

CHAPTER 13. SUGGESTED FORMAT FOR THE PREPARATION OF THE INVITATION FOR BIDS

13-1. INTRODUCTION.

This chapter provides draft documents that may be used by HAS for the procurement of insurance as required by the ACC and Part 24 CFR 85.36 and 24 CFR

950. The documents include:

PART I - IFB Cover Letter

PART II - Background

PART III - Instructions to Bidders

PART IV - Specifications for All Coverages

- (1) Coverage Requirements
- (2) Exposure Information
- (3) Loss Information
- (4) Bid Sheet Format

NOTE: The format presented in this chapter is a suggested format only. The IFB may be amended as necessary to fit the individual needs of the HA. However, all mandatory requirements in Part 24 CFR 85.36 and 24 CFR 950 must be followed.

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PART I  
IFB COVER LETTER

(TO BE PREPARED ON HA LETTERHEAD)

Date

Gentlemen:

The \_\_\_\_\_(NAME OF HA)\_\_\_\_\_ is issuing an Invitation For Bids (IFB) for \_\_\_\_\_(Insurance Type)\_\_\_\_\_ insurance to be effective on \_\_\_(Date)\_\_\_ for a term of \_\_\_\_\_(Insert Length)\_\_\_\_\_. For purposes of comparison, all bids will be evaluated on an annual cost basis regardless of term.

Attention is directed to the enclosed instructions and specifications which are made a part of this invitation.

All bids must be submitted on the accompanying bid sheets in duplicate and shall be based upon and be in conformity with the specifications and instructions attached.

Enclosed and forming a part of this IFB are the following Sections:

Background Information  
Instructions to Bidders  
Specifications  
Bid Sheet Formats

The bid documents shall be enclosed in two envelopes (outer and inner) both of which shall be sealed and clearly labeled "Bid for \_\_\_ Insurance - Not To Be Opened Until \_\_\_(TIME)\_\_\_ (a.m., p.m.) \_\_\_(Date)\_\_\_, 19\_\_\_." The Bidder shall be responsible for the placement of the firm's name on the outside of both bid envelopes.

This IFB contains (number) pages, exclusive of this cover letter.

All requests for additional information should be directed to (Name, Address and Phone Number of Executive Director).

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Signed  
Name and Title

Enclosures

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PART II  
BACKGROUND ON PUBLIC AND INDIAN HOUSING

- a. PUBLIC HOUSING. The Low-Income Public Housing Program is authorized under the United States Housing Act of 1937, as amended. It authorizes the U. S. Department of Housing and Urban Development (HUD) to provide technical and financial assistance to public housing agencies (PHAs) in the provision of decent, safe and sanitary dwellings at affordable rents to lower-income families. The public housing program is administered at the local level by PHAs which are non-Federal public agencies authorized by State legislation and generally established by action of a town, city, county, regional area or state.

The PHA functions in the capacity of developer, owner and manager of its lower-income public housing developments. The PHA has the responsibility for planning, financing, constructing, and managing its properties subject to applicable laws and contractual relationships with HUD and the local governing body. The landlord-tenant relationship of the PHA is established by virtue of its ownership of the properties and the provisions of individual leasing agreements with its tenants. The PHA performs all of the functions of a private landlord, including leasing units, collecting rents, maintaining the properties, and all of the other responsibilities related thereto.

PHA responsibilities for public housing developments are embodied in the State enabling legislation and an Annual Contributions Contract (ACC) entered into between the PHA and HUD. A PHA is required to operate each lower-income project for the purpose of providing decent, safe and sanitary dwelling units within the financial reach of lower income families and to operate the project with efficiency, economy, serviceability, and stability.

HUD assists PHAs financially through the ACC by providing capital funds for developing new developments and by making annual contributions (debt service payments) according to the ACC. In addition, the Department provides PHAs/IHAs with annual operating subsidies to assist in maintaining the lower-income character of the developments, providing adequate administrative and maintenance services, and to ensure financial solvency. Operating subsidies help cover annual deficits arising as a result of rent limits and the costs of operations, including utilities, that exceed scheduled rents.

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(The PHA preparing the IFB should edit the above as needed and add a description of their particular operations including Section 23 Leased Housing, Section 8 and any non-housing activities.)

- b. INDIAN HOUSING. The Department's program for Indian housing is part of HUD's major program activities, but is administered in the context of the special needs and circumstances which include Indian trust land restrictions, the diverse and complex historical and cultural patterns of Indian and Alaska Native life, and the special legal and historical relationships between the Federal Government, Indian communities, and the various states. The existence of special HUD Native American programs was the outgrowth of less than satisfactory experiences in trying to apply urban-oriented programs to primarily rural areas which may be subject to special trust land legal constraints. Indian communities are generally isolated and have little or no economic base. Job opportunities are often limited and incomes are low. Housing needs have been a continuing problem because of the lower-income levels and trust land restrictions which make mortgages of limited value to financial institutions. Nearly all standard Indian reservation housing has been provided by either the Bureau of Indian Affairs or HUD, and HUD has had the lead responsibility in this area since the mid-1960s. Basic community service and facilities needs are a related problem. The design of HUD's current Native American programs reflects a continuing effort to achieve program delivery systems which are responsive to the special housing and community development requirements of Indian and Alaska Native communities. There are two major housing programs widely used on Indian Reservations. They are the Mutual Help Homeownership Opportunity Program and the Indian Public

Housing Rental Program.

The Indian rental program is essentially the same as the non-Indian rental public housing program. Under the conventional method of construction, the IHA selects sites and hires its own architect to prepare building plans and specifications. The development program is reviewed by HUD and, if approved, the IHA then obtains the sites and authorizes its architect to prepare the detailed working drawings and specification in conformity with HUD requirements and any applicable local ones. The IHA then

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advertises for competitive bids from private contractors and awards a construction contract to the lowest responsive and responsible bidder in accordance with Indian preference procedures. Under the Turnkey procedures, the IHA invites developers to submit proposals for a development of a stated number and type of units.

After the IHA selects a Turnkey developer, the developer prepares schematic drawings. With Federal financial assistance guaranteeing the purchase of the development if completed in accordance with the contract, the developer can secure construction financing in the usual manner.

