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RECEIVED
SURFACE TRANSPORTATION BOARD

JAN 5 11 50 AM '99

COMMISSION
SERVICE SECTION

January 4, 1999

Eileen P. Brown

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EMAIL ebrown@
thompsoncoburn.com

RECORDATION NO. 21055 FILED

JAN 5 '99 11-50 AM

VIA FEDERAL EXPRESS

Secretary
Surface Transportation Board
1925 K Street, N.W., Suite 700
Washington, D.C. 20423

Re: Bareboat Charter (the "Lease") for recordation according to 49 CFR Pt. 1177

Dear Secretary:

We have enclosed one original and one copy of the document described below, to be recorded pursuant to Section 11301of Title 49 of the U.S. Code.

This document is a lease, a primary document, dated December 23, 1998.

The names and addresses of the parties to the document are as follows:

Lessor:
Wilmington Trust Company, not in its individual capacity but solely as owner trustee under the Trust Agreement dated December 23, 1998 for the Benefit of BFC Assets, Inc.
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890-0001

Lessee:
American Commercial Lines LLC
1701 East Market Street
Jeffersonville, Indiana 47131

A description of the equipment covered by the document follows:

Four (4) barges, CHEM 260 (O.N. 1071210), CHEM 261 (O.N. 1073102), CHEM 262 (O.N. 1073103), and CHEM 263 (O.N. 1073104) and one (1) towboat, SANTA ELENA (O.N. 1075882) (the "Vessels"), together with all of their covers, engines, boilers, machinery, masts, spars, boats, anchors, cables, chains, rigging, tackle, apparel, furniture, capstans, outfit, tools, pumps, pumping and other equipment or gear, furnishings, appliances, fittings and spare and

replacement parts and all other appurtenances to said Vessels pertaining or belonging, including any Charterer-furnished equipment, if any, whether now owned or hereinafter acquired, whether on board or not on board and also any and all additions, improvements and replacements hereafter made in or to said Vessels or any part thereof, or in their equipment and appurtenances owned by a third-party lessor which has furnished the same to the Charterer under a rental agreement and further excepting any equipment or appurtenances which remain or become the property of the Charterer pursuant to the Charter.

A fee of $26.00 is enclosed. Please return the original and any extra copies not needed by the Board for recordation to the undersigned.

A short summary of the document to appear in the index follows:

Bareboat Charter (Lease), dated December 23, 1998 between Wilmington Trust Company, not in its individual capacity but solely as owner trustee under the Trust Agreement dated December 23, 1998 for the Benefit of BFC Assets, Inc. (as Lessor) and American Commercial Lines LLC (as Lessee) for one (1) towboat, SANTA ELENA (O.N.1075882) and four (4) barges, CHEM 260 (O.N. 1071210), CHEM 261 (O.N. 1073102), CHEM 262 (O.N. 1073103), and CHEM 263 (O.N. 1073104) as fully described therein.

Very truly yours,

Thompson Coburn

By
Eileen P Brown

Enclosures

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

OFFICE OF THE SECRETARY
Ellen P. Brown
Thompson Coburn
700 14th Street, NW
Washington, DC., 20005-2010

Dear Sir:

The enclosed documents (s) was recorded pursuant to the provisions of 49 U.S.C. 11301 and CFR 1177.3 (c), on 1/5/99 at 11:50 AM , and

assigned recordation numbers (s): W-55.

Sincerely Yours,

Vernon A. Williams

Vernon A. Williams

Enclosure(s)
26.00
$_____ The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature----------

RECORDATION NO. W-55 FILED

JAN 5 '99 11-50 AM

BAREBOAT CHARTER

dated as of December 23, 1998

between

AMERICAN COMMERCIAL LINES LLC,
as Charterer

and

WILMINGTON TRUST COMPANY,
as Owner Trustee

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BAREBOAT CHARTER

THIS BAREBOAT CHARTER dated as of December 23, 1998 between AMERICAN COMMERCIAL LINES LLC, a Delaware limited liability company, with its principal place of business at 1701 East Market Street, Jeffersonville, Indiana 47103 (the "Charterer") and WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee (the "Owner Trustee"), for the benefit of BFC Assets, Inc., having its principal place of business at Rodney Square North, Wilmington, Delaware 19801.

WITNESSETH:

WHEREAS, JEFFBOAT LLC, a Delaware limited liability company and a subsidiary of the Charterer (the "Seller") has on this date sold to the Owner Trustee the four barges and one towboat more particularly identified in the Charter Supplement dated the date hereof and made a part hereof; and

WHEREAS, Owner Trustee desires to bareboat charter all of the foregoing vessels to the Charterer pursuant to the terms of this Charter.

NOW, THEREFORE, the Owner Trustee agrees to let and demise, and the Charterer agrees to hire, the Vessels on the following terms and conditions:

Section 1. Definitions. For all purposes of this Charter, unless otherwise provided or unless the context otherwise requires:

(a) All references herein to sections or other subdivisions, unless otherwise specified, refer to the corresponding sections and other subdivisions of the Charter;

(b) The terms "hereof", "herein", "hereby", "hereto", "hereunder", and "herewith" refer to this Charter;

(c) Capitalized terms used herein which are not defined herein but which are defined in Schedule X attached hereto, or by reference therein to other instruments, shall have the respective meanings stated therein or in such other instruments.

Section 2. Delivery and Acceptance of Vessels.

(a) Time, Place and Effect, Waiver of Revocation. Subject to the satisfaction of the conditions set forth in Section 2(b) hereof, the Owner Trustee agrees to accept delivery of and purchase the Vessels on the Delivery Date from the Seller and to charter the Vessels to the Charterer hereunder. The Seller, on behalf of the Owner Trustee, shall deliver the Vessels to the Charterer at the locations as may be mutually agreed. The delivery location shall be specified in a Charter Supplement. The Charterer shall, as agent for the Owner Trustee, accept delivery of each Vessel from the Seller at the location specified in the Charter Supplement and simultaneously accept delivery hereunder. Acceptance by the Charterer, as agent of the Owner Trustee, of a Vessel from the Seller shall be deemed to signify to the Owner

Trustee that (i) the Charterer has had a reasonable opportunity to inspect such Vessel, and (ii) such Vessel conforms to the requirements of this Charter. Notwithstanding the nonconformity of any Vessel to the requirements of this Charter (and whether or not such nonconformity was discoverable by the Charterer), the Charterer agrees that acceptance of such Vessel by the Charterer, as agent of the Owner Trustee, from the Seller shall constitute an irrevocable and unconditional acceptance of such Vessel under this Charter and a waiver of any rights that the Charterer may have by law to revoke acceptance of such Vessel under this Charter. The Owner Trustee shall not be liable for any failure to deliver or delay in delivery of any Vessel. The Owner Trustee shall have no obligation to purchase any Vessel or charter same to the Charterer until all legal matters incident to the transactions contemplated by this Charter and the other Principal Documents are resolved in a manner satisfactory to the Owner Trustee's counsel.

(b) Conditions to Delivery. The Owner Trustee's obligation to deliver and charter the Vessels to the Charterer hereunder shall be subject to satisfaction of the following conditions:

(i) On or before the Closing Date, the Owner Trustee shall have received:

(A) Bareboat Charter. Two fully executed counterparts of this Bareboat Charter.

(B) Operating Agreement. Receipt by the Owner Trustee of a copy of the Limited Liability Company Agreement of the Charterer and all amendments thereto certified by the secretary or assistant secretary of the Charterer.

(C) Certificate of Formation. Receipt by the Owner Trustee of a certified copy of the Certificate of Formation of the Charterer respectively, and all amendments thereto.

(D) Resolutions. Receipt by the Owner Trustee of a copy, duly certified as of the Delivery Date by the secretary or assistant secretary of the Charterer of the resolutions of the board of managers of the Charterer, authorizing the transactions hereunder and the execution and delivery of the Charter and the Charter Supplements and the other documents referred to herein.

(E) Intentionally omitted.

(ii) On each Delivery Date, the Owner Trustee shall receive:

(A) Charter Supplement. A Charter Supplement substantially in the form of Schedule 1 hereto.

(B) UCC-1s. Executed form UCC-1s for the State of Indiana and other documents deemed reasonably necessary by the Owner Trustee in order to

protect the interests of the Owner Trustee, executed by the Charterer and in recordable form.

(C) Bill of Sale. Invoice from Seller for each Vessel approved for payment by Charterer showing Owner Trustee as purchaser thereof and an executed U.S. Coast Guard form of Bill of Sale conveying the four barges to the Owner Trustee from the Seller, substantially in the form of Exhibit A hereto. For the towboat, a Builder's Certificate shall be executed showing the Owner Trustee as the Party for Whom Built.

(D) Insurance. Satisfactory evidence of the existence of all insurance covering the Vessels required by Section 10 below.

(E) Documentation of Vessels. Evidence that the Vessels have been duly documented by the U.S. Coast Guard in the name of the Owner Trustee, as owner, free and clear of all liens, claims or encumbrances.

(F) Intentionally Omitted

(G) Incumbency Certificates. Receipt by the Owner Trustee of certificates from the secretary or assistant secretary of the Charterer certifying the names and specimen signatures of the Persons authorized to sign this Charter, the Charter Supplements and the other documents referred to herein to be delivered by the Charterer on such Delivery Date and the true signatures of such Persons.

(H) Opinion of Counsel. Receipt by the Owner Trustee of the signed opinion of the Charterer's counsel, in form and substance satisfactory to the Owner Trustee's counsel.

(I) Intentionally Omitted.

(J) Letter of Credit. Receipt by the Owner Trustee of a letter of credit from a financial institution satisfactory to the Owner Trustee in form and substance satisfactory to Owner Trustee and Beneficiary in a face amount equal to twenty (20%) of the Owner's Cost of the Vessels.

(K) Other Conditions. Receipt by the Owner Trustee of such other documents and instruments, and evidence of the performance by the Charterer of such other obligations, as the Owner Trustee may reasonably request.

Section 3. The Charter Period. The period of this Charter shall commence on December 23, 1998 to the Owner Trustee hereunder and shall continue for one seven year period. The Charter Period shall be subject to earlier termination as provided in Section 21 hereof.

Section 4. Charter Hire.

(a) The Charterer will pay to the Owner Trustee, or as the Owner Trustee may direct, during the Charter Period, Hire as follows:

(i) 84 (eighty-four) installments of Basic Charter Hire, payable monthly in arrears, each of which shall be equal to the Fixed Amount, the first such installment being due thirty days after the Delivery Date and subsequent installments thereof being due on the corresponding date in each calendar month thereafter.

(ii) Supplemental Hire, including payment of Stipulated Loss Values as set forth in Schedule 2 hereto, if, when and to the extent applicable.

(b) Each installment of Basic Charter Hire and Supplemental Hire shall be paid in immediately available funds to the Owner Trustee at Wilmington Trust Company, ABA No. 031100092, credit: American Commercial Lines LLC, Account No. 47322-0, prior to 10:00 a.m. E.T. on the date when such installment or payment is due. All payments of Hire shall be free and clear of, and without deduction for, or on account of, any and all present or future taxes, levies, imposts, deductions or other charges whatsoever imposed or levied by any governmental or taxing authority wheresoever located. If any payment is due on a day which is not a Business Day, such payment shall be payable on the next succeeding Business Day.

The Charterer also agrees to pay to the Owner Trustee, on demand, as Supplemental Hire, to the extent permitted by applicable law, interest at the Default Rate on any part of any installment of Basic Charter Hire not paid when due for any period for which the same shall be overdue and on any payment of Supplemental Hire not paid when demanded by the Owner Trustee for the period from the date of any such demand until the same shall be paid.

(c) This Charter is a net bareboat charter and no payments to be made by the Charterer under this Charter during the Charter Period shall be subject to any abatement, reduction, adjustment, right of set-off, counterclaim, recoupment or defense due to any present or future claims of the Charterer against the Owner Trustee under this Charter or otherwise, or against any other party, or for any other reason whatsoever, nor shall the Charterer be entitled to retain any interest in or with respect to Basic Charter Hire or any Supplemental Hire which has already been paid to the Owner Trustee or to assert any right to any refund or adjustment in the event of termination of this Charter or otherwise. Except as expressly provided otherwise in this Charter, the Charterer shall have no right to cancel or terminate this Charter before the end of the Charter Period, or be released, relieved or discharged from the obligation or liability to make all payments due hereunder for any reason whatsoever, including, without being limited to, the following: any breach of any covenant, representation or warranty of, or any act or omission of, the Owner Trustee under this Charter or any other agreement at any time existing between the Owner Trustee and the Charterer; any claims as a result of any other business dealings by the Owner Trustee, and/or the Charterer; any reorganization, arrangement, insolvency, readjustment of debt, bankruptcy, dissolution or liquidation proceeding involving the Owner Trustee or the Charterer any defect in, or damage to, or loss or destruction of, any of the Vessels from any cause; the requisitioning, seizure or other taking of title or use of any of the Vessels by any government or governmental authority

or otherwise whether or not by reason of any act or omission of the Owner Trustee; the invalidity or unenforceability or lack of due authorization or other infirmity of this Charter; the lack of right, power or authority of the Owner Trustee to enter into this Charter; or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding. Compliance with this Section 4(c) by the Charterer shall not waive or release any claim, right or remedy of the Charterer against any party named herein or any other Person and the enforcement thereof.

Section 5. Representations and Warranties of the Charterer. The Charterer represents and warrants to the Owner Trustee as follows:

(a) The Charterer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware with power and authority to conduct its business as such business is presently being conducted, to own or hold under charter or lease its properties and to enter into and perform its obligations under this Charter. The Charterer is duly qualified to do business and is in good standing as a foreign limited liability company in all states where its failure to so qualify would have a materially adverse affect on its ability to perform its obligations under this Charter.

(b) (i) The Charterer is not in violation of any terms of its Certificate of Formation or its Operating Agreement, or of any material term of any agreement, instrument, judgment, decree, franchise, permit, order, law, statute, rule or governmental regulation presently applicable to it; and (ii) the execution, delivery and performance by the Charterer of the Principal Documents and the consummation by the Charterer of the transactions contemplated thereby (w) have been duly authorized by all necessary action on the part of the Charterer, (x) do not require any approval or the consent of any trustee or holder of any indebtedness or obligation of the Charterer (or, if so required, such approval or consent has been obtained), (y) under present law do not and will not result in any material violation of any term referred to in clause (i) above, and (z) are not in conflict with and do not constitute a default under any such term or any provision of, or subject the Vessels or any part thereof to any Lien of, any indenture, mortgage, lease, contract or other agreement or instrument (other than this Charter and as permitted hereunder) to which the Charterer is a party or by which it or its property is bound or affected.

(c) The execution, delivery and performance by the Charterer of the Principal Documents to which it is a party do not require any consent, authorization or approval of, or any filing or registration with, or the taking of any other action in respect of, any federal, state or other governmental authority or agency or if so required the same have been obtained or made.

(d) There are no actions, suits or proceedings pending or, to the best of the Charterer's knowledge, threatened before any court, administrative agency, environmental council, arbitrator or governmental body which will, if determined adversely to the Charterer, materially affect its ability to perform its obligations under the Principal Documents, including the operation or use of the Vessels as contemplated by this Charter.

