

EXHIBIT A

Notice of Subaward

1. Subaward Notice: This is an award provided by a pass-through entity, State of Montana, to a Subgrantee to carry out part of a federal award received by the State of Montana. A subaward may be provided through any form of a legal agreement, including an agreement that the State of Montana considers a contract. Here, the subaward is provided through BEAD Broadband Service Grant Agreement #CM61-BEAD-MT-XXXX ("Agreement").
2. Subgrantee Name: See page one of the Agreement.
3. Subgrantee's Unique Entity Identifier: INSERT SUBGRANTEE'S UEI #
4. Federal Award Identification Number (FAIN): 30-20-B062
5. Federal Award Date (award to Montana by federal agency): _____
6. Subaward Period of Performance Start and End Date: See Section 6 Term, of the Grant Agreement.
7. Subaward Budget Period Start and End Date: See Section 6 Term, of the Agreement.
8. Amount of Federal Funds Obligated by this Action by the Pass-Through Entity to the Subgrantee: The Grant Award is defined in Paragraph 9.1 of the Grant Agreement.
9. Amount of Federal Funds Obligated by this Action by the Pass-Through Entity to the Subgrantee Including the Current Financial Obligation: The Grant Award is defined in Paragraph 9.1 of the Agreement.
10. Amount of the Federal Funds Committed by this Action by the Pass-Through Entity to the Subgrantee: The Grant Award is defined in Paragraph 9.1 of Agreement.
11. Federal Award Project Description: See Project Description in Project Budget and Timeline, Exhibit B.
12. Awarding Agencies' Information:
 - a) Federal Awarding Agency: U.S. Dept. of Commerce(U.S. DOC)
 - b) Pass-Through Entity: State of Montana

- c) Contact Information for Awarding Official of the Pass-Through Entity:
Misty Ann Giles, Director, Montana Department of Administration,
mistyann.giles@mt.gov

13. Assistance Listings Number and Title: CFDA 11.035
14. Identification of Whether the Award is R&D: Not for R&D.
15. Indirect Cost Rate (per §200.414): Not applicable.
16. Requirements of Federal Award Imposed on Subgrantee: The Federal award must be used in accordance with Federal statutes, regulations, and the terms and conditions of the Federal award.
17. Additional Requirements: Any additional requirement imposed on the Subgrantee is outlined in the Agreement including any required financial and performance reporting.
18. Negotiated Indirect Cost Rate (negotiated between Subgrantee and Federal Government): Not applicable.
19. Access to Records: Subgrantee must allow the U.S. DOC, Department and any authorized auditors access to the Subgrantee's records and financial statements as necessary for the Department to meet the requirements of 2 CFR Part 200.
20. Close Out Requirements: Subaward close out terms and conditions can be found in Section 12.3, and the Department will determine the process for Subgrantee's submission of the Close Out Report and the Department's review of the Close Out Report.
21. Monitoring: The Subgrantee will cooperate with U.S. DOC, the Department and its designated contractor's inquiries related to monitoring the subaward to ensure the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward included in the Agreement; and that the subaward performance goals are achieved.
22. Audit Requirements: In each year Subgrantee expends (as defined by 2 CFR §200.1) \$750,000 or more in funds for the Project, Subgrantee will provide to the Department annually either: i) a financial related audit the Project in accordance with Generally Accepted Government Auditing Standards (GAGAS); or (ii) a project specific audit in accordance with the requirements contained in 2 CFR §200.507. Subgrantee will provide the Department a copy of the audit within 30 calendar days after receipt of the audit report or nine months after the end of the audit period.

DRAFT

EXHIBIT B

PROJECT BUDGET AND TIMELINE

[Applicant Name] (Applicant) submitted [Project Title] (Project) to the Department of Administration (Department) during the BEAD application period ending July 25, 2025. The Project was subject to a challenge period and to approval by the Communications Advisory Commission, the Governor of Montana and the NTIA. This Project Budget and Timeline and NTIA Approved Location List sets forth the Project requirements as outlined in the submitted application. The Subgrantee's Complete and Final Application is what was submitted on X date in the AmpliFund system of record.

Subgrantee understands that any significant changes to the budget, timeline, technology deployment, and location list will be addressed via a change order request and subject to approval during the Project monitoring. These requirements will be verified at Project closeout.

Project Summary: The Project will deploy [X] miles of Fiber to achieve internet speeds capable of no less than 100Mbps download/20 Mbps upload to eligible BSLs in CBG [3123456789123456].

Project Budget:

Project Timeline:

NTIA Approved Location List: The Project will provide reliable broadband service (within 10 days of such request) to the BSLs and Community Anchor Institutions indicated in this list. The NTIA Approved Location List is posted on the ConnectMT website, and the applicant specific location list is saved as part of application XXXX in AmpliFund.

**EXHIBIT C
PROGRAM MILESTONE SCHEDULE NON LEO**

Milestone Category	Milestone	Percentage of the Award Amount
Project Plan	Aggregated project plan with milestones and budget.	5%
Engineering & Permitting	Completed engineering drawings and executed permits for 20% of project BSLs.	2%
	Completed engineering drawings and executed permits for 40% of project BSLs.	2%
	Completed engineering drawings and executed permits for 60% of project BSLs.	2%
	Completed engineering drawings and executed permits for 80% of project BSLs.	2%
	Completed engineering drawings and executed permits for 100% of project BSLs.	2%
Pre-construction	Documentation of binding agreements for all required contracted labor and materials. Evidence of construction staging and material delivery for 20% of project BSLs.	2%
	Documentation of binding agreements for all required contracted labor and materials. Evidence of construction staging and material delivery for 40% of project BSLs.	2%
	Documentation of binding agreements for all required contracted labor and materials. Evidence of construction staging and material delivery for 60% of project BSLs.	2%
	Documentation of binding agreements for all required contracted labor and materials. Evidence of construction staging and material delivery for 80% of project BSLs.	2%
	Documentation of binding agreements for all required contracted labor and materials. Evidence of construction staging and material delivery for 100% of project BSLs.	2%
Construction	Completed placement of broadband infrastructure and associated as-built documentation for 20% of project BSLs.	13%
	Completed placement of broadband infrastructure and associated as-built documentation for 40% of project BSLs.	13%

SUBJECT TO CHANGE BASED ON BEAD PROGRAM REQUIREMENTS

	Completed placement of broadband infrastructure and associated as-built documentation for 60% of project BSLs.	13%
	Completed placement of broadband infrastructure and associated as-built documentation for 80% of project BSLs.	13%
	Completed placement of broadband infrastructure and associated as-built documentation for 100% of project BSLs.	13%
Network Activation & Program Closeout	Completed network activation and submission of subscriber test data for 20% of project BSLs.	2%
	Completed network activation and submission of subscriber test data for 40% of project BSLs.	2%
	Completed network activation and submission of subscriber test data for 60% of project BSLs.	2%
	Completed network activation and submission of subscriber test data for 80% of project BSLs.	2%
	Completed network activation and submission of subscriber test data for 100% of project BSLs. Completion of all program closeout requirements.	2%

LEO Provisions

ADDENDUM APPLICABLE TO SUBGRANTEES UTILIZING LOW EARTH ORBIT (LEO) SATELLITE SERVICE

Pursuant to NTIA and Department policy, the Parties agree that Subgrantee may provide service to certain locations specified in Exhibit A and its attachment using LEO Satellite Service. Pursuant to this LEO Capacity Subgrant, Subgrantee shall reserve sufficient capacity to deliver broadband service that meets the BEAD performance and technical requirements to each broadband serviceable location ("BSL") in the project area and shall include the conditions set forth below.

