

Application Form 532

Rural Development
United States Department of Agriculture

RURAL DEVELOPMENT, UTILITIES PROGRAMS (RURAL DEVELOPMENT)

RUS Form 532 & Schedules *Rural Broadband Access Loan and Loan Guarantee Application*



**SUBMIT APPLICATIONS TO YOUR RURAL DEVELOPMENT GENERAL FIELD REPRESENTATIVE
OR TO WASHINGTON BROADBAND OFFICE AT:**

KENNETH KUCHNO
BROADBAND DIVISION
TELECOMMUNICATIONS PROGRAM
RURAL DEVELOPMENT, UTILITIES PROGRAMS
U.S. DEPARTMENT OF AGRICULTURE
STOP 1599, ROOM 2844-S
1400 INDEPENDENCE AVENUE, SW
WASHINGTON, DC 20250-1599

For reference see our website

RUS Bulletin 1738-1 – Rural Broadband Access Loan and Loan Guarantee
Application Guide

<http://www.usda.gov/rus/telecom/broadband.htm>

Issue Date June 17, 2004

Applicant's Name

Application Submittal Date_____

Rural Broadband Access Loan and Loan Guarantee Application

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0130. The time required to complete this information collection is estimated to average 325 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

United States Department of Agriculture
Rural Development, Utilities Programs

APPLICATION FOR BROADBAND LOAN OR LOAN GUARANTEE

RURAL DEVELOPMENT USE ONLY

Borrower and Loan Designation:

APC Date:

1. NAME & ADDRESS OF APPLICANT:

2. REGISTERED AGENT (Address, Telephone and Fax):

3. PHONE NUMBER:

4. FAX NUMBER:

5. E-MAIL ADDRESS:

6. CONTACT PERSON:

7. TYPE OF ORGANIZATION (Check one):

- | | |
|--|---------------------------------------|
| <input type="checkbox"/> Corporation | <input type="checkbox"/> LLC |
| <input type="checkbox"/> Cooperative or Mutual | <input type="checkbox"/> Indian Tribe |
| <input type="checkbox"/> Public Body | <input type="checkbox"/> Other _____ |

8. TYPE of LOAN (Check one):

- | |
|--|
| <input type="checkbox"/> Four Percent |
| <input type="checkbox"/> Cost-of-Money |
| <input type="checkbox"/> Guarantee |

9. REFINANCE/ACQ.:

- | |
|---|
| <input type="checkbox"/> Refinancing |
| <input type="checkbox"/> Acquisition |
| <input type="checkbox"/> Not Applicable |

10. PURPOSE OF LOAN (Briefly explain the purposes for which loan funds are intended and the amount required for each purpose):

11. LOAN MATURITY REQUESTED (Check one):

- | |
|---|
| <input type="checkbox"/> Composite Economic Life of Facilities Financed |
| <input type="checkbox"/> _____ years (if less than composite economic life) |

12. AMOUNT OF LOAN APPLIED FOR:

13. EMPLOYER TAX IDENTIFICATION NO. (TIN):

14. ORGANIZATIONAL NUMBER:

15. CONGRESSIONAL DISTRICTS (Attach as Schedule A): ☐

16. LEGAL OPINION & PROPERTY SCHEDULE:

- | |
|--|
| A. LEGAL OPINION (Attach as Schedule B-1): <input type="checkbox"/> |
| B. REAL PROPERTY SCHEDULE (separated into real property, leased-property, easements, and rights-of-way) (Attach as Schedule B-2): <input type="checkbox"/> |

Rural Broadband Access Loan and Loan Guarantee Application

17. COMPLIANCE CERTIFICATES (Print and sign the samples provided):

- A. EQUAL OPPORTUNITY AND NONDISCRIMINATION CERTIFICATION (Attach as Schedule C-1): ☐
- B. CERTIFICATION REGARDING ARCHITECTURAL BARRIERS (Attach as Schedule C-2): ☐
- C. CERTIFICATION REGARDING FLOOD HAZARD AREA PRECAUTIONS (Attach as Schedule C-3): ☐
- D. UNIFORM RELOCATION ASSISTANCE & REAL PROPERTY ACQUISITION POLICIES (Attach as Schedule C-4): ☐
- E. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS
PRIMARY COVERED TRANSACTIONS (Attach as Schedule C-5): ☐
- F. CERTIFICATION REGARDING LOBBYING FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE
AGREEMENTS (Attach as Schedule C-6): ☐
- G. ENVIRONMENTAL IMPACT CERTIFICATION (Attach as Schedule C-7): ☐
- H. SYSTEM DESIGN CERTIFICATION (Attach as Schedule C-8): ☐

