date pending initial patent application or six months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been prohibited by a Secretary Order.

(4) Requests for extension of the time for disclosure to AID, election, and filing may, at the discretion of AID be granted.

d. Conditions When the Government May Obtain Title.

The recipient shall convey to AID upon written request, title to any subject invention:

(1) IF the recipient fails to disclose or elect the subject invention within the time specified in c. above, or elects not to retain title. AID may only request title within sixty days after learning of the recipient's failure to report or elect within the specified time.

(2) In those countries in which the recipient fails to file patent applications within the time specified in c. above, provided, however, that if the recipient has filed a patent application in a country after the time specified in c., above, but prior to its receipt of the written request of AID the recipient shall continue to retain title in that country.

(3) In any country in which the recipient decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceeding, on, a patent on a subject invention.

e. License Rights to Recipient.

(1) The recipient shall retain a nonexclusive, royalty-free license throughout the world in each subject invention to which the Government obtains title except if the recipient fails to disclose the subject invention within the time specified in c. above. The recipient's license extends to its domestic subsidiaries and affiliates, if any, within the corporate structure of which the recipient is a party and includes the right to grant sublicenses of the same scope to the extent the recipient was legally obligated to do so at the time the agreement was awarded. The license is transferable only with the approval of AID except when transferred to the successor of that party of the recipient's business to which the invention pertains.

(2) The recipient's domestic license may be revoked or modified by AID to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions in the Federal Property Management Regulations and agency licensing regulations (if any). This license shall not be revoked in that field of use or the geographical areas in which the recipient has achieved practical application and continues to make the benefits of the invention reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of AID to the extent the recipient, its licensees, or its domestic subsidiaries or affiliates have failed to achieve practical application in that foreign country.

(3) Before revocation or modification of the license, AID shall furnish the recipient written notice of its intention to revoke or modify the license, and the recipient shall be allowed thirty days (or such other time as may be authorized by AID for good cause shown by the recipient) after the notice to show cause why the license should not be revoked or modified. The recipient has the right to appeal, in accordance with applicable agency licensing regulations (if any) and the Federal Property Management Regulations concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of its license.

f. Recipient's Action to Protect the Government's Interest.

(1) The recipient agrees to execute or to have executed and promptly deliver to AID all instruments necessary to (i) establish or confirm the rights the Government has throughout the world in those subject inventions to which the recipient elects to retain title, and (ii) convey title to AID when requested under paragraph d. above, and to enable the Government to obtain patent protection throughout the world in that subject invention.

(2) The recipient agrees to require, by written agreement, its employees, other than clerical and non-technical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the recipient each subject invention made under agreement in order that the recipient can comply with the disclosure provisions of paragraph c. above, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by c. (1) above. The recipient shall instruct such employees through employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

(3) The recipient shall notify AID of any decision not to continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than 10 days before the expiration of the response period required by the relevant patent office.

(4) The recipient agrees to include, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement: "This invention was made with Government support under (identify the agreement awarded by AID). The Government has certain rights in this invention."

5. PARTICIPANT TRAINING (OCTOBER 1964)

This provision is applicable when any participant training is insured under the grant).

(a) Definitions:

1. Participant training is the training of any non-U.S. individual outside of his or her home country using ID funds or under AID sponsorship.
2. A participant is any non-U.S. individual being trained under this grant outside of his or her home country.

(b) Application of Handbook 18:

Participant training under this grant is to be conducted according to the policies established in AID Handbook 9, Participant Training, except to the extent that specific exceptions to Handbook 18 have been provided in this grant with the concurrence of the Office of International Training. Handbook 18 may be obtained by submitting a request to the Office of International Training (S&T/IT), Agency for International Development, Washington, D.C. 20523.)

(c) Reporting Requirement

For participants trained in the United States, data shall be submitted by means of the form AID 1381-4, "Participant Data", simultaneously with enrollment in the Health and Accident Coverage Program (see Section (d) below), or participants trained in third countries, grantees shall submit to S&T/IT only the top white sheet of the Participant Data form (and blue copies if subsequent changes in the participant's training program are made). Copies of the Participant Data form may be obtained from the Office of International Training at the address indicated in Section (b) above.

(d) Health and Accident Coverage (HAC) Program For Training Within The United States

The grantee shall enroll all participants training in the United States in AID's HAC Program.

