

## Exhibit M: Documentation of Federal Interest in Property

### CNMI Broadband Policy and Development (BPD) Office Broadband Equity, Access, and Deployment (BEAD) Program Subgrant Agreement between CNMI BPD and [Subgrantee Name]

Field	Detail
<b>Project Name(s)/Identifier(s)</b>	All 20 Project Funding Areas (CNMI-S1 through CNMI-S17, CNMI-R1, CNMI-T1, and CNMI-T2 as individually detailed in the attached Exhibits A)
<b>Subgrantee</b>	Micronesian Telecommunications Corp. dba IT&E
<b>BPD Subgrant Award Identifier</b>	CNMI Broadband Equity, Access, and Deployment (BEAD) Program Subgrant Agreement (Covering all 20 PFA Awards)
<b>Agreement Effective Date</b>	May 13, 2026

#### 1. Purpose and Requirement

Pursuant to **2 C.F.R. § 200.316** and the Department of Commerce (DOC) Financial Assistance Standard Terms and Conditions (GTC), property acquired or improved under this federal award must be held in trust by the Subgrantee for the beneficiaries of the BEAD Program project.

To provide public notice of this federal interest and the associated use and disposition conditions, the Subgrantee is required to record appropriate notices of record for the Project Property during the entire Federal Interest Period (FIP).

#### 2. Applicability and Definitions

This requirement applies to "**Project Property**," which is defined as:

- **Real Property** (e.g., land, improvements, fiber conduit infrastructure permanently affixed to land) acquired or improved using Award Funds.
- **Equipment** (tangible personal property) acquired or improved using Award Funds.

**Award Funds** include Federal BEAD Grant Funds and the required Non-Federal Matching Funds.

### 3. Documentation of Federal Interest

The Subgrantee is responsible for recording the appropriate instruments as required by the CNMI BPD in consultation with NTIA and the NIST Grants Officer (GO).

Property Type	Required Instrument	Compliance Source
<b>Real Property</b> (or fixtures)	<b>Covenant of Purpose, Use and Ownership</b> (Covenant)	Must be properly recorded in the real property records of the jurisdiction to document the Federal Interest and restrictions on use and disposition.
<b>Equipment</b> (Personal Property)	<b>UCC-1 Financing Statement</b>	Must be filed with the appropriate CNMI office to provide public notice of the Federal interest in the equipment.
<b>Legal Verification</b>	<b>Attorney's Certification</b>	Required after UCC-1 filing to certify proper execution and recordation.

### 4. Federal Interest Period (FIP)

The Federal Interest in all Project Property acquired or improved as part of this subgrant (where the major purpose is a broadband infrastructure project) will continue for **ten (10) years after the year in which that subgrant has been closed out** in accordance with **2 C.F.R. § 200.344**.

### 5. Filing Requirements and Content

A. **Filing Location:** UCC-1 Filings and Real Property Notices are generally handled by the **Commonwealth Recorder's Office** (or other designated CNMI filing office). The Subgrantee must verify the correct filing office prior to submission.

B. **UCC-1 Filing Timeline:** Proof of UCC-1 filing is a mandatory prerequisite for the closeout milestone and is required by CNMI BPD **prior to the issuance of the Notice to Proceed with Construction (NTPC)** for activities involving the relevant equipment. Filing must occur not later than closeout.

C. **Content and Inventory:**

- The UCC-1 filing must include the below or substantively similar language providing public notice of the Federal interest in the equipment acquired with BEAD funding: “The Equipment set forth at Attachment A hereto was acquired with funding under a financial assistance award (BEAD Subgrant Award Identifier: \_\_\_\_\_)], 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 ten (10) years after the end of the year in which the award is closed out in accordance with 2 CFR 200.344.”
- A clear and accurate inventory of the subject equipment (including serial numbers, make, model, and location) must be attached to and filed with the UCC-1 (referred to as Attachment A in the language above).

**D. Attorney’s Certification:** Within 15 calendar days following the required UCC filing(s), the Subgrantee shall provide CNMI BPD (for subsequent transmittal to the NIST Grants Officer) with complete and certified copies of the filed UCC forms and attachments for the equipment acquired with NTIA BEAD funding, along with a certification from legal counsel, licensed by the CNMI, that the UCC filing was properly executed and filed in accordance with applicable CNMI law. The Attorney’s Certification must include the below or substantively similar language:

**NIST Award Number: 69-20-B147 Pursuant to 28 USC 1746, I hereby certify as follows: I am legal counsel at**

\_\_\_\_\_.

**I am licensed to practice law in the Commonwealth of the Northern Mariana Islands having been a license holder of said territory 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 Recorder of the CNMI.**

**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 equipment, the Subgrantee is hereby authorized and directed 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 CNMI BPD within 15 calendar days following each such filing.

## **6. Encumbrance Security and Continuation**

**A. Encumbrance Restrictions:** The Subgrantee must not encumber any Project Property during the FIP without prior notice to BPD and the Grants Officer. If encumbrance is approved, it is subject to the Department of Commerce (DOC) receiving either a **first priority security interest (preferred)** or a **shared first priority security interest** in the property. This security interest must ensure that DOC receives a portion of the current fair market value equal to the DOC's percentage of contribution to project costs upon foreclosure and liquidation.

**B. Continuation Statements:** The Subgrantee is responsible for timely filing any necessary **UCC-3 continuation statements** (or other necessary filings) throughout the FIP to maintain the perfection of the Federal Interest until the FIP is fully satisfied. Proof of continuation must be submitted to BPD.