

Letter of credit and performance bond requirements under NTIA's BEAD Letter of Credit Waiver

Applicants may utilize either option 2.3 or 2.4 under NTIA's BEAD Letter of Credit Waiver

Key Question	Option 2.3	Option 2.4
What is the required value for the LOC or PB ?	Letter of Credit worth no less than 25% of the subaward amount OR Performance Bond worth no less than 100% of the subaward amount	Letter of Credit or Performance Bond worth no less than 10% of the subaward amount
Can the value of the LOC or PB be reduced?	Yes. Applicants may reduce the amount of the letter of credit or performance bond as milestones, determined by ARConnect, are met.	No
Are there any disbursement request requirements?	No. However, since ARConnect is utilizing a fixed amount subaward structure, applicants will still need to file for disbursement as milestones are met.	Yes. Applicants must file for disbursement every six months.

Match Requirements

A waiver for the 25% match requirement is a **separate process** from the Letter of Credit Waiver. **Only NTIA** has the authority to approve a waiver request for the match requirement.