



Introduction

New Hampshire Department of Business and Economic Affairs, Office of Broadband Initiatives, consistent with New Hampshire's Initial Proposal Volume II, provides the attached sample letter of credit for use by provisionally selected subgrantees that intend to provide a letter of credit to meet the obligation described in section IV.D.2.a.ii of NTIA's Notice of Funding Opportunity (NOFO), as modified by the National Telecommunications and Information Administration's (NTIA) Broadband Equity, Access and Deployment (BEAD) Letter of Credit Waiver released on October 23, 2023. Content highlighted and in brackets should be provided by the financial institution at the time of issuance.

Resources:

[New Hampshire's Initial Proposal Volume II](#)

[NTIA BEAD Letter of Credit Waiver](#)

[BEAD NOFO](#)

[FCC Rural Digital Opportunity Fund Sample Letter of Credit](#)

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Draft Letter of Credit

[Issuing Bank Letterhead]

Irrevocably Standby Letter of Credit No. _____

[Issuing Bank Name]

[Address of Issuing Bank]

Date of Issuance: _____

Amount: _____

Expiration Date: _____

Beneficiary

New Hampshire Department of Business and Economic Affairs
Attn: Office of Broadband Initiatives
100 North Main Street
Suite 100
Concord, NH 03301

[Formal Name of Applicant]

[Applicant Address]

Ladies and Gentlemen,

We hereby establish, at the request and for the account of [Formal Name of Applicant], in your favor, as required under the Broadband, Equity, Access, and Deployment (BEAD) Program's Notice of Funding Opportunity, Issued by the National Telecommunications and Information Administration (NTIA) of the U.S. Department of Commerce (DOC) on May 13, 2022, and the State of New Hampshire's Initial Proposal Volume II approved by NTIA on June 3, 2024, our Irrevocable Standby Letter of Credit No. _____ in the amount of [state amount Letter of Credit in words and figures], expiring at the close of banking business at our office described in the following paragraph, on [the date which is _____ years from the date of issuance or such earlier date as the Letter of Credit is terminated by the New Hampshire Department of Business and Economic Affairs (the "Expiration Date").]

Funds under this Letter of Credit are available to you against your draft in the form attached hereto as Annex A, drawn on our office described below, and referring thereon to the number of this Letter of Credit, accompanied by your written and completed certificate signed by you substantially in the form of Annex B attached hereto. Such draft and certifications shall be dated the date of presentation or an earlier date, which presentation shall be made at our office located at [Issuing Bank Address] and shall be affected either by personal delivery or delivery by a nationally recognized overnight delivery service. We hereby commit and agree to accept such presentation at such office, and if such presentation of documents appears on its face to comply with the terms and conditions of this Letter of Credit, on or prior to the Expiration Date, we will honor the same not later than one (1) banking day after presentation thereof in accordance with your payment instructions. Payment under this Letter of Credit shall be made by [check/wire transfer of funds] to the payee and for the account you designate, in accordance with the instructions set forth in a draft presented in connection with a draw under this Letter of Credit.



Partial drawings are not permitted under this Letter of Credit. This Letter of Credit is not transferable or assignable in whole or in part.

This Letter of Credit shall be canceled and terminated upon receipt by us of the New Hampshire Department of Business and Economic Affairs' certificate purportedly signed by two (2) authorized representatives of the New Hampshire Department of Business and Economic Affairs in the form attached as Annex C.

This Letter of Credit sets forth in full the undertaking of the Issuer, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except only the certificates and the drafts referred to herein and the ISP (as defined below); and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificates and such drafts and the ISP.

This Letter of Credit shall be subject to, governed by, and construed in accordance with, the International Standby Practices 1998, International Chamber of Commerce Publication No. 590 (the "ISP"), which is incorporated into the text of this Letter of Credit by this reference, and, to the extent not inconsistent therewith, the laws of the State of New Hampshire. Communications with respect to this Letter of Credit shall be addressed to us at our address set forth below, specifically referring to the number of this Letter of Credit.

