Application for Establishment of a CAPITAL CONSTRUCTION FUND under

46 U.S.C. 53501 *et seq*

The undersigned \_\_\_\_\_\_ (“Applicant”), a citizen of the United States within the meaning of 46 U.S.C. 50501, as amended, hereby applies under 46 U.S.C. 53501 *et seq* (“Act”), the Rules and Regulations jointly prescribed by the Secretary of the Treasury and the Secretary of Transportation (“Joint Regulations”) and individually by the Secretary of Transportation (“SOC Regulations”) to establish a Capital Construction Fund to aid in the acquisition, construction or reconstruction of a qualified vessel, the acquisition, construction or reconstruction of barges, containers or trailers which are part of the complement of a qualified vessel and the payment of the principal on indebtedness incurred in connection with the acquisition, construction or reconstruction of a qualified vessel or a barge, container or trailer which is part of the complement of a qualified vessel. The fund hereby applied for will be effective for deposits relating to the taxable year beginning \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_ and ending \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_, and for subsequent taxable years. In support of this application, the Applicant submits the following information:

I. As to the identity of and other General Information of the Applicant (the following data is required to prove the Applicant's citizenship to the satisfaction of the Secretary; also see 46 CFR Part 355):

A. Natural Persons. If the Applicant is a natural person, the following identifying information should be submitted:

1. Name.

2. Address.

3. Date of birth.

4. Place of birth.

5. Citizenship.

6. Social Security Number(s).

7. Principal place of business.

8. Trade name under which business is conducted.

B. Partnerships, Associations, Unincorporated Companies. If the Applicant is a partnership, association, or unincorporated company, the following identifying information should be submitted:

1. Name of partnership, association, or unincorporated company.

2. Business address.

3. Date and place of organization.

4. Name of all partners (general, limited and special) of the partnership or trustees and holders of beneficial interests in the association or company.

5. Share owned by each partner, trustee, or beneficial owner.

6. Date of birth of each.

7. Place of birth of each.

8. Citizenship of each.

9. Tax Identification Number of entity (or if none, list Social Security Number of each partner, trustee, or beneficial owner).

C. Incorporated Companies. If the Applicant is an incorporated company, the following identifying information should be submitted:

1. Exact name of Applicant.

2. State in which incorporated and date of incorporation.

3. Address of principal executive offices, and of important branch offices, if any.

4. Tax Identification number.

5. The following information with respect to each officer and director of the corporation:

a. Name and address.

b. Office.

c. Citizenship.

d. Capital shares owned (specify type, whether voting or non-voting and percentage of total of each type issued if five percent (5%) or more).

6. The name, address and citizenship of and number of capital shares owned by each person not named in answer to item 4, owning of record, or beneficially if known, five percent (5%) or more of the issued capital shares of any class stock of the Applicant.

7. A brief statement of the general effect of each voting agreement, voting trust, or other arrangement whereby the voting rights in any shares of the Applicant are owned, controlled, or exercised, or whereby the control of the Applicant is in any way held or exercised by any person not the holder of legal title to such shares. (Give the name, address, citizenship, and business of any such person, and, if not an individual, include the form of organization).

II. As to the Business and Affiliations of the Applicant.

A. A brief description of the principal business activities during the past five years of the Applicant and of any predecessor or predecessors of the Applicant; if any change is presently contemplated, a brief statement of the nature and circumstances thereof.

B. A list of all companies or persons that are related within the meaning of section 482 of the Internal Revenue Code of 1954, as amended, and the regulations thereunder (“related companies”) or that directly or indirectly through one or more intermediaries, control, are controlled by, or are under common control with the Applicant, together with an indication of the nature of the business transacted by each, the relationships between the companies named, and the nature and extent of the control. This information may be furnished in the form of a chart.

C. A statement whether during the past 5 years the Applicant or any predecessor or related company has been in bankruptcy or in reorganization under II-B of the Bankruptcy Act or in any other insolvency or reorganization proceedings, and whether any substantial property of the Applicant or any predecessor or related company has been acquired in any such proceeding or has been subject to foreclosure or receivership during such period. If so, give details.

