

TRUST INDENTURE

SPECIAL PROVISIONS

THIS TRUST INDENTURE, dated ____ (the "Indenture" or the "Agreement"), between (i) _____, a _____ (the "Company"), and (ii) _____, a _____ (the "Indenture Trustee").

RECITALS

WHEREAS, pursuant to the understandings set forth in the Security Agreement, the Company has authorized the issuance of certain Obligations pursuant to the terms and conditions of this Indenture in an aggregate principal amount not to exceed \$ _____ to finance the cost of construction of the MAST Items; and

WHEREAS, The Secretary, on behalf of the United States, has agreed to Guarantee the payment of the unpaid interest to the date of such payment on, and the unpaid balance of the principal of, such Obligations under the provisions of Title XI of the Act, and has authorized the Indenture Trustee to cause the Guarantees to be imprinted on the Obligations pursuant to the Authorization Agreement.

NOW THEREFORE, in consideration of the premises, of the mutual covenants herein contained, of the purchase of the Obligations by the Holders thereof, and of other good and valuable consideration, the receipt and adequacy of which the parties hereby acknowledge, and for the equal and proportionate benefit of all the present and future Holders of the Obligations, the parties hereto agree as follows:

1. **Incorporation of General Provisions.** This Indenture shall consist of two parts: the Special Provisions and the General Provisions attached hereto as Exhibit 1, and they shall be treated as one instrument. In the event of a conflict, the terms of the Special Provisions shall prevail.

2. **The Obligations.**

(a) The initial series of Obligations issued hereunder shall be designated "United States Government Guaranteed Shipyard Modernization Obligations, ____ Series," and shall be in the form of Exhibit 2 to this Indenture. The aggregate principal amount of Obligations which may be issued under this Indenture shall not exceed _____.

(b) The denominations of the Obligations shall be in integral multiples of \$ _____.

(c) The Company shall at all times cause to be maintained in the City of _____, State of _____ an office or agency for the purposes specified in Section 5.03 of this Indenture.

(d) The Indenture Trustee shall at all times have its Corporate Trust Office in the City of _____, State of _____.

(e) Pursuant to Section 3.03 of this Indenture, no optional redemption of the Obligations at premium may be made prior to _____. [In the event that a “make whole” provision is used in this indenture instead of the traditional premium structure, it should be inserted here, obviating the need for the preceding sentence among other things.]

3. Miscellaneous

(a) Concerning Notices. Subject to the provisions of Section 13.01 of Exhibit 1 to this Indenture, any notice, request, demand, direction, consent, waiver, approval or other communication to be given to a party hereto or the Secretary, shall be deemed to have been sufficiently given or made when addressed to:

The Indenture Trustee as:

The Company as:

The Secretary as: SECRETARY OF TRANSPORTATION
 c/o Maritime Administrator
 Department of Transportation
 400 Seventh Street, SW
 Washington, D.C. 20590

(b) Concerning Applicable Law. This Indenture and each Obligation shall be governed by the federal laws of the United State of America, but to the extent that they are inapplicable by the laws of the State of _____.

(c) Execution of Counterparts. This Indenture may be executed in any number of counterparts. All such counterparts shall be deemed to be originals, and shall constitute but one and the same instrument.

IN WITNESS WHEREOF, this Trust Indenture has been duly executed by the parties hereto as of the day and year first above written.

(SEAL)

ATTEST:

ATTEST:

Company

By: _____

Indenture Trustee

By: _____