

## GRANT AWARD / AWARD AGREEMENT

Applications receiving the highest score shall receive priority status for the awarding of grants. Applicants awarded a grant(s) shall enter into grant award agreement(s) with the NC Department of Information Technology/Broadband Infrastructure Office. The agreement shall contain the elements outlined in the Application Materials.

Once projects are deployed, and service is available to end-users, the award requires a five-year service period. The target for the program is to have all construction completed, deployments in place, and service available, within one-year of having the award agreement executed. However, exact timelines for deployment schedules will be negotiated during execution of the grant agreement. Grant recipients will be required to offer the proposed advertised minimum download and minimum upload speeds identified in the project application for the duration of the five-year service agreement.

The agreement shall contain a provision governing the timeline and minimum requirements and thresholds for disbursement of grant funds measured by the progress of the project. Grant funds shall be disbursed only upon verification by the BIO that the terms of the agreement have been fulfilled according to the progress milestones contained in the agreement.

At project completion, the grant recipient shall certify and provide to the BIO evidence consistent with Federal Communications Commission attestation that the proposed minimum upstream and minimum downstream broadband speeds identified in the application guidelines, and for which a base speed multiplier was awarded per the scoring guidelines, are available throughout the project area prior to any end user connections.

Grant recipients shall submit to the BIO, an annual report for each funded project for the duration of the agreement. The report shall include a summary of the items contained in the grant agreement and a level of attainment for each and shall also include:

- The number of households, businesses, agriculture operations, and community anchor points that have broadband access, available to them, as a result of the project;
- The percentage of end users in the project area who have access to broadband service and actually subscribe to the service; and
- The average monthly subscription cost for broadband service in the project area.

In addition:

- At least annually, a grant recipient shall provide to the office evidence consistent with the FCC attestation that the grant recipient is making available the proposed advertised speed, or a faster speed, as contained in the grant agreement.
- For the duration of the agreement, grant recipients shall disclose any changes to data caps for the project area that differ from the data caps in the grant application.
- Additional reporting requirements as negotiated during execution of the grant agreement.

A grant recipient shall forfeit the amount of the grant received if it fails to perform, in material respect the obligations established in the agreement. Grant recipients that fail to provide the minimum advertised connection speed for which a reduction in matching funds was applied, shall forfeit the amount. A grant recipient that forfeits amounts disbursed through the GREAT program is liable for the amount disbursed plus interest at a rate established in the General Statutes, computed from the date of disbursement. The number of subscribers that subscribe to broadband services offered by the provider in the project area is not a measure of performance under the agreement.