18. COMMUNITIES:

- A. EXISTING AND PROPOSED COMMUNITIES (Attach as Schedule D-1 following the sample provided): ☐
- B. EXISTING SERVICE PROVIDERS (Attach as Schedule D-2 following the sample provided): ☐
- C. SERVICE AREA MAPS (Attach as Schedule D-3): ☐

19. CERTIFICATION OF BROADBAND AVAILABILITY
(Attach as Schedule E following the sample provided): ☐

20. NOTICE OF PROPOSED SERVICE:

- A. PROOF OF LEGAL NOTICE (Attach as Schedule F-1 following the sample provided): ☐
- B. SUFFICIENCY OF LEGAL NOTICE
(Attach as Schedule F-2): ☐

21. CORPORATE STRUCTURE:

- A. ARTICLES OF INCORPORATION or
ORGANIZATION (Attach as Schedule G-1): ☐
- B. STATE LLC STATUTE (if Applicant is LLC) (Attach as Schedule G-2): ☐
- C. BOARD OF DIRECTORS OR MANAGING
MEMBERS (Attach as Schedule G-3): ☐
- D. ORGANIZATIONAL CHART & STATEMENT OF
EXPERIENCE, if any (Attach as Schedule G-4): ☐
- E. PARENT AND SUBSIDIARIES, if any (Attach as
Schedule G-5): ☐

22. EXECUTIVE SUMMARY (Attach as Schedule H): ☐

23. CREDIT SUPPORT (Attach as Schedule I): ☐

24. BOARD RESOLUTION (Attach as Schedule J): ☐

IMPORTANT: If you believe the following information contained in Schedules K through U-2 is Business Proprietary Information, pursuant to Executive Order 12600, please indicate so at the top of each page.

25. RESEARCH DATA & MARKET ANALYSIS

- A. RESEARCH DATA (Attach as Schedule K-1): ☐
- B. MARKET ANALYSIS (Attach as Schedule K-2): ☐

26. BUSINESS PLAN (Attach as Schedule L): ☐

27. MANAGEMENT AND COMPENSATION (Attach as Schedule M): ☐

28. FINANCIAL POSITION:

- A. HISTORICAL FINANCIAL STATEMENTS for last three years with full footnotes & disclosures (Attach as Schedules N-1)
(Certified financial statements are required if available): ☐
- B. SUBSCRIBER PROJECTION TABLES (Attach as Schedule N-2): ☐
- C. PRO-FORMA 5 YR. FINANCIAL FORECAST (Attach as Schedule N-3): ☐
- D. DEPRECIATION SCHEDULE (Attach as Schedule N-4): ☐
- E. TOTAL OUTSTANDING INDEBTEDNESS (Attach breakdown as Schedule N-5): ☐

29. SYSTEM DESIGN (Attach as Schedule O): ☐

30. NETWORK DIAGRAMS (Attach as Schedule P): ☐

Rural Broadband Access Loan and Loan Guarantee Application

31. PROJECT COSTS:

SUMMARY OF PROJECT COSTS = Total from Details (Attach as Schedule Q-1)

\$ _____ ☐

SUMMARY OF PROJECT COSTS BY YEAR (Attach as Schedule Q-1a) ☐

DETAILS:

NETWORK & ACCESS EQUIPMENT - (Attach as Schedule Q-2)

\$ _____ ☐

OUTSIDE PLANT - (Attach as Schedule Q-3)

\$ _____ ☐

BUILDINGS - (Attach as Schedule Q-4)

\$ _____ ☐

LAND - (Attach as Schedule Q-5)

\$ _____ ☐

TOWERS - (Attach as Schedule Q-6)

\$ _____ ☐

CUSTOMER PREMISE EQUIPMENT - (Attach as Schedule Q-7)

\$ _____ ☐

OPERATING EQUIPMENT - (Attach as Schedule Q-8)

\$ _____ ☐

ENGINEERING - (Attach as Schedule Q-9)

\$ _____ ☐

REFINANCING (If Applicable) - (Attach as Schedule Q-10)

\$ _____ ☐

ACQUISITION (If Applicable) - (Attach as Schedule Q-11)