1. Provision of Service

Subgrantee must begin providing broadband service to each location that desires broadband service no later than four years from the date of the subgrant. "Providing service" begins after the recipient certifies to the Department that the recipient can initiate broadband service within 10 business days of a request to any covered BSL in the project area with no charges or delays attributable to extension of the service.

During the Period of Performance, defined below, Subgrantee shall continue to offer access to broadband service to each BSL served by the Project. If a customer receiving the LEO service moves, the provider must continue to offer service to the BSL, but not necessarily the previous subscriber, under the terms of the subgrant if subsequent occupants request service.

2. Period of Performance

Subgrantee agrees to a 10-year Period of Performance, which starts when Subgrantee certifies to Department that LEO broadband service is available to every location.

3. Reimbursement and Remittance

The Department will provide **[Insert Grant Amount (Number)]** in funds awarded through the BEAD grant-making process in alignment with the milestone reimbursement

schedule for project activities described in Exhibit A for a Subgrantee which utilizes LEO satellite service (a "LEO Subgrantee") through the processes outlined herein.

Fifty percent (50%) of the funds awarded through the BEAD grantmaking process will be advanced to LEO Subgrantee upon certifying that service is available to each location in the project area. The remaining fifty percent (50%) of BEAD grant funding shall be distributed in equal installments over the subsequent ten (10) year Contract Performance Period. These installment remittances shall be made by the end of each quarter, following the submission of the LEO Quarterly Report. Remittance is contingent upon receipt of the LEO Quarterly Report.

4. LEO Quarterly Report

The LEO Quarterly Report shall, at a minimum, contain:

- a. The number of subscribers as of the end of the reporting period end date
- b. The number of CPEs shipped to project Broadband Serviceable Locations (BSLs) during the reporting period.

LEO Subgrantee shall file the LEO Quarterly Report with the Department for ten (10) years from the date upon which the LEO Subgrantee certifies to the Department that broadband is available to every location covered by the project.

5. Letter of Credit

- a. LEO Subgrantee shall maintain Letter of Credit and Performance Bond. These requirements are subject to the following modifications:
- b. LEO Subgrantee may reduce its Letter of Credit or Performance Bond by 50% of the original amount upon certifying that service is available to each location in the project area.
- c. LEO Subgrantee may reduce its Letter of Credit or Performance Bond by a further 25% of its original amount after the subscription rate reaches at least 25% of all locations in the project area.
- d. LEO Subgrantee may close out its Letter of Credit or Performance Bond once the subscription rate reaches 50% of all locations within the project area.
- e. Regardless of the subscription rate, the Letter of Credit or Performance Bond may be terminated four (4) years after the LEO Subgrantee certifies that it can initiate broadband service within ten (10) business days of a request to any covered Broadband Serviceable Location in the project area.

6. Exception to Federal Interest in equipment or property

Because of the nature of LEO service, the Department cannot identify a portion of the LEO network that is dedicated to certain locations in their jurisdiction. Therefore, NTIA will not take a Federal interest in equipment or property acquired or improved with a LEO Capacity Subgrant.

DRAFT

EXHIBIT D
ASSURANCE OF COMPLIANCE WITH CIVIL RIGHTS REQUIREMENTS
ASSURANCE OF COMPLIANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

As a condition of receipt of federal financial assistance from the U.S. Department of the Commerce through the State of Montana, the Subgrantee provides the assurances stated herein. The federal financial assistance may include federal grants, loans and contracts to provide assistance to the Subgrantee's beneficiaries, the use or rent of Federal land or property at below market value, Federal training, a loan of Federal personnel, subsidies, and other arrangements with the intention of providing assistance. Federal financial assistance does not encompass contracts of guarantee or insurance, regulated programs, licenses, procurement contracts by the Federal government at market value, or programs that provide direct benefits. This assurance applies to all federal financial assistance from, or funds made available through, the U.S. Department of the Commerce, including any assistance that the Subgrantee may request in the future.

The Civil Rights Restoration Act of 1987 provides that the provisions of this assurance apply to all of the Subgrantee's programs, services and activities, so long as any portion of the Subgrantee 's program(s) is federally assisted in the manner proscribed above.

1. Subgrantee ensures its current and future compliance with Title VI of the Civil Rights Act of 1964, as amended, which prohibits exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal funds, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the NTIA Title VI regulations at 31 CFR Part 22 and other pertinent executive orders such as Executive Order 13166; directives; circulars; policies; memoranda and/or guidance documents.
2. Subgrantee acknowledges that Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency," seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Subgrantee understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the NTIA's implementing regulations. Accordingly, Subgrantee shall initiate reasonable steps or comply with the Department of the NTIA's directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Subgrantee understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Subgrantee's programs, services, and activities.

3. Subgrantee agrees to consider the need for language services for LEP persons during development of applicable budgets and when conducting programs, services and activities. As a resource, the Department of the NTIA has published its LEP guidance at 70 FR 6067. For more information on LEP, please visit <http://www.lep.gov>.
4. Subgrantee acknowledges and agrees that compliance with this assurance constitutes a condition of continued receipt of federal financial assistance and is binding upon Subgrantee and Subgrantee's successors, transferees and assignees for the period in which such assistance is provided.
5. Subgrantee acknowledges and agrees that it must require any contractors, subcontractors, successors, transferees, and assignees to comply with assurances 1-4 above, and agrees to incorporate the following language in every contract or agreement subject to Title VI and its regulations between the Subgrantee and the Subgrantee's sub-grantees, contractors, subcontractors, successors, transferees, and assignees:

The Subgrantee, contractor, subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits Subgrantees of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 US C. § 2000d et seq.), as implemented by the Department of the NTIA's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this contract (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the NTIA's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement.

6. Subgrantee understands and agrees that if any real property or structure is provided or improved with the aid of federal financial assistance by the Department of the NTIA, this assurance obligates the Subgrantee, or in the case of a subsequent transfer, the transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is provided, this assurance obligates the Subgrantee for the period during which it retains ownership or possession of the property.
7. Subgrantee shall cooperate in any enforcement or compliance review activities by the State of Montana and/or the Department of the NTIA of the

aforementioned obligations. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. That is, the Subgrantee shall comply with information requests, on-site compliance reviews, and reporting requirements.

8. Subgrantee shall maintain a complaint log and inform the State of Montana of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome. Subgrantee also must inform the Department of the NTIA if Subgrantee has received no complaints under Title VI.
9. Subgrantee must provide the State of Montana documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other agreements between the Subgrantee and the administrative agency that made the finding. If the Subgrantee settles a case or matter alleging such discrimination, the Subgrantee must provide documentation of the settlement.

EXHIBIT E
U.S. Department of Commerce Financial Assistance
Standard Terms & Conditions

2024 BEAD General Terms and Conditions

Assistance Listing Number and Title: 11.035 (formerly CFDA Number) Broadband Equity, Access, and Deployment Program authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act) also known as the Bipartisan Infrastructure Law.

The following are the standard terms and conditions applicable to subawards issued by the Department under the Broadband Equity, Access, and Deployment Program authorized by the Infrastructure Act.