(e) The Charterer has heretofore caused to be delivered to the Owner Trustee copies of the audited consolidated balance sheet of the Charterer as of December 26, 1997 and the related consolidated statements of income and retained earnings. Said financial statements are correct and complete and fairly present the financial condition of the Charterer on a consolidated basis as of the date of said balance sheet and the results of the operations of the Charterer on a consolidated basis for the period covered by said statement of income and retained earnings and have been prepared in accordance with generally accepted accounting principles consistently applied (except as set forth therein). Except as reported in the Charterer's 10Q and S4, as amended, since, December 26, 1997, there has been no material adverse change in the financial condition of the Charterer. Since December 26, 1997, there has been no change in the financial condition of the Charterer which could materially impair the Charterer's ability to perform its obligations hereunder.

(f) On the Delivery Date, each Vessel shall be free and clear of any Liens, except such Liens as are expressly permitted by Section 7(d) of this Charter. There shall be no unpaid items as of the Delivery Date in respect of each Vessel which if remaining unpaid are or would constitute Liens as to each Vessel.

(g) The Bill of Sale effectively conveys to the Owner Trustee the rights and claims purported to be conveyed to the Owner Trustee thereby, free and clear of all Liens, except for such Liens as are expressly permitted by this Charter.

(h) The Charterer is a Citizen.

(i) Neither the Charterer nor anyone acting on its behalf has directly or indirectly offered any security relating to the Vessels to or solicited any offer to acquire any of the same from, or otherwise approached or negotiated with respect thereto with, anyone.

(j) Neither the Charterer nor any Affiliate of the Charterer has taken any action the effect of which would be to cause the Owner Trustee or any of its Affiliates to be liable for any broker's, finder's or agent's fee or commission.

(k) Except for the due recording of financing statements and continuation statements under the Uniform Commercial Code as in force in the State of Indiana and the documentation of each Vessel in the name of the Owner Trustee under the laws of the United States of America, no further action, including any filing or recording of any document, is necessary or advisable in any jurisdiction in order to establish, preserve and perfect the Owner Trustee's legal title to and interest in each such Vessel and this Charter created for the benefit of the Owner Trustee.

(l) None of the financial statements referred to in Section 5(e) hereof contains any untrue statement of a material fact or omits a material fact necessary to make the statements contained therein not misleading. There is no fact which has not been disclosed to the Owner Trustee which materially affects adversely or, so far as the Charterer now foresees, will materially affect adversely the ability of the Charterer to perform its obligations under the Principal Documents.

(m) The Charterer has filed all required tax returns and has paid all taxes shown to be due and payable thereon and all other taxes which are payable by it to the extent the same have become due and payable, except taxes being contested in good faith by appropriate proceedings and with respect to which adequate reserves have been provided on its books.

(n) Each Principal Document has been (or, when delivered, will be) duly executed and delivered by the Charterer, and, assuming the due authorization, execution and delivery by the other party or parties hereto and thereto, each constitutes a legal, valid and binding agreement of the Charterer enforceable against the Charterer in accordance with its terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and, to the extent that certain remedies require or may require enforcement by a court of equity, by such principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) as a court having jurisdiction may impose and by laws which may affect some of such remedies but which do not make the available remedies inadequate for the substantial realization of the benefits provided herein.

(o) (i) the Charterer is in compliance with Environmental Law in all material respects;

(ii) the Charterer is not subject to any existing, pending or overtly threatened investigation or proceeding by any governmental authority or to any remedial obligations under any Environmental Law that would materially adversely affect the financial condition of the Charterer or expose the Owner Trustee to liability ;

(iii) all notices, permits, licenses, disclosures or similar authorizations, if any, required to be obtained or filed pursuant to Environmental Law in connection with the operation and management of each Vessel have been obtained or filed and are valid as of the date hereof except where the failure to obtain such authorization will not have a material adverse effect on the financial condition of the Charterer or expose the Owner Trustee to any liability;

(iv) the Charterer does not have any knowledge of any potential material liability in connection with any release of any Materials of Environmental Concern into the environment;

(v) no conduct of the Charterer has resulted in the unlawful or unauthorized disposal or release of any Materials of Environmental Concern from any vessel owned or operated by the Charterer in a manner which would materially adversely affect the financial condition of the Charterer or expose the Owner Trustee to liability;

(vi) no notices of violation, citations or other similar governmental orders remain uncorrected (or will remain uncorrected beyond any period of time for the correction thereof permitted under Environmental Law), and no notices of any material liability that have not heretofore been satisfied or rescinded, have been issued pursuant to Environmental Law regarding the Charterer; and

(vii) each Vessel complies, or will comply within the time periods specified in regulations promulgated by the U.S. Coast Guard, with all requirements of the U.S. Oil Pollution Act of 1990, including, without limitation, the double-hull requirements set forth in Title 33, Code of Federal Regulations, Part 157.10d, and Certificates of Financial Responsibility set forth in Title 33, Code of Federal Regulation, Part 138.

(p) There is no Event of Default or event which with the passage of time, the giving of notice, or both, would constitute an Event of Default.

Section 6. Disclaimer of Warranties.

(a) Notwithstanding any other provision in this Charter, simultaneously with the delivery of each of the Vessels by Seller to the Charterer on behalf of the Owner Trustee, the Charterer shall unconditionally accept delivery of the Vessels under this Charter. The Charterer shall in no event reject a Vessel when so tendered by the Owner Trustee. The Owner Trustee shall not be liable to the Charterer for any failure or delay in obtaining any Vessel or making delivery thereof.

(b) THE OWNER TRUSTEE CHARTERS AND THE CHARTERER TAKES EACH VESSEL "AS IS, WHERE IS". UPON ITS EXECUTION OF THE CHARTER SUPPLEMENT, THE CHARTERER ACKNOWLEDGES AND AGREES THAT (i) THE CHARTERER HAS FULLY INSPECTED EACH VESSEL, (ii) EACH VESSEL IS THE SIZE, DESIGN, CAPACITY, SPECIFICATIONS AND MANUFACTURE SELECTED BY THE CHARTERER AND IS IN GOOD ORDER AND CONDITION, (iii) THE CHARTERER IS SATISFIED THAT EACH VESSEL IS SUITABLE FOR ITS PURPOSES, (iv) THE OWNER TRUSTEE IS NOT A MANUFACTURER, DISTRIBUTOR OR A DEALER IN VESSELS OF SUCH KIND, AND (v) THE VESSELS ARE CHARTERED HEREUNDER SUBJECT TO ALL APPLICABLE LAWS AND GOVERNMENTAL REGULATIONS NOW IN EFFECT OR HEREAFTER ADOPTED AND IN THE STATE AND CONDITION WHEN THE SAME FIRST BECAME OR BECOMES SUBJECT TO THIS CHARTER, WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND BY THE OWNER TRUSTEE, EXPRESS OR IMPLIED, AS TO THE TITLE, MERCHANTABILITY, COMPLIANCE WITH SPECIFICATIONS, QUALITY, CONDITION, SEAWORTHINESS, DESIGN, DURABILITY, SUITABILITY, OPERATION, FREEDOM FROM PATENT OR TRADEMARK INFRINGEMENT, ABSENCE OF LATENT DEFECTS OR FITNESS FOR USE OF THE VESSELS (OR ANY VESSEL OR ANY PART THEREOF), FOR ANY PARTICULAR PURPOSE, OR ELIGIBILITY FOR ANY PARTICULAR TRADE OR TRADES, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE VESSELS (OR ANY VESSEL OR ANY PART THEREOF). THE OWNER TRUSTEE WILL NOT HAVE ANY RESPONSIBILITY OR LIABILITY TO THE CHARTERER OR ANY OTHER PERSON, WHETHER ARISING IN CONTRACT OR TORT, OUT OF ANY NEGLIGENCE OR STRICT LIABILITY OF THE OWNER TRUSTEE OR OTHERWISE, FOR: (1) ANY LIABILITY, LOSS, OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY BY ANY INADEQUACY, DEFICIENCY, OR DEFECT OF ANY VESSEL, OR BY ANY OTHER CIRCUMSTANCES IN CONNECTION WITH THIS CHARTER; (2) THE USE, OPERATION, OR PERFORMANCE OF ANY VESSEL OR ANY RISKS RELATING TO IT; (3) ANY CONSEQUENTIAL DAMAGES, INCLUDING THOSE FOR INTERRUPTION

OF SERVICE, LOSS OF BUSINESS, OR ANTICIPATED PROFITS; OR (4) THE DELIVERY, OPERATION, MAINTENANCE, REPAIR, IMPROVEMENT, OR REPLACEMENT OF ANY VESSEL.

The provisions of this Section 6(b) have been negotiated and, except as otherwise expressly provided in the Principal Documents, the foregoing provisions are intended to be a complete exclusion and negation of any warranties by the Owner Trustee, express or implied, with respect to such Vessel, Vessels or portion thereof, whether arising pursuant to admiralty law, the Uniform Commercial Code, as adopted and in effect in any particular jurisdiction, the shipping or maritime laws of the United States of America or any other law now or hereafter in effect, or otherwise. Nothing contained herein shall in any way diminish or otherwise affect any right the Charterer may have with respect to such Vessels, any Vessel or any portion thereof, against any third Person. Notwithstanding the foregoing disclaimers, the Owner Trustee represents and warrants that on the Delivery Date for each Vessel it shall have such title thereto as has been conveyed to it by the Seller, free and clear of any liens created by, through or under the Owner Trustee. The Owner Trustee further represents and warrants that (i) it has full power, authority and legal right to execute and deliver this Charter and to perform its obligations hereunder, (ii) it is entitled to own United States flag vessels under 46 U.S.C. Section 12102, and (iii) it is primarily engaged in leasing or other financing transactions. The Charterer's acceptance of delivery of a Vessel under this Charter shall be conclusive evidence, as between the Owner Trustee and the Charterer, that the Vessel is in all respects satisfactory to the Charterer. The Charterer waives any claim of any nature whatsoever against the Owner Trustee based on any of the matters specified in this Section 6(b) other than the foregoing warranty of title and representations by the Owner Trustee.

(c) Nothing contained herein shall in any way diminish or otherwise affect any right the Charterer or the Owner Trustee may have against the builder of any of the Vessels, and the Owner Trustee, at the Charterer's sole cost and expense, agrees to take such action as the Charterer may reasonably request to permit the Charterer to assert and enforce, from time to time, in the name of and for the account of the Owner Trustee, whatever claims and rights the Owner Trustee may have as Owner Trustee of the Vessels against the builder of any of the Vessels or any vendors to such builder of material included in the Vessels.

(d) So long as no Event of Default has occurred and is continuing, the Owner Trustee hereby assigns to Charterer whatever claims and rights the Owner Trustee may have against the builder of any of the Vessels or any supplier of any other equipment for use on or in connection with the Vessels. The Charterer will give the Owner Trustee timely notice of any action which is required to be taken or, in the Charterer's judgment, is advisable to be taken by or on behalf of the Owner Trustee in order to protect or enforce the Owner Trustee's or the Charterer's rights in respect of the Vessels under or in respect of such builder. All actions shall be at the Charterer's sole expense.

Section 7. Title to and Use of the Vessels, Quiet Enjoyment, Documentation of the Vessels, No Liens.

(a) The Owner Trustee retains full legal title to the Vessels notwithstanding their delivery to and possession and use by the Charterer hereunder, and the Charterer obtains no

rights in the Vessels other than those set forth herein. So long as no Event of Default shall have occurred and be continuing, the Charterer shall have exclusive possession, control and use of the Vessels during the Charter Period and the Charterer shall man, victual, navigate, operate, supply, fuel, maintain and repair (subject to this Charter) the Vessels at its own expense or by its own procurement throughout the Charter Period. The Owner Trustee hereby covenants that if, and so long as, no Event of Default shall have occurred and be continuing the Charterer shall have all the rights of possession, use and quiet enjoyment of the Vessels chartered hereunder without hindrance or molestation by the Owner Trustee or any other person claiming the same by, through or under the Owner Trustee (including any assignee or transferee of the Owner Trustee) as a result of acts or omissions of the Owner Trustee (or any assignee or transferee of the Owner Trustee). During the Charter Period, the possession, use, operation and maintenance of the Vessels shall be at the sole risk, cost and expense of the Charterer, and Charterer shall bear all risk of loss, theft, damage or destruction to each Vessel, except as otherwise expressly provided in this Charter.

(b) On or before the Delivery Date, the Charterer shall, at the Charterer's expense, cause each Vessel to be documented in the name of the Owner Trustee under the laws and flag of the United States with the hailing port of Jeffersonville, Indiana. The Charterer agrees to maintain throughout the Charter Period the documentation of the Vessels under the laws and flag of the United States. The Owner Trustee will, upon the request of the Charterer, execute such documents and furnish such information as the Charterer may reasonably require to enable the Charterer to maintain such documentation.

(c) Charterer shall man, victual, navigate and operate the Vessels at its own expense or by its own procurement until redelivery at the termination of this Charter. The masters, officers and crew of the Vessels, if any, shall be engaged and employed by Charterer or its agents, shall remain the servants of the Charterer, and shall navigate and work the Vessels on behalf of and at the risk of Charterer. The masters, officers and crews of the Vessels, if any, shall be United States citizens, unless otherwise approved in writing by the Owner Trustee. The Charterer, at its own expense, may fly its house flag, paint the Vessels with its colors and display its name thereon and, with the consent of the Owner Trustee, change the name from time to time. The Owner Trustee shall not have any interest in any salvage monies earned by the Vessels or received by Charterer. Charterer assumes and shall satisfy all costs and liabilities incurred in connection with all salvage services rendered by any Vessel.

The Charterer shall, without extra cost, have the use of each Vessel's equipment, outfit, appliances, tools, spare and replacement parts, non-consumable stores, etc. The same or any replacements thereof from time to time made by the Charterer shall be returned to the Owner Trustee on redelivery of the Vessels in the same good order and condition as received, ordinary wear and tear and ordinary depreciation excepted. The Charterer shall provide such additional equipment, outfit, appliances, tools, spare and replacement parts, non-consumable stores, etc., as shall not be provided by the Owner Trustee and as shall be required for operation of the Vessels. Such equipment, etc., shall remain the property of the Charterer and the Charterer shall remove the same at its expense at or before redelivery of the Vessels. Leased equipment may be placed on board the Vessels by the Charterer, but all such leased equipment shall be removed at its own expense by the Charterer prior to redelivery.

(d) Neither the Charterer, the master of any Vessel nor any other person shall have the right to directly or indirectly create, incur, assume or suffer to exist any Liens on or with respect to any of the Vessels, or any part thereof, title thereto or any interest therein, except materialmen's, mechanics', workmen's, repairmen's, employees', crew members' wages, longshoremen's, general average or salvage, including contract salvage, or other like Liens arising in the ordinary course of business which are not past due, or which are fully bonded and except Liens created by, through or under the Owner Trustee. The Charterer will promptly, at its own expense, take such action as may be necessary duly to discharge or eliminate or bond any Lien not excepted above if the same shall arise at any time. Except for any Liens expressly permitted by this Section 7(d), the Charterer will notify the Owner Trustee of any Lien that shall attach to any Vessel, or part thereof, or interest therein, within ten days of the Charterer's learning of such attachment, together with full particulars thereof, and will promptly cause the same to be discharged. Charterer agrees to carry a true copy of this Charter with the Vessels' papers on board the Vessels and to exhibit the same on demand to any person having business with the Vessels or to any representative of the Owner Trustee.

