

Schedule of Definitions

“**Act**” means the Merchant Marine Act, 1936, as amended and in effect on the Closing Date.

“**Act of Obligees**” means any request, demand, authorization, direction, notice, consent, waiver or other action to be given or taken by the Obligees and embodied in one or more documents as required by the Indenture.

“**Authorization Agreement**” means the Authorization Agreement, Contract No. MA-_____, between the Secretary and the Indenture Trustee, whereby the Secretary authorizes the Guarantee of the United States to be endorsed on each of the Obligations, as the same is originally executed, or as modified, amended or supplemented therein.

“**Authorized Newspaper**” means The Wall Street Journal or if it ceases to exist, then in such other newspaper as the Secretary may designate.

“**Bond Purchase Agreement**” means the agreement for the purchase of the Obligations, executed by the Company and the purchaser named therein, as originally executed, modified or supplemented.

“**Business Day**” means a day which is not a Saturday, Sunday or a bank holiday under the laws of the United States or the State of _____.

“**Company**” means _____ a _____, its successors and assigns.

“**Corporate Trust Office**” means the principal office of the Indenture Trustee at which, at any time, its corporate trust business is administered, which office is currently located at _____.

“**Guarantee**” means each, and the “**Guarantees**” means every, guarantee of an Obligation by the United States pursuant to Title XI of the Act, as provided in the Authorization Agreement.

“**Holder**” means each, and “**Holders**” means every, registered holder of an Obligation.

“**Indenture**” means the Trust Indenture dated as of the Closing Date between the Company and the Indenture Trustee, as originally executed, or as modified, amended or supplemented.

“**Indenture Default**” has the meaning specified in Article VI of the Indenture.

“**Indenture Trustee**” means _____, a _____, and any successor trustee under the Indenture.

“**Interest Payment Date**” means with respect to any Obligation, the date when any installment of interest on such Obligation is due and payable.

“MAST Item” means each, and **“MAST Items”** means every item of property involved in a determination of Actual Cost and any property at the Shipyard that has been improved, enhanced, renovated or repaired with the proceeds of the Obligations.

"Maturity" when used with respect to any Obligation, means the date on which the principal of such Obligation becomes due and payable as therein provided, whether at the Stated Maturity or by redemption or declaration of acceleration or otherwise.

"Mortgage" means the first preferred fleet mortgage on the Shipyard, Contract No. MA-____, by the Company to the Secretary, as originally executed, modified, amended or supplemented.

"Obligation" means each, and **"Obligations"** means every, obligation of the Company bearing a Guarantee that is authenticated and delivered under the Authorization Agreement and Indenture.

"Obligation Register" has the meaning specified in Section 2.07 of the Indenture.

"Obligee" means each, and **"Obligees"** means every, Holder of an Obligation.

"Officer's Certificate" means a certificate conforming to Section 1.02 of the Indenture.

"Original Issue Date" means a date on which an Obligation was initially authenticated by the Indenture Trustee even if the Obligation is subsequently given a later date by reason of transfer, exchange or substitution.

"Outstanding" when used with reference to the Obligations, shall mean all Obligations theretofore issued under the Indenture, except: (1) Obligations Retired or Paid; and (2) Obligations in lieu of which other Obligations have been issued under the Indenture. Obligations which are not Outstanding shall not be entitled to any rights or benefits provided in the Indenture. For the purposes of Articles VI and X of the Indenture, and also in determining whether the Holders of a stated percentage of the principal amount of Outstanding Obligations have made an Act of Obligees required or permitted by the Indenture, Obligations owned by the Company or by any Affiliate of the Company shall be disregarded and deemed not to be Outstanding; provided that, for the purpose of determining whether the Indenture Trustee shall be protected in relying on any such Act of Obligees, only Obligations which the Indenture Trustee has actual knowledge are so owned shall be so disregarded and deemed not to be Outstanding.

"Paying Agent" means any bank or trust company meeting the qualifications in Sections 7.02(a) of the Indenture and appointed by the Company under Section 4.02 of the Indenture to pay the principal of (and premium, if any) or interest on the Obligations on behalf of the Company.

"Payment Default" has the meaning specified in Section 6.01 of the Indenture.

"Person" or "Persons" means any individual, corporation, partnership, joint venture, association, limited liability company, joint-stock company, trust, unincorporated organization, government, or any agency or political subdivision thereof.

"Proportionate Part" means with respect to the item in question, the portion of the item in question, as of the date of any calculation, which bears the same proportion to the entire amount of the item in question as: (x) the Depreciated Actual Cost of the MAST Item as of the date of such calculation bears to (y) the Depreciated Actual Cost of all the MAST Items as of such date (excluding the Depreciated Actual Cost of any MAST Item upon which its Obligations have been redeemed pursuant to Section 3.06 of the Indenture), all as determined by the Secretary.

"Redemption Date" means a date fixed for the redemption of an Obligation by the Indenture.

"Redemption Price" means the price at which an Obligation is redeemed under the Indenture.

"Request" means a written request to a Person for the action therein specified, signed by a Responsible Officer of the Person making such request.

"Responsible Officer" means (1) in the case of any business entity, the chairman of the board of directors, the president, any executive or senior vice president, the secretary, the treasurer, member or partner, (2) in the case of any commercial bank, the chairman or vice-chairman of the executive committee of the board of directors or trustees, the president, any executive or senior vice president, the secretary, the treasurer, any trust officer, and (3) with respect to the signing or authentication of Obligations and Guarantees by the Indenture Trustee, any person specifically authorized by the Indenture Trustee to sign or authenticate Obligations.

"Retired or Paid," as applied to Obligations and the indebtedness evidenced thereby, means that such Obligations shall be deemed to have been so retired or paid and shall no longer be entitled to any rights or benefits provided in the Indenture if: (1) such Obligations shall have been paid in full; (2) such Obligations shall have been canceled by the Indenture Trustee and shall have been delivered to the Indenture Trustee for cancellation; or (3) such Obligations shall have become due and payable at Maturity and funds sufficient for the payment of such Obligations (including interest to the date of Maturity, or in the case of a payment after Maturity, to the date of payment, together with any premium thereon) and available for such payment (whether as a result of payment pursuant to the Guarantees or otherwise) shall be held by the Indenture Trustee or any Paying Agent in trust for the purpose, or with irrevocable directions, to apply the same; provided that, the foregoing definition is subject to Section 6.08 of the Indenture.

"Secretary" means the Secretary of Transportation.

"Secretary's Notice" means a notice from the Secretary to the Indenture Trustee that a Default, within the meaning of Section 6.01(b) of the Security Agreement has occurred.

"Security Agreement" means the security agreement, Contract No. MA-_____, dated as of the Closing Date, consisting of the special provisions, the general provisions and Schedule X thereto, executed by the Company as security for the Secretary, as originally executed or as modified, amended or supplemented.

"Stated Maturity" means the date determinable as set forth in any Obligation as the final date on which the principal of such Obligation is due and payable.

"Supplemental Indenture" shall mean any indenture supplemental to the Indenture entered into pursuant to Article X of the Indenture.

"Title XI" means Title XI of the Act.