\$ _____ ☐

32. ENVIRONMENTAL REPORT (Attach as Schedule R): ☐

33. TOWER, EQUIPMENT, AND BUILDING LEASES
(Attach as Schedule S): ☐

34. LICENSES AND AGREEMENTS:

A. FCC LICENSES (Attach as Schedule T-1): ☐

B. CLEC LICENSES (Attach as Schedule T-2): ☐

C. FRANCHISE AGREEMENTS (Attach as Schedule T-3): ☐

D. INTERCONNECTION AGREEMENTS (Attach as Schedule T-4): ☐

E. MANAGEMENT / SERVICE AGREEMENTS (Attach as Schedule T-5): ☐

F. BYLAWS or OPERATING AGREEMENT (Attach as Schedule T-6): ☐

G. OTHER MAJOR AGREEMENTS (Attach as Schedule T-7): ☐

35. GUARANTEED LOANS (Loan Guarantee Applicants only):

A. LENDER INFORMATION (Attach as Schedule U-1): ☐

B. LOAN CONTRACT (Attach as Schedule U-2): ☐

36. IS THE BORROWER DELINQUENT ON ANY FEDERAL DEBT Examples of debts include, but are not limited to, delinquent taxes, guaranteed or direct government loans (more than 31 days past due) and other administrative debts.

☐ No

☐ Yes (If yes attach explanation)

The Federal Government is authorized by law to take any or all of the following actions in the event that a borrower's loan payments become delinquent or the borrower defaults on its loan: (1) Report the borrower's delinquent account to a credit bureau; (2) Assess additional interest and penalty charges for the period of time that payment is not made; (3) Assess charges to cover additional administrative costs incurred by the Government to service the borrower's account; (4) Offset amounts owed to the borrower under other Federal programs; (5) Refer the borrower's debt to the Internal Revenue Service for offset against any amount owed to the borrower as an income tax refund; (6) Refer the borrower's account to a private collection agency to collect the amount due; and (7) Refer the borrower's account to the Department of Justice for litigation in the courts. All of these actions can and will be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

CERTIFICATION

The undersigned certifies that the information contained herein is accurate and complete to the best of his knowledge and belief.

SIGNATURE OF AUTHORIZED OFFICIAL

TITLE

DATE

SCHEDULE A
CONGRESSIONAL DISTRICTS

APPLICANT'S CONGRESSIONAL DISTRICT:

CONGRESSIONAL DISTRICTS COVERED BY THE PROJECT:

SCHEDULE B-1
SAMPLE LEGAL OPINION

Date _____

Administrator
Rural Development, Utilities Programs
United States Department of Agriculture
Stop 1500
Washington, D.C. 20250-1500

Subject: (Company Name) _____

Ladies and Gentlemen:

We are counsel to _____ (the "Company") in connection with the Company's application (Application) for a loan from the Rural Development, Utilities Programs (Rural Development), to provide broadband service. We have examined or caused to be examined by competent and trustworthy persons such corporate records and files and such other records, indexes, and files as we have deemed necessary to permit us to render the opinions expressed herein. We are of the opinion that:

1. The Company is a (corporation, cooperative, limited liability company, etc.) duly formed, validly existing and in good standing under the laws of the State of _____.
2. The Company operates in the States of _____ and is duly licensed and qualified and in good standing as a foreign _____, authorized to do business and own property in such States.
3. The Company has full legal right, power and authority to own its property and carry on its business as now conducted.
4. The execution, delivery and performance by the Company of the Application and the consummation of the transactions contemplated thereby are within the powers of the Company.
5. The Application has been duly executed by the Company.
6. The Company owns the real property described on Schedule B-2 attached hereto and has the power to grant a security interest in such property and all other property owned by the Company to the Rural Development as collateral for the loan described in the Application.
7. The real property leases, tower leases and equipment leases (Leases) identified in Schedules B-2 and S are in full force and effect and constitute the legal, valid and binding obligations of the Company and the other parties thereto. (Please list leases in appropriate categories on Schedule B-2.)
8. The Company has such rights under the Leases as are necessary to operate its business as described in the Application and may pledge and assign its interests in the Leases to Rural Development as security for the loans described in the Application.

9. The property descriptions set forth on Schedule B-2 are sufficient for purposes of financing statements creating a lien on such collateral under Article 9 of the Uniform Commercial Code in effect in the State of _____, where the financing statement must be filed.
10. Schedule B-2 contains complete and accurate descriptions of all the real property owned or leased by the Company, including easements and rights-of-way, which are sufficient, in form and substance, for inclusion in the granting clause of a mortgage creating a lien on such property.
11. A security interest in the Leases can be perfected by filing a _____ in the Office of _____ in the State of _____.
12. For purposes of Article 9 of the Uniform Commercial Code in the State of _____, the Company is a "transmitting utility."
13. The Company's organizational number is _____.
14. The exact true and correct legal name of the Company, as stated in its organization documents, is _____.
15. The Company's corporate debt limit is _____.
16. The Company's estimated tax liability for filing a mortgage in the appropriate counties for the proposed loan is estimated to be _____.
17. The execution, delivery and performance by the Company of the loan documents would not (would) require the consent, permission or authorization of (any) governmental authority.
18. The Company's taxpayer identification number is _____.
19. The pending claims or litigation against the Company are described in an attachment to this legal opinion. There are no pending claims or litigation against the Company.
20. The Company has the following subsidiaries or parent: (List and describe all) _____.
21. The titles of the Company officials with the proper authority to execute all loan documents on behalf of the Company, and attest to the execution where required, are _____.