**U.S. DEPARTMENT OF COMMERCE FINANCIAL ASSISTANCE
STANDARD TERMS AND CONDITIONS**

1. Use of Funds.
 - a. Subgrantee understands and agrees that the funds disbursed under this award may only be used in compliance with the Infrastructure Act and NTIA's regulations implementing that section and guidance.
 - b. Subgrantee will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such project.
 - c. Subgrantee agrees to carry out its Project in the manner described in the Final Statement of Work and Budget, Exhibit B and any requirements communicated by the Department as a condition of the NTIA approving the State of Montana's Initial Proposal.
2. Period of Performance. The period of performance for this award begins and ends in accordance with the dates outlined in the Agreement.
3. Reporting. Subgrantee agrees to comply with any reporting obligations established by the State of Montana, as it relates to this award.
4. Maintenance of and Access to Records

- a. Subgrantee shall maintain records and financial documents sufficient to evidence compliance with the Infrastructure Act and NTIA's regulations implementing that section and guidance regarding the eligible uses of funds.
 - b. The Department, State of Montana Office of Budget Program Planning, U.S. Department of Commerce Office of Inspector General, U.S. Department of Commerce and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Subgrantee in order to conduct audits or other investigations.
 - c. Records shall be maintained by Subgrantee for a period of eight (8) years after the Department submits its Final BEAD Report (April 30, 202X).
5. Pre-award Costs. Costs incurred prior to the effective date of the Agreement will be paid with funding from this award, subject to the Department and NTIA's approval.
 6. Administrative Costs. Subgrantee may use funds provided under this award to cover direct administrative costs, subject to the Department's approval of the Project Budget.
 7. Cost Sharing. Subgrantee must meet the match percentage outlined in Section 9.3 of the Agreement.
 8. Conflicts of Interest. Subgrantee must disclose in writing to the Department, as appropriate, any potential conflict of interest affecting the awarded funds. In addition, Subgrantee will establish and maintain written standards of conduct that include safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain in the administration of an award.
 - a. A conflict of interest generally exists when an interested party participates in a matter that has a direct and predictable effect on the interested party's personal or financial interests. A financial interest may include employment, stock ownership, a creditor or debtor relationship, or prospective employment with the organization selected or to be selected for a subaward. A conflict also may exist where there is an appearance that an interested party's objectivity in performing his or her responsibilities under the project is impaired. For example, an appearance of impairment of objectivity may result from an organizational conflict where, because of other activities or relationships with other persons or entities, an interested party is unable to render impartial assistance, services or advice to the Department, a participant in the project or to the Federal Government. Additionally, a conflict

of interest may result from non-financial gain to an interested party, such as benefit to reputation or prestige in a professional field. For purposes of the Conflict of Interest Policy, an interested party includes, but is not necessarily limited to, any officer, employee or member of the board of directors or other governing board of a Subgrantee, including any other parties that advise, approve, recommend, or otherwise participate in the business decisions of the recipient, such as agents, advisors, consultants, attorneys, accountants or shareholders. This also includes immediate family and other persons directly connected to the interested party by law or through a business arrangement,

- b. Subgrantees must maintain written standards of conduct covering conflicts of interest and governing the performance of their employees engaged in the selection, award and administration of contracts.
9. Compliance with Applicable Law and Regulations.
- a. Subgrantee agrees to comply with BEAD Statute and the Guidance. Subgrantee also agrees to comply with all other applicable federal statutes, regulations, and executive orders, including but not limited to applicable statutes and regulations prohibiting discrimination in programs receiving federal financial assistance and all applicable federal environmental laws and regulations. Subgrantee shall provide for such compliance in any agreements it enters into with other parties relating to this award.
 - b. Federal regulations applicable to this award include, without limitation, the following:
 - a. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200, other than such provisions as NTIA may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by NTIA.
 - b. Universal Identifier and System for Award Management (SAM), 2 CFR Part 25, pursuant to which the award term set forth in Appendix A to 2 CFR Part 25 is hereby incorporated by reference.
 - c. Reporting Subaward and Executive Compensation Information, 2 CFR Part 170, pursuant to which the award term set forth in Appendix A to 2 CFR Part 170 is hereby incorporated by reference.
 - d. OMB Guidelines to Agencies on Government wide Debarment and Suspension (Non-procurement), 2 CFR Part 180, including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 CFR Part 180,

subpart B) that the sub-award is subject to 2 CFR Part 180 and NTIA's implementing regulation at 31 CFR Part 19.

- e. Government wide Requirements for Drug-Free Workplace, 31 CFR Part 20.
- f. 2 C.F.R. § 200.450 (Lobbying), which incorporates the provisions of 31 U.S.C. § 1352, and OMB guidance and notices on lobbying restrictions. In addition, Subgrantees must comply with the Commerce regulations published at 15 C.F.R. Part 28, which implement the New Restrictions on Lobbying. These provisions prohibit the use of Federal funds for lobbying the executive or legislative branches of the Federal Government in connection with the award and require the disclosure of the use of non-Federal funds for lobbying. Lobbying includes attempting to improperly influence, meaning any influence that induces or tends to induce a Federal employee or officer to give consideration or to act regarding a Federal award or regulatory matter on any basis other than the merits of the matter, either directly or indirectly. Costs incurred to improperly influence are unallowable. See 2 C.F.R. § 200.450(b) and (c).
- g. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.
- h. The Copeland Anti-Kickback Act (18 USC §874). The Copeland Anti-Kickback Act also applies to contractors and subcontractors pursuant to 40 U.S.C. § 3145.
- i. Fly America Act (49 USC § 40118). The implementing regulations of the Fly America Act are found at 41 C.F.R. §§ 301-10.131 through 301-10.143.
- j. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment. Award funds may not be used to procure or obtain any covered telecommunication and video surveillance services or equipment as described in 2 CFR § 200.216, including covered telecommunication and video surveillance services or equipment provided or produced by entities owned or controlled by the People's Republic of China and telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
- k. Domestic Preferences in Procurement. Subgrantees will provide a preference for the procurement or use of goods, products, or materials

produced in the United States as described in 2 CFR § 200.322 and Executive Order 14005 Ensuring the Future is Made in All of America by All of America's Workers (January 25, 2021).

- I. Generally applicable federal environmental laws and regulations.
- c. Statutes and regulations prohibiting discrimination applicable to this sub-award, include, without limitation, the following:
 - a. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and NTIA's implementing regulations at 31 CFR Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
 - b. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
 - c. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and Department of Commerce's implementing regulations published at 15 CFR Part 8b prohibiting discrimination on the basis of handicap. For purposes of complying with the accessibility standards set forth in 15 C.F.R. §8b.18(c), non-federal entities must adhere to the regulations, published by the U.S. Department of Justice, implementing Title II of the Americans with Disabilities Act (ADA) (28 C.F.R. part 35; 75 FR 56164, as amended by 76 FR 13285) and Title III of the ADA (28 C.F.R. part 36; 75 FR 56164, as amended by 76 FR 13286). The revised regulations adopted new enforceable accessibility standards called the "2010 ADA Standards for Accessible Design" (2010 Standards), which replace and supersede the former Uniform Federal Accessibility Standards for new construction and alteration projects;
 - d. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and NTIA's implementing regulations at 15 CFR Part 20, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
 - e. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

