SCHEDULE G

……., 2008

Universal Service Fund Fifth
Floor, HBL Tower, Jinnah
Avenue, Islamabad

Sub: LETTER OF LIEN TO THE EXTENT OF _____ [✪[1]]

Dear Sirs,

In consideration of you, Universal Service Fund, a company set up under the Companies Ordinance 1984 having its principal office at Fifth Floor, HBL Tower, Jinnah Avenue, Islamabad through its Chief Executive Officer, (hereinafter referred to as "USFCo"), providing/agreeing to provide subsidy to the tune of Rs.___ _____to us under USF Services and Subsidy Agreement (SSA) dated _____, and as per Clause 6.02 of the SSA and Rule 26(6) of USF Rules 2006, we,_____ company incorporated under the Companies Ordinance 1984 and having its registered office at _____ (hereinafter referred to as the "USF Service Provider"), do hereby create Lien on the assets specified in Schedule-A hereto (the "Property under Lien") in your favour for the purpose of securing the establishment, maintenance and operation of USF Fiber Optic Network and provision of USF FOC Services in the USF area for a period of ten years from the Effective Date of SSA or repayment of the Subsidy Amount up-to an amount of Rs. [✪[2]] (Rupees _____Only) and other moneys payable under the SSA.

We further, irrevocably and unconditionally, undertake, agree, covenant and confirm as follows:

ARTICLE ONE – LIEN

1.01 Property under Lien

We hereby create lien in favour of USFCo all our moveable and immovable properties mentioned in Schedule A to this Letter and our assets as may hereafter be acquired by us for deployment of the USF Fiber Optic Network in the USF Areas, together with the benefits of all rights relating thereto (all such properties and assets herein to be collectively called the "Property under Lien") as security for deployment of the USF Fiber Optic Network and provision of USF FOC Services in the USF Areas in accordance with the SSA, or repayment by us of the USF Subsidy and other moneys payable under the SSA.

1.02 No further lien

The Property under Lien shall be kept and held always distinguishable and as USFCo's exclusive property specially appropriated to the security and we shall not create any mortgage, charges, lien or encumbrance affecting the same or part with the Property under Lien except with the prior permission in writing of USFCo.

[1] Insert Value of USF Subsidy as mentioned in SSA.
[2] Insert Value of USF Subsidy as mentioned in SSA.

1.03 **Right to inspect**

We hereby permit USFCo, its agents, nominees and employees from time to time after giving reasonable notice to enter upon, during normal working hours, any premises wherein the Property under Lien or any part thereof may for the time being be and to view/inspect and value the same and take inventories thereof and shall render to USFCo, its agents, nominees and employees all facilities and reasonable assistance as may be required for any of the purposes aforesaid.

1.04 **Free from distress**

We shall punctually pay all rents, rates, taxes and other outgoing expenditures for the premises wherein the Property under Lien shall be stored and keep the same free from distress.

1.05 **Insurance**

During the validity of the SSA, we shall keep the Property under Lien insured in accordance with Article 7 of the SSA.

1.06 **No change**

We undertake that during the term of the SSA the listed machinery and equipment (as further defined in the USF Services and Subsidy Agreement) shall not be removed, disposed of or impaired in any manner whatsoever, except for repair, maintenance or replacement in the ordinary course of business.

1.07 **Information**

The USF Service Provider shall make and furnish to USFCo all statements and reports of the cost and market value of the Property under Lien and a full description thereof and produce such evidence in support thereof as USFCo may from time to time reasonably require.