D. A statement of whether the Applicant or any predecessor or related company is now or during the past 5 years was involved in any litigation or subject to any outstanding judgments. If so, give details.

E. Describe any contemplated plan of reorganization or recapitalization involving new capital, the consolidation or mergers of the Applicant with related or other companies, debt elimination, or other changes or modifications in the corporate or individual structure and indicate by appropriate financial statements the anticipated results thereof.

III. As to the Management of the Applicant.

A. A brief description of the principal business activities during the past 5 years of each director and each principal executive officer of the Applicant.

B. The name and address of each other organization engaged in business activities related to those carried on or to be carried on by the Applicant with which any person named in the answer to the preceding item has any present business connection; the name of each such person, and briefly the nature of such connection.

IV. Description of Vessels, Barges, Containers or Trailers which Applicant Proposes to be Incorporated in Capital Construction Fund Agreement for the Purpose of Making Deposits. Vessels must be eligible vessels as that term is defined in 46 U.S.C. 53501 and § 390.5(b) of the SOC Regulations. Undocumented barges, containers or trailers must be part of the complement of an eligible vessel as that term is defined in 46 U.S.C. 53501 and § 390.5(d) of the SOC Regulations:

A. Vessels. Provide in a tabular form headed “SCHEDULE A” ELIGIBLE AGREEMENT VESSELS the vessels owned or leased by the Applicant for the purposes of making deposits into a Capital Construction Fund pursuant to the provisions of 46 U.S.C. 53501 *et seq*, giving:

a. Name and official number.

b. Specific type.

c. Capacity (tons of cargo, number of containers, barges, etc.).

d. Whether owned or leased, and if leased the owner and the owner's address.

e. Date and place of construction.

f. If reconstructed, date of redelivery and place of reconstruction.

g. Date documented under laws of the United States.

h. Area of operation.

i. Full details concerning the service in which the Applicant operates or will operate each vessel; if the vessel is used for multiple purposes indicate the percentage of time in which the vessel is engaged in each service.

B. *Barges, Containers, and Trailers*. Provide in a tabular form headed “SCHEDULE A”, the barges, containers, and trailers owned or leased by the Applicant which the Applicant proposes to be incorporated in an Agreement for purposes of making deposits into a Capital Construction Fund pursuant to the provisions of 46 U.S.C. 53501 *et seq*, giving:

a. Number of barges, containers or trailers which are part of the complement of an eligible vessel; name and official number of barges which are not a part of the complement of an eligible vessel.

b. Specific type.

c. Size or capacity.

d. Whether owned or leased, and if leased the owner and the owner's address.

e. Date and place of construction.

f. If reconstructed, date of redelivery and place of reconstruction.

g. Date documented under the laws of the United States.

h. Area of operation.

i. The vessel or vessels for which the barges, containers and trailers are part of the complement; full details concerning the service in which the Applicant operates or will operate each barge which is not a part of a complement.

V. Purposes for which Qualified Withdrawals are Proposed. Applicant is advised that information furnished in response to sections A, B, C and D of this item is for the purpose of inducing the United States to enter into an agreement to establish a Capital Construction Fund pursuant to 46 U.S.C. 53501 *et seq*. In connection therewith attention is directed to 46 U.S.C. 53509(c) which states, “Under joint regulations, if the Secretary of Transportation determines that any substantial obligation under any agreement is not being fulfilled, he may, after notice and opportunity for hearing to the person maintaining the fund, treat the entire fund or any portion thereof as an amount withdrawn from the fund in a nonqualified withdrawal.” Also see § 390.13 of the SOC Regulations.

A. Acquisition or Construction of Vessels. Provide in form headed “SCHEDULE B-I” ACQUISITION OR CONSTRUCTION OF VESSELS the proposed program for the acquisition or construction of vessels, giving:

a. Number, type and commercial characteristics of vessels to be acquired or constructed.

b. Whether vessels will be replacements or additions, and if replacements identify vessels to be replaced.

c. Projected date of acquisition or award of construction contract.

d. Projected date of commencing operations.

e. Estimated total cost.

f. Method by which estimated total cost of project was determined.

g. Estimated amount of Capital Construction Fund monies to be used as down payment by the Applicant.

h. Estimated amount of borrowings and the amount of such borrowings to be retired by qualified withdrawals from the Capital Construction Fund, including anticipated terms of such financing.

i. Intended area of operation.

j. Full details concerning the use of the proposed vessel; if the vessel is to be used for multiple purposes indicate the approximate percentage of time in which the vessel will be engaged in each service.