(e) The Vessels shall be located and used at all times within the territorial waters of the United States of America. The Charterer will not knowingly charter any of the Vessels to, or knowingly permit any of the Vessels to serve under any contract with, a person included within the definition of "designated foreign country" or "national" of a "designated foreign country" in the Foreign Assets Control Regulations or Cuban Assets Control Regulations of the United States Treasury Department, 31 C.F.R., Chapter V, as now or hereafter amended, within the meaning of said Regulations or of any regulation, interpretation or ruling issued thereunder, nor will it charter or otherwise permit any of the Vessels to be used in any fashion which will subject the Vessels to forfeiture under the laws of the United States.

Section 8. Maintenance, Certification, Repairs.

(a) During the Charter Period, the Charterer, at its expense, shall at all times maintain and preserve the Vessels in good running order and repair, in accordance with good commercial maintenance practices in all respects similar to those practices which the Charterer currently undertakes to preserve and maintain other vessels of similar size, design and class within its fleet, except ordinary wear and tear as provided in Section 18(a) hereof, so that the Vessels shall be, in so far as due diligence can make them so, tight, staunch, strong and well and sufficiently tackled, apparelled, furnished, equipped and in every respect seaworthy and in good operating condition in accordance with all applicable laws, regulations, directives and manufacturers' standard operating and maintenance specifications, and able to perform the functions for which each Vessel was originally intended. All Vessels will be maintained in such a manner as to comply with all applicable rules and regulations of any and all supervisory or governmental agency, including but not limited to The American Bureau of Shipping (ABS), the Maritime Administration (MARAD) and The Department of Transportation. All repair work will be done in a workmanlike manner with all plate replacement and patches being of the same quality materials as when originally constructed.

(b) The Vessels shall be repaired, overhauled, drydocked and cleaned by the Charterer at its expense whenever necessary to maintain and preserve the Vessels in

accordance with Section 8(a) hereof, but not less frequently than once every five years and all Vessel coatings shall be renewed as needed but at least once every six years.

(c) The Owner Trustee (or any Person or Persons designated by the Owner Trustee) shall have the right but not the obligation, on reasonable notice, to inspect the Vessels in a reasonable manner and at reasonable times in order to ascertain whether the Vessels are being repaired and maintained. The Charterer shall also permit the Owner Trustee (or any Person or Persons designated by the Owner Trustee) to inspect the Charterer's records with respect to the Vessels, whenever requested on reasonable notice, and shall at its expense furnish to the Owner Trustee information regarding any casualty or other accident or damage to a Vessel if the potential liability exceeds $50,000 or cost of repair arising from such casualty, accident or damage exceeds $50,000 with respect to a Vessel.

The Charterer agrees that in the case of any casualty, accident or damage resulting in repair exceeding more than $50,000 and in the case of any drydocking modification or repairs reasonably expected to result in costs of more than $50,000, prior to delivering the related Vessel or Vessels to a dry dock facility, shipyard or other repair facility, it shall either (i) satisfy the Owner Trustee that such costs and expenses are fully bonded and will not result in a claim or Lien against such Vessel or Vessels in violation of the provisions of this Charter, or (ii) obtain the Owner Trustee's prior written consent.

In addition, the Charterer shall provide the Owner Trustee within 120 days after the end of each fiscal year a certificate stating that the Vessels have been maintained in accordance with the requirements of this Section 8.

(d) On the fifth anniversary of the Delivery Date and every five years thereafter, the Charterer shall commission a survey of each Vessel by an independent marine surveyor selected by the Owner Trustee. Any damage noted in such survey, excluding normal wear and tear, shall be repaired by the Charterer, at its expense, within 90 days. If, in the opinion of such surveyor, any Vessel should be drydocked for inspection of underwater surfaces, such drydocking will be accomplished by the Charterer within 30 days with the surveyor and a representative of the Owner Trustee present. The costs and expenses of such surveyor and all such drydocking, repair and inspection costs shall be for the account of the Charterer.

Section 9. <u>The Charterer's Changes and Equipment</u>.

(a) Except as otherwise specifically permitted hereby, the Charterer shall make no structural changes in any of the Vessels that would result in a violation of Section 8 hereof without first securing written approval of the Owner Trustee. Subject to this Section 9, the Charterer shall have the right to install any pumps, gear or equipment it may require in addition to that on board the Vessels on the Delivery Date, provided that such installations are accomplished at the Charterer's expense and risk and provided further that such installation shall be readily removable without causing material damage to such Vessels. Pumps, gear or equipment so installed shall remain the property of the Charterer and the Charterer shall remove the same at the expense of the Charterer prior to the redelivery of the Vessels.

(b) In addition, the Charterer at its own expense may from time to time make such alterations to the Vessels of a permanent, structural nature as the Charterer may deem desirable in the proper conduct of its business; provided, however, that no such alteration shall diminish the value, utility, capacity or operating condition of any Vessel below the value, utility, capacity and operating condition thereof immediately prior to such alteration assuming such Vessel was then in the condition required to be maintained by the terms of this Charter. Any such alteration not readily removable from such Vessel without diminishing or impairing the value, utility, capacity or operating condition which such Vessel would have had at such time had such alterations not been made assuming such Vessel was then in the condition required to be maintained by the terms of this Charter shall be called herein a nonseverable improvement ("Nonseverable Improvement"). Alterations shall be considered readily removable without material damage to a Vessel if (i) they can be removed in a good and workmanlike manner with reasonable dispatch and (ii) after such removal the condition of the Vessel can be restored in all material respects to the same value, utility, capacity and operating condition which such Vessel would have had at such time had such alterations not been made assuming such Vessels were then in the condition required to be maintained by the terms of this Charter. All alterations made pursuant to this Section 9 shall be completed in a good and workmanlike manner and with reasonable dispatch. Title to all parts added to a Vessel as a result of any alteration constituting or installed in a Nonseverable Improvement shall, without further act, vest in the Owner Trustee free and clear of all liens, encumbrances and rights of others except those permitted hereunder, become subject to this Charter; provided, however, that neither the Owner nor the Charterer intends such vesting to be in the nature of, or a substitute for, Basic Charter Hire, Supplemental Hire, or other compensation for the use of the Vessels or any of them. Title to all such parts not constituting or installed in a Nonseverable Improvement shall remain in the Charterer or such other owner as may have provided the same to the Charterer, may be removed from the Vessel by the Charterer or such other owner at any time, provided that such removal does not damage the Vessel (or any such damage is promptly repaired in a good and workmanlike manner) and the Vessel after such removal is restored to the value, utility, capacity and operating condition which such Vessel would have had at such time had such alterations not been made assuming such Vessel was then in the condition required to be maintained by the terms of this Charter, and shall not constitute a part of the Vessel for any purposes hereof. As of the end of the Charter Period, the Owner Trustee shall have the right to purchase any part described in the preceding sentence which is owned by the Charterer at the end of the Charter Period for the fair market sales value thereof, as determined by agreement of the Charterer and the Owner Trustee; provided that the Owner Trustee has given the Charterer notice of its election to purchase such part not less than 60 days before the expiration of the Charter Period. Any such part which the Owner has not so elected to purchase shall be removed from the Vessel by the Charterer prior to the expiration of the Charter Period in a good and workmanlike manner so as not to cause any damage to the Vessel and so that the Vessel is restored to the value, utility, capacity and operating condition which such Vessel would have had at such time had such part not been added assuming such Vessel was then in the condition required to be maintained by the terms of this Charter.

Section 10. Insurance.

(a) Hull Insurance. The Charterer will at its own expense insure the Vessels and keep them insured, in lawful money of the United States of America, for no less than the

greater of the Stipulated Loss Value or the then fair market value of each Vessel (the "Insured Value"). All such insurance shall cover marine, hull and machinery and, if any Vessel or Vessels are operated outside of the United States, war risks insurance on each of the Vessels under the latest (at the time of the issue of the policies in question) forms of American or London Institute of Marine Underwriters, provided that such marine, hull and machinery and war risks insurance shall in all events:

(i) be in an amount with respect to each Vessel that is not less than the full commercial value thereof;

(ii) with respect to an accident, occurrence or event that does not result in an actual or constructive total loss of a Vessel or Vessels or an agreed or compromised total loss of a Vessel or Vessels, provide for deductible or retained amounts that do not exceed $2,000,000 of annual aggregate deductible with respect to all vessels owned or chartered by the Charterer plus $25,000 per occurrence, and

(iii) with respect to an accident, occurrence or event that results in an actual or constructive total loss of a Vessel or Vessels or an agreed or compromised total loss of a Vessel or Vessels, provide for deductible or retained amounts that do not exceed $2,000,000 of annual aggregate deductible with respect to all vessels owned or chartered by the Mortgagor with no per occurrence deductible;

Notwithstanding anything in this Section 10(a) to the contrary, in no event shall the insurance maintained by the Charterer pursuant to this Section 10(a) be in an amount less than the fair market value of the Vessel, as agreed to by the underwriters or insurer underwriting such insurance.

(b) Protection and Indemnity Insurance. The Charterer shall maintain protection and indemnity insurance with respect to each of the Vessels in such amounts, subject to such deductible or retention amounts, against such risks and under such forms as are then common or customary with respect to vessels similar to the Vessels and engaged in trades similar to the trades in which the Vessels are engaged by other prudent owners and operators of such vessels, provided that such protection and indemnity insurance (including excess policies) shall in all events:

(i) provide limits of liability of not less than $500,000,000 per occurrence (and contain no annual limits on liability);

(ii) provide for deductible or retained amounts not exceeding $2,000,000 of annual aggregate deductible with respect to all the vessels owned or chartered by the Charterer plus $25,000 per occurrence;

(iii) provide protection on an "occurrence" basis (rather than on a "claims made" basis); and

(iv) provide protection against liabilities arising out of pollution or the spillage or leakage of cargo with a $1,000,000 per occurrence deductible.

(c) Intentionally Omitted

(d) Other Insurance.

(i) While any Vessel is laid up, the Charterer may, in lieu of some or all of the above-mentioned insurance, provide and maintain port risk insurance in the amount and upon the other terms and conditions specified in subsection (a) of this Section 10.

(ii) The Charterer shall also maintain, for the benefit of the Charterer and the Owner Trustee, additional insurance in such amounts and against such risks arising from or connected with the ownership or operation of the Vessels as from time to time may be reasonably required by the Owner Trustee and as commonly may be insured against by a prudent owner or operator of a vessel of similar size and type and engaged in similar trade or service. The Charterer shall also maintain such other insurance as may at the time be reasonably required by the Owner Trustee and/or applicable law. The Charterer shall be entitled to carry insurance on the Charterer's equipment, fuel and stores and other property of the Charterer as part of the basic insurance; provided that no other such policy of insurance shall be written so as to decrease coverage under any other policy maintained pursuant to this Section 10 for the benefit of the Owner Trustee.

(e) Marine Insurance Report. The Charterer will, at its expense, furnish or cause to be furnished to the Owner Trustee, on the date hereof and thereafter at least annually, no later than each anniversary of the Delivery Date, a report signed by a firm of independent marine insurance brokers appointed by the Charterer and reasonably satisfactory to the Owner Trustee, who may be the independent marine insurance brokers regularly employed by the Charterer, showing the insurance then carried and maintained on the Vessels, responding to such inquiries concerning relevant insurance matters as the Owner Trustee may reasonably request, and stating the opinion of said insurance brokers that (i) such insurance is reasonable for the protection of the interests of the Owner Trustee in accordance with good insurance practices then in effect and (ii) is in compliance with the terms hereof.

(f) Policy Provisions. All policies, binders and other insurance contracts in respect of insurance required under this Section 10 shall: (i) name the Owner Trustee, in its individual capacity and as trustee, and the Beneficiary as additional insureds, (ii) provide (in the case of hull insurance only) that losses are payable to the Owner Trustee for distribution first to itself and thereafter to the Charterer or others as their interests may appear provided that subject to Section 10(g)(i) hereof in the case of any loss involving damage to a Vessel, the underwriters or insurers may pay directly to the Charterer and/or directly for the repair, salvage or other costs and charges involved, up to and including a maximum amount of $100,000 creditable against repair, salvage or other costs and charges relating to such loss, all without the prior consent of the Owner Trustee; provided further that subject to the limitation set forth above, any loss payable under any collision and tower's and any protection and indemnity insurance on any Vessel may be paid directly to the Charterer to reimburse it for any loss, damage or expense incurred by it and covered by such insurance or to the person to whom any liability covered by

such insurance has been incurred, all without the prior consent of the Owner Trustee, (iii) provide for written notice to be given to the Owner Trustee by the broker, underwriters, insurance companies or P&I Club, as the case may be, to the extent they are prepared and able to do so, at least 30 days prior to cancellation, termination or material change, (iv) provide that in respect of the interest of the Owner Trustee in such policies, the insurance shall not be invalidated by any action or inaction of the Charterer, or any officer, director, employee, agent or representative thereof and shall insure the interests of the Owner Trustee, as they appear, regardless of any breach or violation of any warranties, declaration or conditions contained in such policies by the Charterer, provided that in lieu of the provision required by this clause (iv) of this Section 10(f), the Charterer may at its option, provide the Owner Trustee breach of warranty insurance in form reasonably acceptable to the Owner Trustee, in an amount not less than the Insured Value, (v) provide that the insurer's right of subrogation against the Owner Trustee shall be waived, (vi) shall be primary and without right of contribution from any other insurance which is carried by the Owner Trustee, (vii) expressly provide that all of the provisions thereof, except the limits of liability, shall operate in the same manner as if there were a separate policy covering each insured, (viii) are to be issued by underwriters or insurers of recognized responsibility and approved by the Owner Trustee, which approval shall not be unreasonably withheld, (ix) to the extent underwriters/insurers are prepared and able to do so, provide a waiver of set-off counterclaim or other deduction, whether by attachment or otherwise, in respect of any liability of the Charterer, from or against any payment due or to become due to the Owner Trustee under such policies, (x) have a deductible or self-insured retention as shall be approved by the Owner Trustee and (xi) to the extent they are prepared and able to do so, that underwriters or insurers shall have no recourse against the Owner Trustee for the payment of premium. Underwriters or insurers shall not request premium payment from the Owner Trustee unless the Charterer has defaulted upon such payment, and then the Owner Trustee shall only be invoiced for payment of premium applicable to the Vessels herein. Any loss covered by this Section 10(f) which is paid to the Owner Trustee, but which might have been paid, in accordance with the provisions of this Section 10(f), direct to the Charterer or others with the approval of the Owner Trustee, shall be paid by the Owner Trustee to, or as directed by, the Charterer so long as no Event of Default shall have occurred and be continuing. In the event that any of the policies shall now or hereafter provide coverage on a "claims made" basis, the Charterer shall continue to maintain such policies in effect for a period of not less than three (3) years after expiration of the Charter Period.

(g) Application of Insurance Proceeds.