- f. Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681 et seq.) prohibiting discrimination on the basis of sex under Federally assisted education programs or activities.
 - g. Parts II and III of E.O. 11246 (Equal Employment Opportunity, 30 FR 12319),³ which requires Federally assisted construction contracts to include the nondiscrimination provisions of §§ 202 and 203 of E.O. 11246 and Department of Labor regulations implementing E.O. 11246 (41 C.F.R. § 60-1.4(b)).
- 2. Disclosure of Lobbying Activities. Any Subgrantee that receives more than \$100,00 in Federal funding and conducts lobbying with non-federal funds relating to a covered Federal action must submit to the Department a completed Form SF-LLL (Disclosure of Lobbying Activities). The Form SF-LLL must be submitted within 15 calendar days following the end of the calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed.
- 3. Federal Employee Expenses and Subawards or Contracts Issued to Federal Employees or Agencies.
 - a. Use of award funds (Federal or non-Federal) or the Subgrantee's provision of in-kind goods or services for the purposes of transportation, travel, or any other expenses for any Federal employee may raise appropriation augmentation issues. In addition, DOC policy may prohibit the acceptance of gifts, including travel payments for federal employees, from non-Federal entities regardless of the source. Therefore, before award funds may be used by Federal employees, the Subgrantee must submit requests for approval to the Department and Commerce prior to incurring such costs.
 - b. Subgrantee or its contractor may not issue a subaward, contract or subcontract to any agency or employee of any Federal or State agency, department or instrumentality, without the advance prior written approval of the Department and the Department of Commerce.
- 4. Remedial Actions. In the event of Subgrantee's noncompliance with section 602 of the Act, other applicable laws, NTIA's implementing regulations, guidance, or any reporting or other program requirements, the Department may impose additional conditions on the receipt of a subsequent tranche of future award funds, if any, or take other available remedies as set forth in Agreement.

5. Hatch Act Subgrantee agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.
6. False Statements. Subgrantee understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available by law.
7. Publications. Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by the Infrastructure Investment and Jobs Act." Costs associated with signage and public acknowledgements must be reasonable and limited. Subgrantee should use best effort to use recycled or recovered materials when procuring signage.
8. Debts Owed to the State of Montana.
 - a. Any funds paid to Subgrantee (1) in excess of the amount to which Subgrantee is finally determined to be authorized to retain under the terms of this award; (2) that are determined by the Department, State of Montana Office of Budget Program Planning and/or NTIA Office of Inspector General to have been misused; or (3) that are determined by NTIA to be subject to a repayment obligation pursuant to sections 602(e) and 603(b)(2)(D) of the Act and have not been repaid by Subgrantee shall constitute a debt to the State of Montana.
 - b. Any debts determined to be owed the federal government must be paid promptly by Subgrantee. A debt is delinquent if it has not been paid by the date specified in the Department's initial written demand for payment, unless other satisfactory arrangements have been made or if the Subgrantee knowingly or improperly retains funds that are a debt as defined in paragraph 14(a). The Department will take any actions available to it to collect such a debt.
9. Disclaimer.
 - a. The United States expressly disclaims any and all responsibility or liability to Subgrantee or third persons for the actions of Subgrantee or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses

resulting in any way from the performance of this award or any contract, or subcontract under this award.

- b. The acceptance of this award by Subgrantee does not in any way establish an agency relationship among or between the United States, State of Montana, Montana Department of Administration, and the Subgrantee.

10. Protections for Whistleblowers.

- a. In accordance with 41 U.S.C. § 4712, Subgrantee may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.
- b. The list of persons and entities referenced in the paragraph above includes the following:
 - a. A member of Congress or a representative of a committee of Congress;
 - b. An Inspector General;
 - c. The Government Accountability Office;
 - d. A NTIA employee responsible for contract or grant oversight or management;
 - e. An authorized official of the Department of Justice or other law enforcement agency;
 - f. A court or grand jury; or
 - g. A management official or other employee of Subgrantee, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.
- c. Subgrantee shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

- d. A person that believes they have been the subject of retaliation for protected whistleblowing can contact the Department, the State Legislative Audit Division, the Department of Commerce, Office of Inspector General Hotline, as indicated at <https://www.oig.doc.gov/Pages/Hotline.aspx>, or the U.S. Office of Special Counsel, toll free at 1-800- 872-9855.
- 11. Small Business, Minority Business Enterprises and Women's Business Enterprises. Subgrantee must take affirmative steps (as outlined in 2 CFR §200.321) to assure that minority businesses, women's business enterprises, and labor surplus firms are used when possible.
- 12. Increasing Seat Belt Use in the United States. Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), Subgrantee should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.
- 13. Reducing Text Messaging While Driving Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), Subgrantee should encourage its employees, Subgrantees, and contractors to adopt and enforce policies that ban text messaging while driving, and Subgrantee should establish workplace safety policies to decrease accidents caused by distracted drivers.
- 14. Amendments.
 - a. The terms of this award may be amended with the written approval of Subgrantee and the Department.
 - b. In addition, the Department reserves the right to amend the terms of this award if required by federal law or regulation without the consent of Subgrantee.
 - c. Notwithstanding the above, the Department may, upon reasonable notice to Subgrantee, unilaterally amend this agreement for the sole purpose of making administrative changes or correcting scrivener's errors.
- 23. Termination.
 - a. The Department may terminate this award in accordance with the Agreement.
 - b. Any requests for termination by Subgrantee must be made in accordance with the Agreement. Such requests must be in writing and must include the

reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated.

U.S. DEPARTMENT OF COMMERCE FINANCIAL STANDARD TERMS AND CONDITIONS

Assistance Listing Number and Title: 11.035 (formerly CFDA Number) Broadband Equity, Access, and Deployment Program authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act) also known as the Bipartisan Infrastructure Law.

The following are the general terms and conditions applicable to subawards issued by the Department under the Broadband Equity, Access, and Deployment Program authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act) also known as the Bipartisan Infrastructure Law.

Defined terms used but not otherwise defined herein shall have the meanings ascribed to them in the General Terms and Conditions for the NTIA Broadband Equity, Access & Deployment Program (BEAD) Program Funds, dated April 2024, as it may be amended from time to time.

1. Award Compliance Requirements, Prioritization and Terminology
 - a. Subgrantee must comply with all requirements contained in 47 U.S.C. § 1702, the BEAD NOFO, the Department of Commerce Standard Terms and Conditions, the General Terms and Conditions for the BEAD Program, and the Specific Award Conditions applicable to each individual award. In any case where language among two or more authorities appears inconsistent, the relevant authorities should be read and interpreted in a manner which emphasizes consistency and harmonization across all relevant authorities. Where harmonization is impossible, Subgrantees shall consult with the Department. The Department will review the Subgrantee's concern and provide guidance by considering the language contained in these authorities in the following order (from highest to lowest priority): 47 U.S.C. § 1702; the award's Specific Award Conditions; the General Terms and Conditions for the BEAD Program; the BEAD NOFO; the Department of Commerce Standard Terms and Conditions.
 - b. Subgrantee The definition of "Subgrantee" in this Grant Agreement and Exhibits refer to subrecipient of a grant as appropriate and as aligned with the Uniform Guidance (i.e., 2 CFR Part 200) and the BEAD NOFO. The

Subgrantee assumes responsibility for compliance with the requirements of this award.