Very Truly Yours,

SCHEDULE B-2
REAL PROPERTY SCHEDULE

1. Real Property Owned:

2. Real Property Leases that are part of the Telecommunications System (indicate record owner of property):

3. Easements and Rights-of-Way:

SCHEDULE C-1
EQUAL OPPORTUNITY AND NONDISCRIMINATION CERTIFICATION

U.S. Department of Agriculture
Rural Development, Utilities Programs

All loans made under the Rural Broadband Access Loan and Loan Guarantee Program are subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, as amended, (7 C.F.R. Part 15); Section 504 of the Rehabilitation Act of 1973, as amended, (29 U.S.C. 901 *et seq*; 7 C.F.R. Part 15b); and the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101 *et seq*; 45 C.F.R. Part 90), and Executive Order 11375, Amending Executive Order 11246, Relating to Equal Employment Opportunity (3 C.F.R. 1966, 1970).

All recipients of financial assistance from Rural Development, the prospective primary participant commits to carry out Rural Development's established policy to comply with the requirements of the above laws and executive orders to the effect that no person in the United States shall, "on the basis of race, color, national origin, handicap, or age, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Rural Broadband Access Loan and Loan Guarantee Program.

We _____ (the Applicant) hereby certify that, as a prospective recipient under the said Rural Broadband Access Loan and Loan Guarantee Program, we will comply with the above referenced laws and executive orders.

(Date)

(Authorized Representative's Signature)

Name:

Title:

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Rural Broadband Access Loan and Loan Guarantee Program.)

SCHEDULE C-2
CERTIFICATION REGARDING ARCHITECTURAL BARRIERS

U.S. Department of Agriculture
Rural Development, Utilities Programs

All facilities financed with Rural Development loans that are open to the public, or in which physically handicapped persons may be employed or reside, must be designed, constructed, and/or altered to be readily accessible to, and usable by, handicapped persons. Standards for these facilities must comply with the Architectural Barriers Act of 1968, as amended, 42 U.S.C. 4151 *et seq.*) and with the Uniform Federal Accessibility Standards (UFAS), (Appendix A to 41 C.F.R. subpart 101-19.6).

As a prospective primary participant recipient of financial assistance from Rural Development, this organization commits to carry out Rural Development's established policy to comply with the requirements of the above referenced law to the effect that all facilities must be readily accessible to and usable by handicapped persons.

We, _____ (the Applicant) hereby certify that, as a prospective recipient under the Rural Broadband Access Loan and Loan Guarantee Program, we are in compliance, or will be in compliance upon completion of the project, with the above referenced law.

(Date)

(Authorized Representative's Signature)

Name:

Title:

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Rural Broadband Access Loan and Loan Guarantee Program.)

SCHEDULE C-3
CERTIFICATE REGARDING FLOOD HAZARD AREA PRECAUTIONS

U.S. Department of Agriculture
Rural Development, Utilities Programs

Please check the appropriate line below:

- (a) ☐ The project is not located in a 100 year flood plain; therefore, no Flood Insurance is required.
- (b) ☐ The project is located in a 100 year flood plain and the required insurance is or will be provided by:

We, _____ (the Applicant) hereby certify that, as a prospective recipient under the Rural Broadband Access Loan and Loan Guarantee Program, we are in compliance, or will be in compliance during construction and/or installation of equipment and upon completion of the project, with the above referenced law.

(Date)

(Authorized Representative's Signature)

Name:

Title:

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Rural Broadband Access Loan and Loan Guarantee Program.)

SCHEDULE C-4
UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION
POLICIES ACT OF 1970 CERTIFICATION

U.S. Department of Agriculture
Rural Development, Utilities Programs

We, _____ (the Applicant) assure the U.S. government that we will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. 4601 *et seq.*, and with implementing federal regulations in 49 C.F.R. Part 24 and 7 C.F.R. Part 21.