(i) Event of Loss. In the case of all insurance proceeds in respect of an Event of Loss with respect to a Vessel, so much of such proceeds as shall not exceed the Insured Value shall be paid to the Owner Trustee, or, if said amount has already been paid by the Charterer to the Owner Trustee, to reimburse the Charterer for its payment thereof, and the balance, if any, remaining thereafter shall be paid to the Charterer. This Section 10(g)(i) is applicable to hull and machinery insurance only.

(ii) No Event of Loss. Subject to Section 10(f), all hull and machinery insurance proceeds (less the actual costs, fees and expenses incurred in the collection thereof by any party, which amounts shall be reimbursed to such party by the Charterer) other than in respect of an Event of Loss and other than proceeds payable

under policies described in Section 10(l) hereof, shall be applied in payment for the repair of such damage or destruction of a vessel, to the extent required to maintain such Vessel in accordance with Section 8 hereof, if such repair shall not have already been paid by the Charterer, and any balance remaining after compliance with said Section 8 shall be paid over to, or retained by, the Charterer.

(h) Delivery of Certificates. The Charterer will furnish to the Owner Trustee certificates of insurance evidencing insurance required to be carried and maintained by all of Section 10. At any and all such times that any material change in insurance coverage shall occur, there shall be furnished to the Owner Trustee as promptly as practicable, evidence of such change. The Charterer shall provide the Owner Trustee with certified copies of all policies of insurance upon written request by the Owner Trustee, not to be unreasonably requested.

(i) Proof of Loss. The Charterer will, at its own expense, make or cause to be made all proofs of loss and take, or cause to be taken, all other action necessary or appropriate to make collections from the underwriters of insurance required to be carried and maintained by Section 10. To that end, the Owner Trustee, at the Charterer's expense, will promptly execute such claim papers and other documents, and take such action and furnish such information as the Charterer may reasonably request, including, for so long as no default or Event of Default has occurred and is continuing, tendering abandonment of the Vessel to the underwriters.

(j) No Act Impairing Insurance. The Charterer will not do any act, nor suffer any act to be done, nor omit to take any action whereby any insurance required hereunder shall or may be suspended, impaired or defeated, and will not suffer any Vessel to carry any cargo not permitted, or to be operated in any geographical area where it would not be covered, under the insurance policies in effect without first covering such Vessel with insurance complying with provisions of this Section 10. The Charterer will promptly advise the Owner Trustee in writing of any default in the payment of any premium and of any other act or omission on the part of the Charterer or any other Person of which it has knowledge which might invalidate or render unenforceable, in whole or in part, any insurance on any Vessel. In the event that the Charterer shall fail to maintain insurance as herein provided, the Owner Trustee may at its option provide such insurance and, in such event, the Charterer shall, upon demand, reimburse the Owner Trustee for the full cost thereof.

(k) Other Obligations Not Affected. Nothing in this Section 10 shall in any way diminish or otherwise affect the obligations of the Charterer under the other Sections of this Charter.

(l) Additional Insurance. Nothing contained in this Charter shall prevent the Charterer from carrying insurance in respect of any Vessel in addition to the insurance required under all of Section 10 (any such additional insurance being herein called "Additional Charterer's Insurance") at its own expense, provided such Additional Charterer's Insurance is permitted by the terms of the insurance required in all of this Section 10 and would not impair, conflict with or violate such insurance, and in the case of Protection and Indemnity and Pollution, Spillage or Leakage insurance include the Owner Trustee as an Additional

Insured therein or name the Owner Trustee under a "misdirected arrow" clause, as appropriate.

(m) Worker's Compensation Insurance. The Charterer shall carry such workmen's compensation or longshoremen's and harborworkers' compensation insurance as shall be required by applicable law.

Section 11. Statutory Benefits. This Charter is not a personal contract. The Owner Trustee shall have the benefit of all limitations of and exemptions from liability accruing to owners of Vessels by any statute or rule of law for the time being in force, and the Charterer shall have the benefit of all limitations of and exemptions from liability accruing to owners or charterers of vessels by any statute or rule of law for the time being in force; provided, however, that such limitations of and exemptions from liability shall not in any way affect the obligations of the Charterer to the Owner Trustee under this Charter or otherwise.

Section 12. Compliance with Laws. The Charterer hereby covenants that: (i) the Charterer shall comply with all applicable laws, regulations, requirements and rules, domestic and foreign, with respect to the registration, licensing, use, maintenance, financial responsibility and operation of each Vessel (unless otherwise required by any military authority of the United States and except during any period when (1) the use or title of such Vessel has been taken, requisitioned or chartered by any government or governmental body, (2) there has been an Event of Loss with respect to such Vessel, or (3) there has been any other loss with respect to such Vessel and the Charterer shall not have had a reasonable time to repair the same) including, without limitation, all applicable laws, rules and regulations including without limitation Environmental Law administered by the United States Coast Guard, the Bureau of Customs, the Treasury Department, the Federal Communications Commission, the Environmental Protection Agency, the Department of Health and Human Services, the Department of Transportation, any agency of a state of the United States and their successors, except to the extent that, with the prior written consent of the Owner Trustee, such requirements shall then be contested in good faith by the Charterer; (ii) the Charterer shall keep in its offices and aboard the Vessels, as and when required thereby, valid certificates showing compliance therewith; and (iii) the Charterer will make any changes or additions to the Vessels required by any applicable laws or applicable rules or regulations thereunder. Where such compliance requires the execution and delivery by the Owner Trustee of any instruments or the taking of any other action by the Owner Trustee, the Charterer will in a timely manner prepare and submit to the Owner Trustee such instruments and specify in writing to the Owner Trustee the action by it so required.

Section 13. General Indemnity.

(a) Except to the extent provided in Section 13(b), the Charterer agrees to pay, defend, indemnify and hold harmless, the Owner Trustee, in its individual capacity and as trustee, and the Beneficiary and their respective directors, officers, stockholders, employees, agents and successors and assigns, and all Affiliates thereof (each an "Indemnitee") against any and all present and future claims, demands, losses, penalties, assessments, actions, suits and liabilities of whatsoever nature and all reasonable costs and expenses (including, but not

limited to, all Owner Trustee's fees, reasonable attorneys' and consultants' fees and disbursements) directly or indirectly relating to or in any way arising out of:

(i) the Principal Documents (including, without limitation, any amendments, supplements, consents, waivers or modifications relating thereto whether or not entered into) or any transaction contemplated thereby or the performance or enforcement of any of the terms thereof;

(ii) the manufacture, design, construction, purchase, ownership, ordering, delivery, return, acquisition, title on acquisition, charter, subcharter, rejection, installation, possession, documentation, titling, retitling, registration, custody by the Charterer of title and registration documents, use, non-use, misuse, operation, transportation, inspection, repair, maintenance overhaul, testing, storage, fleeting, control or disposition of any Vessel, including, without limitation, any claims arising under the doctrine of strict liability in tort, any claims arising with respect to injury to person or property, any claims based on patent, trademark, trade name or copyright infringement;

(iii) any misrepresentation by the Charterer contained in this Charter, in any other Principal Documents to which the Charterer is a party or in any other document or instrument delivered by either such party in connection with the transactions contemplated by the Principal Documents;

(iv) any violations by the Charterer or any permitted user of any Vessel of (A) this Charter, the other Principal Documents to which the Charterer is a party or by which it is bound or any other document or instrument delivered by either such party in connection with the transactions contemplated by the Principal Documents, or (B) any laws, rules, regulations, orders, writs, injunctions, decrees, consents, approvals, exemptions, authorizations, licenses and withholdings of objection, of any governmental or public body or authority and all other requirements having the force of law applicable at any time to the Vessels (including, without limitation, any environmental laws or the rules and regulations of the United States Coast Guard);

(v) any Event of Default hereunder or any exercise of remedies by any Indemnitee in connection with such Event of Default;

(vi) any Environmental Claim or any pollution or threat to human health or the environment that is related in any way to the Owner Trustee's, the Charterer's, any other user's or any previous owner's or operator's management, use, control, ownership or operation of any of the Vessels including, without limitation, all on-site and off-site activities involving Materials of Environmental Concern;

(vii) any Environmental Claim against any person or entity whose liability for such Environmental Claim the Charterer has or may have assumed or retained either contractually or by operation of law; or

(viii) the breach of any environmental representation or warranty set forth in Section 5(o) of this Agreement.

(b) Notwithstanding the foregoing Section 13(a), the Charterer shall not be required to pay, defend, indemnify and hold harmless any Indemnitee against any claim, demand or liability to the extent that it:

(i) arises out of the willful misconduct or gross negligence of such Indemnitee (unless occasioned by the negligence or misconduct of the Charterer);

(ii) is imposed for any period, or with respect to any act or event occurring, after the expiration or earlier termination of the Charter and the satisfaction of all the obligations of the Charterer hereunder, including, if applicable, the redelivery of the Vessels to the Owner Trustee at the location specified in Section 18 hereof;

(iii) results from a voluntary disposition by such Indemnitee of all or any part of its interest in the Vessels (other than as permitted by the terms of this Charter (subject to Section 19(c) of this Charter in the case of related costs and expenses of disposition) or during the continuance of any Event of Default under the Charter) or results from an involuntary disposition thereof in connection with any bankruptcy or other proceeding for the relief of debtors in which such Indemnitee is the debtor or any foreclosure by a creditor of such Indemnitee with respect thereto other than a bankruptcy or other proceeding or a foreclosure caused by an Event of Default hereunder; or

(iv) expenses which are to be borne by such Indemnitee pursuant to the express provisions of this Charter or the other Principal Documents.

(c) The Charterer shall give the Owner Trustee prompt notice of any occurrence, event or condition known to the Charterer as a consequence of which any Indemnitee may be entitled to indemnification hereunder. The Charterer further agrees that, with respect to any payment or indemnity hereunder, such payment or indemnity shall include any amount necessary to hold the Indemnitee harmless, on an After-Tax Basis. No provision of this Charter shall be construed to be a waiver on the part of the Owner Trustee, Beneficiary or the Charterer of the benefit of any limitation of, or exemption from, liability accorded the Owner Trustee of a vessel by any applicable statute or rule of law, provided that the terms of this sentence shall not in any way affect in any manner whatsoever the full and unconditional obligation of the Charterer to each Indemnitee under the indemnities provided for in this Section 13 or the obligations of any Indemnitee to the Charterer as expressly set forth in the Principal Documents to which any such Indemnitee is a party. Each Indemnitee agrees to give the Charterer prompt notice of any occurrence, event or condition known to such Indemnitee and as a consequence of which such Indemnitee may be entitled to indemnification hereunder; provided, however, that any failure to give such notice shall not relieve the Charterer from any liability hereunder. In case any action, suit or proceeding is brought against any Indemnitee in connection with any claim indemnified against hereunder, such Indemnitee will, promptly after receipt of notice of the commencement of such action, suit or proceeding, notify the Charterer thereof, enclosing a copy of all papers served upon such Indemnitee, but failure to

give such notice or to enclose such papers shall not relieve the Charterer from any liability hereunder; provided, however, that nothing herein contained shall prevent the Charterer from bringing an action for damages suffered by the Charterer as a result of such failure to so notify the Charterer. The Charterer may, and upon such Indemnitee's request will, at the Charterer's expense, resist and defend such action, suit or proceeding, or cause the same to be resisted or defended by counsel selected by the Charterer and reasonably satisfactory to such Indemnitee and in the event of any failure by the Charterer to do so, the Charterer shall pay all costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) incurred by such Indemnitee in connection with such action, suit or proceeding; provided, that prior to resisting or defending such action, suit or proceeding, or causing the same to be resisted or defended, the Charterer shall have acknowledged in writing to the relevant Indemnitee its responsibility to indemnify against such action, suit or proceeding (and any and all liability relating thereto) in full and shall keep such Indemnitee fully apprised of the status of such proceeding and shall provide such Indemnitee with all information with respect thereto that such Indemnitee shall reasonably request. Notwithstanding any of the foregoing to the contrary, the Charterer shall not be entitled to assume responsibility for and control of any such judicial or administrative proceedings while an Event of Default hereunder shall have occurred and be continuing, or if such proceedings may involve the sale, forfeiture or loss of, or the creation of any Lien on, the Vessels or any part thereof or if any criminal liability could be imposed on such Indemnitee by such proceedings. Any Indemnitee may participate at its own expense and with its own counsel in any judicial or administrative proceeding controlled by the Charterer. To the extent that the Charterer indemnifies any Indemnitee with respect to any claim, liability, obligation, damage or similar loss indemnified by the Charterer pursuant to this Section 13, then the Charterer shall be subrogated, and shall receive the benefit of, any insurance policy (other than insurance carried for the Indemnitee's own account, including, without limitation, pursuant to Section 10(d)(ii) of this Charter), guarantees and causes of action against third parties to which such Indemnitee may be entitled with respect to the matter which gave rise to the rights of indemnification hereunder and such Indemnitee shall cooperate with the Charterer at the Charterer's expense in seeking to obtain the benefit for the Charterer of such insurance policies, guarantees, or causes of action.

(d) Other than as expressly provided to the contrary in Section 13(b)(ii) above, the indemnities contained in this Section 13 shall survive the termination of this Agreement and any and all of the other Principal Documents. The indemnities contained in this Section 13 shall not be construed as a guarantee by the Charterer of the useful life or residual value of any Vessel.

Section 14. General Tax Indemnity.

(a) Withholding. All payments by the Charterer to or for the account of the Owner Trustee pursuant to this Charter and the Charter Supplements shall be made free and clear of and without withholding any Taxes or other charges of any nature except to the extent that such withholding is required by law, in which case the Charterer shall (i) withhold from each such payment the amount required by law to be withheld, (ii) pay the amount so withheld to the appropriate taxing authority and (iii) pay such additional amount as may be necessary to enable the Owner Trustee (or such other Person to whom such amount may be payable for the account of the Owner Trustee) to receive, after all required withholding (including withholding

with respect to the additional amounts payable pursuant to this paragraph (a)), the amount the Owner Trustee or such other Person would have received if such withholding had not been required.

(b) Tax Indemnification. Except to the extent provided in Section 14(c), the Charterer agrees to assume liability for and indemnify, defend and hold harmless each Indemnitee on an After-Tax Basis from and against all Taxes arising from, with respect to or in connection with the transactions pursuant to the Principal Documents (including, but not limited to, any Tax imposed on, with respect to, as a result of or in connection with (i) any Vessel or any part thereof or interest therein, (ii) the purchase, sale, delivery, acceptance, Ownership, leasing, use, operation, possession, maintenance, repair, modification, transport, abandonment, replacement, storage, repossession, return, transfer of title or other disposition of any Vessel or any part thereof, (iii) the Hire, receipts, earnings or gains arising from any Vessel or any part thereof, (iv) any amount payable pursuant to the Principal Documents, (v) any of the Principal Documents or any future amendment, supplement, waiver or consent with respect to any thereof, or the execution, delivery or performance of any thereof) and all liabilities, losses, costs and expenses incurred by any Indemnitee resulting from the nonpayment or contest thereof.