2. Subgrantee, and Contractor Compliance with Applicable Requirements. Subgrantee must comply with all applicable Federal, state and local laws and regulations, and all applicable terms and conditions of this award. Subgrantees are responsible for ensuring that all contracts, including those necessary for design and construction of facilities, are implemented in compliance with the terms and conditions of this award.
3. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms. Subgrantee must take all necessary affirmative steps (as described in 2 CFR 200.321 and NOFO Section VII.D.7) to assure that minority business, women's business enterprises, and labor surplus area firms are used when possible.
4. Prevention of Waste, Fraud, and Abuse. Subgrantees must monitor award activities for common fraud schemes, including but not limited to:
 - a. False claims for materials and labor;
 - b. Bribes related to the acquisition of materials and labor;
 - c. Product substitution;
 - d. Mismatching or mislabeling on products and materials; and
 - e. Time and materials overcharging

Should a Subgrantee detect any fraud schemes or any other suspicious activity, the Subgrantee must contact the Department and the State Legislative Audit Division. The State will contact the NTIA and Department of Commerce, Office of Inspector General. Additionally, in accordance with 2 CFR 200.113, Subgrantee must disclose, in a timely manner, in writing to the Department all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in 2 CFR 200.339.

5. Enforcement. The Department shall take enforcement action against Subgrantee, as necessary and appropriate:
 - a. Subgrantee that fails to comply with any requirements under Section 60102 of the Infrastructure or BEAD NOFO shall be required to return up to the entire amount of the subgrant to the Department, at the discretion of the Department or NTIA.
 - b. If a Subgrantee fails to comply with the low-cost broadband service option set out in Section 60102(h)(4)(B) of the Infrastructure Act, the Department may take corrective action, including recoupment of funds from the Subgrantee.

- c. The Department and NTIA may also enforce applicable rules and laws by imposing penalties for nonperformance, failure to meet statutory obligations, or wasteful, fraudulent, or abusive expenditure of grant funds. Such penalties include, but are not limited to, imposition of additional award conditions, payment suspension, award suspension, grant termination, de-obligation/clawback of funds, and debarment of organizations and/or personnel.
6. Signage and Public Acknowledgements. Subgrantee is encouraged to post signage and to include public acknowledgements in published and other collateral materials that identifies grant funded activities and indicates that those activities are Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by the Infrastructure Investment and Jobs Act." Costs associated with signage and public acknowledgements must be reasonable and limited. Subgrantee should use best effort to use recycled or recovered materials when procuring signage.
7. Inspection and Testing of Materials. The Subgrantee shall ensure that all materials and equipment used in the completion of the work shall be subject to adequate inspection and testing in accordance with accepted standards. Materials of construction, particularly those upon which the strength and durability of any structure may depend, shall be subject to inspection and testing to establish conformance with specifications and suitability for intended uses. The Grantee or Subgrantee shall ensure that documentation of same is cataloged and retained.
8. Energy Efficiency. The Subgrantee shall apply, where feasible, design principles for the purpose of reducing pollution and energy costs and optimizing lifecycle costs associated with the construction.
9. Requirements During Construction. During construction, the Subgrantee is responsible for:
 - a. Ensuring that it meets all deadlines in approved plans and specifications;
 - b. Monitoring the progress of grant funded activities;
 - c. Reporting progress;
 - d. Providing for required construction permits and adequate construction inspection;
 - e. Promptly paying costs incurred for grant funded activities;
 - f. Monitoring contractors' compliance with Federal, State, and local requirements; and

- g. Constructing and maintaining in good condition throughout the construction period a sign or signs, at the site of grant funded activities in a conspicuous place indicating that the Federal Government is participating in the activities.
10. Environmental and Historic Preservation (EHP) Review. Subgrantee must comply with the requirements of all applicable Federal, state, and local environmental laws, regulations, and standards.
- a. EHP Pre-Implementation and Funding Condition. Subgrantee must not initiate any grant funded implementation activities – except for the limited permissible activities identified below and must not submit any reimbursement requests for implementation activities prior to the following:
 - i. The completion of any review required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321, et seq.) (NEPA), and issuance by NTIA and the Grantee, as required, of a Categorical Exclusion (Cat Ex) determination, Record of Environmental Consideration (REC), Finding of No Significant Impact (FONSI), or Record of Decision (ROD) (hereinafter "decision documents") that meets the requirements of NEPA;
 - ii. The completion of reviews required under Section 106 of the National Historic Preservation Act of 1966 (54 U.S.C. 300101, et seq.) (NHPA), including any consultations required by Federal law, to include consultations with the State Historic Preservation Office (SHPO), and Federally recognized Native American tribes;
 - iii. The completion of consultations with the U.S. Fish and Wildlife Service (USFWS) or the National Marine Fisheries Service (NMFS), as applicable, under Section 7 of the Endangered Species Act (16 U.S.C. 1531, et seq.), and/or consultations with the U.S. Army Corps of Engineers (USACE) under Section 404 of the Clean Water Act (33 U.S.C. 1251, et seq.), as applicable; and
 - iv. Demonstration of compliance with all other applicable Federal, state, and local environmental laws and regulations.
 - b. Subgrantee must timely prepare any required NEPA documents and obtain any required permits, and must adhere to any applicable statutory deadlines as described in 42 SC 4336a(g)
 - c. Subgrantee must provide a milestone schedule identifying specific deadlines and describing how the Subgrantee proposes to meet these timing requirements including, as required, the completion of consultations, the completion of NEPA and Section 106 reviews, and the submission of Environmental Assessments (EAs) or Environmental Impact Statements (EISs).
 - d. Subgrantee shall promptly notify the Department of any change to the Project after the completion of environmental and historic preservation

review that has the potential for altering the nature or extent of environmental or historic preservation impacts. The Department shall consult with the NTIA to determine if the Project needs to be re-evaluated for compliance with applicable requirements. During the consultation, the Project's permissible activities in the affected area shall be restricted to the Limited Permissible Pre-Implementation activities.

11. Limited Permissible Pre-Implementation activities. Subgrantee may only undertake the following limited permissible activities prior to the completion of the EHP review process, including the following:
- a. Pre-construction planning, including collecting information necessary to complete environmental reviews;
 - b. Applications for environmental permits;
 - c. Studies including, but not limited to, Environmental Assessments (EA), wetland delineations, biological assessments, archaeological surveys, and other environmental reviews and analyses;
 - d. Administrative costs;
 - e. Pre-award application costs;
 - f. Activities supporting consultations required under the NHPA, the Endangered Species Act, and the Clean Water Act; and/or
 - g. Limited, preliminary procurement, including the purchase or lease of equipment, or entering into binding contracts to do so; the purchase of applicable or conditional insurance; and/or funds used to secure land or building leases (including right-of-way easements).

Subgrantees that undertake unauthorized project activities in contravention of this Section proceed at their own risk and may face de-obligation of funding.

12. Tribal Employment Rights Ordinances. Tribal ordinances requiring preference in contracting, hiring, and firing and the payment of a TERO fee are allowable provisions under Federal awards and NTIA requires their incorporation when applicable into BEAD Program subgrants to Native American/Alaska Native/Native Hawaiian entities. The payment of the TERO fee, which supports the tribal employment rights office to administer the preferences, should generally be allowable as an expense that is "necessary and reasonable for proper and efficient performance and administration" of an award, as provided under 2 CFR 200.403.

13. Scheduling Inspection for Final Acceptance. Subgrantee shall submit a Project Closeout Report to the Department to notify the Department the Project is ready for final inspection. The Project Closeout Report shall be submitted promptly after all construction has been completed, the

architect/engineer has conducted its own final inspection, and any deficiencies have been corrected. The Department, the architect/engineer, and the Subgrantee will attend the Department's final inspection. In addition, the Department shall provide NTIA reasonable advance notice of each final inspection so that a representative of NTIA may participate.