HUD assists the IHA in the development of the projects by providing capital funds (grants) to pay for the development costs of the developments. For those developments financed by sale of bonds in the private market or by the sale of notes to the Federal Financing Bank, (such sales were prior to HUD's switch from private market "loan" funding to its current method of "grant" funding) HUD provides debt service annual contributions payments in sufficient amounts to fully liquidate the principal and interest on these instruments in the period specified by the ACC.

Under the rental program, the dwelling units are rented by the IHA to lower-income Indian families at rents of 30 percent of their adjusted incomes. If rents from tenants are not sufficient to pay the IHA's operating costs, operating subsidies may be paid by HUD under certain conditions to ensure the lower-income character of the projects. Indian rental developments also are eligible for the modernization program for improving lower-income public housing developments.

The Mutual-Help Homeownership opportunity Housing Program was started in 1964 in an effort to provide an alternative to rental housing and now constitutes approximately 70 percent of housing assistance in Indian areas. The underlying concept of the program is to provide an opportunity for ownership which will be a strong incentive for participating families to aid in the building and maintenance of their homes. Each participating Indian family must make a substantial contribution toward the cost of the dwelling unit (at least

\$1,500) in the form of land, work, cash materials or equipment. This obligation can also be met by Tribal contribution of the building site and,

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where feasible, local building materials. The participants receive equity credit, in amounts approved by HUD, toward the purchase of their homes in lieu of cash for their contributions. After construction, the homebuyer occupies under a lease-purchase type of contract and is obligated to maintain the home, pay the utility costs, and make a required monthly payment. This required monthly payment is the greater of the basic administrative charge, or not less than 15 percent nor more than 30 percent of the adjusted family income taking into account an allowance for the cost of utilities. Normally, the participating family will acquire title at the end of 25 years. However, if the family's income increases and it makes correspondingly higher payments, its equity builds up faster, thus shortening the period of time before becoming a homeowner. (The IHA preparing this IFB should edit the above as needed and add a description of their particular operations including Section 8 and any non-housing activities.)

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PART III  
INSTRUCTIONS TO BIDDERS

- a. Each request for interpretation as to the meaning of specifications shall be directed to (NAME) (TELEPHONE NO.). No inquiry received within five (5) working days of the date fixed for opening of bids will be given consideration. All bids must be submitted on the forms provided by the HA. Bidders shall furnish all the information required by the solicitation. Bids must be signed and the bidder's name typed or printed on the bid sheet and each continuation sheet which requires the entry of information by the bidder. Erasures or other changes must be initialed by the person signing the bid. Bids signed by an agent shall be accompanied by evidence of that agent's authority. (Bidders should retain a copy of their bid for their records.)

Bidders shall acknowledge receipt of any amendment to this solicitation (1) by signing and returning the amendment, (2) by identifying the amendment number and date on the bid form, or (3) by letter, telegram, or facsimile, if those methods are authorized in the solicitation. The HA must receive acknowledgement by the time and at the place specified for receipt of bids. Bids which fail to acknowledge the bidder's receipt of any amendment will result in the rejection of the bid if the amendment(s) contained information which substantively changed the PHA's/IHA's requirements.

- b. Bid Opening. All bids must be submitted in writing, be in the stated format, and received by the [NAME OF PHA/IHA) on or before [TIME AND DATE). The address for receipt of the bid package is: (HA NAME AND COMPLETE ADDRESS. Do not use a Post Office Box Number.)

Any bid received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it:

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);

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- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA that the late receipt was due solely to mishandling by the HA after receipt at the HA; or
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and observed holidays.

Any modification or withdrawal of bid is subject to the same conditions as in paragraph (a) of this provision.

Any bid received after the exact time specified cannot be considered for award unless it is the only bid received.

- c. Bid Acceptance Period. The housing authority shall have a period of 30 calendar days following the bid opening date to make the award. No bids may be withdrawn during the acceptance period.
- d. Attendance at Bid Opening. At the time fixed for the opening of bids, their contents will be made public for the information of bidders and other properly interested parties who either may be present in person or by their representative.
- e. Signature to Bid. Bids shall be made on the enclosed bid forms showing the name of the insuring company and quoting agency, and signed by the owner or an appropriate executive officer of the firm.
- f. Claim Reports. The agency or company receiving the award shall provide, 120 days prior to expiration, a report of all claims including date of claim, amount paid or reserved and a

description of the type and nature of each claim.

- g. Certificate of Insurance. The insurer receiving the award shall deliver an original policy and a certificate of insurance to the insured. The certificate must show the U.S. Department of Housing and Urban Development as the certificate holder, and require at least a 60-day notice of cancellation to the certificate holder in the event the policy is cancelled mid-term.

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- h. The (NAME OF HA) reserves the right to waive any informalities and to reject any and all bids.
- i. No Warranty. The bidder is required to examine the specifications, instructions and risks to be covered. Failure to do so will be at the bidder's own risk. It is assumed that the bidder has made such investigation as to be fully informed as to the extent and character of the hazards and of the requirements of the specifications. No warranty is made or implied as to the information contained in the specifications.
- j. Bidder Qualifications. A bidder is an insurance company or an agent/broker submitting a bid on behalf of an insurance company or companies. In order to be considered for award, a bidder must meet the qualifications below. Bidders not meeting these qualifications will not be considered for award.

(1) Insurance Companies.

- (a) Each participating insurer shall be licensed or duly authorized to issue insurance in the state of (NAME OF STATE) "Duly authorized" means that the insurer(s) shall be listed with the state insurance commissioner as an approved or admitted carrier. If a bid is submitted by a "surplus lines" insurance company, the company must be authorized to conduct business in the state by the insurance department.
- (b) Each participating insurer shall be financially sound and responsible, which may be evidenced by a rating in the current A. M. Best's Insurance Reports of "B+" or better for performance and shall have a financial rating of "Class VI" or greater for company size, or an A.M. Best Company Financial performance Index (FPI) rating of "6" or higher that is in the NA-3 category (Insufficient operating Experience). A rating of at least "A" by Demotech will also be acceptable. The rating by either one or the other of these rating organizations should be shown on the bid proposal when it is submitted.

- (2) Agent/Brokers. The agent/broker shall be licensed or duly authorized to issue, solicit and service commercial property/casualty insurance in accordance with the laws of the state of (NAME OF STATE).
  