(c) Exclusions. The Charterer shall have no obligation under Section 14(b) with respect to any of the following:

(i) any Tax imposed on or measured by the net income of the Owner Trustee and imposed by the Federal Government of the United States of America or by any state or local government or other taxing authority in the United States of America; provided, however, that the exclusion in this clause (i) shall not apply to any Tax imposed by any state or local government or other taxing authority in the United States of America if and to the extent that such Tax results from (A) the use, operation or location of any Vessel or any part thereof in the jurisdiction imposing the Tax, or (B) the situs or organization, any place of business or any transactions or activities of Charterer or any other Person having use, possession or custody of any Vessel or any part thereof in the jurisdiction imposing the Tax;

(ii) any Tax imposed on the Owner Trustee in connection with a voluntary sale, assignment, transfer or other disposition (a "Transfer") by the Owner Trustee or any of its Affiliates of any interest in or arising under the Principal Documents or of any interest in any Vessel or a Transfer of any interest in the Owner Trustee other than (A) any Transfer while an Event of Default is continuing, (B) any Transfer that results from an Event of Loss, or (C) any Transfer that results from a substitution or replacement of a Vessel effected by the Charterer or any other specified Person;

(iii) any Tax imposed on the Owner Trustee in connection with an involuntary disposition by the Owner Trustee of all or any part of its interest in any Vessel resulting from (A) a bankruptcy or other proceeding for the relief of debtors in which the Owner Trustee is the debtor or (B) any foreclosure by a creditor of the Owner Trustee with respect to any Vessel, provided that the exclusion in this clause (iii) shall

not apply to any such bankruptcy or other proceeding or any such foreclosure resulting from an Event of Default; or

(iv) any Tax imposed as the sole result of an act or event occurring after the expiration or earlier termination of the Charter and the satisfaction of all the obligations of the Charterer hereunder, including (if applicable) the redelivery of the Vessels to the Owner Trustee at the location specified in Section 18 hereof.

(d) Returns. The Charterer shall notify the Owner Trustee of, and prepare and file when due all reports, returns, statements and other documents that are required to be filed with respect to any Tax that is subject to indemnification pursuant to this Section 14 other than any such report, return, statement or other document (i) which an Indemnitee notifies the Charterer that the Indemnitee intends to prepare and file or (ii) which the Indemnitee is required by law to file, in which case the Charterer shall notify the Owner Trustee in writing of such requirement a reasonable period of time before such report, return, statement or other document is due. The Charterer shall provide promptly to each Indemnitee such information and assistance as the Indemnitee may reasonably request to enable such Indemnitee to comply with its tax return filing, audit and litigation requirements.

(e) Tax Indemnity Agreement – To the extent that the provisions in this Section 14 are inconsistent with the provisions of the Tax Indemnity Agreement, the provisions of the Tax Indemnity Agreement shall prevail.

Section 15. Additional Covenants of the Charterer. During the Charter Period and so long as any amounts are due from the Charterer under this Charter:

(a) The Charterer shall deliver to the Owner Trustee, in duplicate:

(i) as soon as available, and in any event within 120 days after the end of each fiscal year of the Charterer, a consolidated balance sheet of the Charterer as of the end of such fiscal year and the related consolidated statements of income and retained earnings for such fiscal year, certified by independent public accountants of nationally recognized standing selected by the Charterer all in reasonable detail and setting forth in comparative form the corresponding figures for the preceding fiscal year together with a certificate of the president or chief financial officer of the Charterer (x) setting forth in detail all unpaid items in respect of each Vessel which if remaining unpaid are or would constitute Liens as to such Vessel, and (y) to the effect that no Event of Default or event which with the passage of time, the giving of notice, or both, would constitute an Event of Default, has occurred and is continuing (or if an Event of Default or such other event shall have occurred, stating such, together with relevant details and information as to any action being taken to cure or obtain necessary waivers);

(ii) as soon as available, and in any event within 60 days after the end of the first three quarters accounting period in each fiscal year of the Charterer, a consolidated balance sheet of the Charterer as of the end of such period and the related consolidated statements of income and retained earnings for such period, all in reasonable detail and setting forth in comparative form the corresponding figures for the comparable period of

the preceding fiscal year certified as true and complete by the president or chief financial officer of the Charterer together with a certificate of the president or chief financial officer of the Charterer (x) setting forth in detail all unpaid items in respect of each Vessel which if remaining unpaid are or would constitute Liens as to such Vessel, and (y) to the effect that no Event of Default or event, which with the passage of time, the giving of notice, or both, would constitute an Event of Default, has occurred and is continuing (or if an Event of Default or such other event shall have occurred, stating such, together with relevant details and information as to any action being taken to cure or obtain necessary waivers); and

(iii) such other financial information relating to the affairs of the Charterer as the Owner Trustee may reasonably request.

All such financial statements shall fairly present the financial condition and results of operations of the Charterer and any consolidated subsidiaries at the dates and for the periods specified therein and shall be prepared in accordance with generally accepted accounting principles consistently applied throughout the periods covered thereby, except for immaterial changes and except for any material change in accounting principles specified in the related notes or in the accompanying certificate.

(b) The Owner Trustee (or any Person or Persons designated by the Owner Trustee) shall have the right to discuss the affairs, finances and accounts of the Charterer relative to the Vessels with the officers thereof, all at such reasonable times, subject to such constraints regarding confidentiality as the Charterer may reasonably require.

(c) To the extent permissible, the Charterer will prepare and file in timely fashion or, where the Owner Trustee is required to file, prepare and deliver (or cause to be prepared and delivered) to the Owner Trustee within a reasonable time prior to the date for filing any reports, certificates, applications, licenses, notices, consents, bonds, agreements, requests, orders or any other instruments or documents with respect to the Vessels, this Charter or any of the transactions contemplated hereby which are required by any federal, state or other governmental or regulatory authority. The Owner Trustee will take, at the Charterer's cost, reasonable steps to furnish to the Charterer such information relating thereto as the Charterer may reasonably request and otherwise cooperate with the Charterer in connection therewith. The Charterer will take, at the Charterer's cost, reasonable steps to furnish to the Owner Trustee such information relating to the Owner Trustee's tax reports and returns as the Owner Trustee may reasonably request and otherwise cooperate with the Owner Trustee in connection therewith. Nothing in this Section 15(c) shall require disclosure to any Person of trade secrets or information the disclosure of which is prohibited by law.

Section 16. Loss, Destruction, Requisition, Etc.

(a) Upon the occurrence of an Event of Loss with respect to a Vessel, the Charterer shall forthwith (and in any event within fifteen days after such occurrence) give to the Owner Trustee written notice of such Event of Loss, and on or before the next Charter Hire Payment Date following the date of the occurrence of such Event of Loss the Charterer shall pay to the Owner Trustee in addition to any Hire then otherwise due and payable, the Insured Value for

such Vessel computed as of such date. In the event of payment in full of such Insured Value and all other Hire then due hereunder, the obligation of the Charterer to pay Basic Charter Hire hereunder with respect to such Vessel after such Charter Hire Payment Date shall terminate, provided that the Charterer shall remain liable for all payments of Hire for such Vessel due on or before the date of such payment of Insured Value. Following an Event of Loss and receipt by the Owner Trustee of the Insured Value for such Vessel, the Owner Trustee shall convey title to such Vessel to the Charterer "as-is, where-is" without representation or warranty of any kind except for the representation and warranty that the Vessel is free and clear of any claim, lien or encumbrance created by, through or under the Owner Trustee.

(b) Payments received at any time by the Owner Trustee or by the Charterer from any governmental authority or other Person with respect to an Event of Loss resulting from the condemnation, confiscation, theft or seizure of, or requisition of title to or use of a Vessel will be applied to reimburse the Owner Trustee for costs and expenses incurred in connection therewith and then to pay the Owner Trustee so much of such payments remaining as shall not exceed the Insured Value required to be paid by the Charterer in connection therewith in reduction of the Charterer's obligation to pay such Insured Value, if not already paid by the Charterer, or, if already paid by the Charterer, shall be applied to reimburse the Charterer for its payment of such Insured Value, and the balance, if any, of such payments remaining thereafter will be paid over to, or retained by, the Owner Trustee.

(c) In the event of the requisition for use by the United States or any instrumentality or agency thereof (for purposes of this Section 16(c) called the "Government") or by any other governmental authority of a Vessel, the Charterer shall promptly notify the Owner Trustee of such requisition, and all of the Charterer's obligations under this Charter with respect to said Vessel shall continue to the same extent as if such requisition had not occurred; provided that if such requisition is by such other governmental authority and is for a period in excess of 60 days or is by the Government or such other governmental authority and continues beyond the termination of the Charter Period an Event of Loss shall be deemed to occur on the 61st day after such requisition or on the last day of the Charter Period, as the case may be. All payments received by the Owner Trustee or the Charterer from the Government for the use of said Vessel shall be paid over to, or retained by, the Charterer; provided that if a requisition of use results in an Event of Loss, such payments shall be disbursed as provided in Section 16(b) hereof.

(d) Any amount referred to in Section 16(b) or 16(c) hereof which is payable to the Charterer, shall not be paid to the Charterer if at the time of such payment an Event of Default shall have occurred and be continuing, but shall be held by the Owner Trustee subject to a security interest in favor of the Owner Trustee in respect of the Charterer's obligations under this Charter (which the Charterer hereby grants) in a segregated interest-bearing account with a banking institution selected by the Owner Trustee without any duty to maximize the return thereon and, if the Owner Trustee declares this Charter to be in default pursuant to Section 20 hereof, such amount shall be applied (together with any such interest) against the Charterer's obligations hereunder as and when due. At such time as there shall not be continuing any such Event of Default such amount shall be paid to the Charterer to the extent not previously applied in accordance with the preceding sentence.

(e) If an Event of Loss occurs with respect to a Vessel, Charterer may elect, by written notice of such election to Owner Trustee accompanying notification of such Event of Loss, to subject to this Charter not more than 30 days after the date of such notice a vessel meeting the suitability standards hereinafter set forth, in lieu of making a payment of the Insured Value of such Vessel pursuant to Section 16(a) above. To be suitable as a replacement Vessel, such vessel must be of the same general type, year of construction (or later year of construction), function, utility, state of repair and operating condition as the Vessel suffering the Event of Loss, must be of the same classification under Section 168(e)(1) of the Code, have the same applicable recovery period under Section 168(c) of the Code, have the same useful life, have a fair market value of not less than the fair market value (immediately preceding the Event of Loss assuming that such Vessel had been maintained in accordance with the terms of this Charter) of the Vessel suffering the Event of Loss, and the same anticipated fair market value at the end of the Charter Term, and be free and clear of any Liens. The proposed replacement vessel must be in all manners and respects satisfactory to Owner Trustee in its sole and absolute discretion. Charter shall cause a Charter Schedule to be executed to subject such proposed replacement vessel hereto and upon the accomplishment of the same and the receipt of evidence of compliance with the insurance provisions of Section 10 hereof, the receipt of a legal opinion in form and substance satisfactory to Owner Trustee to the effect that all titling and other documentation have been filed, recorded and deposited in all public offices where required to evidence the interest of Owner Trustee in the proposed replacement vessel hereunder, and that such filing, deposit or recording will protect Owner Trustee's interest in such replacement vessel and that no other filing, recording deposit or giving of notice with or to any other Federal, state or local government or agency thereof is necessary to protect the interests of Owner Trustee in such replacement vessel, such replacement vessel shall be deemed a Vessel for all purposes hereof, and the Vessel suffering the Event of Loss shall be released from this Charter.

Section 17. Citizenship. The Charterer agrees to remain a Citizen during the term of this Agreement. In the event the Charterer shall for any reason cease to be a Citizen during such term, the Charterer shall promptly notify the Owner Trustee and, after consultation with the Owner Trustee, will take such reasonable steps as may be necessary or advisable to enable the Owner Trustee to enjoy the benefits of the transactions originally contemplated by this Agreement.

Section 18. Redelivery.

(a) Except to the extent that the Charterer has been relieved of the obligation by the occurrence of an Event of Loss with respect to one or more of the Vessels, the Charterer at its own expense shall redeliver (with 30 days written notice of the time of redelivery) each of the Vessels to the Owner Trustee at the expiration of the Charter Period at the port of New Orleans, Louisiana or such other location as may be designated by Owner Trustee in writing in such good order and condition as when delivered hereunder and in the condition required by Section 8(a) hereof except for ordinary wear and tear as might reasonably be expected for vessels of similar age, class and design engaging in operations normal to the Charterer's industry. The Vessels shall be redelivered charter free, cargo free, with no unfulfilled requirements of any governmental agency or department having jurisdiction in the premises, and free and clear of all Liens, except for any Liens created solely by, through or under the

Owner Trustee. In addition, (i) all Vessels will be returned to a location designated by the Owner Trustee along the river way, inland waterway or gulf coastal waters as when in service and under charter; (ii) upon return the Vessels will be in good operating order, clean appearance, free from rust and corrosion and free of all advertising or insignia placed thereon by Charterer or subcharterer; (iii) the Vessels and components thereon will be in good repair having no structural or mechanical damage to any exterior surface, lining, seals, hatches, doors, hinges, latches and decks; (iv) the Vessels will have no cracked, corroded or bent frames, ribs or keel; (v) the Vessels must be seaworthy as when originally delivered, ordinary wear and tear excepted; (vi) upon return, the Vessels will have no more than $2,000 in hull or superstructure damage and, (vii) upon return, the Vessels will be accompanied by a survey from a marine surveyor selected by the Owner Trustee, indicating that each Vessel complies with the foregoing return provisions.

(b) This Charter shall be extended, at a daily charter hire rate equal to 110% of Basic Charter Hire (on a per diem basis) for the first 10 days and thereafter at a daily charter hire rate equal to 1/30 of the Fixed Amount for each Vessel not redelivered at the scheduled expiration of the Charter Period, for the duration of any voyage in progress at the time of expiration of the Charter Period and for such additional period as shall reasonably be required to effect redelivery in accordance with Section 18(a) above. During such extension period, if any, all of the obligations of the Charterer under this Charter in respect of the Charter Period (other than the payment of Basic Charter Hire which shall be payable as set forth above) shall continue in respect of such extension period and the Hire on such Vessels shall be paid monthly.

(c) The Charterer shall permit access to the Vessels at all reasonable times during the last six months of the Charter Period to the Owner Trustee and to persons designated by the Owner Trustee in connection with any prospective sale or charter of the Vessels by the Owner Trustee, and shall permit the superficial inspection of the Vessels by such persons; provided, however, that the exercise of such rights shall in no way unreasonably interfere with the use by the Charterer of the Vessels and shall be at the Owner Trustee's risk and expense.

(d) At the end of the Charter Period or the last Renewal Term, as the case may be, a joint survey of all the Vessels shall be made by the Charterer and the Owner Trustee to determine whether the Vessels are in the condition required by Sections 8 and 18 hereof. The cost of such survey shall be shared equally by the Charterer and the Owner Trustee; provided, that if such survey indicates that any Vessel requires repair in order to comply with this Section 18, all such additional repairs shall be borne solely by the Charterer. The Charterer shall, at its own cost and expense, cause any Vessel not in the condition required by this Section 18 to be promptly and properly repaired, in which case the Charter Period shall be deemed to continue with respect to such Vessels in accordance with the provisions of Section 18(b) hereof until such repairs are completed. Alternatively, the Owner Trustee may at its sole option accept the Vessels in the condition returned, and the Charterer will pay the difference between the value of the Vessels in such condition and the value they would have had if the Charterer had complied with its obligation hereunder.