14. Domestic Preference for Procurements (Build America, Buy America). Congress passed the Build America, Buy America Act (BABA) on November 15, 2021 as part of the Infrastructure Investment and Jobs Act, Pub. L. 117-58, 135 Stat. 429, 70901-70927. BABA established domestic content procurement preference requirements for Federal financial assistance projects for infrastructure, including the BEAD Program, consistent with Section 70912(2) of the Infrastructure Act. The Subgrantee shall comply with BABA consistent with applicable legal authorities, such as the Infrastructure Act, Executive Order 14005, 2 CFR Part 184, OMB Memo M-24-02, and any applicable waivers issued by the Department of Commerce. All waivers applicable to BEAD will be posted on the Build America, Buy America page maintained by the Department of Commerce Office of Acquisition Management at <https://www.commerce.gov/oam/build-america-buy-america>.
15. Prohibition on Use for Covered Communications Equipment or Services. Subgrantee (including contractors and subcontractors of Subgrantees) may not use BEAD grant funds (including non-Federal cost share) to purchase or support any communications equipment or service covered by either the Secure and Trusted Communications Networks Act of 2019 (47 USC 1608) or 2 CFR 200.216 (Prohibition on certain telecommunications and video surveillance services or equipment).
16. Civil Right and Nondiscrimination Law Compliance. Subgrantee agrees to abide by the non-discrimination requirements set forth in the legal authorities listed in the NOFO, to the extent applicable, and to acknowledge that failure to do so may result in cancellation of any subgrant and/or recoupment of funds already disbursed. See NOFO IV.C.1.g.
17. Network Capabilities. Subgrantee must comply with the criteria related to speed and latency and network outages outlined in the BEAD NOFO IV.C.2.a. Additionally, Subgrantee shall use the subgrant to deploy broadband infrastructure in or through any area required to reach interconnection points or otherwise to ensure the technical feasibility and financial sustainability of a project providing broadband service to an underserved location, underserved location, or eligible community anchor institution.

18. Deployment deadlines and benchmarks. Subgrantee shall deploy its Project and begin providing broadband service to each customer that desires broadband service not later than four years after the date on which the Subgrantee receives the subgrant for the applicable network. Subgrantee shall report to the Department a Project Schedule that establishes interim buildout milestones that demonstrate the Subgrantee is making reasonable progress towards the four-year deployment deadlines. Any changes to the Project Schedule are subject to Department's written approval. Should the Subgrantee determine extenuating circumstances require a time extension, the Subgrantee shall promptly communicate to the Department the following:

- a. The Subgrantee's specific plan for use of the grant funds by a specific date not more than one year after the four-year deadline
- b. The Subgrantee's documentation to demonstrate the construction project is underway.
- c. Documentation of the extenuating circumstances, including the nature of the circumstances and the risk mitigation measures the Subgrantee attempted before determining the delay was unavoidable.

The Department shall review the Subgrantee's documentation and consult with the NTIA to assess whether an extension is appropriate. If approved the approval shall be communicated in writing. If denied the Department and NTIA will communicate a remedial action plan to the Subgrantee.

19. Conduit Access Points. Pursuant to 47 U.S.C. § 1702(h)(4)(D), any Funded Network deployment project that involves laying fiber-optic cables or conduit underground or along a roadway must include interspersed conduit access points at regular and short intervals for interconnection by unaffiliated entities. Subgrantee shall deploy a reasonable amount of excess conduit capacity and establish a conduit access point interval as part of the Project design. See NOFO IV.C.2.b.ii.

20. Affordability and Low-Cost Plans. Pursuant to 47 U.S.C. § 1702(h)(4)(B), each Subgrantee receiving BEAD funding to deploy network infrastructure must offer at least one low-cost broadband service option. Pursuant to Section 1702(h)(5)(C), NTIA or the Department may take corrective action, including recoupment of funds from the Subgrantee, for noncompliance with the statutory low-cost plan requirement. The low-cost plan must meet the requirements outlined in the Initial Proposal and Final Proposal. Subgrantee must continue to offer the low-cost broadband service option to eligible subscribers, during the Federal Interest Period. Subgrantee must allow subscribers in the service area to utilize the Affordable Connectivity Program, or any successor program. See NOFO IV.C.2.c.i

21. Consumer Protections. Subgrantee must not impose data usage caps on any plans offered over a Funded Network or impose unjust or unreasonable network management practices. Subgrantee may apply otherwise-applicable acceptable use policies to the Project. Subgrantees shall certify through the semiannual reporting requirements that the plans offered over Funded Networks do not contain data usage caps for subscribers.
22. Access to Service. Pursuant to 47 U.S.C. § 1702(g)(2)(C)(ii), operators of Funded Networks shall provide access to broadband service to each customer served by the project that desires broadband service on terms and conditions that are reasonable and non-discriminatory. See NOFO IV.C.2.c.iii.
23. Public Notice. Subgrantees shall carry out public awareness campaigns in their service areas that are designed to highlight the value and benefits of broadband service in order to increase the adoption of broadband service by consumers, including information about low-cost broadband service options for eligible subscribers. Once the Project has been deployed, Subgrantee shall provide public notice, online and through other means, of that fact to individuals residing in the locations to which broadband service has been provided and share the public notice with the Department.
24. Interconnection Requirements and Wholesale Access. Consistent with 47 U.S.C. § 1702(h)(4)(E), the Subgrantee's with Projects that contain Middle Mile Infrastructure shall be required, via contract or other binding mandate, to allow such interconnection at any technically feasible point on the Middle Mile Infrastructure network (without exceeding current or reasonably anticipated capacity limitations). Subgrantee shall notify the Department, at any time, Subgrantee is no longer able to provide broadband service to the end user locations covered by the Project on a retail basis. Upon reviewing the Subgrantee's notification, the Department will direct the remedial action to be taken to ensure continuity of service. In consultation with NTIA, the Department shall require the Subgrantee to sell the network capacity at a reasonable, wholesale rate on a nondiscriminatory basis to one or more other broadband service providers or public-sector entities or sell the network in its entirety to a new provider who commits to providing services under the terms of the BEAD Program. The Department may pursue remedial action so long as such action results in continued retail service to end users in the grant area. See NOFO IV.C.2.c.v.
25. Cybersecurity and Supply Chain Risk Management. Pursuant to 47 U.S.C. § 1702(g)(1)(B), a Subgrantee, in carrying out activities using amounts received from a Grantee, shall comply with prudent cybersecurity and supply chain risk management practices, as specified by the Assistant Secretary, in

consultation with the Director of the National Institute of Standards and Technology and the Federal Communications Commission. Subgrantee attests that:

- a. The prospective Subgrantee has a cybersecurity risk management plan (the plan) in place that is operational or will be operationalized prior to providing service.
- b. The plan reflects the latest version of the NIST Framework for Improving Critical Infrastructure Cybersecurity (currently Version 1.1), and the standards and controls set forth in Executive Order 14028 and specifies the security and privacy controls being implemented;
- c. The plan will be reevaluated and updated on a periodic basis and as events warrant; and
- d. The plan has been submitted to the Department. If the Subgrantee makes any substantive changes to the plan, a new version will be submitted to the Department within 30 days. The Subgrantee understands the Department will provide the Subgrantee's plan to NTIA upon NTIA's request.