B. Acquisition or Construction of Barges, Containers and Trailers. Provide in a form headed “SCHEDULE B-I” ACQUISITION OR CONSTRUCTION VESSELS the proposed program for acquisition or construction of barges, containers and trailers giving:

a. Number, type and size of barges, containers and trailers.

b. Whether barges, containers and trailers will be replacements or additions, if replacements, identify barges, containers or trailers to be replaced.

c. Projected date of acquisition or award of construction contract.

d. Projected date of introduction into service.

e. Estimated total cost.

f. Method by which estimated total cost of project was determined.

g. Estimated amount of Capital Construction Fund monies to be used as down payment by the Applicant.

h. Estimated amount of borrowings and the amount of such borrowings to be retired by qualified withdrawals from the Capital Construction Fund including anticipated terms of such financing.

i. Identification of vessels for which the barges, containers and trailers will be part of the complement, and the vessel's area of operation. In the case of barges which are not a part of the complement of a vessel provide the barges' intended area of operation.

j. Full details concerning the use of the proposed barge; if the barge is to be used for multiple purposes indicate the approximate percentage of time in which the barge will be engaged in each service.

C. Reconstruction of Vessels. Provide in a form headed “SCHEDULE B-II” RECONSTRUCTION OF VESSELS the proposed program for reconstruction of vessels, giving:

a. Identification of vessels to be reconstructed.

b. Nature and extent of proposed reconstruction.

c. Projected date of award of reconstruction contract.

d. Projected date of commencing operations with reconstructed vessels.

e. Estimated total cost.

f. Method by which estimated total cost of project was determined.

g. Estimated amount of Capital Construction Fund monies to be used as down payment by the Applicant.

h. Estimated amount of borrowings and amount of such borrowings to be retired by qualified withdrawals from the Capital Construction Fund, including anticipated terms of such financing.

i. Intended area of operation.

j. Full details concerning the use of the proposed vessel; if the vessel is to be used for multiple purposes indicate the approximate percentage of time in which the vessel will be engaged in each service.

D. Reconstruction of Barges, Containers and Trailers. Provide in a form headed “SCHEDULE B-II” RECONSTRUCTION OF VESSELS the proposed program for reconstruction of barges, containers and trailers, giving:

a. Number, type and size of barges, containers and trailers.

b. Nature and extent of proposed reconstruction work.

c. Projected date of award of reconstruction contract.

d. Projected date of completion of reconstruction work.

e. Estimated total cost.

f. Method by which estimated total cost of project was determined.

g. Estimated amount of Capital Construction Fund monies to be used as down payment by the Applicant.

h. Estimated amount of borrowings and amount of such borrowings to be retired by qualified withdrawal from the Capital Construction Fund including anticipated terms of such financing.

i. Identification of vessels for which the barges, containers, and trailers will be part of the complement, and the vessel's area of operations. In the case of barges which are not a part of the complement of a vessel provide the barges' area of operation.

j. Full details concerning the use of the proposed barge; if the barge is to be used for multiple purposes indicate approximate percentage of time in which the barge will be engaged in each service.

E. Payment of Principal on Existing Indebtedness Incurred in Connection with the Acquisition, Construction or Reconstruction of a Qualified Vessel or a Barge, Container or Trailer which is Part of the Complement of a Qualified Vessel. Provide in a form headed “SCHEDULE B-III” PAYMENT OF PRINCIPAL ON EXISTING INDEBTEDNESS the proposed program for payments of principal on existing indebtedness incurred in connection with the acquisition, construction, or reconstruction of qualified vessels, barges, containers, or trailers, giving:

a. Name, official number or other identifying information for the vessel, barge, container, or trailer.

b. Whether the debt was incurred for acquisition, construction or reconstruction, demonstrating evidence of a direct connection between the qualified vessel and the debt which was incurred.

c. The aggregate principal balance of such indebtedness as of the date of this application.

d. The dates and amounts of payments of principal to liquidate the outstanding debt in accordance with the applicable loan agreements or other documents.

VI. As to the Depository to be Used for the Capital Construction Fund. Provide in a tabular form headed “SCHEDULE C” DEPOSITORIES FOR CAPITAL CONSTRUCTION FUND the full name and complete address of the financial institution which will act as depository. Indicate the type of account, i.e., checking, savings, trust, in which the fund will be held.

VII. Proposed Schedule of Minimum Amounts Available for Deposit into the Capital Construction Fund. Provide in a tabular form headed “SCHEDULE D” MINIMUM DEPOSITS a proposed program for deposits into the Capital Construction Fund commencing with the beginning of the first taxable year for which the Agreement applies. The applicant is advised that the purpose of Schedule D is to insure that a sufficient commitment has been made to accomplish the objectives contained in SCHEDULE B. Minimum annual deposits are not required, but a minimum amount must be deposited for each 3 year period under the Agreement. For each such 3 year period of the proposed Schedule D the Applicant will indicate not only the minimum amount to be deposited, but also the source of such deposit, giving amounts expected to be derived from:

a. Ordinary income attributable to the operation of agreement vessels.

b. Net proceeds from the sale or other disposition of agreement vessels.

c. Receipts from the investment or reinvestment of amounts held in the fund.

d. Earned depreciation on agreement vessels.

VIII. Financial Statements and Reports of the Applicant Including Predecessors.

A. Financial Statements. For each of the past three fiscal years provide:

1. Statements of Financial Conditions. (IRS Forms 1040, Balance Sheet Summaries)

2. Statements of Operations.

3. Statements of Retained Earnings.

B. Reports. If the books of the Applicant were audited by an independent certified public accountant copies of the public accountant's reports shall be submitted for each of the past three fiscal years.

IX. As to Exhibits Furnished. At the time of original filing, the following exhibits, properly identified, shall be furnished:

*Exhibit I* - A copy of the Certificate of Incorporation of the Applicant or other organization papers including all amendments thereto presently in effect.

*Exhibit II* - A copy of the By-Laws or other governing instruments of the Applicant, including all amendments thereto presently in effect.

*Exhibit III* - Such other financial statements, copies of contracts, schedules and other required data which the Applicant desires to incorporate by reference.

X. A statement of any additional information which, in the opinion of the Applicant, is necessary to make the application and attached exhibits true and complete.

XI. A specific written request, pursuant to 5 U.S.C. 552(b)(4), must accompany the application if the Applicant wishes certain trade secrets, financial and commercial information contained in this application to be withheld from disclosure. The Maritime Administrator, Department of Transportation will endeavor to respect such a request, acting within the limits of the applicable provisions of the Freedom of Information Act.

State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ County of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ss.:

Dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_

Name of Applicant \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By \_\_\_\_\_\_ Name and Title

I, \_\_\_\_\_\_, do certify that I am the (Title of Office) of (Exact Name of Applicant), the Applicant on whose behalf I have executed the foregoing application; that the Applicant is a citizen of the United States within the meaning of 46 U.S.C. 50501; that this application is made for the purpose of inducing the United States of America to permit the Applicant, pursuant to section 607 of the Merchant Marine Act, 1936, as amended, the Joint Regulations and the SOC Regulations to establish a Capital Construction Fund for the purposes set forth in 46 U.S.C. 53501; that I have carefully examined the application and all documents submitted in connection therewith and, to the best of my knowledge, information and belief, the statements and representations contained in said application and related documents are full, complete, accurate, and true.

Subscribed and sworn to before me, a \_\_\_\_\_\_\_\_\_\_\_\_\_\_ in and for the State and County above named, this \_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_.

My Commission expires \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Note:

The United States Criminal Code makes it a criminal offense to knowingly and willfully falsify, conceal or cover up by any trick, scheme, or device, a material fact from, or make any false, fictitious or fraudulent statements or representations or make or use any false writing or document knowing the same to contain any false, fictitious or fraudulent statement to, any department or government agency of the United States as to any matter within its jurisdiction (18 U.S.C. 1001).