Specifically, we assures that whenever Federal financial assistance is used to pay for any part of the cost of a program or project which will result in the displacement of any person:

- (a) Fair and reasonable relocation payments and assistance shall be provided to or for displaced persons in accordance with sections 202, 203, and 204 of the Uniform Act;
- (b) Relocation assistance programs offering the services described in section 205 of the Uniform Act shall be provided to displaced persons; and
- (c) Within a reasonable period of time prior to displacement, comparable replacement dwellings will be available to displaced persons in accordance with section 205(c) (3) of the Uniform Act.

(Date)

(Authorized Representative's Signature)

Name:

Title:

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Rural Broadband Access Loan and Loan Guarantee Program.)

SCHEDULE C-5
CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS –
PRIMARY COVERED TRANSACTIONS

U.S. Department of Agriculture
Rural Development, Utilities Programs

This certification is required by the regulations implementing Executive Order 12549, *Debarment and Suspension*, 7 C.F.R. § 3017.510, *Participants' Responsibilities*.

- (1) We, _____ (the Applicant) (hereinafter the "Company") hereby certify to the best of our knowledge and belief that neither the Company, nor any of its principals:
- (a) are presently debarred, suspended, proposed for Debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) have within a 3-year period preceding this Application had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) If we are unable to certify to any of the statements in this certification, we shall attach an explanation hereto.

(Date)

(Authorized Representative's Signature)

Name:

Title:

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Rural Broadband Access Loan and Loan Guarantee Program.)

SCHEDULE C-6
CERTIFICATION REGARDING LOBBYING FOR CONTRACTS, GRANTS,
LOANS, AND COOPERATIVE AGREEMENTS

U.S. Department of Agriculture
Rural Development, Utilities Programs

We, _____ (the Applicant) the undersigned certify, to the best of our knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on our behalf, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, we shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.
See <http://www.whitehouse.gov/omb/grants/sflllin.pdf> for Disclosure Instructions.
- (3) We shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(Date)

(Authorized Representative's Signature)

Name:

Title:

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Rural Broadband Access Loan and Loan Guarantee Program.)

SCHEDULE C-7
ENVIRONMENTAL IMPACT CERTIFICATION

Environmental Project Summary:

(This description should encompass all construction in the project, no matter the source of funding. It should provide details of how the project will affect the environment (wetlands, farmlands, floodplain, cultural environment, endangered species, environmental quality, and historic preservation). If additional space is needed, continue on white bond paper and attach to this certification.)

CERTIFICATION

I hereby certify that the construction proposed in this application will not adversely impact the environment or historic preservation.

(Signature and Date)

(Print or Type Title)

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Rural Broadband Access Loan and Loan Guarantee Program.)

**SCHEDULE C-8
SYSTEM DESIGN CERTIFICATION**

We the undersigned, certify that the data in Schedules O, P and Q in this application that describe the Systems Design, is correct to the best of our knowledge, and believe it reasonably reflects the cost to serve the proposed subscribers with broadband service.

(Date)

(Authorized Representative's Signature)

Name:

Title:

(Date)

(Signature of System Design Firm's Principal)

Name:

Title:

(Date)

(Certifying Engineer's Signature)

Name:

Title:

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Rural Broadband Access Loan and Loan Guarantee Program.)

SCHEDULE D-1

EXISTING AND PROPOSED COMMUNITIES

	Community (E) or (P)	County	State	Community Population	HH Town Area	HH Rural Area	Bus
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
	TOTALS						

(E) = Existing

(P) = Proposed

HH = Households

Note 1: List shall include all communities that the applicant is currently serving and those proposed to be served over the 5-year loan forecast period.

Note 2: Additional communities can be listed on supplemental worksheets

SCHEDULE D-2

EXISTING SERVICE PROVIDERS

	Community	Name Of Service Provider	Services Provided	Rates
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

Note: Additional communities shall be listed on supplemental worksheets

SCHEDULE D-3
SERVICE AREA MAPS

SCHEDULE E
CERTIFICATION REGARDING THE AVAILABILITY OF
BROADBAND SERVICE IN ELIGIBLE RURAL COMMUNITIES

Please check the appropriate line below:

- (a) ☐ Broadband service IS NOT available to residential customers within our proposed service area.
- (b) ☐ Broadband service IS available to residential customers within our proposed service area.

We, _____ (Applicant) hereby certify that the information above is correct, to the best of our knowledge and belief, and reasonably reflects the extent to which broadband service is available within our proposed service area.

Date

(Authorized Representative's Signature)

Name:

Title:

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Rural Broadband Access Loan and Loan Guarantee Program.)

