



~~Public reporting burden of this collection of information is estimated to average 70 hours per response. Send comments regarding this burden estimate or any other aspect of this information collection to the Maritime Administration, Office of Management and Administrative Services, 1200 New Jersey Avenue, SE Washington, D.C. 20590.~~

INSTRUCTIONS FOR APPLICATION FOR SHIP FINANCING GUARANTEES

Applications for ship financing guarantees (Guarantees) under Title XI, Merchant Marine Act, 1936, as amended (46 U.S.C. 1271--1280 a; the "Act"), and the regulations prescribed to carry out the provisions of the Act (46 CFR Part 298; the "Regulations"), shall be prepared and submitted in substantially the form annexed. No Title XI Guarantee may be granted unless a completed application has been received.

Prior to filing an application, a preliminary meeting should be arranged with the Director, Office of Ship Financing, in Washington, D.C. to discuss the Title XI application and requirements of the Title XI program.

Please answer each question as completely as possible. The metric measurement system may be used when supplying data. If any item in the application is inapplicable to the Applicant's particular case or the answer is "None," this should be so stated. The application must be printed or typewritten and ten (10) complete copies shall be filed with the Secretary, Maritime Administration. Three of these copies must be duly executed and certified by the applicant. All required attachments must be included with the application, except that only three (3) copies of Attachment III are required. The name and address of the Applicant shall be printed or typed on all accompanying papers for identification. Subsequent amendments and supplements to the application may be in letter form and shall be properly identified.

Applicants must complete Parts I and II. Other parts are to be completed in accordance with the type of Guarantee applied for, as set forth in Part I, Item 5.

A filing fee of \$5,000 must accompany the application. Applications will not be processed until the fee is received.

ALL INFORMATION SUPPLIED IN PART I WILL BE RELEASED FOR PUBLIC INFORMATION PURPOSES. ALL INFORMATION SUPPLIED IN PARTS II THROUGH V WILL BE SUBJECT TO THE FOLLOWING:

IF THE APPLICATION, INCLUDING THE ATTACHMENTS THERETO, CONTAINS INFORMATION THE APPLICANT CONSIDERS TO BE TRADE SECRETS OR COMMERCIAL OR FINANCIAL INFORMATION AND PRIVILEGED OR CONFIDENTIAL, OR OTHERWISE EXEMPT FROM DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT (FOIA), 5 U.S.C. 552, THE APPLICANT SHALL ASSERT A CLAIM OF EXEMPTION AT THE TIME OF APPLICATION. THE SAME REQUIREMENT SHALL APPLY TO ANY AMENDMENT TO THE APPLICATION.

Any amendment to the application filed shall be marked AAmendment@ and shall contain a statement on the first page thereof, clearly identifying the document as an amendment to an application for Financing Guarantees, stating the name of the applicant and the date of the application.

PART I--SUMMARY INFORMATION

1. Name and address of applicant
2. Name and address of parent company *(if applicable)*
3. Congressional district number of applicant
4. Congressional district number of shipyard
5. Nature of application *(check as many as applicable)*:
 - a) Construction period financing *(Also complete Part III)*
 - b) Mortgage period financing
 - c) Export Financing
 - d) Refinancing of existing debt *(Also complete Part IV)*
 - e) Reconditioning/Reconstruction *(Also complete Part V)*
 - f) Other (specify)
6. The Proposal:
 - a) Describe briefly the proposed project including a brief description of the vessel(s) and the intended use of the vessel(s).
 - b) Provide the total estimated actual cost (details to be provided in Part II, Section IV D1); the requested level of financing (i.e., 872%, 75%); and the estimated guarantee amount.
 - c) Indicate the requested period of the guarantee.
 - d) Give the name and address of the shipyard.
 - e) Indicate the estimated construction commencement and vessel delivery date(s).
 - f) Flag of vessel(s) upon delivery.
 - g) Has the Applicant or a related company previously applied for Title XI Guarantees? If so, under what name and what was the outcome?
 - h) Will the project involve the guarantee of:
 - Bonds
 - Notes
 - Bank Debt
 - Other (specify)
 - i) Name and phone number of principal contact concerning the Title XI application.
 - j) Does the Applicant have a web site on the Internet? If so, please provide the site location.

PART II - APPLICATION

The undersigned, _____ (herein referred to as the "Applicant"), hereby applies to the United States of America, represented by the Secretary of Transportation, acting by and through the Maritime Administrator (the "Administrator") under the Act and the Regulations for Ship Financing Guarantees.

I. THE APPLICANT: Its Identity

A. Form of Organization:

Please detail the business structure of the Applicant and any bareboat charterers of the vessel(s) to be financed (e.g., corporation, partnership, limited partnership, limited liability company). Provide the name, place of formation, date of formation and tax identification number or equivalent. In addition, please provide the address of the principal place of business as well as certified copies of the certificate of incorporation and bylaws, certificate of formation, partnership agreement or other documentation forming the entity.

B. Ownership:

1. The Applicant and any bareboat charterer of the vessel(s) to be financed shall provide the following information regarding the entity=s officers, directors, partners or members: name and address, office or position, nationality and interest owned (e.g., shares owned and whether voting or non-voting).
2. Please provide a brief statement of the general effect of each voting agreement, voting trust or other arrangement whereby the voting rights of any interest in the Applicant are controlled or exercised by any person who is not the holder of legal title to such interest.

C. Citizenship - If the Applicant intends that the financed vessel(s) will be operated in the domestic trades of the United States, the Applicant shall submit, as Attachment I to this application, an affidavit of U.S. citizenship for the shipowner and any bareboat charterer of the vessel(s) to the extent required by 46 CFR Part 355. A copy of the prescribed form of corporate affidavit is set out as Attachment I. Non-corporate entities may contact the Maritime Administration (MARAD) for a copy of the appropriate prescribed form of affidavit.

II. THE APPLICANT: Background

A. Business Activities - Please provide a brief description of the Applicant=s principal business activities during the past 5 years.

B. Affiliated Entities- Please list all business entities that directly or indirectly through one or more intermediaries, control, are controlled by or are under common control with the Applicant. Please indicate the nature of the business transacted by each entity and the relationship between these entities. This information may be presented in the form of a chart. Indicate whether any of the affiliated entities have previously applied for or received Title XI assistance.

C. Bankruptcy - Please indicate whether the Applicant, any predecessor or affiliated entity has been in bankruptcy or reorganization under any insolvency or reorganization proceeding. If so, please give details.

D. Default - Please provide a statement indicating whether the Applicant or any predecessor or affiliated entity is now, or during the past 5 years has been, in default under any agreement or undertaking with others or with the United States of America. Is the Applicant currently delinquent on any Federal debt? If so, please provide explanatory information.

E. Banking References - Please provide the following information:

1. Principal bank(s) or lending institution(s) - name and address
2. Nature of relationship
3. Individual references, name(s), telephone and fax number of banking officer(s).

F. Financial Information - The Applicant shall submit as Attachment IV the following financial statements, footnoted to explain the basis used for arriving at the figures:

1. The most recent financial statement of the Applicant, its parent and other significant participants, as applicable (year end or intermediate), and the three most recent audited statements with details of all existing debt. If the Applicant is a new entity and is to be funded from or guaranteed by external source(s), it shall provide the above mentioned statements for such source(s);
2. A pro-forma balance sheet of the Applicant and guarantor (if applicable) as of the estimated date of execution of the guarantees reflecting the assumption of the Title XI obligations, including the current liability; and
3. Pro-forma balance sheets for five years subsequent to the Closing.

Eligible Export Vessels: the Applicant=s financial statements shall be in accordance with U.S. generally accepted accounting principles (GAAP) if formed in the U.S. or reconciled to U.S. GAAP if formed in a foreign country unless a justification is provided explaining the inability to reconcile.

III. THE APPLICANT: Management/Operations

A. Past Business Activities - A brief description of the principal business activities during the past 5 years of each officer, director, partner or member listed above in item I B.1. If these persons (have) act(ed) as executive officers in other entities, please indicate the names of these entities and whether such entities have defaulted on any U.S. debt.

B. Business Relationships - The name and address of each organization engaged in business activities which have a direct financial relationship to those carried on or to be carried on by the Applicant with which any person listed above has any present business connection, the name of each such person and, briefly, the nature of such connection.

C. Please provide a copy of any management agreement(s) between the Applicant and any related or unrelated organization(s) which will affect the management of the Title XI project.

D. Please provide a detailed statement which shows the ability of the Applicant to successfully operate the vessel(s). If a company other than the Applicant will operate the vessel(s), then this information shall be provided for the operating company together with a copy of the operating agreement.

E. Please provide a general description of the vessels currently owned and/or operated by the Applicant or its affiliates. This description should also include areas of operation.

F. Briefly describe the general character and location of the principal assets employed in the business of the Applicant, other than vessels. Describe financial encumbrances, if any.

IV. THE PROJECT

A. Project Description - The Applicant shall provide a detailed description of the project.

B. Economic Soundness

1. Market Study - The Applicant should provide a market review to demonstrate the need and potential market for the project. The market review should include market indicators (data) outlined in the attached market study guidelines in Attachment VI. The project=s expected revenues and expenses should be

consistent with the data presented in the market review.

2. Revenue - Provide a detailed statement of the revenues expected to be earned from the project based upon the information provided above. The revenues should be estimated for the projected utilization rate for the vessel(s) and at a break-even rate for the project. A justification for the utilization rate should be supplied and should indicate the number of days per year allowed for maintenance, drydocking, inspection, etc.

3. Expenses:

a) Provide a detailed breakdown of estimated vessel daily operating expenses, including wages, insurance, maintenance and repair, fuel, etc. Also provide a detailed projection of anticipated costs associated with long term maintenance of the vessel(s) such as drydocking and major mid-life overhauls, with a time frame for these events over the period of the Guarantee.

b) Provide, if applicable, a detailed breakdown of those expenses associated with the vessel(s) voyage, such as port fees, agency fees and canal fees that are assessed as a result of the voyage.

c) Provide a detailed breakdown of annual capital costs and administrative expenses, segregated as to:

- 1) Interest on debt;
- 2) Principal amortization; and
- 3) Salaries and other administrative expenses (indicate basis of allocation).

4. Forecast of Operations - Utilizing the revenues and expenses provided above, provide a forecast of operations for the Title XI project on a cash basis for the Applicant=s first full year of operations and the next four years. Please indicate what current revenues and utilization levels are for similar vessels. The Applicant should provide adequate backup detail to support its assumptions.

C. Design -- Complete Attachment II and Attachment III of this application. In addition, please provide the name of the proposed supervising architect and state his/her experience and qualifications.

If the vessel(s) has already been delivered, copies of the classification and certificates should be submitted with the application.

D. Cost of the Project--The following information shall be submitted with respect to the cost of the project.

1. Actual Cost of Construction - A detailed statement of the estimated actual cost of construction, reconstruction or reconditioning of the vessel(s) including those items which would normally be capitalized as vessel construction costs and other items requested to be included in Actual Cost:

Shipyard Contract Price	\$
Escalation	
Changes & Extras	
Owner Furnished Items	
Design	
Engineering	
Inspection	
Guarantee Fee	
Net Interest during Construction	
Commitment Fee(s)	
Total Actual Cost (excluding foreign items)	\$ _____
Foreign Equipment and Service (by category as shown above)	
Total Actual Cost (including foreign items)	\$ _____

Please provide a justification for the inclusion in Actual Cost of any foreign equipment or services.

If any category above is inapplicable, enter zero beside that category. Net Interest during Construction is total estimated construction period interest on non-equity funds less estimated earnings from the escrow fund, if such fund is to be established.

If the project involves refinancing, Attachment V should be completed at the time of filing the application.

2. Contracts - If any of the above costs have been incurred by written contracts such as the shipyard contract, management or operating agreement, signed copies should be forwarded with the application. If any contracts are anticipated to be signed, provide a draft(s), and indicate the expected date(s) of execution. The Applicant will be required to have the contracting shipyard submit back-up cost details and technical data.

3. Other Costs - Provide a detailed statement showing the cost of any shore facilities, cargo containers, etc., and items not listed in IV D1 above proposed to be purchased in conjunction with the project. In addition, please include a detailed statement showing any other costs associated with the project not previously included, such as legal and accounting fees, printing costs, vessel insurance, underwriting fees, incentive payments, etc. A statement as to how these other costs are to be paid should be provided.

E. Financing:

1. Describe, in detail, how and when funds are to be provided to cover 1) the vessel(s) equity (the difference between the capitalizable cost and the Guarantee amount); 2) the required working capital; and 3) initial operating expenses. If any other person or entity is providing funding to the Applicant to assist in the financing of the project, please provide complete details about this funding.

2. Please provide a detailed statement with respect to the types and value of assets (in addition to the vessel(s) being financed), including any corporate guarantees, being offered by the Applicant to collateralize the Secretary's issuance of the Guarantee.

3. What type of debt amortization is proposed? If other than level principal, please provide a justification.

F. Eligible Export Vessel(s):

1. Provide a detailed assessment with respect to the following:

- a) Political Risk
- b) Expropriation Risk
- c) Currency Inconvertibility Risk

Appropriate insurance or corporate guarantee may be required by the Secretary with respect to each of the aforementioned risks.

2. Admiralty law:

- a) What is the country of registry and under what flag will the vessel(s) operate?
- b) If the vessel(s) is to be operated on a regular service, please identify the ports of call.
- c) Do the countries named in a) and b) above have admiralty jurisdiction and would the vessel(s) be subject to such jurisdiction?

3. Where are the principal business locations for the applicant and the operator, if any. Information may be required to be provided with respect to whether those countries' laws which govern secured transactions and bankruptcy laws are equivalent to U.S. laws.

G. Environmental Impact - Are any international, Federal, State, Tribal, or local approvals, permits or certificates required pursuant to any law, rule, regulation or ordinance related to the environment? If so,

provide copies of all such approvals, permits or certificates, or applications for same, that encompass the project. Please identify any environmental study or assessment that has been performed.

PART III -- CONSTRUCTION PERIOD FINANCING

If the application involves construction period financing (e.g., issuance of the guarantee to aid in the pre-delivery construction of the vessel(s)), the following information is to be supplied:

1. Has the shipyard(s) obtained a performance bond or insurance? If so, this performance bond or insurance documentation should be submitted.
2. If the shipyard has not obtained a performance bond or insurance, identify any consideration that is to be given in lieu thereof (i.e., a guarantee by the shipyard=s parent). If a guarantee of the shipyard's performance is to be executed or the shipyard is believed to have sufficient financial resources and operational capacity, the most recent audited financial statements of the appropriate party should be submitted.
3. Provide a detailed draw-down schedule for the escrow fund with dates and amounts.

PART IV -- REFINANCING

Title XI Guarantees may be issued for the purpose of refinancing existing indebtedness relating to the vessel(s) so long as the debt was incurred for one of the purposes eligible for Title XI financing and was placed within one year of vessel delivery. The amount of the refinanced debt will be limited to the lesser of (1) 75 percent or 872 percent, as applicable, of the depreciated actual cost of the vessel(s), or (2) the existing indebtedness relating to the vessel(s). If the project involves refinancing, in whole or part, the following additional information is to be submitted.

1. Amount of existing debt;
2. Date debt incurred and original amount of debt;
3. Repayment schedule as to principal and interest;
4. Amount repaid to date;
5. Executed copy of the loan agreement; and
6. Information on the vessel=s depreciated actual cost, including information on when the vessel was built, and its original cost of construction.

PART V--RECONSTRUCTION OR RECONDITIONING

If the project involves reconstruction or reconditioning of an existing vessel(s), in whole or part, the following additional information is to be submitted. Financing available under this part must involve substantial modification such as enlarging the vessel(s), converting to a different mode of cargo transport, etc. Repair, reconditioning or reconstruction which is required to meet the current regulatory body or classification society requirement is not allowed.

1. State the nature of the reconstruction or reconditioning and describe how it will increase the economic life and/or economic utility of the vessel(s).
2. Estimated economic life of the vessel(s) before and after the reconstruction or reconditioning.
3. Date and place the vessel(s) was originally built, including name of the shipyard.
4. Original cost of construction (or acquisition cost if Applicant is not the original owner).

5. Repair items, if any, should be shown as a separate item of cost and stated separately in the contract or specifications.

6. Amounts of any existing mortgages or security interests in the vessel(s) (also specify the holder(s) of such interests) and proposed method by which any such encumbrances will be released at the time of the execution of the Guarantees.

ATTACHMENTS

Please complete the following attachment forms as requested and file them with the application. There is no form for Attachment IV, Financial Information, which shall be furnished by the Applicant.

Attachment I-- Affidavit of U.S. Citizenship

Attachment II-- Table of Vessel Characteristics for Proposed Vessel(s)

Attachment III-- Vessel Design Information (to be attached to the three executed copies of the application)

Attachment IV-- Financial Information. For a complete description of requirements, see Part II F.

Attachment V-- Request for Actual Cost Approval and Reimbursement.

Attachment VI - Market Study Guidelines for Title XI Projects

Attachment VII - A completed Lobbying Form must accompany the application and this form must be updated as events occur.

NOTE:

- 1) For all requested information that is not being supplied at the time of application filing, indicate when these materials are to be supplied and the reason for not supplying them with the application.
- 2) For Applicants with an existing Title XI contract(s), certain information requested in this application may already be on file with MARAD and need not be re-submitted if the information is current. For any such information, please advise and also note when the information was submitted.
- 3) MARAD reserves the right to request additional information on any aspect of the project.

(Name of Applicant)

By _____
(Name and Title)

Attest:

Secretary _____

I, _____, do certify that

I am the _____ of _____
(Title) (Name of Applicant)

the Applicant on whose behalf I have executed the foregoing application; this application is made for the purpose of inducing the United States of America to grant guarantees pursuant to the provisions of Title XI of the Merchant Marine Act, 1936, as amended. 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.

(Name)

NOTE: The U.S. Criminal Code makes it a criminal offense for any person to knowingly make a false statement or representation or to conceal or cover up a material fact from any department or agency of the United States as to any matter within its jurisdiction (18 U.S.C. 1001).

Public reporting burden of this collection of information is estimated to average 4 hours per response. Send comments regarding this burden estimate or any other aspect of this information collection to the Maritime Administration, Office of Management and Administrative Services, 1200 New Jersey Avenue, SE, Washington, D.C. 20590.

Attachment I
AFFIDAVIT OF U.S. CITIZENSHIP

State of _____ County of _____ SS:

46 CFR Ch. II (10-96 Edition)

I, _____, (Name) of _____, (Residence address) being duly sworn, depose and say:

1. That I am the _____ (Title of office(s) held) of _____, (Name of corporation) a corporation organized and existing under the laws of the State of _____ (hereinafter called the "Corporation"), with offices at _____, (Business address) in evidence of which incorporation a certified copy of the Articles or Certificate of Incorporation (or Association) is filed herewith (or has been filed) together with a certified copy of the corporate Bylaws. [Evidence of continuing U.S. citizenship status, including amendments to said Articles or Certificate and Bylaws, should be filed within 30 days after the annual meeting of the stockholders or annually, within 30 days after the original affidavit if there has been no meeting of the stockholders prior to that time.];

2. That I am authorized by and in behalf of the Corporation to execute and deliver this Affidavit of U.S. Citizenship;

3. That the names of the President or other Chief Executive Officer, Vice Presidents or other individuals who are authorized to act in the absence or disability of the President or other Chief Executive Officer, the Chairman of the Board of Directors, and the Directors of the Corporation are as follows:

Name	Title	Date and place of birth
_____ (The foregoing list should include the officers, whether or not they are also directors and all directors, whether or not they are also officers.)		

and that each of said individuals is a citizen of the United States by virtue of birth in the United States, birth abroad of U.S. citizen parents, by naturalization, by naturalization during minority through the naturalization of a parent, by marriage (if a woman) to a U.S. citizen prior to September 22,1922, or as otherwise authorized by law, except (give name and nationality of alien directors, if any); however, the Bylaws of the Corporation provide that ____ (Number) of the directors are necessary to constitute a quorum; therefore, the alien directors named represent no more than a minority of the number necessary to constitute a quorum. [In the case of corporations under title VI, Merchant Marine Act, 1936, as amended, all directors must be citizens of the United States. Further, obtaining evidence necessary to support this Affidavit of U.S. Citizenship is the responsibility of the affiant.];

4. Information as to stock, where Corporation has 30 or more stockholders:¹

That I have access to the stock books and records of the Corporation; that said stock books and records have been examined and disclose (a) that, as of _____, (Date) the Corporation had issued and outstanding _____ (Number) shares of _____, (Class or series) the only class or series of stock of the Corporation issued and outstanding [if such is the case], owned of record by _____ (Number) stockholders, said number of stockholders representing the ownership of the entire issued and outstanding stock of the Corporation, and (b) that no stockholder owned of record as of said date five per centum (5%) or more of the issued and outstanding stock of the Corporation of any class or series. [If different classes or series of stock exist, give the same data for each class or series issued and outstanding, showing the monetary value and voting rights per share in each class or series. If there is an exception to the statement in clause (b), the name, address, and citizenship of the stockholder and the amount and class or series of stock owned should be stated.]

That the registered addresses of _____ owners of record of _____ shares of the issued and outstanding _____ (Class or series) stock of the Corporation are shown on the stock books and records of the Corporation as being within the United States, said _____ shares being _____ per centum (%) of the total number of shares of said stock (each class or series). [The exact figure as disclosed by the

¹ Strike inapplicable paragraph 4.

stock books of the corporation must be given and the per centum figure must not be less than 65 per centum, except that for a corporation operating a vessel in the coastwise trade, the per centum figure must be not less than 95 per centum. These per centum figures apply to corporate stockholders as well as to the primary corporation.]

(The same statement should be made with reference to each class or series of stock, if there is more than one class or series.)

4. Information as to stock, where Corporation has less than 30 stockholders:¹

That the information as to stock ownership, upon which the Corporation relies to establish that the required percentage² of stock ownership is vested in citizens of the United States, is as follows:

Name of stockholder	Number of shares owned (each class or series)	Percentage of shares owned (each class or series)
----------------------------	--	--

and that each of said individual stockholders is a citizen of the United States by virtue of birth in the United States, birth abroad of U.S. citizen parents, by naturalization during minority through the naturalization of a parent, by marriage (if a woman) to a U.S. citizen prior to September 22, 1922, or as otherwise authorized by law.

NOTE: If a corporate stockholder, give information with respect to State of incorporation, the names of the officers, directors, and stockholders in the appropriate percentage of shares held, with statement that they are all U.S. citizens. Nominee holders of record of 5 percent or more of any class or series of stock and the beneficial owners thereof should be named and their U.S. citizenship affirmed.

5. That the controlling interest (or 75% of the interest)³ in (each) said Corporation, as established by the data hereinbefore set forth, is owned by citizens of the United States; that the title to a majority (or 75%)³ of the stock of (each) said Corporation is vested in citizens of the United States free from any trust or fiduciary obligation in favor of any person not a citizen of the United States; that such proportion of the voting power of (each) said Corporation is vested in citizens of the United States; that through no contract or understanding is it so arranged that the majority (or more than 25%)³ of the voting power of (each) said Corporation may be exercised, directly or indirectly, in behalf of any person who is not a citizen of the United States; and that by no means whatsoever, is control of (each) said Corporation (or any interest in said Corporation in excess of 25%)³ conferred upon or permitted to be exercised by any person who is not a citizen of the United States; and

6. That affiant has carefully examined this affidavit and asserts that all of the statements and representations contained therein are true to the best of his/her knowledge, information, and belief.

Dated: _____

(Name of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and County aforesaid, this day of ____19__.

1

275% if Corporation is operating in the coastwise trade, on the Great Lakes, or on bays, sounds, rivers, harbors, or inland lakes of the United States; and controlling interest if Corporation is operating solely in the foreign trade, both terms as defined in section 2, Shipping Act, 1916, as amended.

3Strike inappropriate language .

3

3

3

(Notary Public)

My Commission expires:

TABLE OF VESSEL CHARACTERISTICS FOR PROPOSED VESSEL(S)

Including:

1. Length overall
2. Length between perpendiculars
3. Beam
4. Full load draft
5. Depth to strength deck
6. Full load displacement
7. Service speed at full load displacement
8. Number of passengers by classes
9. Approximate number of staterooms for each class
10. Number of crew:
 - a. Deck Department
 - b. Engine Department
 - c. Steward's Department
11. Dry cargo volume--bale cubic and/or grain cubic and/or TEU
12. Dry cargo deadweight
13. Refrigerated cargo cubic and/or TEU
14. Refrigerated cargo deadweight
15. Cargo oil cubic 100% full
16. Cargo oil deadweight
17. Fuel oil tankage cubic 100% full
18. Fresh water tankage cubic 100% full
19. Number of propellers
20. Type of main propulsion machinery
21. Rated horsepower of main propulsion machinery (MCR)
22. Estimated fuel consumption in service at sea and in port
23. Evaporator capacity
24. Auxiliary generator capacity
25. Cruising radius at service speed at full displacement
26. Estimated net tonnage
27. Estimated gross tonnage
28. Estimated total deadweight capacity
29. Light ship weights
 - a. steel
 - b. outfit
 - c. machinery

VESSEL DESIGN INFORMATION
(Three (3) copies required)

The requirement for submission of the information outlined in Attachment III may be waived, at MARAD's discretion, for those projects which have a design previously approved by MARAD.

1. **SPECIFICATIONS:** Specifications shall cover all shipyard contract work to be accomplished. They shall identify classification society rules to be used, national and international regulations to be applied and primary vessel certifications to be obtained. They shall also address pollution considerations such as engine emissions, sewage processing, refrigerants and fire fighting systems.
2. **GENERAL ARRANGEMENT DRAWINGS:** Drawings shall include the inboard profile and plan view of the decks with a table of principal vessel characteristics.
3. **MIDSHIP SECTION STRUCTURAL DRAWING:** Drawing shall be consistent with classification society and/or regulatory body requirements.
4. **MAJOR LONGITUDINAL AND TRANSVERSE STRUCTURAL DRAWINGS:** Drawing shall be consistent with classification society and/or regulatory body requirements.
5. **LONGITUDINAL HULL GIRDER STRENGTH ANALYSIS:** Analysis shall be consistent with classification society and/or regulatory body requirements.
6. **MACHINERY ARRANGEMENT DRAWINGS:** Drawings shall have sufficient plan view(s), elevation(s) and section view(s) to show the location of all major machinery components. A list of main machinery components shall also be included.
7. **LIGHTSHIP WEIGHT ESTIMATE:** Estimate shall include a weight breakdown in the three main weight groups: hull structure (including deck house), hull outfitting (including joiner work) and machinery, with a center of gravity for each main group.
8. **LIGHTSHIP LONGITUDINAL WEIGHT DISTRIBUTION CURVE:** Curve should be consistent with classification society and/or regulatory body requirements.
9. **LINES DRAWINGS:** Drawings shall show the body plan, profile plan and waterline plan. Tabular offsets in hard copy and in computer format shall also be provided.
10. **SPEED/POWER CHARACTERISTICS:** Include curves of speed versus power and rpm with enough pertinent technical data for the selection of main engine(s) and propeller(s).
11. **HYDROSTATIC CHARACTERISTICS:** Hydrostatic data may be presented as curves, nomographs and/or tables.
12. **LOADING CONDITION CALCULATIONS:** Calculations should be consistent with classification society and/or regulatory body requirements and shall represent the safe loading of the ship throughout its range of operating drafts.
13. **INTACT AND DAMAGED STABILITY (if required) ANALYSES:** Analyses shall be consistent with classification society and/or regulatory body requirements.
14. **CAPACITY PLAN:** Plan shall include volume, weight, and center of gravity information for each cargo space and/or tank. Free surface effects for all tanks shall also be included.
15. **ELECTRIC LOAD ANALYSIS:** Analysis should be consistent with classification society and/or regulatory body requirements.
16. **HEAT BALANCE OR ENERGY ANALYSIS:** Analysis shall be in diagrammatic form and should be consistent with classification society and/or regulatory body requirements.

17. **KEY EVENT PRODUCTION SCHEDULE:** *Production schedule which clearly demonstrates the integration of each vessel with the shipyard's existing workload shall be provided, if the Title XI application involves construction period financing.*

18. **VESSEL DOCUMENTATION:** *A copy of all classification society and/or regulatory body documents and certificates issued for the vessel(s).*

NOTES:

- (1) *When deemed necessary, additional technical information may be requested by the Maritime Administration and shall be provided by the Title XI Applicant.*
- (2) *If a preliminary Title XI application is submitted, it shall include, as a minimum, Items 1 and 2 of this Attachment III.*
- (3) *In general, all plans provided shall be drawn to an engineering or architectural scale and may be in a computerized format such as AutoCAD R.12 or later. All other technical information may also be submitted in a computerized format. Data compatibility requirements should be discussed with the Maritime Administration prior to submittal.*

Financial Information. For a complete description of requirements, see Part IIF.

Summary of Actual Cost Request

Applicant's Name
Applicant's Address

Shipyard's Name
Shipyard's Address

Name of Vessel
Type of Vessel

Shipyard Hull No.

LOA

LBP

BEAM

DEPTH

SHP

Submittal No.

Period Covered From: _____ to: _____ Final Cost Submittal ___ Date

Date of Last Previous Submittal

Instructions to Applicant

Requests for actual cost approvals and remittances must be submitted on this form and on the supplemental schedules listed below as applicable. Specific instructions are included on each supplemental schedule.

Remittances to Shipyard	Supplemental Schedule No.	Previous Cumulative Total	Actual Cost This Submittal	Cumulative Actual Cost To Date
Contract Base Cost	1			
Escalation	1			
Changes & Extras	2 & 2A			
Other Items	3			
1. Subtotal-Actual Construction Cost				
Owner Furnished Items	4			
Design, Engineering and Inspection at Owner's Cost	5			
2. Subtotal-Actual Owner's Cost				
Total (1 & 2) Actual Construction & Outfitting Cost: Less: Items of Foreign Cost Not Allowed	6			
3. Subtotal--Actual Construction and Owner's Outfitting Cost				
<u>Financing Costs:</u> Guarantee Fee/Commitment Fees	7			
Interest Expense				
Interest Income				
4. Subtotal--Financing Costs				
Total--Actual Cost				
5. Source of Payments				
Escrow Fund				
Construction Fund				
General Fund				
TOTAL				

Notes, Comments, Etc.

CERTIFICATION OF PAYMENTS

The undersigned has examined the records of _____ and certifies the above cost figures and the attached supplemental schedules to accurately state the actual costs, both paid and to be paid, of _____ in accordance with generally accepted accounting practices.

Date: _____

Title _____

ATTACHMENT V - Supporting Documentation

Supplemental Schedule No. 1

Contract Base Cost and Escalation

Applicant's Name
Applicant's Address

Shipyard's Name
Shipyard's Address

Name of Vessel
Submittal No.

Shipyard Hull No.
Date

Instructions to Applicant

List all remittances made to the shipyard for the construction of the vessel as shown in the contract specifications. Include escalation, if applicable, as defined in the contract. Do not include the cost of subsequent amendments to the contract or changes and extras which are to be listed on Schedules 2 and 2A.

Date of Payment	Notes or Comments (if required)	Contract Base Cost	Escalation	Total
------------------------	--	---------------------------	-------------------	--------------

ATTACHMENT V - Supporting Documentation

Supplemental Schedule No. 2

Index of Changes and Extras

Applicant's Name
Applicant's Address

Shipyard's Name
Shipyard's Address

Name of Vessel
Submittal No.

Shipyard Hull No.
Date

Instructions to Applicant

List all changes and extras in numerical order as indicated below. Fill in all information requested. Show total cost claimed at the end of the list. Attach Schedule 2A with information requested arranged in the same sequence.

If preferred, the Applicant may request the shipyard to forward this schedule and Schedule 2A directly to Chief, Division of Cost Analysis and Production, Maritime Administration, Code MAR-725, Room 8311, 400 Seventh Street, S.W., Washington, D.C. 20590.

Change No. Description or Identification Subcontractor (if applic.) Cost per Ship

ATTACHMENT V - Supporting Documentation

Supplemental Schedule No. 2A
Changes and Extras Details

Applicant's Name
Applicant's Address

Shipyard's Name
Shipyard's Address

Name of Vessel
Submittal No.

Shipyard Hull No.
Date

Instructions to Applicant

Enter below the details requested for each change order in the same sequence as listed in Schedule 2. The scope of work for each change should be briefly described. Major items of material and/or labor should be set forth individually--whether added or deleted. Sufficient detail should be included to justify the cost added or deleted for each change. Include as many changes as possible on each sheet.

Change Change No.	Title of Change/Scope of Work by Phases/Material	Material Cost		Labor		Net Cost of
	Description/Labor Description	Unit	Total	Hours	Cost	(+) or (-)

ATTACHMENT V - Supporting Documentation

Supplemental Schedule No. 3

Other Items

Applicant's Name
Applicant's Address

Shipyard's Name
Shipyard's Address

Name of Vessel
Submittal No.

Shipyard Hull No.
Date

Instructions to Applicant

List below all items paid directly to the shipyard which qualify as construction cost, but do not belong in the categories of base contract cost, changes, extras, and escalation. Example: insurance, storage of owner furnished items, performance bond; if such items are not provided for in construction contract.

Item No.	Description	Cost
—		

ATTACHMENT V - Supporting Documentation

Supplemental Schedule No. 4
Owner Furnished Items

Applicant's Name
Applicant's Address

Shipyard's Name
Shipyard's Address

Name of Vessel
Submittal No.

Shipyard Hull No.
Date

Instructions to Applicant

List below all owner furnished materials, equipment and services where the total cost per invoice exceeds \$2,500. At the end of the list include all invoices costing less than \$2,500 in a lump sum opposite the description "Miscellaneous Owner Items." Description of individual items listed should include quantity, material specification, model No., horsepower, capacity, etc., as applicable, to allow review for reasonability of cost and eligibility as Title XI actual cost. Invoices containing the above information may be submitted in lieu of filling this form out provided a summary of all such invoices is provided with each submittal.

Item No.	Quantity	Description or Identification	Manufacturer's Name* City and Country	Vendor's	Cost per Invoice No.
----------	----------	-------------------------------	--	----------	----------------------

Shipset

*If the item is not manufactured, show the name of the company actually furnishing the goods or services. Do not list brokers, jobbers, distributors, or representatives.

ATTACHMENT V - Supporting Documentation
Supplemental Schedule No. 5
Design, Inspection and Engineering at Owner's Cost

Applicant's Name
Applicant's Address

Shipyard's Name
Shipyard's Address

Name of Vessel
Submittal No.

Shipyard Hull No.
Date

Instructions to Applicant

List below expenditures paid by the Applicant for design, inspection and engineering in sufficient detail to permit review for Title XI eligibility and reasonability of cost.

Item No.	Names of Applicant's Employees and/or Names of Subcontractors Nature of Work Performed	No. Hours	Invoice No. or Rate/Hour	Cost
—				

ATTACHMENT V - Supporting Documentation

Supplemental Schedule No. 6
Items of Foreign Manufacture, Growth or Origin

Applicant's Name
Applicant's Address

Shipyard's Name
Shipyard's Address

Name of Vessel
Submittal No.

Shipyard Hull No.
Date

Instructions to Applicant

Under Maritime Administration policy all items of foreign manufacture, growth or origin are ineligible as Title XI actual cost. It is the responsibility of the Applicant to furnish the information listed below for each such item. This includes both goods and services. The total cost of the items listed will be deducted from the total actual cost eligible for Title XI Guarantee unless a waiver has been requested by letter from MARAD and granted by MARAD by letter.

Item per No.	Quantity	Description or Identification	Vendor's Name City and Country	Vendor's Invoice No.	Cost Ship
-----------------------------	-----------------	--	---	---------------------------------	----------------------

ATTACHMENT V - Supporting Documentation

Supplemental Schedule No. 7
Interest, Commitment Fees and Guarantee Fee

Applicant's Name
Applicant's Address

Shipyard's Name
Shipyard's Address

Name of Vessel
Submittal No.

Shipyard Hull No.
Date

Instructions to Applicant

Fill out the information requested below concerning the interest and commitment fees for which you are requesting reimbursement in this submittal.

Period	Check Which				Principal	Interest
Covered	Amount	Int.	Fee	Paid To	Amount	Rate
	Paid					

Attachment VI

Preamble, Market Study Guidelines

A portion of the information required by Section IV B of the application relates to the overall market in which the vessels will operate and the applicant's performance in that market. In order to assist the applicant in providing the most relevant information, we have prepared the attached market study guidelines which should form the basis for your response. If you believe specific information items are not relevant to your project, please contact the Maritime Administration to discuss the data required to support your application.

Market Study Guidelines for Title XI Projects

I. Existing Markets and Services:

- Information can be provided by applicant or independent market consultant.
- Clear definition of market (e.g., U.S. domestic product tanker trades) as perceived by the applicant.
 - > Geographic scope.
 - > List of major companies (addresses, if known) serving the market and market shares (shares can be measured in terms of traffic or capacity).
- Measures of traffic (overall/applicant's share)
 - > Time series for last five years (explain any anomalies that occurred in last five years).
 - > Annual, or higher frequency if traffic is seasonal.
 - > Weight or volume measures, e.g., number of passengers/tons carried.
 - > Estimates for next five years.
 - > Applicant's market share (historical and projected).
- Measures of supply (capacity) (overall fleet/applicant's fleet)
 - > Existing fleet (Describe specifically the types of ships included in the fleet profile).
 - > Number of ships
 - > Cargo capacity (passenger berths, DWT, cargo capacity (short tons, bbls.)).
 - > Fleet trends, in size, vessel types, speed, fuel consumption, crew size, other technological improvements.
 - > Age profile of existing fleet.
 - > Orderbook
 - > Same measures as existing fleet.
 - > Recent scrapping rates, average scrapping age.
 - > Regulatory impacts (if any).
- Measures of Demand, Fleet Employment (overall/applicant's)
 - > Time series for last five years (explain any anomalies that occurred in last five years), defining employment and capacity utilization as used in the data.
 - > Measured by number of ships/shipping capacity employed.
 - > Annual or higher frequency if employment is seasonal.
 - > Estimates for next five years.
- Rates (overall/applicant's)
 - > Time series, last five years (explain any anomalies that occurred in last five years), next five years (estimates).
 - > Annual or higher frequency if traffic is seasonal.
 - > Time charter rates (preferred), per diems/fares for passenger service, freight (voyage rates). Time charter equivalent rates are optional and must include a complete set of employment assumptions underlying estimates.
 - > Estimates for next five years.

- Pro Forma Estimates

> Breakeven time charter/freight rates/fares for the proposed equipment with cost components identified, e.g., capital costs, operating costs, voyage costs (fuel/port) under various utilization assumptions.

Information provided in market studies should be fully documented: footnotes, sources, and references.

If any of the preceding industry data items are unavailable, applicant should provide proxies, e.g., survey data, employment contracts, charters. Applicant should clearly describe the proxies.

II. New Market with no established service:

- Applicant should clearly define the potential market.
- Applicant should have an independent market survey done by a reputable firm to estimate the size of the potential market. Applicant should provide background information on the firm conducting the survey, the focus group, service attributes, development of the questionnaire (include questionnaire), and the survey population and sample selection process.
 - > The survey should generate estimates for the following:
 - > Traffic
 - > Diverted from other competitive modes v. new demand
 - > Seasonality
 - > Required capacity
 - > Service frequency
 - > Prices/rates customers would pay, and
 - > The survey report should contain a critical evaluation of the project (positive/negative aspects).
 - > It should also contain recommendations as to changes to project based on survey results.
- Pro Forma Estimates
 - > Breakeven time charter/freight rates/fares for the proposed equipment with cost components identified, e.g., capital costs, operating costs, voyage costs (fuel/port) under various utilization assumptions.
- Market surveys indicate latent market potential. The applicant should therefore submit its proposed merchandising, advertising and promotional plan which clearly describes how it expects to achieve traffic/utilization/rate levels necessary for profitable results.

III. Established market with new type of service or vessel.

- Applicant should provide items listed for established market and a survey to demonstrate demand for the new type of service or vessel.

DECLARATION REGARDING LOBBYING

I, _____, do hereby declare under penalty of perjury, in accordance with the provisions of 28 United States Code 1746, that the following statements are true and correct to the best of my knowledge:

1. I am the Chief Executive Officer of _____, an applicant (the "Applicant") for a loan guarantee pursuant to Title XI of the Merchant Marine Act, 1936, and this Declaration is hereby submitted in compliance with the provisions of 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, Pub. L. 104-65, December 19, 1995 (the "Lobbying Act").

2. The submission of the information set forth herein has been duly authorized and approved in the manner required by the Applicant's Articles of Incorporation and its By-Laws.

3. There immediately follows a list of any lobbyists who have an obligation to register under the Lobbying Act and who have made lobbying contacts on behalf of the Applicant in connection with the requested loan guarantee:

-

4. The Applicant will file a further declaration in the form of this Declaration at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in this Declaration.

5. The terms "lobbyist" and "lobbying contacts" used herein have the meanings given to them by the Lobbying Act.

DATED: _____

Name: _____
Title: _____