

SCHEDULE D

USF Project Implementation and Subsidy Payment Schedule

1. The USF Subsidy shall consist of a total subsidy payment of Pakistan rupees [insert total amount of USF Subsidy] calculated on the basis of per subscriber, Community Broadband Center and Educational Broadband Center as per details mentioned in Annex C, payable by USFCo to the USF Service Provider in specific installments in accordance with this Schedule D. All USF Subsidy installment payments shall be payable in Pakistan Rupees (PKR).
2. Subject to the provisions of Article Thirteen of the Agreement and this Schedule D, the USF Subsidy shall be payable in accordance with following schedule of payments. The payments shall include an initial mobilization payment and the Project Implementation Milestones and amounts identified in the following tables:

Project Mobilization Payment		Installment Payable (percentage of USF Subsidy)	Total Amount to be Paid
Payable within fifteen (15) Business Days of Effective Date.		20%	PKR [xxx]
Milestone Number	Project Implementation Milestone	Installment Payable (percentage of USF Subsidy)	Total Amount to be Paid
1.	Demonstration that the USF Network provides 25% of both contracted Broadband penetration and establishments of Educational and Community Broadband Centers identified in Schedule C have been achieved.	20 %	PKR [xxx]
2.	Demonstration that the USF Network provides 50% of both contracted Broadband penetration and establishments of Educational and Community Broadband Centers identified in Schedule C have been achieved.	20 %	PKR [xxx]
3.	Demonstration that the USF Network provides 75% of both contracted Broadband penetration and establishments of Educational and	20 %	PKR [xxx]

SCHEDULE D to SSA

	Community Broadband Centers identified in Schedule C have been achieved.		
4.	Demonstration that the USF Network provides 100% of both contracted Broadband penetration and establishments of Educational and Community Broadband Centers identified in Schedule C have been achieved.	20 %	PKR [xxx]

3. Timing of completion of each of the Project Implementation Milestones set out in the table above shall be at the discretion of the USF Service Provider. However, the USF Service Provider must achieve First Project Implementation Milestone within nine (9) months and all four (04) Project Implementation Milestones within eighteen (18) months of the Effective Date (the “Final Implementation Date”). Any Project Implementation Milestone or part of it achieved after the stipulated eighteen (18) months shall not qualify for USF Subsidy payments in addition to any other action taken by USFCo under SSA.
4. The USF Service Provider shall provide each of USFCo and the Technical Auditor with a notice in writing (a “Project Implementation Milestone Notice”) upon completion of each Project Implementation Milestone.
5. Within 45 Business Days of receipt of a Project Implementation Milestone Notice, the Technical Auditor shall either:
 - (a) certify in writing (a “Project Implementation Milestone Certification”) to the Parties that the Project Implementation Milestone has been completed; or
 - (b) indicate in writing to the Parties that the Project Implementation Milestone has not been completed, providing reasons for this conclusion.
6. Where the USF Service Provider disputes any notice from the Technical Auditor that a Project Implementation Milestone has not been completed, the dispute will be resolved in accordance with Article 10 of the Agreement.
7. Each installment of the USF Subsidy will be paid to the USF Service Provider within 30 Business Days of USFCo receiving a written Project Implementation Milestone Certification from the Technical Auditor certifying that the USF Service Provider has completed the relevant Project Implementation Milestone.
8. The USF Subsidy installments shall be paid by a form of bank instrument selected by USFCo in its sole discretion, but all payments by USFCo to the USF Service Provider shall comply with all applicable laws, rules and regulations.

SCHEDULE D to SSA

9. The USF Service Provider shall send USFCo a written confirmation of receipt of all USF Subsidy installments.
10. For the purpose of this Schedule D, defined terms either have the meaning given to them in Schedule A or are defined below in this Schedule D.

Active Subscriber	means a subscriber to whom a Broadband Service has been delivered in the three (3) months preceding the date of the provision of information to the Technical Auditor in accordance with this Schedule D.
Billing System	means the electronic system used by the USF Service Provider to generate subscriber bills whether the bill is rendered before the Broadband Service is delivered or otherwise.
Contracted Broadband Penetration	means the number of Active Services divided by the number of subscribers identified in Schedule C at each of the Project Implementation Milestones expressed as a percentage.
Dynamically Assigned IP Address	means an IP Address which is allocated to a subscriber on a periodic basis by the USF Service Provider. The subscriber does not control this IP Address.
IP Address	means an Internet Protocol Address as that term has been defined by the Internet Engineering Task Force.
AAA Server:	means an authentication, authorization and accounting system used by the USF Service Provider to authenticate, authorize and account use,.
Static IP Address	means an IP Address which is allocated to a subscriber for the term of a subscription and which will not be changed by the USF Service Provider during the course of the applicable subscriber agreement.

11. In order to demonstrate that the relevant Project Implementation Milestones have been met, on request the USF Service Provider must immediately provide the following information to the Technical Auditor:
 - (a) the range of IP addresses used to deliver Broadband Services to subscribers; and
 - (b) the range of IP addresses used to deliver services to Educational and Community Broadband Centers.
12. In order for the Technical Auditor to determine that the Contracted Broadband Penetration has been met, on request the USF Service Provider must immediately provide the following information to the Technical Auditor:
 - (a) number of Broadband Services which are delivered to Static IP Addresses; and
 - (b) the number of Broadband Services which are delivered to Dynamically Assigned IP Addresses;
 - (c) the number of subscribers registered in the USF Service Provider's AAA Server

SCHEDULE D to SSA

- (d) the name and address of subscribers registered in the USF Service Provider's AAA Server
 - (e) any other information required to uniquely identify a subscriber
 - (f) the number of Active Subscribers.
 - (g) Physical access to USF Service Provider's Data Network for traffic measurement of USF Areas
13. The USF Service Provider must also deliver reports generated from its Billing System and its AAA Server to support its provision of information to the Technical Auditor. The AAA Server information to be provided includes "Accounting" data. The Technical Auditor may indicate in writing to the Parties that the Project Implementation Milestone has not been completed under clause 5(b) of this Schedule D, if:
- (a) the number of Active Subscribers reported by the USF Service Provider is greater than:
 - (i) the total of number of Broadband Services which are delivered to Static IP Addresses; and
 - (ii) the number of Broadband Services which are delivered to Dynamically Assigned IP Addresses;
 - (b) the number of Active Subscribers reported by the USF Service Provider is greater than the number of subscribers registered in the USF Service Provider's AAA Server;
 - (c) the number of Active Subscribers reported by the USF Service Provider is below the relevant Contracted Broadband Penetration; or
 - (d) if the number of IP Addresses used to deliver services to Educational and Community Broadband Centers is below the number of Educational and Community Broadband Centers required to meet the Project Implementation Milestone.