(e) The Charterer will, at the written request of the Owner Trustee made not later than 30 days prior to the termination of the Charter Period, provide safe and adequate fleeting

for the Vessels being returned, free of charge, at the delivery location agreed to pursuant to Section 18(a) hereof, for a period commencing on the last day of the Charter Period (subject to any extension as provided herein), and terminating on a date not later than 45 days thereafter. As between the Owner Trustee and the Charterer only, such fleeting shall be at the Owner Trustee's risk; provided, that (i) the Charterer shall, if requested by the Owner Trustee and available to the Charterer, cause the Vessels to be insured at the Owner Trustee's expense and (ii) the Charterer shall be liable for any loss of or damage to any Vessel resulting from the willful misconduct or gross negligence of the Charterer. In addition, the Owner Trustee shall have the right to continued fleeting of such Vessels at the same site after the expiration of the free storage period referred to in the preceding sentence; provided, that Charterer may charge an amount based on the then normal rate charges for storage of vessels of the same or similar type as the Vessels, such additional storage to be at Owner Trustee's expense and risk.

(f) At any inspection pursuant to Section 18(d) hereof, inspectors or surveyors representing both the Owner Trustee and the Charterer, or an inspector or surveyor satisfactory to both sides, shall be present and shall determine and state the agreed repairs or work necessary to place each Vessel in the condition required by this Section 18. Any such inspection will include drydocking if the inspector or surveyor determines it to be necessary for inspection of underwater surfaces. If such drydocking reveals damage other than normal wear and tear then the cost of drydocking and repair shall be at the Charterer's sole expense; otherwise, the Owner Trustee and the Charterer shall share the cost of such drydocking. The parties hereto agree that in determining whether a Vessel is in the condition required by Section 18(a) above, the inspectors or surveyors representing the parties will consider, and apply in good faith, industry trade and practice concerning ordinary wear and tear for like vessels of similar age, service, construction, and design, including any general factors relating to corrosion tolerance on steel that are used as general guidelines by inspectors or surveyors in the inland waterway industry.

Section 19. Assignments and Subcharters.

(a) Assignment and Subcharter by the Charterer. The Charterer shall not have the right to subcharter any Vessel or assign this Charter without the prior written consent of Owner Trustee, provided, however, that as set forth in this Section 19(a) the Charterer shall have the right to subcharter the Vessels to American Commercial Barge Line LLC (the "Permitted User") for so long as the Permitted User remains a wholly owned subsidiary of Charterer, consolidated with Charterer for all financial reporting purposes, and is a citizen of the United States qualified to be an owner or operator of a vessel engaged in the coastwise trade of the United States within the meaning of the Shipping Act , 1916, as amended, only upon all the terms and conditions of this Charter; provided, further, that Charterer's obligations hereunder shall continue in full force and effect as the obligations of a principal and not of a surety; and provided, further, that Charterer shall not without Owner Trustee's prior written consent assign, charter or subcharter the Vessels to, or permit the assignment, charter or subcharter of the Vessels to any other Person , or permit the assignment, charter or subcharter of the Vessels for a period in excess of the Charter Period. So long as no Event of Default has occurred and is continuing, Charterer may receive and retain compensation for the use of any of the Vessels from Permitted User so using such Vessels. Each charter or subcharter permitted by this Section 19(a) shall (a) be expressly subject and subordinate to all

of the provisions of this Charter and the rights of the Owner Trustee and the Beneficiary under this Charter in respect of the Vessels, (b) shall expressly require the Vessels subject thereto to be returned as directed by the Owner Trustee in accordance with Section 18 hereof, upon notice to Permitted User that an Event of Default shall have occurred and be continuing and (c) shall expressly prohibit any further subcharter or assignment of the Vessels subject thereto. Charterer shall deliver a conformed copy of such subcharter to Owner Trustee on or before the date of this Charter, along with an acknowledgment of Permitted User of this Section 19(a).

(b) Assignment by the Owner Trustee. Subject to paragraph (c) below, all rights of the Owner Trustee hereunder and in any of the Vessels may be assigned, pledged, mortgaged, transferred or otherwise disposed of either in whole or in part, without notice to the Charterer, provided that the Charterer shall be under no obligation to any assignee of the Owner Trustee except upon receipt of written notice of such assignment from the Owner Trustee and that such action does not result in the Vessels' losing their coastwise eligibility. Upon notice to the Charterer of any such assignment, the Hire and other sums payable by the Charterer hereunder which are the subject matter of the assignment shall be paid to or upon the written order of the assignee. No such assignee shall be obligated to perform any duty, covenant or condition required to be performed by the Owner Trustee under the terms of this Charter unless such assignee expressly assumes such obligation and shall thereupon be relieved of any further liability hereunder. Such assignee upon assignment and assumption of this Charter shall become the "Owner Trustee" hereunder and shall have all rights, powers and remedies given to the Owner Trustee by this Charter, and shall be named as loss payee or additional insured under all policies of insurance maintained by the Charterer pursuant to Section 10 hereof. The Charterer agrees to execute related acknowledgements and other documents that may be reasonably requested by the Owner Trustee or any assignee.

(c) Subordination. This Charter and all rights of the Charterer (and of any persons claiming or who may hereafter claim under or through the Charterer) hereunder, are hereby made subject and subordinate to any leveraged lease, sale and leaseback, chattel mortgage, conditional sale or other financing agreement heretofore or hereafter established with respect to any of the Vessels including any equipment trust agreement and to all rights of a trustee under any such agreement (hereinafter collectively referred to as an "Owner Trustee's Assignment"); provided that (i) any such agreement shall provide or be on such terms that, so long as no Event of Default under this Charter shall have occurred and be continuing, Charterer shall not be disturbed in its possession and use of the Vessels (including, but not limited to, Charterer's renewal options contained in Section 22 hereof), (ii) any transfer of ownership or any interest in all or any of the Vessels in such Owner Trustee's Assignment shall be in compliance with Section 9 of the Shipping Act, 1916, as amended, (iii) Owner Trustee shall remain liable to Charterer for performance of any obligations specifically undertaken by it in this Charter in favor of Charterer, but only to the extent any other party to an Owner Trustee's Assignment shall not fully perform such obligations, (iv) Charterer shall not be liable for any costs or expenses incurred by Owner Trustee in respect of each Owner Trustee's Assignment, including but not limited to the costs or expenses of documenting any Owner Trustee's Assignment and Owner Trustee shall bear any costs of redocumenting and remarking the Vessels resulting from such Owner Trustee's Assignment, and (v) Charterer shall not be obligated to maintain any additional insurance, other than as required by Section 10 hereof, resulting from such Owner Trustee's Assignment except that Charterer shall

arrange for the naming of any new Owner Trustee or mortgagee as a loss payee and named assured in addition to Owner Trustee on any insurance coverage required by Section 10 hereof where Owner Trustee is required to be named either as a named assured or loss payee and afford such new Owner Trustee or mortgagee the same protection afforded Owner Trustee as to policy provisions as provided in Section 10 hereof. Any assignment, transfer, subcharter, or loan of Vessels made by the Charterer pursuant to Section 19(a) of this Charter shall be expressly made subject to the above subordination.

Section 20. Events of Default. The following events shall constitute Events of Default:

(a) the Charterer shall fail (i) to make any payment of Basic Charter Hire when due and payable or (ii) to make any payment of Supplemental Hire when and as the same shall become due and payable and such failure shall continue for 5 days; or

(b) the Charterer shall fail to maintain in effect at all times insurance with respect to the Vessels as required by Section 10 hereof; or

(c) the Charterer shall fail to perform or comply with any of the provisions of Sections 7 (b), (d) or (e), the second paragraph of Section 9, Section 12, Section 15(a)(i) or (ii), or Section 19(a) hereof; or

(d) the Charterer shall fail to perform or observe any other covenant, condition or agreement to be performed or observed by it hereunder, and such failure shall not have been remedied within 30 days after written notice of such failure from the Owner Trustee; or

(e) any representation or warranty made by the Charterer herein, or in any document or certificate furnished to the Owner Trustee in connection herewith or therewith or pursuant hereto or thereto shall prove at any time to be incorrect in any material respect as of the date made; or

(f) the Charterer or Permitted User shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of its or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in any involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall take any corporate action to authorize any of the foregoing; or

(g) an involuntary case or other proceeding shall be commenced against the Charterer or Permitted User seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 60 days; or

(h) the Charterer or Permitted User shall cease to be a Citizen; or

(i) an event shall occur or condition exist in respect to any indebtedness, ("Indebtedness") to The Chase Manhattan Bank or its successors, assigns or participants pursuant to the Credit Agreement dated as of June 30, 1998, among the Charterer, American Commercial Lines Holdings LLC, Chase Securities Inc., as Arranger, and The Chase Manhattan Bank, as Administrative Agent, as the same now exists or as the same may be amended or modified from time to time, or any other indebtedness in full or partial substitution or replacement thereof or under any agreement securing or relating to such Indebtedness, the effect of which is to cause (or permit the holder of such Indebtedness or trustee to cause) the acceleration of maturity of such Indebtedness or any installment of principal, premium (if any) or interest on such Indebtedness, or any required payment of principal with respect to such Indebtedness shall not have been paid when due (whether at stated maturity, by acceleration, pursuant to mandatory or optional prepayment or redemption provisions, by demand or otherwise) and any applicable grace period shall have expired;

(j) any Principal Document shall no longer be a legal, valid, binding and enforceable obligation of the Charterer; or

(k) Any notice shall be given regarding the cancellation or decision not to renew the Letter of Credit or the Letter of Credit shall be cancelled or fail to be renewed.

Section 21. Actions Following Event of Default. If any Event of Default shall have occurred and be continuing, and at any time thereafter, so long as the Charterer shall not have remedied all outstanding Events of Default, at Owner Trustee's option, the Owner Trustee may exercise any one or more of the following rights and remedies:

(a) the Owner Trustee may proceed either at law, in admiralty or in equity to enforce performance by the Charterer of the applicable provisions of this Charter or to recover damages for the breach thereof; or

(b) the Owner Trustee may terminate this Charter, by notice in writing to the Charterer (except that in the case of any Event of Default in subsections (f) or (g) above such termination shall be automatic without the requirement of such written notice), whereupon all rights of the Charterer to the use of the Vessels shall absolutely cease and terminate, but the Charterer shall remain liable as to payment of Basic Charter Hire and Supplemental Hire, as hereinafter in this clause (b) provided; and thereupon the Charterer shall, if requested by the Owner Trustee, forthwith at the Charterer's expense deliver or cause to be delivered the Vessels to the Owner Trustee at a safe berth at New Orleans, Louisiana or such other location as designated by Owner Trustee pursuant to Section 18 and there to be stored at the Charterer's expense and risk for a period not to exceed 60 days and, whether or not the Owner Trustee shall have made such a request, the Owner Trustee may enter upon and take possession of the Vessels, wherever found, whether underway or in any port, harbor or other place, without prior demand and without legal process, and for that purpose may enter upon any dock, pier or other premises and take such steps as may be necessary to take possession of the same and to discharge, deliver, redeliver or otherwise dispose of any cargo aboard the same, all at the sole risk, cost and expense of the Charterer; and thenceforth the Owner Trustee shall

hold, possess and enjoy the Vessels free from any right of the Charterer; but the Owner Trustee may, nevertheless, recover from the Charterer all Hire which under the terms of this Charter may then be due and also recover forthwith from the Charterer (i) as liquidated damages for loss of the bargain and not as a penalty, an amount equal to the Stipulated Loss Value applicable to the Charter Hire Payment Date coinciding with or immediately preceding the date of such payment less the fair market sales value of the Vessels as of such payment date (as reasonably determined by the Owner Trustee); provided, however, that the fair market sales value shall be zero if the Charterer falls to redeliver possession of the Vessels in accordance with the terms of this Section 21(b); provided further, however, that if one or more Vessels have been sold by the Owner Trustee on or prior to the date of payment of liquidated damages, the sales proceeds received by the Owner Trustee shall be conclusive as to the fair market sales value and the Charterer shall pay, with respect to such Vessels, an amount equal to the Stipulated Loss Value then applicable for such Vessels less the sale price of such Vessels but plus any expenses incurred by the Owner Trustee in connection with such sale; (ii) interest on the Stipulated Loss Value aforesaid from such Charter Hire Payment Date to the date of payment at the Default Rate; (iii) any damages which the Owner Trustee shall have sustained by reason of the breach of any provision of this Charter other than for the payment of Basic Charter Hire; and (iv) any expenses, including reasonable attorney's fees, which the Owner Trustee shall have incurred by reason of the breach of any provision of this Charter (unless already paid for in accordance with the second proviso of clause (i) of this Section 21(b)); or

(c) The Owner Trustee or its agent may sell any Vessel at public or private sale, with or without notice to the Charterer, advertisement or publication, as the Owner Trustee may determine, or otherwise may dispose of, hold, use, operate or charter (whether for a period greater or less than the balance of what would have been the Charter Period in the absence of the termination of the rights of the Charterer to the Vessels) to others, all on such terms and conditions and at such place or places as the Owner Trustee may reasonably determine and all free and clear of any rights of the Charterer; or

(d) The Owner Trustee may hold, keep idle or charter to others any Vessel or any part thereof, as the Owner Trustee in its sole discretion may determine, free and clear of any rights of the Charterer and without any duty to account to the Charterer with respect to such action or inaction or for any proceeds with respect thereto.

At any time after an Event of Default shall have occurred and be continuing, the Owner Trustee may request the Charterer to deliver, and the Charterer shall deliver, as soon as possible, a certificate setting forth the current location of all of the Vessels.

The remedies in this Charter provided in favor of the Owner Trustee shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law, in admiralty or equity. The Charterer hereby waives, so far as permitted by law, any notice to quit or notice of re-entry or of the institution of legal proceedings to that end, any right of re-entry or repossession, or any other requirements of law, now or hereafter in effect, which may require the Owner Trustee to sell, lease, or otherwise use the Vessels in mitigation (except to the extent that the fair value of the Vessels shall be credited in reduction of the Owner Trustee's claim as provided above) of Owner Trustee's damages as set forth in this Section or which might limit or modify the remedies herein provided.

The failure of the Owner Trustee to exercise its rights granted it hereunder, or the partial exercise of such rights, upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such rights upon the continuation or recurrence of any such contingencies or similar contingencies or preclude any other or further exercise of such rights or of any other rights. No express or implied waiver by the Owner Trustee of any Event of Default or right of the Owner Trustee shall in any way be, or be construed to be, a waiver of any future or further Event of Default or right of the Owner Trustee.

Section 22. The Charterer's Renewal and Purchase Options; Third Party Sale.

(a) Charterer's Early Purchase Option. If (i) no Event of Default shall have occurred and be continuing, and (ii) this Charter shall not have been earlier terminated, Charterer shall be entitled, at its option, upon written notice to Owner Trustee as hereinafter provided, to purchase all, but not less than all, Vessels then subject to this Charter, on December 23, 2001, for an amount, with respect to each Vessel, payable in immediately available funds, equal to the greater of (i) fair market sales value thereof determined in accordance with subsection (c) hereof or (ii) the Stipulated Loss Value of the Vessels, plus in either case (i) or (ii) any applicable sales, excise or other taxes imposed as a result of such sale (other than gross or net income taxes attributable to such sale). Owner Trustee's sale of each Vessel shall be on an as-is, where-is basis, without any representation by, or recourse or warranty to, Charterer. If Charterer intends to exercise said purchase option, Charterer shall give written notice to Owner Trustee to such effect not less than one hundred and eighty (180) days prior to December 23, 2001. If Charterer fails to give such written notice to Owner Trustee as aforesaid, then Charterer shall be irrevocably deemed to have waived its option to purchase under this Section 22 (a).

(b) The Charterer's Purchase Option at End of Term. If at the end of the Term, (i) no Event of Default shall have occurred and be continuing, and (ii) this Charter shall not have been earlier terminated, the Charterer shall be entitled, at its option, upon written notice to the Owner Trustee, as hereinafter provided, to purchase all, but not less than all, Vessels then subject to this Charter, on the Termination Date for each such Vessel, for an amount (the "Purchase Option Amount"), with respect to each Vessel, as determined in accordance with subsection (c) payable in immediately available funds, equal to the sum of (w) the fair market sale value of such Vessel as of the proposed purchase date, plus (x) the Basic Charter Hire due and payable for such Vessel on the Termination Date, if Basic Charter Hire for such Item is payable in arrears, plus (y) any applicable sales, excise or other taxes imposed as a result of such sale (other than gross or net income taxes attributable to such sale), plus (z) any Supplemental Hire then due and owing to the Owner Trustee hereunder. The Owner Trustee's sale of each Vessel shall be on an as-is, where-is basis, without any representation or warranty by, or recourse to, the Owner Trustee. If the Charterer intends to exercise said purchase option, the Charterer shall give written notice to the Owner Trustee to such effect at least one hundred eighty (180) days prior to the expiration of the Term. If the Charterer gives such written notice to the Owner Trustee the same shall constitute a binding obligation of the Charterer to purchase all of such Vessels and to pay the Owner Trustee the Purchase Option Amount on the Termination Date thereof.

(c) Determination of Fair Market Sale Value; Appraisal Procedure. If Charterer has elected to exercise its purchase option, as provided in subsection (a) or (b) hereof, then as soon as practicable following Owner Trustee's receipt of the written notice from Charterer of Charterer's intent to exercise such option, Owner Trustee and Charterer shall consult for the purpose of determining the fair market sales value of each Vessel as of the end of the date of such proposed purchase and any values agreed upon in writing shall constitute such fair market sales value of each such Vessel for the purposes of this subsection (c). If Owner Trustee and Charterer have not agreed upon such fair market sales value of any Vessel by the thirtieth (30th) day before the proposed purchase date, the same shall be determined at Charterer's cost and expense by a qualified independent appraiser appointed by Owner Trustee and acceptable to the Charterer and such determination shall be conclusively binding on Owner Trustee and Charterer. For all purposes of this subsection (c), fair market sales value shall be determined on the basis of, and shall equal in value, the amount which would obtain in an arm's length transaction between an informed and willing buyer-user (other than a charterer currently in possession and a used equipment or scrap dealer) and an informed and willing seller under no compulsion to sell, and in such determination, costs of removal from the location of current use shall not be a deduction from such value, and it shall be assumed (whether or not the same be true) that the vessel has been maintained in accordance with the requirements of this Charter and would have been returned to Owner Trustee in compliance with the requirements of Section 18.

Section 23. Notices. Except as otherwise expressly provided herein, all notices and other communications provided for hereunder shall be in writing (including, without limitation, telegraphic, telex, telecopier, or cable communication) and mailed, telegraphed, telexed, telecopied, cabled, or delivered: to the Charterer and the Owner Trustee, at the respective addresses specified; or at such other address as shall be designated by such party in a written notice to the other party hereto. All such notices and communications which are addressed as provided herein if mailed (first class mail, registered or certified, postage prepaid) shall be effective three days after deposit in the United States mail, and if, telegraphed, telexed, telecopied, or cabled or sent by overnight courier, shall be effective when delivered to the telegraph company, cable company, or overnight courier, as the case may be, or sent by telex or telecopier.

Charterer:	American Commercial Lines LLC 1701 East Market Street Jeffersonville, IN 47131 Attn: W.N. Whitlock Fax No.: (812) 288-0294
Owner Trustee:	Wilmington Trust Company Rodney Square North Wilmington, DE 19801 Attn: Corporate Trust Administration Fax No.: (302) 651-8882

With a copy to: BFC Assets, Inc.
125 Summer Street
Boston, MA 02110
Attn: Senior Vice President, Administration
Fax No.: 617/345-1444

Section 24. Owner Trustee's Right to Perform for Charterer. If Charterer fails to make any Supplemental Hire payment required to be made by it hereunder or fails to perform or comply with any of its agreements contained herein, Owner Trustee may itself, after notice to Charterer, make such payment or perform or comply with such agreement, and the amount of such payment and the amount of the reasonable expenses of Owner Trustee incurred in connection with such payment or the performance of or compliance with such agreement, as the case may be, together with interest thereon at the Default Rate, shall, if not paid by Charterer to Owner Trustee on demand, be deemed Supplemental Hire hereunder; provided, however, that no such payment, performance or compliance by Owner Trustee shall be deemed to cure any Event of Default hereunder.

Section 25. Further Assurances. Charterer will promptly and duly executed and deliver to Owner Trustee such other documents and assurances, including, without limitation, such amendments to this Bareboat Charter as may be reasonably required by Owner Trustee, and Uniform Commercial Code financing statements and continuation statements, and will take such further action as Owner Trustee may from time to time reasonably request in order to carry out more effectively the intent and purposes of this Bareboat Charter and to establish and protect the rights and remedies created or intended to be created in favor of Owner Trustee and its rights, title and interests in and to the Vessels.

Section 26. Miscellaneous.

(a) This Charter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(b) All amounts and moneys referred to in this Charter shall be construed to mean money which at the time is lawful money of the United States.

(c) The section headings are for convenience only and shall not be construed as a part of this Charter.

(d) Except as otherwise provided herein, this Charter shall be governed by and construed in accordance with the laws of the United States and the Commonwealth of Massachusetts.

(e) If any payment to be made by the Charterer hereunder shall become due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

(f) Any payment not made by the Charterer to the Owner Trustee when due as provided in this Charter shall bear interest from the due date thereof at the Default Rate until received by the Owner Trustee.

(g) This Charter may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

(h) Time and strict and punctual performance are of the essence with respect to each provision of this Charter.

(i) This Charter, together with all Charter Supplements, constitutes a final written expression of all the terms of the agreement between the Owner Trustee and the Charterer regarding the subject matter of this Charter, is a complete and exclusive statement of those terms, and supersedes all prior and contemporaneous agreements, understandings and representations between the parties.

Section 27. Severability; Effect and Modification of Charter. Any provision of this Charter which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such prohibition or enforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 28. Submission to Jurisdiction. The Charterer hereby irrevocably consents that any legal action or proceeding against it or any of its assets with respect to this Charter may be brought in any jurisdiction where the Charterer or any of its assets may be found, or in any court of the Commonwealth of Massachusetts or any Federal court of the United States of America located in Boston, Massachusetts, United States of America, or both, as the Owner Trustee may elect, and by execution and delivery of this Charter, the Charterer hereby irrevocably submits to and accepts with regard to any such action or proceeding, for itself and in respect of its assets, generally and unconditionally, the jurisdiction of the aforesaid courts. The Charterer further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to the Charterer at its address set forth in Section 23 hereof, such service to become effective thirty (30) days after such mailing. Nothing herein shall affect the right of the Owner Trustee to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the Charterer in any other jurisdiction. The Charterer further agrees that final judgment against the Charterer in any action or proceeding in connection with this Charter shall be conclusive and may be enforced in any other jurisdiction within or outside the United States of America by suit on the judgment, a certified or exemplified copy of which shall be conclusive evidence of the fact and the amount of its indebtedness. The Charterer hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with the Charter brought in the courts referred to above and hereby further irrevocably waives and agrees not to plead or claim in any such court

that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

Section 29. Jury Trial. THE CHARTERER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO OR ARISING OUT OF THIS CHARTER AND FOR ANY COUNTERCLAIM THEREIN.

Section 30. Waiver of Consequential Damages. THE CHARTERER AGREES THAT IT SHALL NOT BE ENTITLED TO RECOVER, AND HEREBY DISCLAIMS, AND WAIVES ANY RIGHT THAT IT MAY OTHERWISE HAVE TO RECOVER, CONSEQUENTIAL DAMAGES AS A RESULT OF ANY BREACH OR ALLEGED BREACH BY THE OWNER TRUSTEE OF ANY OF THE AGREEMENTS, REPRESENTATIONS OR WARRANTIES OF THE OWNER TRUSTEE CONTAINED IN THIS CHARTER OR ANY OF THE OTHER PRINCIPAL DOCUMENTS.

Section 31. Concerning the Owner Trustee. Wilmington Trust Company ("WTC") is entering into this Charter as owner trustee under the Trust Agreement and not in its individual capacity and in no case whatsoever shall WTC or the Beneficiary be personally liable on, or for any loss in respect of, any of the representations, warranties, agreements or obligations of the Owner Trustee or the Bareboat Charterer hereunder or of the Beneficiary or the Bareboat Charterer under any of the Principal Documents, as to all of which the parties hereto agree to look solely to the Trust Estate, except for any loss caused by the willful misconduct or gross negligence of WTC, the Owner Trustee or the Beneficiary or which arise by virtue of any lien, charge or encumbrance arising as a result of, claims or demands against WTC, the Owner Trustee or the Beneficiary not related to any Vessel or not resulting from the administration of the Trust Estate or not otherwise related to the Principal Documents. If in accordance with the terms of the Trust Agreement a successor owner trustee is appointed, such successor owner trustee shall without any further act, succeed to all rights, duties, immunities, liabilities and obligations of the Owner Trustee hereunder and the predecessor owner trustee shall be released from all further duties and obligations hereunder. The term "Wilmington Trust Company" as used in the Section 29 shall include any Person acting as successor owner trustee in accordance with the terms of the Trust Agreement.

Section 32. Substitution or Prepayment of Towboat.

So long as no Event of Default has occurred and is continuing hereunder, in the event Charterer has requested in writing that Owner Trustee consent to moving the towboat Vessel to a location outside of the territorial waters of the United States of America in contradiction of Section 7(c) hereof, and the Owner Trustee has notified Charterer that it does not consent to such request (such consent to be given or withheld in Owner Trustee's sole and absolute discretion), Charterer may (i) give Owner Trustee an irrevocable written notice (the "Substitution Notice") of Charterer's intention to substitute additional Vessels for such towboat, which Vessels shall be subject to review and approval by the Owner Trustee, such approval to be in Owner Trustee's sole and absolute discretion, and such Vessels to be at all times located in the territorial waters of the United States (an "Exchange Vessel(s)") pursuant

to Section 32(a), or (ii) may give Owner Trustee an irrevocable written notice (the "Purchase Notice") of Charterer's intention to purchase such towboat pursuant to Section 32(b).

(a) Such Substitution Notice shall (i) state that Charterer proposes to substitute such Exchange Vessels in accordance with the provisions of this Section 32(a), (ii) include an irrevocable commitment to purchase such towboat which purchase shall be conditioned upon the satisfaction of, among other things, the conditions set forth herein, and (iii) specify the date for such substitution.

Each proposed Exchange Vessel shall be approved by the Owner Trustee, which approval shall be subject to Owner Trustee's sole and absolute discretion. The following additional conditions shall be satisfied prior to any substitution of vessels pursuant to this Section 32:

(i) Owner Trustee shall have received an appraisal of the Exchange Vessels made by an appraiser selected by Owner Trustee which appraisal shall have been made at the expense of Charterer. Such appraisal shall be delivered at least 30 days prior to the date of such proposed substitution and shall indicate the fair market value and useful life of the Exchange Vessels at the time of the proposed substitution.

(ii) Owner Trustee shall have received a Charter Supplement in the form of Schedule 1 executed and delivered by Charterer, adding and subjecting the Exchange Vessels to, and releasing the affected towboat from, the terms of this Charter, and containing such other terms as Owner Trustee or its counsel may reasonably deem necessary or appropriate by reason of the transactions contemplated by this Section 32.

(iii) Charterer shall have caused to be executed and delivered to Owner Trustee a bill of sale sufficient to convey to Owner Trustee good and marketable title to the Exchange Vessels

(iv) Owner Trustee shall have had the opportunity to conduct customary due diligence with regard to the Exchange Vessels and shall have received evidence satisfactory to Owner Trustee that the Exchange Vessels comply with all applicable laws and regulations and all other requirements of this Charter, and that all necessary permits and licenses have been issued with respect thereto.

(v) All necessary approvals, authorizations and consents of all governmental bodies (including courts) having jurisdiction with respect to the transactions contemplated by this Section 32 shall have been obtained and all taxes (which, if permitted by law, may be paid in installments), fees and other charges payable in connection therewith shall have been paid.

(vi) Owner Trustee shall have received such other instruments and such certificates, including without limitation, evidence of the insurance required by this Charter, certificates as to representations and warranties, and opinions of counsel, each in form and substance reasonably satisfactory to Owner Trustee in connection with the transactions contemplated by this Section 32 as Owner Trustee may reasonably

request. Where required, such instruments shall have been duly recorded by Charterer. Charterer shall pay all fees and expenses incurred in connection with the transaction contemplated by this Section 32, by any Person including, without limitation, Owner Trustee and Beneficiary, including reasonable attorney's fees of such Persons.

(vii) such Exchange Vessel must be of the same general type, year of construction (or later year of construction), function, utility, state of repair and operating condition as the towboat to be replaced, must be of the same classification under Section 168(e)(1) of the Code, have the same applicable recovery period under Section 168(c) of the Code, have the same useful life, have a fair market value of not less that the fair market value (immediately preceding the proposed exchange assuming that such Vessel had been maintained in accordance with the terms of this Charter) of the towboat, and the same anticipated fair market value at the end of the Charter Term, and be free and clear of any Liens.

The appraisal provided to Owner Trustee pursuant to this Section 32(a) shall show that the fair market value of the Exchange Vessels is greater or equal to the fair market value of the towboat for which such Exchange Vessels are to be substituted.

If all of the conditions set forth in this Section 32(a) have been satisfied, then, upon conveyance of the Exchange Vessels to Owner Trustee in accordance with the terms hereof, Owner Trustee shall convey the affected towboat to Charterer AS IS, WHERE IS, AND WITHOUT REPRESENTATION OR WARRANTY (EXPRESS OR IMPLIED) and the Charter shall terminate as to such affected towboat and shall be effective as to such Exchange Vessels.

(b) Such Purchase Notice shall refer specifically to this Section 32(b) and state that Charterer will purchase such towboat for the price set forth in below and specify the date for such purchase which shall be a Charter Hire Payment Date. Upon such election, Charterer shall purchase such towboat on an AS IS, WHERE IS basis on such purchase date at the price set forth below.

If Charterer has elected to purchase the towboat in accordance with this paragraph (b), Charterer shall pay in cash or immediately available federal funds, as the purchase price an amount equal to the Stipulated Loss Value applicable to such towboat as of the date of purchase together with, in each case without duplication, accrued and unpaid Basic Charter Hire and Supplemental Hire to the date of purchase, plus, in each case, an amount equal to the costs and expenses of Owner Trustee in connection with such sale (including reasonable attorneys' fees and disbursements), plus, in each case, the Reinvestment Premium.

No variation or modification of this Charter and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Owner Trustee and the Charterer.

IN WITNESS WHEREOF, the Charterer and the Owner Trustee have executed this Charter as of the date first above written.

Attest:

By: Robert G. Burns

Assistant Secretary

AMERICAN COMMERCIAL LINES LLC

By: James J. Wolff

Its: Senior Vice-President

WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee under the Trust Agreement dated as of December 23, 1998 for the Beneficiary named therein

By: _____

Its: _____

IN WITNESS WHEREOF, the Charterer and the Owner Trustee have executed this Charter as of the date first above written.

AMERICAN COMMERCIAL LINES LLC

Attest:

_____
_____Secretary

By: _____
Its: _____

WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee under the Trust Agreement dated as of December 23 , 1998 for the Beneficiary named therein

By: _____
Its: Financial Services Officer

SCHEDULE X

DEFINITIONS

Schedule X to that certain BAREBOAT CHARTER, dated as of December 23, 1998, between WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee (the "Owner Trustee") under the Trust Agreement dated as of December 23, 1998 for the benefit of BFC Assets, Inc. and AMERICAN COMMERCIAL LINES LLC (the "Charterer"). This Schedule X forms an integral part of the Charter.

"Affiliate" of any specified Person means any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, the term "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"After-Tax Basis" means, in the case of any amount payable to or for the benefit of any Person on an After-Tax Basis, after deduction of the net amount of all Taxes required to be paid by such Person with respect to the receipt or accrual by it of such amount (and assuming, in the case of each such Person, that such Person is subject to Federal income tax at the highest marginal statutory rate imposed on corporations for the applicable period and is subject to state and local income taxes at the composite of the highest marginal statutory rates applicable to such Person for the relevant period with respect to the receipt or accrual by it of such amount), taking into account in each case any deduction or credit allowed by the relevant taxing jurisdiction for taxes paid or payable to any other taxing jurisdiction and taking into account the allowance of any deduction or credit for any amount which is payable by such Person and for which such Person is entitled to a payment on an After-Tax Basis from another Person.

"Basic Charter Hire" means the amounts payable by the Charterer pursuant to Section 4(a)(i) of the Charter.

"Beneficiary" means BFC Assets, Inc., a Delaware corporation, and its transferees.

"Bill of Sale" means the bill of sale dated December 23, 1998 covering the Vessels by the Seller in favor of the Owner Trustee.

"Business Day" means a day which is not a Saturday, Sunday or other day on which banking institutions doing business in Boston, Massachusetts or Wilmington, Delaware are authorized or obligated by law or required by executive order to be closed.

"Charter" means the Bareboat Charter dated as of December 23, 1998, between the Owner Trustee and the Charterer, as the same may be modified, amended or supplemented (whether by the Charter Supplement or otherwise) from time to time in accordance with the applicable provisions thereof, and all Charter Supplements. This Schedule X forms a part of the Charter.

"Charterer" means American Commercial Lines LLC, a Delaware limited liability company, and its permitted successors and assigns.

"Charter Hire Payment Date" means in respect of any Vessel, the date 30 days after the Delivery Date and the corresponding date in each calendar month thereafter throughout the Charter Period for such Vessel.

"Charter Period" means the period beginning on the Delivery Date and ending on the seventh anniversary thereof, as such period may be earlier terminated or extended pursuant to the Charter.

"Charter Supplement" means any supplement to the Charter substantially in the form attached thereto as Schedule 1, executed by the Owner Trustee and the Charterer, for the purpose of effecting delivery of the Vessels under the Charter.

"Citizen" means a "citizen of the United States" within the meaning of Section 2 of the Shipping Act, 1916, as amended, qualified to engage in the coastwise trade; however, with respect to the Owner Trustee only, "Citizen" means a Person eligible to own a vessel under the 46 U.S.C. 12106.

"Closing Date" means December 23, 1998.

"Default Rate" means, with respect to any time period, 18%.

"Delivery Date" for the Vessels means the date that a Vessel is delivered by the Seller and accepted by the Owner Trustee and simultaneously delivered by the Owner Trustee and accepted by the Charterer pursuant to the Charter. The Delivery Date for each Vessel is specified in a Charter Supplement.

"Environmental Claim" means any claim, action, cause of action, administrative proceeding, investigation or notice (written or oral) by any person or entity alleging potential liability (including, without limitation, potential liability for investigatory costs governmental response costs, natural resources damages, real or personal property damages, personal injuries, or penalties) arising out of, based on or resulting from (a) the presence, discharge, release, or threat of release, into the environment, whether intentional or unintentional, foreseen or unforeseen, of any Material of Environmental Concern at any location, whether or not owned or operated by the Charterer or (b) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law.

"Environmental Law" means all federal, state, local and foreign laws and regulations relating to pollution or protection of human health or the environment (including,

without limitation, ambient air, surface water, navigable water, ground water, land surface or subsurface strata), including, without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of Materials of Environmental Concern, or otherwise impose liability and/or standards of conduct with respect to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Materials of Environmental Concern.

"Estimated Residual Value" for any Vessel shall mean an amount obtained by multiplying (i) the percentage set forth in the Charter Supplement for such Vessel under the caption "Estimated Residual Value Percentage" applicable to the Charter Period then ending, by (ii) the Owner's Cost for such Item.

"Event of Default" means any of the events specified in Section 20 of the Charter.

"Event of Loss" with respect to any Vessel means any of the following events with respect to such Vessel: (i) loss of such Vessel or of the use thereof due to theft, disappearance, destruction or damage thereto beyond repair; (ii) any damage to such Vessel which results in an insurance settlement with respect to such Vessel on the basis of a total loss; (iii) the condemnation, forfeiture, confiscation or seizure of, or requisition of title to, such Vessel; (iv) a requisition of use of such Vessel by any governmental authority (other than the United States or any agency or instrumentality thereof) for a period in excess of 60 days; or (v) a requisition of use of such Vessel by any governmental authority for a period which extends beyond the end of the Charter Period with respect to such Vessel.

"Fixed Amount" means, as of any of the eighty-four (84) Charter Hire Payment Dates, 1.252215% of the aggregate of Owner's Cost for all Vessels subject to the Charter.

"Hire" means Basic Charter Hire and Supplemental Hire.

"Indemnitee" is defined in Section 13(a) of the Charter.

"Insured Value" is defined in Section 10(a) of the Charter.

"Letter of Credit" shall mean that certain Letter of Credit No. P-389295 from The Chase Manhattan Bank, and any extensions, replacements or substitutions thereof.

"Lien" means any lien, encumbrance, mortgage, pledge, charge, lease, security interest or claim of any nature whatsoever.

"Materials of Environmental Concern" means any substance, waste, contaminant, pollutant, gas or material, including, without limitation, oil, petroleum products and constituents thereof, which are now or hereafter regulated under any Environmental Laws, including, without limitation, any substance, waste or material which is (i) a "pollutant", "oil", "toxic pollutant", "hazardous substance", "extremely hazardous substance" or "toxic chemical" under the Federal Water Pollution Control Act, Oil Pollution Act of 1990 and/or the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as

amended and/or the Emergency Planning and Community Right To Know Act, as amended; (ii) a "hazardous waste", "regulated substance", or "solid waste", pursuant to the Resource Conservation Recovery Act (a/k/a the Solid Waste Disposal Act), (iii) a "hazardous material" under the Hazardous Material Transportation Act, as amended, (iv) "toxic substance" under the Toxic Substances Control Act; or (v) regulated in any way under the laws of the United States or any State that are applicable to the Vessels.

"Non-Severable Improvement" shall have the meaning assigned in Section 9(b) of the Charter.

"Owner's Cost" shall mean the amount specified in the Charter Supplement(s).

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

"Principal Documents" means the following agreements and documents:

Charter;
Charter Supplements;
Letter of Credit; and
Tax Indemnity Agreement

"Reinvestment Premium" for any Vessel, as of any determination date, shall mean the excess, if any, of (a) the net present value of the sum of (i) all payments of Basic Charter Hire remaining to be paid after such determination date through the expiration of the Charter Period of such Vessel, that would have been payable for such Vessel following such determination date if this Charter had been renewed through and inclusive of the expiration of the Charter Period of such Vessel, and (ii) the Estimated Residual Value applicable to such Vessel at such expiration of the Charter Period (together, the sum of (i) and (ii) being referred to as the "Discounted Payments"), each discounted at a rate equal to the then current yield for direct obligations of the United States Treasury having a maturity equal to the average life of the Discounted Payments, over (b) the Estimated Residual Value applicable to such Vessel at such time of determination.

"Responsible Officer" means, when used with respect to any corporation or bank, the chairman or vice chairman of the board, the president, any vice president, any assistant vice president, the comptroller, the secretary, the treasurer, or any other officer of such corporation customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject and, when used with respect to any limited liability company, any member of such limited liability company.

"Stipulated Loss Value" means, as of any Charter Hire Payment Date with respect to a Vessel, and assuming that the Basic Charter Hire payment due on such date has

been paid, an amount determined by multiplying the Owner Trustee's Cost for such Vessel by the appropriate percentage indicated in Schedule 2 to the Charter.

"Supplemental Hire" means all amounts due to the Owner Trustee from the Charterer pursuant to the Charter other than Basic Charter Hire.

"Taxes" means all present or future liabilities, losses, expenses and costs of any kind whatsoever that are license fees, documentation fees, registration fees, taxes (including, without limitation, gross or net income, gross or net receipts, sales, use, rental, goods and services, value-added, franchise, business transfer, capital, property, excise and stamp taxes), levies, imposts, duties, charges and withholdings, together with any penalties, fines and interest thereon and additions thereto, imposed by any government or other taxing authority of any jurisdiction.

"Termination Date", for any Vessel, means the last day of the Charter Period.

"Vessel" means each and "Vessels" means all, of four (4) barges and one (1) towboat delivered by the Seller and accepted by the Owner Trustee and simultaneously delivered by the Owner Trustee and accepted by the Charterer pursuant to the Charter, together with all of their covers, engines, boilers, machinery, masts, spars, boats, anchors, cables, chains, rigging, tackle, apparel, furniture, capstans, outfit, tools, pumps, pumping and other equipment or gear, furnishings, appliances, fittings and spare and replacement parts and all other appurtenances to said Vessels pertaining or belonging, including any Charterer-furnished equipment, if any, whether now owned or hereafter acquired, whether on board or not on board, and also any and all additions, improvements and replacements hereafter made in or to said Vessels or any part thereof, or in or to their equipment and appurtenances aforesaid, excepting, however, any equipment or appurtenances owned by a third-party lessor which has furnished the same to the Charterer under a rental agreement and further excepting any equipment or appurtenances which remain or become the property of the Charterer pursuant to the Charter.

Schedule 1

CHARTER SUPPLEMENT NO. __

THIS CHARTER SUPPLEMENT NO. __, dated as of _____, 199_, to the Bareboat Charter dated as of December 23, 1998 (the "Charter") between WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee (the "Owner Trustee") under a Trust Agreement dated as of December 23, 1998 for the benefit of BFC Assets, Inc., and AMERICAN COMMERCIAL BARGE LINE LLC (the "Charterer").

WITNESSETH:

WHEREAS, the Charter provides for the execution and delivery on the Delivery Date of the Vessels of a Charter Supplement substantially in the form hereof;

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, the Owner Trustee and the Charterer hereby agree as follows:

1. The Owner Trustee hereby confirms that it has let, chartered and demised to the Charterer under the Charter, and the Charterer hereby confirms that it has unconditionally accepted and hired from the Owner Trustee under the Charter, for all purposes thereof the following Vessel(s) at the following locations:

Name	Official No.	Hailing Port	Location

2. The Delivery Date of each Vessel is December ___, 1998.

3. The Owner's Cost of each delivered Vessel on the Delivery Date is as follows:

Name	Owner's Cost

4. The total Owner's Cost of all Vessels delivered hereunder is _____ ($_____).

5. The Charterer hereby confirms as between it and the Owner Trustee that the delivered Vessels comply with the requirements of the Charter.

6. The Charterer hereby restates and reaffirms its representations and warranties contained in Section 5 of the Charter, as though set forth in full herein.

7. Capitalized terms used herein shall have the meanings set forth in the Charter, including Schedule X thereto.

IN WITNESS WHEREOF, the Owner Trustee and the Charterer have caused this Charter Supplement to be duly executed as of the date first above written.

AMERICAN COMMERCIAL LINES LLC

By: _____
Its: _____

WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee under the Trust Agreement dated as of December 23, 1998 for the Beneficiary named therein

By: _____
Its: _____

Schedule 2

Stipulated Loss Values

Date of Termination	Stipulated Loss Value (%)
12/23/98	102.5641
1/23/99	101.9485
2/23/99	101.3290
3/23/99	100.7058
4/23/99	100.0788
5/23/99	99.4479
6/23/99	98.8131
7/23/99	98.1745
8/23/99	97.5319
9/23/99	96.8853
10/23/99	96.2348
11/23/99	95.5803
12/23/99	94.9218
1/23/00	94.2592
2/23/00	93.5926
3/23/00	92.9218
4/23/00	92.2470
5/23/00	91.5679
6/23/00	90.8847
7/23/00	90.1973
8/23/00	89.5056
9/23/00	88.8097
10/23/00	88.1095
11/23/00	87.4050
12/23/00	86.6961
1/23/01	85.9829
2/23/01	85.2652
3/23/01	84.5431
4/23/01	83.8166
5/23/01	83.0856
6/23/01	82.3501
7/23/01	81.6100
8/23/01	80.8654
9/23/01	80.1161
10/23/01	79.3622
11/23/01	78.6037
12/23/01	77.8448
1/23/02	77.0927
2/23/02	76.3336
3/23/02	75.5673
4/23/02	74.7978
5/23/02	74.0211
6/23/02	73.2412
7/23/02	72.4540
8/23/02	71.6595
9/23/02	70.8617
10/23/02	70.0566
11/23/02	69.2441

Schedule 2

Stipulated Loss Values

Date of Termination	Stipulated Loss Value (%)
12/23/02	68.4282
1/23/03	67.6048
2/23/03	66.7740
3/23/03	65.9358
4/23/03	65.0952
5/23/03	64.2471
6/23/03	63.3965
7/23/03	62.5384
8/23/03	61.6727
9/23/03	60.8045
10/23/03	59.9286
11/23/03	59.0450
12/23/03	58.1588
1/23/04	57.2649
2/23/04	56.3632
3/23/04	55.4537
4/23/04	54.5420
5/23/04	53.6225
6/23/04	52.7007
7/23/04	51.7710
8/23/04	50.8333
9/23/04	49.8933
10/23/04	48.9453
11/23/04	47.9893
12/23/04	47.0308
1/23/05	46.0642
2/23/05	45.0895
3/23/05	44.1067
4/23/05	43.1334
5/23/05	42.1521
6/23/05	41.1803
7/23/05	40.2004
8/23/05	39.2123
9/23/05	38.2338
10/23/05	37.2471
11/23/05	36.2522
12/23/05	35.0000