1. The HAC Program enables the participant, or the provider of medical services, to submit bills for medical costs resulting from illness and accident to the HAC Claims Office which pays all reasonable and necessary medical charges for covered services not otherwise covered by other insurance programs (see paragraph 3 below), in accordance with the standard coverage established by AID under the HAC Program.
2. The grantee shall, as early as possible and no later than the initiation of travel to the United States by each participant financed by AID under this grant, fill out form AID 1381-4 entitled "Participant Data" and mail it to the addresses indicated on the back of the form. The grantee can obtain a supply of these forms and instructions for completing them from the Office of International Training at the address indicated in section (b) above.
3. Enrollment fees shall be submitted, thirty days prior to the beginning of each new enrollment period. The current enrollment fee amount shall be obtained from the address indicated in section (5) above. Payments will be made in check made payable to A.I.D. and submitted to:

Agency for International Development  
Office of Financial Development  
Central Accounting Division-Cashier (F/CAD)  
Washington, D.C. 20523

(a) The enrollment fee shall be accompanied by a letter which lists the names of the enrollees identical to that on the Participant Data Form, period of coverage, fee amount, aid, grant number, and the U.S. Government appropriation number as shown on the grant.

(b) The enrollment fees shall be calculated on the basis of fixed rates per participant per each 30 day period. The enrollment fees may not be prorated for fractional periods of less than 30 days and should cover the current training period for which funds are obligated under the grant.

4. The grantee shall ensure that enrollment begins immediately upon the participant's departure for the United States for the purpose of participating in a training program financed or sponsored by AID, and that enrollment continues in full force and effect until the participant returns to his or her country of origin or is released from AID's responsibility, whichever occurs first.

5. The grantee shall provide each participant with a copy of the HAC brochure, copies of which are available from S&T/IT at the address indicated in section (b) above.

6. If the grantee has a mandatory, nonseverable health and accident insurance program for participants, the costs of such insurance will be allowable under this grant. Any claims eligible under such insurance will not be payable under AID's HAC plan or under this grant. However, even though the participant is covered by the grantee's mandatory, nonseverable health and accident insurance program, the participant must be enrolled in AID's HAC Program. In addition, a copy of the mandatory insurance policy must be forwarded to the HAC Claims Office.

7. Medical costs not covered by the grantee's health service program or mandatory, nonseverable health and accident insurance program, or AID's HAC Program shall not be reimbursable under this grant unless specific written approval from the grant officer has been obtained.

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MODIFICATION OF GRANT

Page 1 of 1 pages

DUNS NO. 074806654

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1. Grant No: LAC-0000-G-SS-4058-00  
2. Agreement Date: August 29, 1984  
3. Modification No.: 03  
4. Effective Date of Modification: May 31, 1986

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5. Grantee (Name and Address)

Mr. William C. Doherty  
Executive Director  
American Institute for Free  
Labor Development  
1015 Twentieth Street, N.W.  
Washington, D.C. 20036

6. Administered By:

Agency for International Development  
Office of Contract Management  
CM/ROD/LAC: CG  
Washington, D.C. 20523

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7. PIO/T No.: 543-0002-3-50002  
Appropriation No. 72-11X1037  
Budget Plan Code: LESX-85-25543-KG13  
Amt. Oblig. Prior to this Amount: \$965,875  
Amt. Oblig. by this Amendment -0-  
Total Obligated Amount \$965,875

8. Previous PIO/T's:  
543-0000-1-40050

E.I. No.: 52-074718

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9. The Grant identified in Block 1 is hereby modified as follows:

Wherever it appears, change the estimated completion date from "May 31, 1986" to "March 31, 1987".

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Technical Office: RDO/C Grenada

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10. This amendment is entered into pursuant to the authority of the Foreign Assistance Act of 1961, as amended. Except as herein provided, all terms and conditions of the agreement referenced in Block #1 remain unchanged and in full force and effect.

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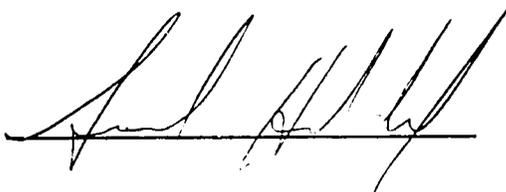
11. Grantee is required to sign this document and return 5 copies.

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12. RECIPIENT: American Institute for  
Free Labor Development

THE UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT

BY:



BY:



S. D. Heishman

TITLE: Deputy Executive Director

TITLE: Regional Contracting Officer

DATE: July 3, 1986

DATE:

6/25/86

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