



FACT SHEET
Broadband Technology Opportunities Program
Federal Interest Documentation Requirements

This document is intended to provide general guidance on the Federal Interest documentation requirements as they pertain to federal financial assistance awards under the National Telecommunications and Information Administration's ("NTIA") Broadband Technology Opportunities Program ("BTOP"). This guidance is not a substitute for the terms and conditions of a specific BTOP award, including the regulatory requirements applicable to real and personal property acquired or improved, in whole or in part, under a BTOP award. Should this document and BTOP award terms differ, the terms and conditions of the BTOP award shall govern.

Overview of the Federal Interest

The Department of Commerce's uniform standards governing the management and disposition of real and personal property acquired or improved, in whole or in part, under a federal financial assistance award are set forth in 15 C.F.R. §§ 14.30-37 and 24.31-34 (as applicable), and are incorporated into the terms and conditions of all BTOP awards. Under these regulations, each recipient and subrecipient of a BTOP award holds all real property and tangible and intangible personal property (with the exception of property that meets the definition of "supplies" contained in 15 C.F.R. § 14.2(kk) or 24.3, as applicable), that it acquires or improves, in whole or in part, with federal funds ("BTOP Property") in trust for the public purposes for which the financial assistance award was made. See 15 C.F.R. §§ 14.37, 24.31. This trust relationship exists throughout the duration of the useful life of the BTOP Property, as determined by NTIA in accordance with the BTOP Estimated Useful Life Schedule (available at http://www2.ntia.doc.gov/files/fact_sheet_useful_life_schedule_082510_v1.pdf), during which time NTIA retains an undivided equitable reversionary interest in the BTOP Property (the "Federal Interest"). The amount of the Federal Interest is computed as the percentage of the then current fair market value of the BTOP Property attributable to NTIA's participation in the BTOP project. See 15 C.F.R. §§ 14.32, 14.34 - 14.37, 24.31 - 24.34, as applicable.

During the duration of the Federal Interest, the recipient or subrecipient shall not:

- Sell, lease, transfer, assign, convey, hypothecate, mortgage, or otherwise convey any interest in the BTOP Property without the prior written approval of the Grants Officer.
- Use the BTOP Property for purposes other than the purposes for which the award was made without the prior written approval of the Grants Officer.
- Fail to comply with Federal laws and regulations, Department of Commerce policies, Executive Orders, and Office of Management and Budget (OMB) Circulars that are incorporated into the terms and conditions of the award.

Under the terms and conditions that govern BTOP grant awards, recipients and subrecipients of awards with a construction component, including Round 1 Broadband Infrastructure and Round 2 Comprehensive Community Infrastructure (CCI) awards, as well as Public Computer Center (PCC) awards involving construction, must execute and record certain documentation of the Federal Interest (as discussed below). Recipients of Sustainable Broadband Adoption (SBA) and PCC awards without a construction component are not required to do so, although the Federal Interest nevertheless applies to any real or personal property (with the exception of personal property that meets the definition of "supplies" contained in 15 C.F.R. § 14.2(kk) or 24.3, as applicable) acquired or improved, in whole or in part, under such BTOP awards. Chapter 17.C of the Department of Commerce Interim Grants Manual (available at http://oam.eas.commerce.gov/gmd_updated-doc.html) offers some general guidelines on distinguishing between construction and alteration activities on a federal financial assistance project. To the extent that PCC recipients have





questions as to whether their projects contain a construction component, they should consult with their assigned Federal Program Officer (FPO), seek the advice of counsel as needed in making the determination, and document their conclusions.