**SCHEDULE F-1
PROOF OF LEGAL NOTICE**

**SCHEDULE F-2
SUFFICIENCY OF LEGAL NOTICE**

SCHEDULE G-1
ARTICLES OF INCORPORATION OR ORGANIZATION

SCHEDULE G-2
COPY OF THE STATE LLC STATUTE (IF APPLICABLE)

SCHEDULE G-3
BOARD OF DIRECTORS OR MANAGING MEMBERS OF THE LLC

SCHEDULE G-4
ORGANIZATIONAL CHART AND STATEMENT OF EXPERIENCE

SCHEDULE G-5
PARENT AND SUBSIDIARIES

SCHEDULE H
EXECUTIVE SUMMARY

SCHEDULE I
CREDIT SUPPORT REQUIREMENT

1. Credit Support will be met by the following: (check the applicable box and insert the value for each)
- a. ☐ Cash _____
 - b. ☐ Net Tangible Assets _____
 - c. ☐ Licenses _____
 - d. ☐ Letter of Credit _____
2. Has the applicant had a positive Cash Flow as an operating telecommunication company for the previous two calendar years preceding the submission date of this application? (Cash Flow is defined as Cash Provided (Used) By Operating Activities shown in the "Statement of Cash Flows" as required under Generally Accepted Accounting Principles. Cash Flow should be calculated using the "Statement of Cash Flows" included in the Schedule N-3c described as line item "Net Cash Provided (Used) By Operating Activities.")
- ☐ Yes
- ☐ No

Provide Cash Flow for the past calendar year \$_____.

Provide Cash Flow for the second previous calendar year \$_____.

SCHEDULE J
BOARD RESOLUTION

SCHEDULE K-1
RESEARCH DATA

SCHEDULE K-2
MARKET ANALYSIS

SCHEDULE L
BUSINESS PLAN

SCHEDULE M
MANAGEMENT AND COMPENSATION

**SCHEDULE N-1
HISTORICAL FINANCIAL STATEMENTS
WITH FULL FOOTNOTES & DISCLOSURES
THREE PRECEDING YEARS**

FISCAL YEARS _____

	Community	Year 1			Year 2			Year 3			Year 4			Year 5		
		Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3
1																
2																
3																
4																
5																
6																
7																
8																
9																
10																
TOTAL																

Bandwidth Levels &
Rates

Plan 1
Plan 2
Plan 3

Note: Column headings should be changed to reflect the name of the plan to be offered. Additional columns may be added for each year if more than three plans are offered.

**SCHEDULE N-2A
SUBSCRIBER PROJECTION TABLE
DATA SERVICES**

SCHEDULE N-2B
SUBSCRIBER PROJECTION TABLE
VOICE SERVICES

	Community	Year 1			Year 2			Year 3			Year 4			Year 5		
		Res	Bus	Other	Res	Bus	Other	Res	Bus	Other	Res	Bus	Other	Res	Bus	Other
1																
2																
3																
4																
5																
6																
7																
8																
9																
10																
TOTAL																

Rates:
Residential Service
Business Service
Other (Specify):

**SCHEDULE N-2C
SUBSCRIBER PROJECTION TABLE
VIDEO SERVICES**

	Community	Year 1			Year 2			Year 3			Year 4			Year 5		
		Pkg 1	Pkg 2	Other	Pkg1	Pkg 2	Other	Pkg 1	Pkg 2	Other	Pkg 1	Pkg 2	Other	Pkg 1	Pkg 2	Other
1																
2																
3																
4																
5																
6																
7																
8																
9																
10																
TOTAL																

Rates:
Package 1:
Package 2:
Other (Specify):

Note: Column headings should be changed to reflect the name of the service package to be offered. Additional columns may be added for each year if more than three packages are offered.

SCHEDULE N-3A
BALANCE SHEET
PRO FORMA FIVE-YEAR FINANCIAL FORECAST

	HISTORICAL			FORECASTED					
	Year End	Year End	Year End	Current	Year 1	Year 2	Year 3	Year 4	Year 5
	1	2	3						
ASSETS									
CURRENT									
Cash and Cash Equivalents									
Accounts Receivable									
Materials and Supplies									
Other Current									
Total Current Assets									
LONG TERM									
Property, Plant and Equipment									
Licenses & Intangibles									
Accumulated Depreciation									
Accumulated Amortization									
Deferred Charges									
Prepays/Accruals									
Other Assets									
Total Long Term Assets									
TOTAL ASSETS									

SCHEDULE N-3A (CONTINUED)
BALANCE SHEET

LIABILITIES

CURRENT

Accounts Payable
Notes Payable-Short Term
Current Portion of Long Term Debt
Other Current
Total Current Liabilities