ARTICLE TWO - REPRESENTATION AND INDEMNIFICATION

2.01 **Right to enter**

In the event of, we committing a breach of any of the terms and conditions of this letter or of the SSA, USFCo and its officers and agents shall be entitled without notice to us and at our risk and expense and if so required as attorneys for and in our name to enter and remain at any place where the Property under Lien shall be and to take possession or recover and receive the same and/or appoint any officer or officers of USFCo as receiver or receivers of the Property under Lien, confiscate the same, and/or sell by public auction or private contract or otherwise dispose off or deal with all or any part of the Property under Lien and to enforce, release, settle, compromise and deal with any of aforesaid without being bound to exercise any of these powers or being liable for any loss in the exercise thereof, except where such loss is caused by the negligence or misconduct of USFCo or its officers, agents or receivers and without prejudice of USFCo's other rights and remedies including the right of legal action against us and to apply the net proceeds of such sale in or towards the repayment of the USF Subsidy and any other moneys that have become due under the SSA and have not been paid by us and we hereby agree to accept USFCo's account of sales and realization, except in case of any error or omission, and to pay any shortfall or deficiency therein shown. Provided, however, that the powers hereunder shall always be exercised to the extent of the Property under Lien.

2.02 **Clear Title**

We hereby declares that all the Property under Lien is our absolute property, at our sole disposal and free from any prior charges or encumbrance and that we have not done or knowingly suffered or been party or privy to anything whereby we are in any way prevented from creating lien over Property under Lien in the manner aforesaid. We shall do and execute at our cost all such acts and things for further and more particularly ensuring that the rights and remedies regarding the Property under Lien or any part thereof, under this letter, remain fully enforceable for the benefit of USFCo, as may be required by USFCo, and for giving better effect to this letter, we authorize and irrevocably appoint USFCo and/or its officers as attorney or attorneys for and in our name to act on our behalf and to execute or do any acts or things which we ought to execute or do under this letter and generally to use our name in the exercise of the powers hereby conferred.

2.03 **Indemnification**

a) We hereby agree and undertake to comply with all provisions of the various laws, orders, regulations, rules and notifications, already promulgated or that may be promulgated hereafter by the Government or any other authority.

b) Nothing herein contained shall prejudice any of USFCo's rights or remedies in respect of any present or future security, guarantee, obligation or decree for our any indebtedness or liability.

c) We shall indemnify and keep USFCo safe, harmless and indemnified against all losses, damages, detriments, harms, claims, liabilities, demands, actions, proceedings, costs, charges and expenses that may reasonably be sustained by or be made against or incurred by USFCo or to which USFCo may become a party hereunder, provided the same have arisen solely and directly from and default or breach of our obligations under the SSA and this Letter.

2.04 **Continued security**

The security hereunder shall operate as continuing security for all our liabilities notwithstanding any partial performance that may be made from time to time and continue till we shall discharge our obligations under this letter and the SSA in accordance with their respective terms, whereupon this security shall stand discharged.

ARTICLE THREE - GENERAL

3.01 **Remedies**

Nothing herein contained shall extinguish, derogate from, curtail, prejudice, impair or otherwise affect all or any of USFCo's rights and remedies under the said SSA or that may otherwise be available to USFCo under any law in respect of the USF Subsidy or the SSA.

3.02 **No Waiver**

If USFCo does not enforce any of its rights hereunder in the event of breach or non-compliance by us with the terms and conditions herein contained, the inaction or omission of USFCo to take action shall not be treated as waiver or abandonment of any such rights.

3.03 **Applicable Law and Territorial Jurisdiction**

This Letter shall be governed by and construed in accordance with the laws of Pakistan and the Courts at Islamabad shall have exclusive jurisdiction in all matters under this letter.

USF SERVICE PROVIDER

Per:

_____

[insert name and title]

SIGNED, SEALED AND DELIVERED
in the presence of :

_____ _____

Witness (1) ***[insert name]***

_____ _____

Witness (2) ***[insert name]***

ANNEX "I"

(As per list attached and updated from time to time).

USF SERVICE PROVIDER

Per:

_____
[insert name and title]

SIGNED, SEALED AND DELIVERED)
in the presence of:)
_____) _____
Witness (1)) ***[insert name]***
_____) _____
Witness (2)) ***[insert name]***