Signature

Name of Signatory

Title of Signatory

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ANNEX A Form of Draft

To: [Name of Issuing Bank]

DRAWN ON LETTER OF CREDIT No: _____

AT SIGHT

PAY TO THE ORDER OF NEW HAMPSHIRE DEPARTMENT OF BUSINESS AND
ECONOMIC AFFAIRS BY [CHECK/WIRE TRANSFER] FUNDS TO: _____

Account (_____)

AS NEW HAMPSHIRE BEAD PROGRAM PAYMENT

[AMOUNT IN WORDS] DOLLARS AND NO/CENTS

[\$AMOUNT IN NUMBERS]

New Hampshire Department of Business and Economic Affairs
Office of Broadband Initiatives

By: _____

Name: _____

Title: _____

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ANNEX B DRAW CERTIFICATE

The undersigned hereby certifies to [Name of Issuing Bank] (the “Bank”), with reference to (a) Irrevocable Standby Letter of Credit No. _____ (the “Letter of Credit”) issued by the Bank in favor of the New Hampshire Department of Business and Economic Affairs and (b) Section IV.D.2.a.ii of the Broadband Equity, Access, and Deployment (BEAD) Program Notice of Funding Opportunity, issued by the National Telecommunications and Information Administration (NTIA) of the U.S. Department of Commerce (DOC) on May 13, 2022, and the State of New Hampshire’s Initial Proposal Volume II approved by the NTIA on June 3, 2024 (the BEAD Program Requirements), pursuant to which [Name of Selected Subgrantee] (the “Provider”) has provided the Letter of Credit (all capitalized terms used herein but not defined herein having the meaning stated in the BEAD Program Requirements), that:

[The Name of Selected Subgrantee] has [describe the event that triggers the draw] and is evidenced by a letter signed by the Commissioner of the New Hampshire Department of Business and Economic Affairs or their designee, dated _____, 20____, a true copy of which is attached hereto. Accordingly, a draw of the entire amount of the Letter of Credit No. _____ is authorized.

OR

The New Hampshire Department of Business and Economic Affairs certifies that given notice of non-renewal of Letter of Credit No. _____ and failure of the account party to obtain a satisfactory replacement thereof, pursuant to the BEAD Program Requirements, the New Hampshire Department of Business and Economic Affairs is entitled to receive payment of \$ _____ representing the entire amount of Letter of Credit No. _____.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of [specify time of day] on the _____ day of _____, 20____.

New Hampshire Department of Business and Economic Affairs
Office of Broadband Initiatives

By: _____

Name:

Title:



ANNEX C Certificate Regarding Termination of Letter of Credit

The undersigned hereby certifies to [Name of Issuing Bank] (the “Bank”), with reference to (a) Irrevocable Standby Letter of Credit No. [Number] (the “Letter of Credit”) issued by the Bank in favor of the New Hampshire Department of Business and Economic Affairs, and (b) the requirements established in the Broadband Equity, Access and Deployment (BEAD) Program Notice of Funding Opportunity, issued by the National Telecommunications and Information Administration (NTIA) of the U.S. Department of Commerce (DOC) on May 13, 2022, and the State of New Hampshire’s Initial Proposal Volume II approved by the NTIA on June 3, 2024 (the BEAD Program Requirements), (all capitalized terms used herein but not defined herein having the meaning stated or described in the BEAD Program Requirements), that:

- (1) [Include one of the following clauses, as applicable]
 - a. The BEAD Program Requirements have been fulfilled in accordance with the provisions thereof; or
 - b. [Provider/Selected Subgrantee] has provided a replacement letter of credit satisfactory to the New Hampshire Department of Business and Economic Affairs.
- (2) By reasons of the event or circumstances described in paragraph (1) of this certificate and effective upon the receipt by the Bank of this certificate (countersigned as set forth below). The Letter of Credit is terminated.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the _____ day of _____, 20__.

New Hampshire Department of Business and Economic Affairs
Office of Broadband Initiatives

By: _____
Name: _____
Title: _____