- k. Monoline Bids. All coverages are to be bid on a monoline basis unless stated otherwise in the response to this IFB. The housing authority will award multiple contracts on a line by line basis to the qualified bidders submitting the lowest cost effective price for each line of coverage, unless the proposal is for a multi-line package policy where the coverages cannot be separated.
  
- l. Policy Term in Excess of 12 months. If this IFB requests a policy term in excess of 12 months, with the premium payable annually, the policy may not be subject to ratering at the end of each annual period. The premiums must be guaranteed and may not be increased during the term of the policy. The policy must contain an endorsement that will guarantee the premium for its full term. If the policy does not have this endorsement attached, the policy will be subject to competitive bidding at the end of the first annual period.
  
- m. Method of Award.
  - (1) The (NAME OF HA) will award a contract resulting from this IFB to the responsible and qualified bidder whose response, conforming to the IFB, will be most advantageous considering only price and the price-related factors included in the IFB. The award shall name the insurance company as the contractor.

NOTE: If this IFB has been restricted by the IHA as provided in Section 12-4, page 12-3, the award shall then be made to the qualified Indian enterprise or organization submitting the lowest responsive bid in accordance with the IHAs procurement policy.

- (2) The (NAME OF HA) may reject any or all bids if such action is in the public interest, accept other than the lowest bid, and waive minor informalities and minor irregularities in bids received.
  
- (3) The (NAME OF HA) will award a contract on the basis of bids received without discussion. Therefore, each bid should contain the bidder's best terms from a cost or price standpoint.
  
- (4) The awarding of this contract to a specific agent/broker does not establish an agent/broker of record agreement with the (HA).

In the event a disagreement arises between the agent/broker and the insuring company, any such disagreement shall not be cause for the cancellation of the policy by the insuring company.

- n. Taxes and Fees. All excess and surplus lines taxes and fees, if applicable, shall be included in the total premium bid. The bidder shall attach a listing of the amount of such taxes and fees applicable.
- o. Indian Preference Clause (To be attached to each IFB for IHAs to utilize Indian preference). The following language shall be included in all contracts and subcontracts executed in connection with the development or operation of IHA projects:
  - (1) The work to be performed under this contract is on a project subject to Section 7(b) of the Indian Self-Determination and Education Assistance Act (24 U.S.C. 450e(b)); Section 7(b) requires that to the greatest extent feasible, (A) preferences and opportunities for training and employment shall be given to Indians, and (B) preferences in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises.
  - (2) The parties to this contract shall comply with the provisions of Section 7(b) of the Indian Self-Determination and Education Assistance Act (24 U.S.C. 450e(b) and with all HUD requirements adopted pursuant to Section 7(b).
  - (3) In connection with this contract the parties shall, to the greatest extent feasible give preference in the award of any subcontracts to Indian organizations and Indian-owned Economic Enterprises, and preferences and opportunities for training and employment to Indians.

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- (4) This Section 7(b) clause shall be incorporated into every subcontract in connection with the project.
  - (5) Upon a finding by the IHA or HUD that any party to this contract is not in compliance with Section 7(b) requirements, that party shall, at the direction of the IHA, initiate appropriate action to remedy the noncompliance.
- p. Organizational Conflicts of Interest.
    - (1) The Contractor certifies by submission of a bid that to the best of its knowledge and belief and except as otherwise disclosed, he or she does not have any organizational conflict of interest which is defined as

a situation in which the nature of work under a proposed HA contract and a prospective contractor's organizational, financial contractual or other interests are such that:

- (a) Award of the contract may result in an unfair competitive advantage;
  - (b) The Contractor's objectivity in performing the contract work may be impaired; or
  - (c) The Contractor has disclosed all relevant information and requested the HA to make a determination with respect to this contract.
- (2) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the HA which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract for the convenience of the HA if it would be in the best interest of the HA.
- (3) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict, the HA may terminate the contract for default.
- (4) The Contractor shall require a disclosure or representation from subcontractors and consultants who may be in a position to influence the advice or assistance rendered to the HA and shall include any necessary provisions to eliminate or neutralize conflicts of interest in consultant agreements or subcontracts involving performance or work under this contract.

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- q. Debarred, Suspended and Ineligible Contractors. The bidder certifies by submission of a bid that it is not a debarred, suspended or ineligible contractor by any Agency of the Federal or state government. (No bid received from a debarred, suspended or ineligible contractor will qualify for award.)
- r. A Certificate of Independent Premium Determination, as shown on the following page, must be completed and attached to each bid submission.

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Representations, Certifications,

and Other Statements of Bidders  
- Public and Indian Housing Programs

1. CERTIFICATION OF INDEPENDENT PREMIUM DETERMINATION

(a) The bidder certifies --

(1) The insurance premiums in this bid have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder or competitor relating to (i) those premiums, (ii) the intention to submit a bid, or (iii) the methods or factors used to calculate the prices offered;

(2) The premiums in this bid have not been and will not be knowingly disclosed by the bidder, directly or indirectly, to any other bidder or competitor before bid opening unless otherwise required by law; and

(3) No attempt has been made or will be made by the bidder to induce any other concern to submit or not to submit a bid for the purpose of restricting competition.

(b) Each signature on the bid is considered to be a certification by the signatory that the signatory --

(1) Is the person in the bidder's organization responsible for determining the premiums being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a) (1) through (a) (3) above; or

(2) Has been authorized, in writing, to act as agent for the insurance companies in certifying that those companies have not participated, and will not participate in any action contrary to subparagraphs (a) (1) through (a) (3) above.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ [insert full name of person(s) in the bidder's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder's organization].

SPECIFICATIONS

a. Real and Personal Property.

(1) Coverage Requirements.

- (a) The policy shall become effective at 12:01 a.m. (Month-Day-Year) for a period of 12 months. It shall be written on a standard Insurance Services Office form and approved for use in the State of providing blanket coverage on a replacement cost and agreed value basis. Coverage shall apply to all real properties and contents owned by the (NAME OF HA) These properties consist primarily of multiple family dwelling units, but also may include non-dwelling buildings and equipment including, but not limited to, storage sheds, offices, fire stations, wells and pumps, garages, water towers, lift stations, building materials and supplies on job sites, and other items incidental to the operation of a HA.

Coverage is to be provided for destruction or damage to the described property if the loss is the result of one or more of the covered perils. The minimum covered perils include fire, lightning, windstorm, hail, explosion, riot, civil commotion, riot attending a strike, aircraft and vehicle, and smoke. There shall be no pro rata distribution clause.

- (b) Named Insured. The policy shall name as Insured: (NAME OF IHA).
- (c) Limit of Insurance. Coverage is to be provided on the basis of full replacement cost at the time of loss. Coverage shall be written at a blanket limit of \$\_\_\_\_\_ which represents (80%, 90% or 100% "enter only one percentage figure") of total replacement cost of all the properties as of the effective date of the policy.

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- (d) Deductible. There shall be a deductible of (\$250 minimum recommended) per occurrence.

Please provide optional bids for deductibles of \$1,000, \$5,000, and \$10,000 per occurrence.

- (e) Rate Basis. Bids shall be based on a single rate per \$100 of the replacement cost of all covered properties. The replacement costs are shown in Section (2) Exposure Information of this Part.
- (f) Required Endorsements. The policy shall have the

following endorsements attached or incorporated into the policy:

- (i) Mistake in Description. "It is understood and agreed that the coverage provided by this policy shall not be invalidated or affected by any inadvertent errors, omissions, or improper description of premises or other items mentioned in this policy."
- (ii) Cancellation may not be effected by the company without (A minimum of 60 days recommended) prior written notice to the insured.
- (iii) Vacancy Clause. "It is understood and agreed that permission is hereby granted that any building insured hereunder may remain vacant or unoccupied without limit of time."
- (iv) Loss Reports. "The company agrees to provide the named insured loss runs showing the status of each loss incurred during the policy term on a semi-annual basis and 100 days prior to expiration. The loss run shall include, as a minimum: Date of loss, location, type of loss, amount paid, amount held in reserve and if the loss has been closed without payment. The loss runs shall continue for a period of 12 months after expiration of the policy."

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- (v) DAVIS-BACON ACT WAGE RATES/PREVAILING WAGE RATES. "It is understood and agreed that the provisions of the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5) shall apply to all contracts, in excess of \$2,000, for the repair/replacement of damaged PHA/IHA property amounts to reconstruction. The applicability of prevailing wage rates required by 42 U.S.C. Section 1437j shall be determined by the Regional Labor Relations Officer."
- (2) Exposure Information.
- (a) Property - Include a statement showing the total number of dwelling units, non-dwelling units, dwelling structures and non-dwelling structures, type of construction including locations and replacement property values of each. List locations and replacement property values of all extraneous properties and structures such as community buildings, storage sheds, etc. including contents.
  - (b) Operations - Include descriptions of any non-housing activities or business operations

undertaken on HA premises.

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(c) Statement of Values - Suggested schedule format:

	(A)	(B)	(C)	
(D)	Bldg.		Type of	No.
Of	No.	Address	Occupancy 1	
Floors				
	(E)	(F)	(G)	
(H)	No. Of	Type of	Sprinklers	Year
Built	Dwelling Units	Construction	Yes - No	
	(I)	(J)	(K)	
	Orig. 2	Inflation	Replacement	
	Cost	X Factor	Cost (100%)	

If smoke detectors are required by law, provide a footnote to indicate whether they are installed and maintained by the HA.

Attach Form HUD-5460 for each building/project.

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(3) Loss Information. 3

SUMMARY

Policy Year	Number		
Incurred	of Losses	Paid	Reserve

(Attach computer runs from insurance company(ies).)

Loss information should be detailed for a minimum of four years.

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(4) BID SHEET FORMAT

(TO BE TRANSFERRED TO INSURANCE COMPANY LETTERHEAD)

(a) INTRODUCTION. We will provide Blanket Replacement Cost Property Insurance on all properties owned by the (NAME OF HA) in accordance with all specifications and

requirements outlined in the IFB.

(b) RATES AND PREMIUMS.

(c)	(i)	(a)	(b)	
		Blanket	Composite Rate	
		Replacement	Per \$100 of	Annual
		Cost Agreed	Replacement	
		Value Limit		
Cost Premium				
=	\$ _____	\$ _____	x	\$ _____

(ii) Total Premium Bid Basic Property Coverage

- (1) Total annual premium  
\$ \_\_\_\_\_
- (2) Surplus Lines Tax/Fees  
\$ \_\_\_\_\_
- (3) Less estimated dividend, if any  
\$ \_\_\_\_\_
- (4) Net premium:  
\$ \_\_\_\_\_

NOTE: The annual premium is based on a \$ \_\_\_\_\_ deductible per occurrence. (Use a separate bid sheet for each deductible.) Attached is a copy of the coverage form which lists the perils insured against.

Attach a separate sheet for "all risks" coverage if quoted.

Enclose statement of 10-year dividend payment record as an addendum to the formal bid package.

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(c) QUALIFYING STATEMENT

We, the undersigned participants in this bid, are collectively authorized to issue or solicit insurance and fulfill the legal requirements for operating in this state, hereby attest that we have reviewed the specifications and concur with this bid.

The current rating by A. M. Best and Company is \_\_\_\_\_.

The current rating by Demotech, Inc. is \_\_\_\_\_ . (if known)

Signature:  
(Authorized Signature)  
Signature)  
(Typed Name and Title)  
(Name of Insurance Company)

Signature:  
(Agent/Broker  
(Typed Name and Title)  
(Name of Firm)

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b. Comprehensive/Commercial General Liability Coverage (CGL).

- (1) The CGL policy shall become effective at 12:01 a.m. (Month-Day-Year) for a period of 12 months. CGL shall be written on a standard Insurance Services Office CGL Occurrence form and approved for use in the State of to provide coverage for premises and operations. A claims-made policy form is not acceptable.
- (2) Named Insured. The policy shall name as Insured: (NAME OF HA) , and include executive officers, directors, commissioners, and employees while acting within the scope of their duties.
- (3) Coverage Limits. The CGL limit of liability shall be (\$500,000 minimum recommended) per occurrence combined single limit without an annual aggregate.

NOTE: If coverage is not available without an annual aggregate then please provide optional bids with annual aggregates equal to 2, 3, and 4 multiples of the per occurrence limit.

- (4) Deductible. If the CGL coverage is not available on a first dollar basis (no deductible) then please provide optional bids for deductibles of \$500, \$750, \$1,000 and \$5,000 per occurrence.
- (5) Rate Basis. The bid for the CGL coverage shall be based upon a single rate per type of dwelling unit. The rate quoted should take into consideration any extension of tort or sovereign immunity granted to HAs in the State of The total bid amount shall be the multiplication of the above rates by the numbers of each separate type of dwelling unit as described above. The number and type of dwelling and non-dwelling units are shown in b.(2) Exposure Information in this Part.
- (6) Required Endorsements. The CGL policy shall have the following endorsements attached (or incorporated into the policy itself):

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- (a) Mistake in Description. "It is understood and agreed that the coverage provided by this policy shall not be invalidated or affected by any inadvertent errors, omissions, or improper description of premises or other items mentioned in this policy."
- (b) Cancellation may not be affected by the company without a (minimum of 60 days recommended) prior written notice to the insured.
- (c) Loss Reports. "The company agrees, on a semi-annual basis and 120 days prior to expiration, to provide the named insured with loss runs showing the status of each loss incurred during the policy term. The loss run shall include, as a minimum: Date of loss, location, type of loss, amount paid, amount held in reserve and if the loss has been closed without payment. The loss runs shall continue for a period of 12 months after expiration of the policy."
- (d) All rates or premiums quoted should take into consideration any extension of tort or sovereign immunity granted to HAS in the State of \_\_\_\_\_ (or to Indian tribes).

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(2) EXPOSURE INFORMATION

- (a) Liability - Include a statement showing the total number of dwelling units. Also include non-dwelling units, dwelling structures and non-dwelling structures, including locations and descriptions. List all extraneous properties and structures such as community buildings, storage buildings, etc.
- (b) Operations - Include descriptions and locations of any non-housing activities or operations undertaken on HA premises or operating under PHA/IHA control. If you have security personnel, list number and if armed.
- (c) Suggested Schedule Format -
  - (a) Number of dwelling units:  
Owned\_\_\_\_; Section 8\_\_\_\_; Section 23\_\_\_\_.  
Number of non-dwelling units\_\_\_\_\_.
  - (b) Parks, playgrounds or recreational facilities: Number\_\_\_\_; Total Area\_\_\_\_  
Playground equipment: Type\_\_\_\_; Number\_\_\_\_\_

- (c) Day Care Centers: Yes\_\_\_; No\_\_\_  
 PHA/IHA operated: Yes\_\_\_; No\_\_\_  
 Under contract: Yes\_\_\_; No\_\_\_  
 If 'yes' above, state number of children\_\_\_  
 and age range\_\_\_ to \_\_\_
- (d) Are meals served on HA premises:  
 Yes\_\_\_; No\_\_\_ HA Operated: Yes\_\_\_; No\_\_\_  
 Under contract: Yes\_\_\_; No\_\_\_.  
 If 'yes' above, state number of meals served  
 \_\_\_\_\_. Are meals free: Yes\_\_\_; No\_\_\_  
 If 'No' above, total annual sales \$\_\_\_\_\_

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- (e) Are security guards employed: Yes\_\_\_; No\_\_\_  
 Are security guards armed: Yes\_\_\_; No\_\_\_  
 If 'Yes' state number\_\_\_\_\_  
 HA employees: Yes\_\_\_; No\_\_\_; Annual  
 Payroll \$\_\_\_\_\_  
 Under contract: Yes\_\_\_; No\_\_\_; Annual  
 Cost \$\_\_\_\_\_
- (f) State number of escalators/elevators and the  
 number of floors  
 traversed\_\_\_\_\_.
- (g) State the total estimated dollar value of all  
 construction and maintenance contracts to be  
 executed during the policy year  
 \$\_\_\_\_\_.
- (h) Are certificates of insurance required from  
 all contractors and sub-contractors: Yes\_\_\_;  
 No\_\_\_.

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(3) Loss Information. 1

SUMMARY

Policy Year Incurred	Number of Losses	Paid	Reserve
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(Attach computer runs from insurance company(ies))

Loss information should be detailed for a minimum of four years.

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(4) BID SHEET FORMAT

(TO BE TRANSFERRED TO INSURANCE COMPANY LETTERHEAD)

(a) INTRODUCTION. We will provide Comprehensive General Liability Coverage on all properties owned by the (NAME OF HA) in accordance with all specifications and requirements outlined in the IFB.

(b) RATES AND PREMIUMS.

(i) Comprehensive General Liability

	(a)	(b)
(c)	Dwelling and	Composite Rate
Annual	Non-Dwelling Units	Per Unit
Premium	Owned_____	\$_____
\$_____	Section 23_____	\$_____
\$_____		

(ii) Total Premium Bid for Comprehensive General Liability

- (1) Total annual premium  
\$\_\_\_\_\_
- (2) Surplus lines tax/fees  
\$\_\_\_\_\_
- (3) Less estimated dividend, if any  
\$\_\_\_\_\_
- (4) Net premium:  
\$\_\_\_\_\_

NOTE: The annual premium is based on a \$\_\_\_\_\_ deductible per occurrence. (Use a separate bid sheet for each deductible)

Enclose statement of 10-year dividend payment record as an addendum to the formal bid package.

(c) QUALIFYING STATEMENT

We the undersigned participants in this bid,

who are collectively authorized to issue or solicit insurance and fulfill the legal requirements for operating in this state hereby attest that we have reviewed the specifications and concur with this bid.

The current rating by A.M. Best and Company is \_\_\_\_\_.  
The current rate by Demotech, Inc. is \_\_\_\_\_ (if known)

Signature:  
(Authorized Signature)  
(Typed Name and Title)  
(Name of Insurance Company)

Signature:  
(Agent/Broker Signature)  
(Typed Name and Title)  
(Name of Firm)

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c. Workers' Compensation (WC)

(1) Coverage Requirements.

- (a) The WC shall be written on a standard policy form approved for use in the State of \_\_\_\_\_. Coverage shall apply to all employees and executive officers of the insured. Coverage shall become effective at 12:01 a.m. (month-day-year) for a period of 12 months.
- (b) Named Insured. The policy shall name as insured: (NAME OF HA).
- (c) Coverage Limits. The state's statutory limits apply to the WC coverage. The employers' liability coverage shall have a limit of (Minimum \$100,000).
- (d) Territorial Limits. The WC and employers' liability coverages shall apply in the State of \_\_\_\_\_ where the insured is domiciled.
- (e) Rating Information 1

Transfer the rating information from your current WC policy and adjust the number of employees and estimated payroll for the next 12-month period.

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- (f) EXPERIENCE MODIFICATION FACTOR. The experience modification factor promulgated by the State WC Rating Bureau, applying to the renewal coverage is \_\_\_\_\_.
- (g) Required WC Endorsements. The WC policy shall have the following endorsements attached or incorporated

into the policy:

- (i) Cancellation. Cancellation may not be effected by the company without (A minimum of 60 days recommended) prior written notice to the insured.
- (ii) Loss Reports. "The company agrees to provide the named insured loss runs showing the status of each loss incurred during the policy term on a semi-annual basis and 120 days prior to expiration. The loss run shall include, as a minimum: Date of loss, location, type of loss, amount paid, amount held in reserve and if the loss has been closed without payment. The loss runs shall continue for a period of 12 months after expiration of the policy."
- (iii) Voluntary Compensation Endorsement. Attach the standard endorsement approved for use in the State of \_\_\_\_\_.

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(2) EXPOSURE INFORMATION.

(a) Workers' Compensation.

The following information is submitted to aid the bidders in their underwriting of the risks to be insured. (Explain in detail any "yes" responses by attaching a separate sheet.)

- (i) Does the housing authority own, operate or lease aircraft/watercraft? Yes [ ] No [ ]
- (ii) Is there any exposure to flammables, explosives, caustics, or fumes? Yes [ ] No [ ]
- (iii) Is there any exposure to radioactive materials? Yes [ ] No [ ]
- (iv) Is any work performed underground or above 15 feet? Yes [ ] No [ ]
- (v) Are sub-contractors used? Yes [ ] No [ ]
- (vi) Is any work sublet without the required certificates of insurance? Yes [ ] No [ ]

- (vii) Does the housing authority have a formal safety program in operation? Yes [ ] No [ ]
- (viii) Is any group transportation provided to employees? Yes [ ] No [ ]
- (ix) Does the housing authority have any part-time or seasonal employees? Yes [ ] No [ ]
- (x) Is there any exposure to any volunteer or donated labor? Yes [ ] No [ ]
- (xi) Do employees travel out of state? Yes [ ] No [ ]
- (xii) Does the housing authority sponsor any athletic teams? Yes [ ] No [ ]
- (xiii) Does the housing authority require pre-employment physicals? Yes [ ] No [ ]

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(3) LOSS INFORMATION 3

SUMMARY

Policy Year	Number of Losses	Paid	Reserve
Incurring			

(Attach Computer Runs From Insurance Company(ies))

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(4) BID SHEET FORMAT - WORKERS' COMPENSATION

(To be transferred to Insurance Company Letterhead)

- a. Introduction. We will provide workers' compensation coverage for all employees of the (NAME OF PHA/IHA) in accordance with all specifications and requirements outlined in the IFB.
- b. Rates and Premiums.

Class	Estimated Annual	Rate	Estimated
-------	------------------	------	-----------

Annual Code(s)	Remuneration		(per \$100)		Premium
_____	\$_____	X	\$_____	=	\$_____
_____	\$_____	X	\$_____	=	\$_____
_____	\$_____	X	\$_____	=	\$_____
	(1) Total				\$_____
	(2) Experience Modification				X_____
	(3) Modified Premium				\$_____
	(4) Surplus Lines Tax/Fees, if any				\$_____
	(5) Less Estimated Dividend, if any				\$_____
	(6) Total Estimated Annual Premium				\$_____

c. Qualifying Statement.

We, the undersigned participants in this bid, are collectively authorized to issue or solicit insurance and fulfill the legal requirements for operating in this state, hereby attest that we have reviewed the specifications and concur with this bid.

The current rating by A.M. Best Company is \_\_\_\_\_ . The current rating by Demotech, Inc. is \_\_\_\_\_ .

Signature:  
(Authorized Signature)  
Signature)  
(Typed Name and Title)  
(Name of Insurance Company)

Signature:  
(Agent/Broker  
(Typed Name and Title)  
(Name of Firm)

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d. Owned and Non-Owned Automobile.

(1) Coverage Requirements.

- (a) The automobile coverage shall be written on a standard Insurance Services Office form, approved for use in the State of \_\_\_\_\_. Coverage is to become effective at 12:01 a.m. (month-day-year) for a period of 12 months.
- (b) Named Insured. The policy shall name as insured (NAME OF HA) and shall include the executive officers, commissioners and employees while acting within the scope of their duties.

- (c) Limit of Liability. The policy shall be issued with a limit of (\$100,000 each person/\$300,000 minimum) each occurrence for bodily injury or death and (\$25,000 minimum) per occurrence for property damage, or \$300,000 combined single limit.

If owned automobiles are written in a state with a compulsory uninsured motorists law, then the limit of liability applying to the uninsured motorists coverage shall be the minimum limit of the financial responsibility statute.

- (d) Rating Information - Owned Automobiles

(i) Schedule of Owned Vehicles 1

1. Year Make Body Type GVW Serial Number
2. (Continue schedule to include all owned vehicles.)

Any vehicles leased to the HA on a long-term (6 months or more) basis, should be included on the schedule as an owned vehicle.

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(ii) Driver Information.

- (e) Rating Information - Hired/Nonowned Automobiles.

Coverage shall be written on an "if any" basis. The housing authority has (number) employees.

- (f) Required Automobile Endorsements. The automobile policy shall have the following endorsements attached, or incorporated into the policy:

(i) Cancellation. Cancellation may not be effected by the company without (A minimum of 60 days recommended) prior written notice to the insured.

(ii) Loss Reports. "The company agrees to provide the named insured' loss runs showing the status of each loss incurred during the policy term on a semi-annual basis and 120 days prior to expiration. The loss run shall include, as a minimum: Date of loss, location, type of loss, amount paid, amount held in reserve and if the loss has been closed without payment. The loss runs shall continue for a period of 12 months after expiration of the policy."

- (g) All rates or premiums quoted should take into consideration any extension of tort or sovereign immunity granted to HAs in the State of

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(2) EXPOSURE INFORMATION

The following information is submitted to aid the bidders in their underwriting of the risks to be insured. (Explain in detail any "yes" responses by attaching a separate sheet.)

- (a) Are any vehicles owned by or registered to any entity other than the housing authority? Yes [ ] No [ ]
- (b) Do more than 50 percent of the employees use their personal auto in behalf of the housing authority? Yes [ ] No [ ]
- (c) Does the housing authority have a vehicle maintenance program in operation? Yes [ ] No [ ]
- (d) Are any vehicles leased to others? Yes [ ] No [ ]
- (e) Are any vehicles customized, altered or have special equipment? Yes [ ] No [ ]
- (f) Does the housing authority obtain motor vehicle records verifications of employees? Yes [ ] No [ ]
- (g) Does the housing authority have a specific driver recruiting/training program in operation? Yes [ ] No [ ]

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(3) LOSS INFORMATION - SUGGESTED FORMAT 2  
SUMMARY

Policy Year Incurred	Number of losses	Paid	Reserve
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(Attach computer runs from insurance company(ies).)

Loss information should be detailed for a minimum period of four years.

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(4) BID SHEET FORMAT - AUTOMOBILE 3

(To be transferred to insurance company letterhead.)

(a) Introduction. We will provide automobile liability insurance coverage for the (NAME OF HA) with a per occurrence limit of \$\_\_\_\_\_ for bodily injury and \$\_\_\_\_\_ for property damage or \$\_\_\_\_\_ combined single limit, and in accordance with all specifications and requirements outlined in the IFB.

(b) Rates and Premiums.

PREMIUM	ANNUAL
(1) Owned Automobile Coverage	\$_____
(2) Non-Owned Automobile Coverage	\$_____
Total	\$_____
(3) Surplus Lines Tax/Fees if any	\$_____
(4) Less Estimated Dividend, if any	\$_____
(5) Total Annual Premium	\$_____

(c) Qualifying Statement.

We, the undersigned participants in this bid, are collectively authorized to issue or solicit insurance and fulfill the legal requirements for operating in this state, hereby attest that we have reviewed the specifications and concur with this bid.

The current rating by A.M. Best Company is _____.	The current rating by Demotech, Inc. is _____.
---	--

Signature: (Authorized Signature)  Signature)  Title)  (Typed Name and Title)  (Name of Insurance Company)	Signature: (Agent/Broker)  Signature)  Title)  (Typed Name and (Name of Firm)
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e. Employee Dishonesty.

(1) Coverage Requirements.

(a) The employee dishonesty should be written on a standard commercial blanket form approved by the Surety Association of America and for use in the

State of \_\_\_\_\_. Coverage is to become effective at 12:01 a.m. (Month-Day-Year) for a period of 36 months.

(b) Named Insured. The bond shall name as insured (Name of HA) and the U.S. Department of Housing and Urban Development as its interest may appear.

(c) Limit of Coverage. The blanket limit of this bond shall be \$ (Refer to worksheet on page 8-5 for minimum) per loss.

(d) Required Fidelity Bond Endorsements. The fidelity bond shall have the following endorsements attached or incorporated into the bond:

(i) Definition of Employees. "As used in this bond, "Employee" means any commissioner of the insured and any person who is a member of the staff or personnel of the insured while such commissioner or person is engaged in the service of the Insured during the term of this bond."

(ii) Cancellation may not be effected by the company without (A minimum of 60 days recommended) prior written notice to the insured.

(e) Notices. All notices and requests required to be sent to the U.S. Department of Housing and Urban Development Field Offices shall be addressed to the Office of Public and Indian Housing, Department of Rousing and Urban Development, at \_\_\_\_\_

\_\_\_\_\_.

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(2) Exposure Information.

(a) List Current and Prior Fidelity Coverage.

(b) Audits.

(i) How frequently made?  
\_\_\_\_\_

(ii) Are all locations covered? \_\_\_\_\_

(iii) By Whom? CPA; Staff Auditor; Others (Explain fully)

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(iv) When was last audit made? \_\_\_\_\_

(v) Period covered: \_\_\_\_\_

(vi) Were any financial discrepancies commented upon? \_\_\_\_\_ (If so, submit a copy of audit or auditor's comments.)

(c) Signature Authorization - State names and positions of those authorized by the Insured as of the date of this Invitation for Bid to sign or countersign checks or drafts or to certify vouchers:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(d) Give Total Number of Persons Employed by the Insured: \_\_\_\_\_

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(e) Classification of Employees by Duties or Responsibilities. The classification under Class A, B, and C constitutes the insured's entire personnel as of the date of this Invitation for Bid and includes members of boards and commissioners whether or not such personnel or the members of such boards and commissions are to be covered under the bond.

(i) Class A Employees. All executive, administrative, judicial, and supervisory officials, department and division heads and assistant department and division heads, and all officials and employees whose principal duties are to:

- o Handle, receipt for, or have custody of money, checks, or securities, or account for supplies or other property; authorize (or make appropriations for) expenditures; approve, certify, sign, or countersign checks, drafts, warrants, vouchers, orders, or other documents

providing for the paying over or delivery of money, securities, supplies, or other property;

- o Maintain or audit accounts of money, checks, securities, time records, supplies, or other property, or take physical inventories of money, checks, securities, supplies, or other property.

The foregoing definition includes in any event all occupants of positions listed on the chart (see next page).

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(ii) Class B Employees. All personnel whose principal duties consist of:

- o Inside or outside clerical activities.
- o Office work, such as stenography, typing, filing, switchboard operation, business machine operation, etc.

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(iii) Class C Employees. All personnel whose principal duties consist of:

- o Skilled or unskilled labor and craftsmanship.
- o Solely the mechanical operation of automotive equipment.
- o Nonclerical activities of the medical or nursing professions.
- o Outside or field work of a nonclerical nature.

The insured will arrange to have new employees complete a fidelity bond questionnaire supplied by the surety.

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(f) Are all locations audited?\_\_\_\_\_

(g) Will monthly statements be mailed directly to

outstanding accounts?\_\_\_\_\_

- (h) Are bank accounts reconciled by someone not authorized to deposit or withdraw therefrom? \_\_\_\_\_ By Whom? Give name(s) and position(s).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Do you verify cancelled vouchers or supporting records against cancelled checks when reconciling bank statements? \_\_\_\_\_

- (i) How often are bank accounts reconciled?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- (j) Is countersignature of checks required? \_\_\_\_\_ Total number of signatures required. \_\_\_\_\_.

Do vouchers or supporting records accompany all checks to be signed and is such evidence voided at time of signature? \_\_\_ \_\_\_\_\_

- (k) Is a check-signing machine used? \_\_\_\_\_ . Who is authorized to use check-signing machine? \_\_\_\_\_ .

- (l) What is done with check-signing machine at night?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

How many signatures on plate?

\_\_\_\_\_ .

- (m) Who has keys to check-signing machine?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- (n) Do outside employees collect money? \_\_\_\_\_ . If yes, explain controls maintained on separate sheet (daily reports, pre-numbered sales slips, spot checks, etc.)

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- (o) Are employees duties divided so that no individual is permitted to handle cash and maintain control records of such cash?

\_\_\_\_\_

\_\_\_\_\_.

- (p) Is there a test verification of receivables and payables and a physical inventory at least annually by persons other than those responsible for the handling or control of the records for the items indicated? \_\_\_\_\_.

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- (3) Loss Information.

Losses of a nature which would have been covered by the bond applied for (past 5 years): Check if none / /.

(Attach computer runs from surety(ies).)

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- (4) BID SHEET FORMAT - FIDELITY BOND.

(TO BE TRANSFERRED TO THE SURETY LETTERHEAD.)

- (a) Introduction. We will provide fidelity bond coverage for the (NAME OF HA) and the U.S. Department of Housing and Urban Development with a limit of \$\_\_\_\_\_ and in accordance with all specifications and requirements outlined in the IFB.

- (b) Premium.

PREMIUM	ANNUAL
(1) Fidelity Bond	\$_____
(2) Surplus Lines Tax/Fees if any	\$_____
(3) Less Estimated dividend, if any	\$_____
(4) Total Annual Premium	\$_____

- (c) Qualifying Statement.

We, the undersigned participants in this bid, are collectively authorized to issue or solicit fidelity bonds and fulfill the legal requirements for operating in this state, hereby attest that we

have reviewed the specifications and concur with this bid.

The current rating by A.M. Best Company is \_\_\_\_\_.

The current rating by Demotech, Inc. is \_\_\_\_\_.

Signature:  
(Authorized Signature)  
Signature)  
(Typed Name and Title)  
(Name of Surety)

Signature:  
(Agent/Broker)  
(Typed Name and Title)  
(Name of Firm)

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f. Boiler and Machinery Coverage.

(1) Coverage Requirements.

- (a) The coverage shall be written on a standard Insurance Services Office boiler and machinery policy, approved for use in the State of Coverage is to become effective at 12:01 a.m. (Month-Day-Year) for a period of 12 months.
- (b) Coverage shall include:
  - (i) Repair and replacement (broad form)
  - (ii) Expediting expense (\$5,000 limit)
  - (iii) Automatic coverage for newly acquired location
  - (iv) Auxiliary piping
- (c) Inspection Services. The successful bidder shall inspect all insured objects at least once a year and more often if required by state law. The successful bidder shall provide the insured a schedule indicating the frequency and scope of the inspection services.
- (d) Boiler Coverage Amount. Coverage is to be provided on the basis of full replacement cost at the time of loss. Coverage shall be written at a blanket limit of \$\_\_\_\_\_ per accident without an aggregate, applying to all insured objects and all locations.
- (e) Deductible. Each accident shall be subject to a deductible of (\$1,000 recommended).
- (f) Named Insured. The policy shall name as insured NAME OF PHA/IHA.

The housing authority should determine the maximum possible loss that could occur as a direct result of a boiler explosion, taking into consideration the replacement cost of the boiler and equipment and the value of the building housing the boiler. If the boiler is located in the basement of the building, include the value of the dwelling area above the boiler which would be subject to damage in an explosion. The minimum amount of coverage is \$100,000 for each boiler.

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(2) Exposure Information

Schedule of all boilers (objects) and locations.

(A) Item No.	(B) Location	(C) Designation No. of Object	(D) Description of Object
(E) Date of Manufacture	(F) Heating Surface (sq. ft.)	(G) Total Cubic Inches of Boiler	
(H) Boiler Pressure	(I) Lbs. of Steam Per Hour	(J) Type of Fuel	(K) Cost of New and Equipment

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(3) Loss Information 2

SUMMARY

Policy Year Incurred	Number of Losses	Paid	Reserve
-------------------------	---------------------	------	---------

(Attach computer runs from insurance company(ies) )

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(4) BID SHEET FORMAT - BOILER

(TO BE TRANSFERRED TO INSURANCE COMPANY LETTERHEAD)

(a) Introduction. We will provide \$\_\_\_\_\_ Blanket Replacement Cost Boiler Coverage on all objects and equipment scheduled in the IFB for the (NAME OF HA) and in accordance with all specifications and requirements outlined in the IFB.

(b) Rates and Premiums.

(i) Blanket Replacement Cost Limit	Annual Premium
\$_____	\$_____

(ii) Total Premium Bid for Boiler Coverage

(1) Total annual premium	\$_____
(2) Surplus Lines Tax/Fees	\$_____
(3) Less estimated dividend, if any	\$_____
(4) Net premium:	\$_____

NOTE: The annual premium is based on a \$1,000 deductible per accident.

(c) Qualifying Statement.

We, the undersigned participants in this bid, are collectively authorized to issue or solicit insurance and fulfill the legal requirements for operating in this state, hereby attest that we have reviewed the specifications and concur with this bid.

The current rating by A.M. Best Company is \_\_\_\_\_.  
The current rating by Demotech, Inc. is \_\_\_\_\_.

Signature:  
(Authorized Signature)  
Signature)  
(Typed Name and Title)  
(Name of Insurance Company)

Signature:  
(Agent/Broker  
(Typed Name and Title)  
(Name of Firm)

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LEAVE THIS PAGE BLANK

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