Scope of the Federal Interest Documentation Requirement

Each recipient or subrecipient of a BTOP grant award involving construction must execute and file in the appropriate office(s) documentation of the Federal Interest with respect to the acquisition or improvement, in whole or in part, of BTOP Property (hereinafter referred to as "Covered BTOP Property"). See 15 C.F.R. §§ 14.37, 24.31. The documentation of the Federal Interest must be acceptable in form and substance to NTIA. The obligations of the recipient or subrecipient with respect to the Covered BTOP Property remain in effect for the entire useful life of the Covered BTOP Property. Failure to properly and timely file and maintain such documentation of the Federal Interest may result in appropriate enforcement action under a BTOP award, including, but not limited to, disallowance of the cost of acquisition or improvement by NTIA. Recipients and subrecipients are not required to document or record evidence of the Federal Interest in previously acquired real or personal property that is donated to the project as a recipient, subrecipient or third party in-kind matching contribution to the extent that such property is not subsequently improved under a BTOP award. The requirements to document and record evidence of the Federal Interest in Covered BTOP Property apply equally to recipients and subrecipients of BTOP grant awards. Each BTOP award recipient should ensure that its subrecipient monitoring plans include appropriate implementation of these requirements.

Documentation of the Federal Interest for Covered BTOP Property

Discussed below are the approaches for documenting the Federal Interest in Covered BTOP Property consisting of real property, fixtures, and/or personal property. Also discussed below are the: (i) timing requirements for the recording or filing of the applicable Federal Interest documentation; (ii) requirement for an attorney certification pertaining to the execution and recording or filing of the applicable Federal Interest documentation; and (iii) requirements for the submission of the Federal Interest documentation to NTIA/BTOP, all of which apply to Covered BTOP Property regardless of character.

In some cases, state or local law may vary from the general approaches described here. In such cases, the recipient or subrecipient should ensure that it complies with any additional or different requirements of state or local law, and should describe its compliance with these requirements in its attorney certification. If the recipient or subrecipient has existing secured lending relationships where a drag-net type clause in existing lending instruments purport to encumber after-acquired property, then the recipient may need to consult its loan documents to ensure that the Federal Interest in the BTOP Property would be in a first, unsubordinated lien position, and may need to obtain any required consents from its lender. Recipients or subrecipients should contact counsel with any questions or concerns regarding the preparation and filing of the Covenant and UCC-1 and then follow up with its assigned BTOP FPO if further guidance is needed.

Real Property

To document the Federal Interest in Covered BTOP Property consisting of real property, the recipient or subrecipient 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 recipient or subrecipient acknowledges that it holds title to the Covered BTOP Property in trust for the public purposes of the BTOP 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 Covered BTOP Property, or uses it in a manner inconsistent with the public purposes of the BTOP award, during the useful life of the Covered BTOP 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 Covered BTOP Property during its useful life and that NTIA retains an undivided equitable reversionary interest in the Covered BTOP Property to the extent of its participation in the BTOP project (*i.e.*, the Federal Interest).

Attachment A to this guidance provides a suggested sample form to use for the Covenant to record notice of the Federal Interest in real property, which has been adapted for BTOP use from the form appearing in Chapter 17 of the Department of Commerce Interim Grants Manual.

Fixtures and Personal Property

To the extent that the Covered BTOP Property consists of fixtures or personal property other than supplies (both tangible, such as equipment, or intangible, such as licenses or permits), the recipient or subrecipient must record UCC-1 forms with the appropriate state office in accordance with that state's codification of the Uniform Commercial Code (UCC), Article 9 (for personal property not affixed to land) and/or recorded in the real property records of the jurisdiction where the real property is located if for assets affixed to the land. The recipient or subrecipient should consult the law of the state where the asset is located to determine whether it should be classified as real or personal property.

UCC forms may differ slightly from state to state. These forms are usually available from an attorney, a bank's loan department, or an office supply store and may be available online in some states. Attached to this guidance as Attachment B is the NTIA/BTOP information that recipients and subrecipients should use when completing a UCC-1 financing statement, as well as a sample UCC-1 form containing such information.

