NEGOTIATION AGREEMENT

INSTITUTION: WORCESTER POLYTECHNIC INSTITUTE
WORCESTER, MA 01609-2280

The Facilities and Administrative (F&A) and Fringe Benefits rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to Worcester Polytechnic Institute by all Federal Agencies of the United States of America, in accordance with the cost principles mandated by 2 CFR 220. These rates shall be used for forward pricing and billing purposes for the Worcester Polytechnic Institute Fiscal Years 2014 through 2017. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2014-2017.

Section I: RATES - TYPE: PREDETERMINED (PRED)

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DISTRIBUTION BASES

(a) Modified Total Direct Cost (MTDC), as defined in 2 CFR 220, consisting of all salaries and wages, fringe benefits, materials and 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). Equipment (defined in Section II. E.), capital expenditures, charges for patient care and tuition remission, rental costs, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of $25,000 shall be excluded from the modified total direct costs.

(b) Salaries and wages of faculty and staff including vacation, holiday and sick leave pay and other paid absences of only faculty and staff. Rate does not apply to student employees, research or teaching assistants.
SECTION II - GENERAL TERMS AND CONDITIONS

A. LIMITATIONS: Use of the rates set forth under Section I is subject to any statutory or administrative limitations and is applicable to a given grant, contract or other agreement only to the extent that funds are available and consistent with any and all limitations of cost clauses or provisions, if any, contained therein. Acceptance of any or all of the rates agreed to herein is predicated upon all the following conditions: (1) that no costs other than those incurred by the grantee/contractor were included in its indirect cost pool as finally accepted and that all such costs are legal obligations of the grantee/contractor and allowable under governing cost principles; (2) that the same costs that have been treated as indirect costs are not claimed as direct costs; (3) that similar types of costs, in like circumstances, have been accorded consistent accounting treatment; (4) that the information provided by the contractor/grantee, which was used as the basis for the acceptance of the rates agreed to herein and expressly relied upon by the Government in negotiating the said rates, is not subsequently found to be materially incomplete or inaccurate.

B. ACCOUNTING CHANGES: The rates contained in Section I of this agreement are based on the accounting system in effect at the time this agreement was negotiated. Changes to the method(s) of accounting for costs, which affects the amount of reimbursement resulting from the use of these rates, require the written approval of the authorized representative of the cognizant negotiating agency for the Government prior to implementation of any such changes. Such changes include but are not limited to changes in the charging of a particular type of cost from indirect to direct. Failure to obtain such approval may result in subsequent cost disallowances.

C. PREDETERMINED RATES: The predetermined rates contained in this agreement are not subject to adjustment in accordance with the provisions of 2 CFR 220, subject to the limitations contained in Part A of this section.

D. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I hereof were negotiated in accordance with and under the authority set forth in 2 CFR 220. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts and other transactions to which 2 CFR 220 is applicable, subject to any limitations in part A of this section. Copies of this document may be provided by either party to other Federal agencies which have or intend to issue or award grants and contracts using these rates or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

E. DEFINITION OF EQUIPMENT: Equipment is defined as nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost equal to or greater than $5,000, effective July 1, 2011.
Accepted:
FOR WORCESTER POLYTECHNIC INSTITUTE:

CHARLENE M. BELLows
Controller

Date

2/10/14

FOR THE U.S. GOVERNMENT:

BETH A. SnyDER
Contracting Officer

Date

2/11/2014

For information concerning this agreement contact:
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