

Annex 1: USF Subsidy Proposal Form

RFA TO PROVIDE USF TELECOMMUNICATIONS SERVICES

To: The Chief Executive Officer
 USFCo
 3rd Floor, Evacuee Trust Complex,
 Agha Khan Road, F-5/1,
 Islamabad, Pakistan

Applicant's USF Subsidy Proposal:

The Applicant, *[insert name of Applicant]*, hereby commits to assume all of the USF Service obligations identified in the RFA and USF Services and Subsidy Agreement in consideration for the award of the USF Services and Subsidy Agreement and payment of the amount of USF Subsidy indicated in the following table:

Description	Total Cost of project		Amount of Proposed USF Subsidy (in Pakistan rupees)
USF Areas: As identified in Schedule C of USF Services and Subsidy Agreement	<i>[Enter amount of total cost of Project] {The amount must be set out in both words and numbers}</i>		<i>[Enter amount of USF Subsidy proposed] {The amount must be set out in both words and numbers}</i>
Break-up of Total Cost & Proposed USF Subsidy {All amounts must be set out in both words and numbers}			
CAPEX of USF OFC Network	<i>[Enter amount of total CAPEX cost]</i>		<i>[Enter amount of USF Subsidy proposed for CAPEX]</i>
BTS OFC connectivity and services (CAPEX)	<i>[Enter amount of total BTS connectivity cost]</i>		<i>[Enter amount of USF Subsidy proposed for BTS connectivity cost] [Enter amount of USF Subsidy proposed for per BTS connectivity cost]</i>
OPEX Subsidy for OFC Network	OPEX for three Years	<i>[Enter one-third amount of total OPEX mentioned on the left as OPEX for first year]</i>	<i>[Enter amount of USF OPEX Subsidy proposed for first year] {This amount should not exceed 75% of the total OPEX for first year mentioned on the left}</i>
		<i>[Enter one-third amount of total OPEX mentioned on the left as OPEX for second year]</i>	<i>[Enter amount of USF OPEX Subsidy proposed for Second year] {This amount should not exceed 50% of the total OPEX for second year mentioned on the left}</i>

		<i>[Enter one-third amount of total OPEX mentioned on the left as OPEX for third year]</i>	<i>[Enter amount of USF OPEX Subsidy proposed for third year] {This amount should not exceed 25% of the total OPEX for third year mentioned on the left}</i>
OPEX Subsidy for BTS Connectivity	OPEX for three Years	<i>[Enter one-third amount of total OPEX mentioned on the left as OPEX for first year]</i>	<i>[Enter amount of USF OPEX Subsidy proposed for first year] {This amount should not exceed 75% of the total OPEX for first year mentioned on the left}</i>
		<i>[Enter one-third amount of total OPEX mentioned on the left as OPEX for second year]</i>	<i>[Enter amount of USF OPEX Subsidy proposed for Second year] {This amount should not exceed 50% of the total OPEX for second year mentioned on the left}</i>
		<i>[Enter one-third amount of total OPEX mentioned on the left as OPEX for third year]</i>	<i>[Enter amount of USF OPEX Subsidy proposed for third year] {This amount should not exceed 25% of the total OPEX for third year mentioned on the left}</i>

Table 1: Proposed USF Cost and Subsidy

			Subsidy Per Node per year
A	Total OPEX Subsidy for OFC Network Rs. XXX for 3 years		
B	OPEX per Annum	[Total OPEX at A/3]	
C	1st Year demanded Subsidy (max 75%)	OPEX for Year One	
D	2nd year demanded subsidy (max 50%)	OPEX for Year Two	
E	3rd year demanded subsidy (max 25%)	OPEX for Year Three	

Table 2: OPEX Subsidy per Node per Year

			Subsidy Per BTS Connectivity per year
A	Total OPEX Subsidy for BTS Connectivity is Rs. XXX for 3 years		
B	OPEX per Annum	[Total OPEX at A/3]	
F	1st Year demanded Subsidy (max 75%)	OPEX for Year One	
G	2nd year demanded subsidy (max 50%)	OPEX for Year Two	
H	3rd year demanded subsidy (max 25%)	OPEX for Year Three	

Table 3: OPEX Subsidy per BTS Connectivity per Year

1. The proposed subsidy is to be the sum of CAPEX and OPEX of Nodes, OFC & BTS connectivity i.e.

Proposed USF Subsidy = USF CAPEX Subsidy + USF BTS Subsidy + USF OPEX of OFC Network + USF OPEX for BTS Connectivity

2. In the event of any discrepancy between the USF Subsidy amount and total cost of the Project set out in words and numbers, the amount set out in words shall govern.
3. This USF Subsidy Proposal shall remain valid in accordance with section 50 of the RFA.

Signature: _____ Print Name: _____

in the capacity of [*insert title/position of individual signing*] duly authorized to sign for and on behalf of [*insert name of Applicant*].

Dated this _____ day of _____, 20XX.

Witness Signature: _____ Print Name: _____

Dated this _____ day of _____, 20XX.