LONG TERM

Long Term Debt – Current
New Proposed Long Term Debt (Rural Development)
Capital Lease
Other Long Term
Total Long Term Liabilities

TOTAL LIABILITIES

CAPITAL & EQUITY

Common Stock
Preferred Stock
Paid-in-Capital
Retained Earnings

TOTAL CAPITAL & EQUITY

TOTAL LIABILITIES, CAPITAL & EQUITY

SCHEDULE N-3B
INCOME STATEMENT
PRO FORMA FIVE-YEAR FINANCIAL FORECAST

	HISTORICAL			FORECASTED					
	Year End	Year End	Year End						
	1	2	3	Current	Year 1	Year 2	Year 3	Year 4	Year 5
OPERATING REVENUES									
Local Network Service									
Network Access Services									
CATV Revenue									
Data Revenues									
Miscellaneous									
Uncollectibles									
Total Operating Revenues									
OPERATING EXPENSES									
Plant Specific Operations									
Plant Non-Specific Operations									
Customer Operations									
Corporate Operations									
Cost of Goods Sold									
Depreciation									
Amortization									
State and Local Tax									
Federal Income Tax									
Other Taxes									
Interest Expense									
Total Operating Expense									
Other Income									
Interest and Dividend Income									
Other Expenses									
Net Income									

SCHEDULE N-3C
STATEMENT OF CASH FLOWS
PRO FORMA FIVE-YEAR FINANCIAL FORECAST
HISTORICAL FORECASTED

	Year End	Year End	Year End		Current	Year 1	Year 2	Year 3	Year 4	Year 5
CASH FLOWS FROM OPERATING ACTIVITIES:										
Net Income (Loss) After Income Taxes										
Cash Flows from existing operating activities										
Adjustments To Reconcile Net Income To										
Net Cash Provided By Operating Activities:										
Depreciation/Amortization										
Changes in Operating Assets and Liabilities:										
(Increase) Decrease in Accounts Receivable										
(Increase) Decrease in Deferred Charges - Other										
Increase (Decrease) in Accounts Payable										
Net Cash Provided (Used) By Operating Activities-Cash Flow										
CASH FLOWS FROM INVESTING ACTIVITIES:										
Cash flows from existing investing activities										
Purchase of Plant										
Net Cash Used by Investing Activities:										
CASH FLOWS FROM FINANCING ACTIVITIES:										
Cash flows from existing financing activities										
Proceeds From Equipment Financing Debt										
Proceeds From Subordinated Debentures										
Proceeds From Operations Financing Debt										
Proceeds From Capital Contributions										
Payment Of Equipment Financing Debt Principal										
Payment Of Subordinated Debentures										
Payment Of Operations Financing Debt Principal										
Payment Of Capital Distributions										
Net Cash Provided (Used) By Financing Activities:										
NET INCREASE (DECREASE) IN CASH										
CASH - Beginning Of Year										
CASH - End Of Year										

SCHEDULE N-3D
DETAIL NARRATIVE OF FINANCIAL PROJECTION ASSUMPTIONS

AT A MINIMUM INCLUDE A DESCRIPTION OF THE FOLLOWING:

REVENUE:

- **MARKET PENETRATION PERCENTAGE RATES BY SERVICE TYPE – INCLUDE ASSUMPTIONS CONCERNING PROMOTIONAL OFFERINGS**
- **CONNECT PRICING FROM YOUR BUSINESS PLAN AND MARKET STUDY TO PROJECTIONS**
- **CUSTOMER ATTRITION RATES**

EXPENSE:

- **DIRECT COST OF SALES – (COST OF GOODS SOLD)**
- **OPERATING COST BY SERVICE TYPE**
 - **FIXED**
 - **VARIABLE (& ESCALATION)**
- **MAINTENANCE COSTS**
- **ESTIMATE USEFUL LIFE OF ASSET CLASSES**
- **INCOME TAX CALCULATION DETAILS AND OTHER APPLICABLE TAXES**
- **ALLOWANCE FOR DOUBTFUL ACCOUNTS ESTIMATES**
- **OTHER INCOME & EXPENSE**
- **GENERAL & ADMINISTRATIVE COST**
- **SALES & MARKETING COSTS (INCLUDING HISTORICAL CUSTOMER ACQUISITION COSTS)**
- **ON AND OFF BALANCE SHEET CONSIDERATIONS**
- **CAPITAL CONTRIBUTIONS AND DISTRIBUTIONS**

