

EXHIBIT 2

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DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

National Institutes of Health
National Institute of Allergy
and Infectious Diseases
Bethesda, Maryland 20892

October 21, 2014

Ms. Sherrie Settle
Director, Proposal Management
University of North Carolina at Chapel Hill
Office of Sponsored Research
Administrative Office Bldg, Suite 2200
104 Airport Drive #1350
Chapel Hill, NC 27599-1350

RE: 5U19 AI107810-02

Dear Ms. Settle:

NIAID has determined that the above referenced grant may include Gain of Function (GoF) research that is subject to the recently announced U.S. Government funding pause (<http://www.hhs.gov/s3/dualuse/Documents/gain-of-function.pdf>). Issued on October 17, 2014. The following specific aims appear to involve research covered under the pause:

Project 1: Role of Uncharacterized Genes In High Pathogenic Human Coronavirus Infection - Ralph S. Baric, PhD- Project Leader

- Specific Aim 2. Novel functions in virus replication in vitro.
- Specific Aim 3. Novel functions in virus pathogenesis in vivo.

Project 2: Determining the functions of novel genes for Influenza A and Ebola viruses (EBOV) - Yoshihiro Kawaoka, PhD- Project Leader

- Specific Aim 2. To determine the significance of uncharacterized IAV and EBOV genes in viral replication.
- Specific Aim 3. To determine the significance of uncharacterized IAV and EBOV genes in virus pathogenicity.

As your grant is currently funded, this pause is voluntary. Organizations conducting GoF research supported by the NIH have an opportunity to transition the applicable research to research that is not covered by the funding pause; halt the applicable GoF research until the outcome of the deliberative process is known; or continue to conduct the applicable GoF research until the end of the currently active budget period.

NIAID requests information on University of North Carolina at Chapel Hill's plans for the research outlined above within 90 days of the date of this letter.

- If you determine that the above research does NOT include GoF work subject to the funding pause, please provide a detailed explanation of the research being conducted and why it is not covered by the pause. NIAID will review this information and make the final determination.
- If the ongoing research includes GoF work subject to the funding pause and the grantee proposes to transition it to areas of research not covered by the pause, please provide the transition plan. It should identify the research to be transitioned, a detailed description of the new planned specific aims (in most cases this will require NIAID pre-approval), and a timeline for the proposed transition.
- If the grantee plans to voluntarily halt the research subject to the funding pause, please identify the research that will be halted and the proposed date by which the applicable research will be stopped. Please provide a confirmation that the research has been halted.
- If the ongoing research includes GoF work and the grantee plans on continuing the research until the end of the currently active budget period, please provide a detailed description of the GoF research to be conducted.

These plans are for the currently active budget period. Please be advised that while the funding pause is in effect, NIAID will not support GoF research identified in the pause after the end of the current grant budget period. Neither competing nor non-competing renewal applications will be funded to support applicable GoF research.

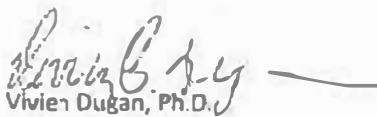
If you have any questions about this matter please do not hesitate to contact the NIAID program and/or grants management contact listed below.

Sincerely,



Chernay Mason

Grants Management Specialist
NIAID/NIH/DHHS



Vivier Dugan, Ph.D.

Program Officer
Division of Microbiology and Infectious Diseases
NIAID/NIH/DHHS

CC: Dr. Ralph Baric
Ms. Mary Kirker
Dr. Irene Glowinski