Summary of the Federal Documentation Requirements for Covered BTOP Property Consisting of Real Property vs. Fixtures and Personal Property

The following matrix summarizes the Federal Interest documentation requirements associated with common items of Covered BTOP Property:

Type of Covered BTOP Property	Approach to Documenting the Federal Interest
Real Property (land and improvements, structures, appurtenances, except movable machinery and equipment)	<ul style="list-style-type: none"> ■ Properly executed and recorded Covenant of Purpose, Use and Ownership; in the case of land leases, easements, rights-of-way, or other non-fee simple interests in real property, the recipient's interest should be as long as the useful life of any property deployed or installed thereon, unless other terms acceptable to NTIA have been approved in writing by the Grants Officer. The recipient must ensure that either the associated agreement acknowledges the Federal Interest in the property, which should provide for a right of assignment if the recipient fails to act in accordance with the terms and conditions of the BTOP award, or that a covenant that acknowledges the Federal Interest is recorded. ■ The recipient or subrecipient should consult applicable state law to determine whether a particular asset should be classified as either real or personal property.
Fixtures (personal property so affixed to the land that it is legally considered)	<ul style="list-style-type: none"> ■ UCC-1 filed in the jurisdiction where the real property is located, renewed as necessary for as long as the useful life of the fixture; in the case of land leases, easements, rights-of-way, or other non-fee simple interests in real property, the recipient's interest must be as long as the useful life of the fixture deployed or installed thereon, unless other terms acceptable to NTIA have been approved in writing by the Grants Officer. The recipient must ensure that either the





Type of Covered BTOP Property	Approach to Documenting the Federal Interest
part of the realty)	<p>associated agreement acknowledges the Federal Interest in the property, which should provide for a right of assignment if the recipient fails to act in accordance with the terms and conditions of the BTOP award, or that a covenant that acknowledges the Federal Interest is recorded.</p> <ul style="list-style-type: none"> ■ The recipient or subrecipient should consult applicable state law to determine whether a particular asset should be classified as either real or personal property.
Personal Property, both tangible and intangible	<ul style="list-style-type: none"> ■ UCC-1 filed in the central filing office as directed under the State's Uniform Commercial Code, Art. 9, noting the Federal Interest in the personal property, renewed as necessary for as long as the estimated useful life of the property; or if another legal filing scheme preempts the UCC, then in accordance with such requirements. In the case of capital leases of personal property (including, where applicable, indefeasible right-of-use (IRU) agreements), the recipient must ensure that either the associated agreement acknowledges the Federal Interest in the property, which should provide for a right of assignment if the recipient fails to act in accordance with the terms and conditions of the BTOP award, or that a UCC-1 that acknowledges the Federal Interest is recorded. ■ The recipient or subrecipient should consult applicable state law to determine whether a particular asset should be classified as either real or personal property.

Timing Requirements

Documentation of the Federal Interest is to be perfected and recorded/filed in accordance with state and/or local law concurrent with or as soon as reasonably possible following any purchase, lease or other acquisition or improvement of Covered BTOP Property, but in any event not later than closeout of the grant and before any sale or lease of the property. The recipient must account for any real or personal property acquired or improved with Federal funds as part of the award closeout procedures. See 15 C.F.R. §§ 14.70-73 and 24.50-52, as applicable.

The recipient or subrecipient shall execute and record all documentation necessary to maintain the Federal Interest for the useful life of the Covered BTOP Property. If the BTOP grant award is amended to include additional or materially different Covered BTOP Property, the recipient or subrecipient is required to file additional UCC-1 documentation covering such Covered BTOP Property and to amend any existing filings. New and/or amended UCC-1 documentation must be retained in the recipient's or subrecipient's grant files and provided to NTIA as soon as reasonably possible following such new or amended filings.

A recipient and subrecipient must also timely file continuation statements for personal property for the duration of the Federal Interest under the terms of the award. In most states, the amended financing statement is referred to as a UCC-3 and may be used to reflect the continuation of the Federal Interest. The recipient or subrecipient should normally follow the same filing procedures for filing additional UCC-1s or UCC-3 continuation statements as it did with the initial UCC-1, unless circumstances have substantially changed. The recipient or subrecipient should first consult its counsel if it has any questions and then follow up with its assigned BTOP FPO if further guidance is needed. UCC-3s and other forms of continuation statements must be retained in the recipient's grant files and provided to NTIA as soon as reasonably possible following such filings.





Attorney Certification

The recipient or subrecipient must obtain a certification from counsel, licensed by the state within which the filings were made, that the Covenant and/or UCC documentation, as applicable, has been properly executed and recorded or filed (as the case may be) in accordance with state law. A sample Attorney's Certification is attached to this guidance as [Attachment C](#), which may be used for this purpose.

Federal Interest Documentation

The recipient or subrecipient must provide the Grants Office with: (1) a copy of the instruments reflecting the documentation of the Federal Interest, specifically the recorded Covenant(s) and/or the filed UCC documents with the recording or filing stamp and information clearly visible; and (2) the attorney certification(s) described above. The recipient or subrecipient should submit this documentation in GrantsOnline (GOL) as an "Award Action Request – Other." The recipient or subrecipient must maintain in their grants files copies of the instruments reflecting the documentation of the Federal Interest, specifically the recorded Covenant(s) and/or the filed UCC documents with the recording or filing stamp and information clearly visible.

Frequently Asked Questions

[When does a BTOP grant award involve "construction" making the recipient or subrecipient subject to the requirement to execute and record appropriate documentation of the Federal Interest?](#)

The requirement to execute and record appropriate documentation of the Federal Interest applies to BTOP awards for which the major purpose of the project is construction. Chapter 17 of the Department of Commerce Interim Grants states that construction activities may include the "construction of new buildings, completion of shell space in existing buildings, renovation or rehabilitation of existing buildings, . . . construction or development of real property, [and] infrastructure improvements (e.g. site preparation; utilities; streets; curbs; sidewalks; parking lots; and other streetscaping improvements, etc.)." In contrast, alteration of facilities incidental to a non-construction project purpose is not considered construction for purposes of this analysis, and such activities do not trigger the requirement for the recipient or subrecipient to execute and record appropriate documentation of the Federal Interest.

NTIA considers the major purpose of BTOP projects to be "construction" in the case of grants awarded for (1) Broadband Infrastructure (Last Mile and Middle Mile projects); (2) CCI; and (3) PCC projects with a construction component. Recipients and subrecipients of such awards must therefore execute and record appropriate documentation of the Federal Interest in Covered BTOP Property in accord with the terms and conditions of their respective awards.

In contrast, BTOP does not consider SBA and PCC projects that do not include a construction component as construction awards. Even if a recipient or subrecipient of such an award engages in minor alteration activities, NTIA considers such activities to be incidental to the non-construction purposes of the award. In general, minor alterations would include such activities as the installation of cabinetry, doors, windows, window frames, window coverings, system furniture, interior finishes or flooring, interior partitions, sinks or faucets; the replacement or repair of wallboard or ceilings; rough-ins for plumbing or electrical work; and painting; wallpapering; and carpeting. While the Federal Interest nevertheless attaches to any real or personal property acquired or improved, in whole or in part, with BTOP award funds (*i.e.*, BTOP Property), recipients and subrecipients of non-construction awards are not required to execute and record documentation of the Federal Interest.





For purposes of determining the amount of the Federal Interest, may a recipient or subrecipient designate certain facilities as purchased or constructed solely with Federal funds and certain other facilities as purchased or constructed solely with matching non-federal funds?

No. The amount of the Federal Interest on a particular piece of real or personal property acquired or improved with funds made available through a BTOP financial assistance award is computed as the percentage of the then current fair market value of the property that is attributable to NTIA's participation in the BTOP project. For previously acquired real or personal property that is contributed to the project as a recipient, subrecipient or third party in-kind matching contribution, recipients and subrecipients are not required to document or record evidence of the Federal Interest in such property to the extent that such property is not subsequently improved under the BTOP award.

For purposes of determining the pendency of the Federal Interest, may a recipient or subrecipient use its existing regulatory or financial depreciation schedule to measure the useful life of BTOP Property?

No. NTIA has published a BTOP Useful Life Schedule that provides uniform useful life rules for BTOP Property, available at: http://www2.ntia.doc.gov/files/fact_sheet_useful_life_schedule_082510_v1.pdf. The Federal Interest is based on the useful life set forth in the BTOP Useful Life Schedule.

Additional Resources

For additional information pertaining to the Federal Interest or to the security interest requirement, please refer to the following resources:

- Department of Commerce Updated Grants and Cooperative Agreements Interim Manual, Chapter 17, "Construction Awards," available at: http://oam.ocs.doc.gov/gmd_updated-doc.html
- Department of Commerce Financial Assistance Standard Terms and Conditions, Section K, available at: <http://oam.ocs.doc.gov/docs/GRANTS/DOC%20STCsMAR08Rev.pdf>
- Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit, and Commercial Organizations, 15 C.F.R. at §§ 14.30-14.37
- Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, 15 C.F.R. at §§ 24.31-24.34
- *In re Joliet-Will County Community Action Agency*, 847 F.2d 430 (7th Cir.1988)





Attachment A – SAMPLE Covenant of Purpose, Use and Ownership Form

Covenant of Purpose, Use and Ownership

THIS COVENANT OF PURPOSE, USE AND OWNERSHIP (hereinafter called "Covenant") dated this ___ day of _____, 20___, by and between _____, whose address is _____ (hereinafter with its successors and assigns called "Recipient"); and the National Telecommunications and Information Administration, U.S. Department of Commerce, whose address is 1401 Constitution Avenue, N.W., Room 4812, Washington, D.C. 20230 (hereinafter with successors and assigns called "NTIA").

RECITALS

WHEREAS, Recipient submitted an application to NTIA for financial assistance under the Broadband Technology Opportunities Program ("BTOP"), pursuant to the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (Feb. 17, 2009) (hereinafter the "Act"); and

WHEREAS, by Offer of Award, dated _____, NTIA offered to Recipient a financial assistance award designated as Award No. _____ (the "Award") in the amount of \$ _____ (hereinafter called "Award Amount") to assist in financing _____ (hereinafter called "Project"); and

WHEREAS, to execute such Project, Recipient has acquired or improved real property in whole or in part with funds made available through the Award [or applicable real property interest] described in Exhibit "A" attached hereto and incorporated herein (hereinafter with all improvements called the "Property"); and

WHEREAS, on _____, Recipient accepted the Award by signing Form CD-450 (together with all documents attached thereto or incorporated therein, the "Award Agreement") issued in connection with the Project and pertaining to the Award Number, thereby binding itself and making itself subject to the terms and conditions contained in the Award Agreement including, without limitation, the applicable requirements of 15 Code of Federal Regulations (C.F.R.), Parts 14 or 24, as applicable, and the terms of the First Notice of Funds Availability, 74 Fed. Reg. 33104 (Jul. 9, 2009) or the Second Notice of Funds Availability, 75 Fed. Reg. 3792 (January 22, 2010), as applicable; and

WHEREAS, the Award Agreement provides the purposes for which the Award Amount may be used and provides, *inter alia*, that Recipient holds title to the Property in trust for the public purposes of the Project, and may not sell, lease, transfer, convey, hypothecate, mortgage, or otherwise alienate any right to or interest in the Property, or use the Property for purposes other than, and different from, those purposes set forth in the Award Agreement and the application made by Recipient therefore (hereinafter called "Project Purposes"), such alienation and use being prohibited by 15 C.F.R. Parts 14 or 24, as applicable, and the Award Agreement, without the prior written approval of the BTOP Grants Officer, or his /her designee or successor (hereinafter called the "Grants Officer"); and

WHEREAS, under the authority of the Act and the Award Agreement, Recipient may not use the Property for purposes other than Project Purposes and may not lease, sell, transfer, convey, mortgage or hypothecate or otherwise alienate the Property to any party without prior written approval from the Grants Officer, unless NTIA is repaid its Federal Interest in the Property, as defined and more particularly described herein; and

WHEREAS, Recipient, as owner of all or part of the Property, agreed to record this Covenant in the appropriate office for the recording of public records affecting real property in the jurisdiction where the Property is





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located so as to constitute notice to all persons of the restrictions contained herein on title to and use of the Property for the benefit of the public purposes of the Project; and

WHEREAS, the _____

located at _____

is the proper office to record this Covenant:

NOW THEREFORE, in consideration of financial assistance rendered and/or to be rendered by NTIA and of other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and to assure that the benefits of the Project will accrue to the public and be used as intended by both NTIA and Recipient, Recipient hereby covenants and agrees as follows:

1. For purposes of this Covenant, the useful life of the Property is set forth in Exhibit A, as determined by the BTOP Schedule of the Useful Life of Property, attached as Exhibit B hereto.
2. Recipient agrees that for the useful life set forth above, Recipient will not lease, sell, transfer, convey, hypothecate, mortgage, or otherwise alienate any interest in the Property, nor shall Recipient use the Property for purposes other than the Project Purposes without the prior written approval of the Grants Officer. However, such approval may be withheld until such time as Recipient first pays to NTIA the Federal Interest (as hereinafter defined) in the Property as provided in 15 C.F.R. Part 14 or Part 24, as applicable. The Federal Interest is that percentage of the then current fair market value of the Property attributable to the NTIA participation in the Project (after deducting actual and reasonable selling and fix-up expenses, if any, incurred to put the property into condition for sale). The Federal share excludes that value of the Property attributable to acquisition or improvements before or after NTIA's participation in the Project and not included in Project costs. As of the date of this Covenant, it is hereby agreed that NTIA's percentage participation in the Project is [*this percentage is equal to the federal share ratio under the BTOP award*] (XX%) percent.
3. Recipient further covenants that in the event NTIA permits the Property to be used for purposes other than the Project Purposes, or if the Property is sold, leased, transferred, conveyed, hypothecated, mortgaged, or otherwise alienated, Recipient will compensate the Federal Government for the Federal Interest in the Property. Such Federal Interest shall be and is hereby made a charge and lien of the first priority against the Property until fully satisfied.
4. Recipient further agrees that, as a condition of accepting the disbursement of any portion of the Award Amount, Recipient shall provide NTIA with evidence that it has executed and placed on record against the Property, this Covenant and shall provide the Grants Officer with evidence of such recording. NTIA will in its sole discretion determine whether this Covenant is satisfactory and may require an opinion of counsel for the Recipient that: (i) the Covenant is valid and enforceable according to its terms; (ii) the Covenant has been properly recorded; and (iii) that there is no lien or encumbrance on or pertaining to the Property superior to the Covenant.
5. Recipient further agrees that whenever the Property is sold, leased, or otherwise conveyed, Recipient or the transferor shall add to the instrument of conveyance, pursuant to the requirement of 15 C.F.R. Part 14, a covenant of purpose, use and ownership. NTIA will, in its sole discretion, determine whether such covenant is satisfactory. In connection with any such transfer, NTIA may require an opinion of counsel for the Recipient or for the transferor that the covenant is valid and enforceable according to its terms and has been properly recorded.





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6. It is stipulated and agreed that the terms hereof constitute a reasonable restraint on alienation of use, control, and possession of or title to the Property given the Federal Interest expressed herein.
7. This Covenant shall run with the land.
8. This Covenant shall be construed in a manner consistent with the terms and conditions of the Award Agreement and applicable regulations; *provided, however*, that if there is a conflict, the terms and conditions of the Award Agreement shall control.

IN WITNESS WHEREOF, the recipient has hereunto set their hand as of the day and year first above written by their duly authorized officer. A completed duly recorded copy of this Covenant shall be forwarded to NTIA. (The appropriate acknowledgment must be included for recording in Recipient's jurisdiction.)

Recipient: _____

By: _____

Title: _____

ATTEST:

By: _____

Title: _____

Exhibit A (Legal Description of the Property)

Exhibit B (BTOP Schedule of the Useful Life of Property)





Attachment B – UCC-1 Information and SAMPLE “Schedule A” Equipment List

Recipients and subrecipients should complete the UCC-1 using the following information:

Field	Description
Debtor	<ul style="list-style-type: none"> Enter the name and address of the recipient or subrecipient organization that will hold the property.
Secured Party	<ul style="list-style-type: none"> NTIA/BTOP Room 4812 U.S. Department of Commerce 1401 Constitution Avenue, NW Washington, DC 20230
Collateral	<ul style="list-style-type: none"> Enter the following text in the space to describe the collateral: <p>“Certain equipment (the Equipment) acquired or improved, or to be acquired or improved, under NTIA/BTOP Grant Award #XXXXXXXXXX by [Recipient/Subrecipient], including but not limited to the items identified in "Schedule A," the project's equipment list, which is attached hereto and incorporated herein by reference. Recipient/Subrecipient holds the Equipment in trust for the benefit of the NTIA Broadband Technology Opportunities Program (BTOP). The Federal Government retains an undivided equitable reversionary interest in each item of the Equipment for the useful life thereof, as determined under the BTOP Useful Life Schedule and set forth in Schedule A.”</p> Attach to the UCC-1 a list of the personal property acquired or improved with BTOP grant funds in the format shown in Attachment B to this guidance. This list should agree with the approved equipment list for the project from the award document.
Signature	<ul style="list-style-type: none"> If a signature is required in the state where the document is to be filed, the document should be signed as the “Debtor” by an authorized representative of the recipient or subrecipient organization that will hold the property.
Filing	<ul style="list-style-type: none"> Once the UCC-1 is properly prepared, it should be filed in accordance with Article 9 of the state’s Uniform Commercial Code, which may mean with a secretary of state office or other filing agency in the state where the recipient or subrecipient is legally organized. A UCC- 1 for personal property to be affixed to land should be filed with the lien records of the local jurisdiction where the land is located.





SAMPLE
Schedule A: Equipment List

Recipient Name
 Recipient Address
 NTIA/BTOP Award No. XXXXXXXXXXXXXXXXXXXX

Quantity	Description	Manufacturer and Model Number	Serial Number(s)	Unit Cost	Price	Tag Number	Date of Acquisition	Useful Life (Per BTOP Schedule)
3 <i>(example)</i>	4 Port 10/100/1000 Switch	Cisco ME 3400G-2-CS-A	6500748 6500749 6500750	\$xxx	\$xxx	101 102 103	10/31/2010	10 years



Attachment C – SAMPLE Attorney Certification

RE: [Covenant of Purpose, Use and Ownership and/or UCC-1 Form(s)]

NTIA BTOP Grant No. _____

Pursuant to 28 U.S.C. § 1746, I hereby certify as follows:

I am legal counsel at _____.

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

[For Covenants] Attached hereto is a certified copy of that document entitled “Covenant of Purpose, Use and Ownership” reflecting that this document was filed in the _____ on _____, 2011, bearing the recording data evidencing that this document is recorded as [Insert recording data, e.g., instrument number, book and page number, etc.] and consists of ____ recorded pages as certified by _____ of _____.

[For UCC-1s] Attached hereto is a certified copy of UCC-1 form(s) reflecting that this document was filed in the _____ on _____, 2011, 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 _____.

I certify that this [Covenant of Purpose, Use and Ownership and/or 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)