With respect to supply chain risk management (SCRM), prior to allocating any funds to a Subgrantee, the Grantee shall, at a minimum, require a prospective Subgrantee to attest that:

- a. The prospective Subgrantee has a SCRM plan in place that is operational or will be operational prior to the Subgrantee providing service.
- b. The plan is based upon the key practices discussed in the NIST publication NISTIR 8276, Key Practices in Cyber Supply Chain Risk Management: Observations from Industry and related SCRM guidance from NIST, including NIST 800-161, Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations and specifies the supply chain risk management controls being implemented;
- c. The plan will be reevaluated and updated on a periodic basis and as events warrant; and
- d. The plan has been submitted to the Department. If the Subgrantee makes any substantive changes to the plan, a new version will be submitted to the Department within 30 days. The Subgrantee understands the Department will provide the Subgrantee's plan to NTIA upon NTIA's request.

To the extent the Subgrantee relies in whole or in part on network facilities owned or operated by a third party (e.g., purchases wholesale carriage on such facilities), the Subgrantee shall obtain the above attestations from its network provider with respect to both cybersecurity and supply chain risk management practices and provide the attestations to the Department. See NOFO IV.C.2.c.vi.

26. Prohibition on Profit and Fees. A profit, fee, or other incremental charge above actual cost incurred by Subgrantee is not an allowable cost under this Program. See NOFO V.H.2.b.
27. Prohibition on Use of Grant Funds to Support or Oppose Collective Bargaining. Subgrantee may not use grant funds, whether directly or indirectly, to support or oppose collective bargaining. See NOFO V.H.2.c.
28. Audit Requirements. 2 CFR Part 200, Subpart F, adopted by the Department of Commerce through 2 CFR 1327.101, requires any non-Federal entity that expends Federal awards of \$750,000 or more in the Subgrantee's fiscal year to conduct a single or program-specific audit in accordance with the requirements set out in the Subpart. Additionally, unless otherwise specified in the terms and conditions of the award, entities that are not subject to Subpart F of 2 CFR Part 200 (e.g., commercial entities) that expend \$750,000 or more in grant funds during their fiscal year must submit to the Department either: (i) a financial related audit of each DOC grant or subgrant in accordance with Generally Accepted Government Auditing Standards; or (ii) a program-specific audit for each grant or subgrant in accordance with the requirements contained in 2 CFR § 200.507. Subgrantees are reminded that the Department, NTIA, the Department of Commerce Office of Inspector General, or another authorized Federal agency may conduct an audit of an award at any time.
29. Protected and Proprietary Information. Subgrantees are expected to support Program reviews and evaluations by submitting required financial and performance information and data in an accurate and timely manner, and by cooperation with the Department of Commerce and external program evaluators. In accordance with 2 CFR 200.303(e), Subgrantees are reminded that they must take reasonable measures to safeguard protected personally identifiable information and other confidential or sensitive personal or business information created or obtained in connection with a Department of Commerce financial assistance award. See also NOFO IX.B.
30. Subgrantee Reporting. Pursuant to 47 U.S.C. § 1702(j)(2)(A), the Subgrantee shall submit to the Department a report, at least semiannually, for the duration of the subgrant to track the effectiveness of the use of funds provided. Subgrantees must certify that the information in the report is accurate. Each report shall describe each type of broadband infrastructure project and/or other eligible activities carried out using the subgrant and the duration of the subgrant.

31. Programmatic Waiver of the Letter of Credit. The Subgrantee has provided a letter of credit (LOC) substantially similar to the model letter of credit established by the Department. The LOC requirement is waived to the extent described in the Letter of Credit Notice of Programmatic Waiver, [BEAD Letter of Credit Waiver Notice](#).
32. Tribal Consent to Deploy on Tribal Land. In the event the Project includes any locations on Tribal Lands, Subgrantee has provided the Department a Resolution of Consent from each Tribal Government, from the Tribal Council or other governing body, upon whose Tribal Lands the infrastructure will be deployed.
33. Federal Interest Period. The Federal interest in all real property or equipment acquired or improved as part of a subgrant for which the major purpose is a broadband infrastructure project will continue for ten years after the year in which that subgrant has been closed out in accordance with 2 CFR 200.344. For example, for all subgrants closed out in 2027, regardless of the month, the Federal interest will last until December 31, 2037.
34. Encumbrances. Subject to the exception below, Subgrantees must not encumber property without prior disclosure to and approval from the Department, NTIA and NIST. Subgrantees may not enter into any encumbrances that interfere with the construction, intended use, operation, or maintenance of grant funded property during Federal Interest Period. Subgrantees may encumber real property and equipment acquired or improved under such subgrants only after provision of notice to NTIA and to the Grants Officer, and subject to a requirement that the Department of Commerce receives either a first priority security interest (preferred) or a shared first priority security interest in the real property and equipment such that, if the real property and equipment were foreclosed upon and liquidated, the Department of Commerce would be entitled to receive, on a pari-passu basis with other first position creditors, the portion of the current fair market value of the property that is equal to the Department of Commerce's percentage of contribution to the project costs. For example, if the Department of Commerce had contributed 50% of the project costs, the Department of Commerce would receive, on a pari-passu basis, 50% of the current fair market value of the property when liquidated.
35. Recordation of the Federal Interest in BEAD-funded Property.
 - a. Useful Life and Compliance with 2 CFR 200.311, 200.313. For the purposes of this award, the useful life of the real property or equipment acquired or improved using BEAD funds shall coincide with the Federal

Interest Period. Subgrantee shall cooperate with the requirements to submit for review and approval transactions involving BEAD-funded real property and equipment.

- b. To document the Federal interest in BEAD-funded real property, Subgrantee must prepare and properly record a “Covenant of Purpose, Use and Ownership” (Covenant). The Covenant differs from a traditional mortgage lien in that it does not establish a traditional creditor relationship requiring the periodic repayment of principal and interest to NTIA. Rather, pursuant to the Covenant, the Subgrantee acknowledges that it holds title to the BEAD-funded property in trust for the public purposes of the BEAD financial assistance award and agrees, among other commitments, that it will repay the Federal interest if it disposes of or alienates an interest in the BEAD-funded property, or uses it in a manner inconsistent with the public purposes of the BEAD award, during the useful life of the BEAD-funded property. The Covenant must be properly recorded in the real property records in the jurisdiction in which the real property is located in order to provide public record notice to interested parties that there are certain restrictions on the use and disposition of the BEAD-funded property during its useful life and that NTIA retains an undivided equitable reversionary interest in the BEAD-funded property during the Federal Interest Period. NTIA will provide a suggested sample form to use for the Covenant to record notice of the Federal interest in real property.
- c. UCC-1 Filing & Attorney’s Certification. Pursuant to 2 C.F.R. § 200.316, after acquiring all or any portion of the equipment under this award, the Grantee or Subgrantee shall properly file a UCC-1 with the appropriate State office where the equipment will be located in accordance with the State’s Uniform Commercial Code (UCC). This security interest shall be executed in advance of any sale or lease and not later than closeout of the grant or subgrant, as applicable. The UCC filing(s) must include the below or substantively similar language providing public notice of the Federal interest in the equipment acquired with BEAD funding. Also, a clear and accurate inventory of the subject equipment must be attached to and filed with the UCC-1. The UCC filing must include the below or substantively similar language:

The Equipment set forth at Attachment A hereto was acquired with funding under a financial assistance award (Award Number) issued by the National Institute of Standards and Technology, U.S. Department of Commerce. As such, the U.S. Department of Commerce retains an undivided equitable reversionary interest (Federal interest) in the

Equipment for **[insert number]** years after the end of the year in which the award is closed out in accordance with 2 CFR 200.344.