SCHEDULE N-4
DEPRECIATION SCHEDULE

SCHEDULE N-5
TOTAL OUTSTANDING INDEBTEDNESS
INCLUDING INTEREST EXPENSE, KEY TERMS AND CONDITIONS

RURAL DEVELOPMENT LIABILITIES

NON-RURAL DEVELOPMENT LONG TERM LIABILITIES

SCHEDULE O
SYSTEM DESIGN

SCHEDULE P
NETWORK DIAGRAMS

SCHEDULE Q-1

SUMMARY OF PROJECT COSTS

Budget Category	Total Project Costs	
	Rural Development Loan Funds	Non-loan Funds
NETWORK & ACCESS EQUIPMENT		
OUTSIDE PLANT		
BUILDINGS		
LAND		
TOWERS		
CUSTOMER PREMISE EQUIPMENT		
OPERATING EQUIPMENT		
ENGINEERING		
REFINANCING		
ACQUISITION		
TOTAL		

SCHEDULE Q-1A

SUMMARY OF PROJECT COSTS BY YEAR

Budget Category	Prior Years	Year 1	Year 2	Year 3	Year 4	Year 5	Total Project Cost
NETWORK & ACCESS EQUIPMENT							
OUTSIDE PLANT							
BUILDINGS							
LAND							
TOWERS							
CUSTOMER PREMISE EQUIPMENT							
OPERATING EQUIPMENT							
ENGINEERING							
TOTAL							

SCHEDULE Q-2

BREAKDOWN OF NETWORK & ACCESS EQUIPMENT COSTS

Community/Site	Description	Quantity	Unit Cost	Extended Cost	
				Rural Development Loan Funds	Non-loan Funds
TOTAL					

SCHEDULE Q-3

BREAKDOWN OF OUTSIDE PLANT COSTS

Community/Site	Description	Quantity	Unit Cost	Extended Cost	
				Rural Development Loan Funds	Non-loan Funds
TOTAL					

SCHEDULE Q-4

BREAKDOWN OF BUILDINGS COSTS

Community/Site	Description	Quantity	Unit Cost	Extended Cost	
				Rural Development Loan Funds	Non-loan Funds
TOTAL					

SCHEDULE Q-5

BREAKDOWN OF LAND COSTS

Community/Site	Description	Quantity	Unit Cost	Extended Cost	
				Rural Development Loan Funds	Non-loan Funds
TOTAL					

SCHEDULE Q-6

BREAKDOWN OF TOWERS COSTS

Community/Site	Description	Quantity	Unit Cost	Extended Cost	
				Rural Development Loan Funds	Non-loan Funds
TOTAL					

SCHEDULE Q-7

BREAKDOWN OF CUSTOMER PREMISE EQUIPMENT COSTS

Community/Site	Description	Quantity	Unit Cost	Extended Cost	
				Rural Development Loan Funds	Non-loan Funds
TOTAL					

SCHEDULE Q-8

BREAKDOWN OF OPERATING EQUIPMENT COSTS

Community/Site	Description	Quantity	Unit Cost	Extended Cost	
				Rural Development Loan Funds	Non-loan Funds
Office Equipment					
<i>Sub-Total</i>					
Office Furniture					
<i>Sub-Total</i>					
Work Equipment					
<i>Sub-Total</i>					
Vehicles					
<i>Sub-Total</i>					
TOTAL					

SCHEDULE Q-9

BREAKDOWN OF ENGINEERING COSTS

Description	Total Engineering Costs	
	Rural Development Loan Funds	Non-loan Funds
TOTAL		

SCHEDULE Q-10

BREAKDOWN OF NOTES TO BE REFINANCED

Note	Outstanding Principal Amount	Maturity
TOTAL		

SCHEDULE Q-11

BREAKDOWN OF ACQUISITION COSTS

Description	Total Acquisition Cost	
	Rural Development Loan Funds	Non-loan Funds
TOTAL		

SCHEDULE R
ENVIRONMENTAL REPORT

SCHEDULE S
TOWER, EQUIPMENT, AND BUILDING LEASES

**SCHEDULE T-1
FCC LICENSES**

**SCHEDULE T-2
CLEC LICENSES**

**SCHEDULE T-3
FRANCHISE AGREEMENTS**

**SCHEDULE T-4
INTERCONNECTION AGREEMENTS OR SERVICE PROVIDER AGREEMENTS**

**SCHEDULE T-5
MANAGEMENT / SERVICE AGREEMENTS WITH AFFILIATED COMPANIES**

**SCHEDULE T-6
BYLAWS OR OPERATING AGREEMENTS**

**SCHEDULE T-7
OTHER MAJOR AGREEMENTS**

SCHEDULE U-1
GUARANTEED LOAN INFORMATION

SCHEDULE U-2
GUARANTEED LOAN CONTRACT