

SUPPLEMENTAL AGREEMENT
BETWEEN
ARIZONA BOARD OF REGENTS
AND
THE U. S. NUCLEAR REGULATORY COMMISSION

THIS SUPPLEMENTAL AGREEMENT, effective the 15th day of July, 1981, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), as represented by the UNITED STATES NUCLEAR REGULATORY COMMISSION (hereinafter referred to as the "Commission"), and ARIZONA BOARD OF REGENTS (hereinafter referred to as the "Contractor"),

WITNESSETH THAT:

WHEREAS, the parties desire to modify Contract No. NRC-04-78-275 as hereinafter provided, and this supplemental agreement is authorized by law, including the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act of 1954, as amended.

NOW, THEREFORE, said contract is hereby modified as follows:

1. Pursuant to Article III(c), CONSIDERATION, of this contract, the amount of funds obligated in Article III(a) is hereby increased by \$305,783.50 from \$877,994.81 to \$1,183,778.31.
2. In the Appendix A to Modification No. 3, Article A-III, Subparagraph (c) is deleted in its entirety.
3. The letter of credit method of financing will be utilized under this contract, beginning with this contract modification no. 5. The "U. S. Nuclear Regulatory Commission Letter of Credit Instructions for Recipient Organizations" are set forth in Appendix D which is made a part of this contract. The following provisions regarding advance payments (letter of credit) are applicable to this contract:
 - a. Amount of Advance

At the request of the Contractor, and subject to the conditions hereinafter set forth, the Government shall make an advance payment, or advance payments from time to time, to the Contractor. No advance payment shall be made (1) without the approval of the office administering advance payments (hereinafter called the "Administering Office" and designated in paragraph (b)(2) hereof) as to the financial necessity therefor; (2) in an amount which together with all advance payments theretofore made, shall exceed the amount stated in paragraph (b)(1) hereof; and (3) without a properly certified invoice or invoices. If the letter of credit financing method for advance payments is utilized, the Contractor will (1) initiate cash draw-downs only when actually needed for its disbursements, (2) timely report cash disbursements and balances as required by the Administering Office, and (3) impose the same standards of timing and amount upon any secondary recipients including the furnishing of reports of cash disbursements and balances.

b. Determinations and Designations

- (1) Amount. The amount of advance payments at any time outstanding hereunder shall not exceed \$275,205.15 - the first ninety (90) percent of the new funds provided under this contract modification no. 5.
- (2) Administering Office. The office administering advance payments is designated as Office of the Controller - NRC.

c. Monthly Statements and Cost Reports

The contractor shall submit one (1) original each of NRC Forms 265, "Letter of Credit Monthly Statement of Transactions" and 266, "Monthly Cost Report for Contract Under Letter of Credit" to the Office of the Controller each month. The contractor shall also submit one (1) copy of the completed forms to the following each month:

U. S. Nuclear Regulatory Commission
Attn: K. V. Morton, Chief
Research Contracts Branch
Division of Contracts
Washington, DC 20555

4. Article B-X (a) and (b), PAYMENTS, of Appendix B, General Provisions, is hereby deleted. The following new Article B-X (a) and (b), PAYMENTS, regarding any amount of the contract consideration remaining to be paid at any given time under the letter of credit method of financing is inserted in lieu thereof:

"Article B-X

- (a) NRC shall issue a letter of credit under which payments to the Contractor with respect to the amount of consideration provided for in Article III of this contract will be made. The Contractor agrees that the first ninety (90) percent of the new funds in the amount of \$305,783.50 as set forth in Article III(a) of the contract will be under the letter of credit and will be subject to the submission by the Contractor of a Payment Voucher on Letter of Credit in accordance with procedures based upon Appendix D, "U. S. Nuclear Regulatory Commission Letter of Instructions for Recipient Organizations" which is attached to and made a part of this contract and which are agreed to by the parties. Following submission by the Contractor of a final report provided for in the Article entitled "Reports and Renewal Proposals," in form and content satisfactory to NRC, and Submission of a certified statement showing the total expenditures and evidencing the Contractor's performance under the contract, and upon submission by the Contractor to NRC of such invoices or vouchers as are satisfactory to NRC, NRC shall pay the Contractor the concluding payment of the consideration provided for in

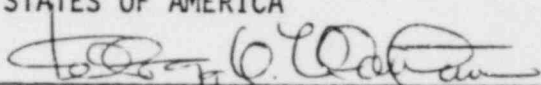
Article III of this contract, or said concluding payment will be included under the letter of credit and will be subject to submission by the Contractor of a payment voucher on letter of credit, in accordance with the procedure described above. If, following submission of an annual report, the contract is extended for an additional period of performance, an additional payment may similarly be made at the time of execution of the extension, which when added to the payments already made for the expiring period, will not exceed the new funds as set forth in Article III(a) for the expiring period; a concluding payment for the pertinent period, if appropriate, may be made following submission of a certified statement showing the NRC support cost for the pertinent period and evidencing the Contractor's performance under the contract.

- (b) NRC reserves the right to increase, decrease, or cancel the amount covered by the letter of credit, provided that such action is required because of a change in the amount of consideration provided for in Article III or is taken pursuant to subparagraph (a) of this article. The issuance and use of a letter of credit and receipt of funds pursuant thereto shall not prejudice or otherwise adversely affect any of the Government's rights under the contract."

IN WITNESS WHEREOF, the parties have executed this document.

UNITED STATES OF AMERICA

BY:



Kellogg V. Morton, Chief
Research Contracts Branch

(title)

Nuclear Regulatory Commission

ARIZONA BOARD OF REGENTS

BY:



Sherwood E. Carr,
Contracting Officer

(title)

I, James T. Wheeler, certify that I am the Assistant Vice
(attester)

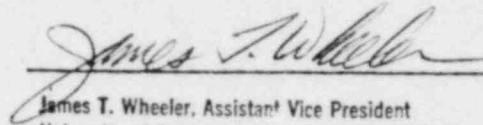
President for Research of the Contractor named under this
(title)

document; that Sherwood E. Carr who signed this
(signatory)

document on behalf of said Contractor was then Treasurer and Contracting Officer of said Contractor; that this document was duly signed for and on behalf of said Contractor by authority of its governing body and is within the scope of its legal powers.

IN WITNESS WHEREOF, I have hereunto affixed my hand and the seal of said Contractor.

(SEAL)



James T. Wheeler, Assistant Vice President
University of Arizona, Babcock Bldg. Rm. #3313
Tucson, Arizona 85724

JUL 16 1981