In addition, within 15 calendar days following the required UCC filing(s), the Grantee shall provide the Grants Officer with complete and certified copies of the filed UCC forms and attachments for the equipment acquired with NTIA BEAD funding including all subgrants, along with a certification from legal counsel, licensed by the State within which the filings were made (Attorney's Certification), that the UCC filing was properly executed and filed in accordance with applicable state law. The Attorney's Certification must include the below or substantively similar language:

NIST Award Number: XX-XX-XXXX

Pursuant to 28 USC 1746, I hereby certify as follows:

I am legal counsel at _____. I am licensed to practice law in the State of Montana having been a license holder of said state and in good standing since _____.

Attached hereto is a certified copy of UCC-1 form(s) reflecting that this document was filed in the ____ on _____, 202x, bearing the following filing information [insert filing data, e.g., instrument number, etc.] and consists of _____ recorded pages as certified by the Secretary of State of Montana.

I certify that this UCC-1 form(s) has/have been validly executed and properly recorded as noted above. I certify under the penalty of perjury that the foregoing is true and correct.

Executed on this _____ day of _____.

(Attorney name and title) (Address and phone number)

In addition, during the estimated useful life of the [type of equipment, e.g., robotic equipment], the Subgrantee is hereby authorized and directed by the Grants Officer to timely file any necessary UCC-3 continuation statements (or other filings) for the subject equipment consistent with the requirements set forth in this specific award condition. Copies of all filed UCC continuation statements, together with an Attorney's Certification, must be submitted to the Department and NTIA Grants Officer within 15 calendar days following each such filing. The UCC filing(s), and the accompanying Attorney's Certification(s) must be acceptable in form and in substance to NTIA and the National Institute of Standards and Technology (NIST) Grants Officer.

36. Program Income. Subgrantees may retain program income without restriction, including retaining program income for profit. This exception does not alter the prohibition regarding a profit, fee, or other incremental charge above the actual cost incurred by the Subgrantee.
37. Uniform Guidance Exceptions, Adjustments and Clarifications Applicable to Fixed Amount Subgrants. Subgrantee is receiving a fixed amount subgrant. The Department is treating the subgrant as a fixed amount subgrant even though the Subgrantee is required to submit evidence of costs. Payments under the fixed amount subgrant shall be made on a reimbursement basis in accordance with the terms of the subgrant. The fixed amount subgrant is the maximum payment amount that is based on a reasonable estimate of actual costs. Subgrantee may only submit request for reimburse of the eligible costs in connection with the Project for which the payment is intended. Ineligible uses of fixed amount subgrant payments include but are not limited to the following:
- a. Personal expenses of employees, executives, board members, and contractors, and family members thereof, or any other individuals affiliated with the Subgrantee, including but not limited to personal expenses for housing, such as rent or mortgages, vehicles for personal use and personal travel, including transportation, lodging and meals;
 - b. Gifts to employees; housing allowances or other forms of mortgage or rent assistance for employees except that a reasonable amount of assistance shall be allowed for work-related temporary or seasonal lodging; cafeterias and dining facilities; food and beverage except that a reasonable amount shall be allowed for work-related travel; entertainment;
 - c. Expenses associated with: tangible property not logically related or necessary to the broadband infrastructure project or authorized non-deployment use; corporate aircraft, watercraft, and other motor vehicles designed for off-road use except insofar as necessary or reasonable to access portions of the project area not readily accessible by motor vehicles travelling on roads; tangible property used for entertainment purposes; consumer electronics used for personal use; kitchen appliances except as part of work-related temporary or seasonal lodging assistance; artwork and other objects which possess aesthetic value;
 - d. Political contributions; charitable donations; scholarships; membership fees and dues in clubs and organizations; sponsorships or conferences or community events not logically related or necessary for the intended use of the subgrant; nonproduct-related corporate image advertising; and
 - e. Penalties or fines for statutory or regulatory violations; penalties or fees for any late payments on debt, loans, or other payments.

Subgrantee must certify in writing to the Department at the end of the Federal award that the Project was completed and placed into service as defined in 47 USC 1702(h)(4)(C). Subgrantee pursuant to the above exception is not required to comply with the Cost Principles set for in 2 CFR Subpart E.

38. Adjustments to 2 CFR 200.318-320 and 200.324-326 Procurement Standards. Subgrantees of fixed amount subgrants are not required to comply with the Procurement Standards set forth in 2 CFR 200.318-320 and 200.324-326. All other Procurement Standards, i.e., 2 CFR 200.317, 200.321-200.323, and 200.327, remain as requirements.
39. Exceptions and Clarifications to 2 CFR 200.313 Equipment. Title to equipment acquired or improved under the fixed amount subgrant vests in the Subgrantee upon acquisition, subject to the following conditions and clarifications that apply for the duration of the Federal Interest Period:
 - a. Subgrantees must follow their existing commercial practices for managing equipment in the normal course of business and must use inventory controls indicating the applicable Federal interest and loss prevention procedures. This requirement is in lieu of the requirements contained in 2 CFR 200.313(d), pursuant to an exception from OMB. Subgrantees that do not have existing commercial practices for managing equipment in the normal course of business must comply with 2 CFR 200.313(d).
 - b. Subgrantees must comply with the use and equipment disposition requirements of 2 CFR 200.313(c)(4) and 313(e).
 - i. Subgrantees acquiring replacement equipment under 2 CFR 200.313(c)(4) may treat the equipment to be replaced as “trade-in” even if the Subgrantee elects to retain full ownership and use over equipment. As with trade-ins that involve a third party, the Subgrantee will have to record the fair market value of the equipment being replaced in its Tangible Personal Property Status Reports to the DOC to ensure adequate tracking of the Federal percentage of participation in the cost of the grant funded activities. The Subgrantee will also be responsible for tracking the value of the replacement equipment, including both the Federal and non-Federal share.
 - ii. Subgrantees may sell, lease, or transfer equipment only after (a) securing the agreement of the successor or transferee to comply with these requirements and the acknowledgement of the successor or transferee of the Federal interest in the

subject equipment, and (b) obtaining consent to the sale or transfer from NTIA. NTIA will provide additional information concerning the review and approval process for transactions involving BEAD-funded equipment, as well as real property, in subsequent guidance.

- iii. Subgrantees must notify the Grantee and NTIA upon the filing of a petition under the U.S. Bankruptcy Code, whether voluntary or involuntary, with respect to the Subgrantee or any affiliate that would impact the Subgrantee's ability to perform in accordance with its subgrant.

40. Exceptions and Clarifications to 2 CFR 200.314 Supplies. The property standards set forth in 2 CFR 200.314 for supplies do not apply to this fixed amount subgrant.

41. Exceptions to 2 CFR 200.315 Intangible Property. The property standards set forth in 2 CFR 200.315 for intangible property shall not apply to this fixed amount subgrant.

EXHIBIT F
Lower Tier Participation Certificate

1. By submitting this proposal and accepting federal funding, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of 2 C.F.R. Parts 180, 1200 and 1326.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms *covered transaction*, *civil judgment*, *debarment*, *suspension*, *ineligible*, *participant*, *person*, *principal*, and *voluntarily excluded*, as used in this clause, are defined in 2 C.F.R. Parts 180, 1200 and 1326. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion- Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 C.F.R. Parts 180 and 1200.
 - a. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may,

but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov>).

- b. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- c. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment