COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN #: 1866004791B5

INSTITUTION: University of Arizona
                University Services Building
                888 N. Euclid Ave., Rm. 502H

Tucson, AZ  85721-0158

DATE: March 22, 2002

FILING REF.: The preceding Agreement was dated June 6, 2001

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: FACILITIES AND ADMINISTRATIVE COST RATES*

RATE TYPES: FIXED     FINAL     PROV. (PROVISIONAL)     PRED. (PREDETERMINED)

<table>
<thead>
<tr>
<th>TYPE</th>
<th>EFFECTIVE PERIOD</th>
<th>RATE (%)</th>
<th>LOCATIONS</th>
<th>APPLICABLE TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRED.</td>
<td>07/01/95 06/30/02</td>
<td>51.5</td>
<td>On-Campus</td>
<td>Organized Research</td>
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<td>PRED.</td>
<td>07/01/95 06/30/02</td>
<td>25.0</td>
<td>Off-Campus</td>
<td>Organized Research</td>
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<tr>
<td>PRED.</td>
<td>07/01/95 06/30/02</td>
<td>47.4</td>
<td>On-Campus</td>
<td>Instruction</td>
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<tr>
<td>PRED.</td>
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<td>Off-Campus</td>
<td>Instruction</td>
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<td>PRED.</td>
<td>07/01/95 06/30/02</td>
<td>41.3</td>
<td>On-Campus</td>
<td>Public Service</td>
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<tr>
<td>PRED.</td>
<td>07/01/95 06/30/02</td>
<td>24.2</td>
<td>Off-Campus</td>
<td>Public Service</td>
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<tr>
<td>PROV.</td>
<td>07/01/02 UNTIL AMENDED</td>
<td></td>
<td>Use same rates and conditions as those cited for fiscal year ending June 30, 2002.</td>
<td></td>
</tr>
</tbody>
</table>

*BASE:
Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first $25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract).
Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of $25,000.
**SECTION I: FRINGE BENEFITS RATES**

<table>
<thead>
<tr>
<th>TYPE</th>
<th>EFFECTIVE PERIOD</th>
<th>RATE(%)</th>
<th>LOCATIONS</th>
<th>APPLICABLE TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIXED</td>
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<td>19.4</td>
<td>All</td>
<td>Faculty-Regular</td>
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<tr>
<td>FIXED</td>
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<td>11.4</td>
<td>All</td>
<td>Faculty-Clinical</td>
</tr>
<tr>
<td>FIXED</td>
<td>07/01/02 06/30/03</td>
<td>14.3</td>
<td>All</td>
<td>Faculty-Ancillary</td>
</tr>
<tr>
<td>FIXED</td>
<td>07/01/02 06/30/03</td>
<td>20.6</td>
<td>All</td>
<td>Classified-Regular</td>
</tr>
<tr>
<td>FIXED</td>
<td>07/01/02 06/30/03</td>
<td>10.7</td>
<td>All</td>
<td>Classified-Temporary</td>
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<td>07/01/02 06/30/03</td>
<td>20.2</td>
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<td>Federal Employees</td>
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</table>

**DESCRIPTION OF FRINGE BENEFITS RATE BASE:**
Salaries and wages including vacation, holiday, sick leave pay and other paid absences.
SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:
This organization uses a fringe benefit rate which is applied to salaries and wages for both budgeting and charging purposes for Federal projects.

TREATMENT OF PAID ABSENCE:
Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts, and other agreements as part of the normal cost for salaries and wages. Separate claims for the costs of these paid absences are not made, except where vacation benefit leave is accrued and earned but unused at the termination of a project.

OFF-CAMPUS DEFINITION AND APPLICATION
The off-campus rate is applicable to those projects that are conducted in facilities not owned or operated by the University and/or where the operations and maintenance type costs are charged directly to a project. A project is considered off-campus if more than 50% of the project expenditures are related to the off-campus activity and University space is not available. If a project is judged to be off-campus, it shall be considered wholly off-campus. Separate on and off-campus rates will not be used for single project.

DEFINITION OF EQUIPMENT
Effective 07/01/02, equipment is defined as tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit.

The following fringe benefits are treated as direct costs:
FICA, WORKERS COMPENSATION, UNEMPLOYMENT COMPENSATION, LIABILITY INSURANCE, HEALTH/ACCIDENT/LIFE/DISABILITY INSURANCE (HALD), DEPENDENT CARE ASSISTANCE, RETIREMENT, AND RETIREE SICK PAY.

This rate agreement updates the fringe benefits only.
SECTION III: GENERAL

A. LIMITATIONS:
The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its facilities and administrative cost pools as finally accepted; such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as facilities and administrative costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

B. ACCOUNTING CHANGES:
This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from facilities and administrative to direct. Failure to obtain approval may result in cost disallowances.

C. FIXED RATES:
If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

D. USE BY OTHER FEDERAL AGENCIES:
The rates in this Agreement were approved in accordance with the authority in Office of Management and Budget Circular A-21 Circular, and should be applied to grants, contracts and other agreements covered by this Circular, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

BY THE INSTITUTION: Arizona Board of Regents
University of Arizona
University Services Building

(SIGNATURE)

(RICHARD A. HANEY JR., DIRECTOR)
Office of Research & Contract Analysis

(NAME)

(TITLE)

(April 1, 2007)

(DATE)

BY THE COGNIZANT AGENCY
ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

(David S. Low)

(NAME)

(DIRECTOR, DIVISION OF COST ALLOCATION)

(TITLE)

(March 22, 2002)

(DATE) 0162

HHS REPRESENTATIVE: Janet Turner
Telephone: (415) 437-7820