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As filed with the Securities and Exchange Commission on August 31, 2005

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form S-3
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

Hornbeck Offshore Services, Inc.*

(Exact name of registrant as specified in its charter)

Delaware	**103 Northpark Boulevard, Suite 300 Covington, Louisiana 70433 (985) 727-2000**	**72-1375844**
(State or other jurisdiction of incorporation or organization)		**(I.R.S. Employer Identification Number)**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Todd M. Hornbeck
Chairman, President, Chief Executive Officer and Secretary
103 Northpark Boulevard, Suite 300
Covington, Louisiana 70433
(985) 727-2000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With Copies to:

R. Clyde Parker, Jr., Esq.
Ricardo Garcia-Moreno, Esq.
Winstead Sechrest & Minick P.C.
2400 Bank One Center
910 Travis Street
Houston, Texas 77002
(713) 650-8400

Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective as determined by market conditions and other factors.

If the only securities being registered on this Form are to be offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, please check the following box. ☒

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. ☐.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Proposed Maximum Aggregate Offering Price(1)(2)(3)**	**Amount of Registration Fee**
Primary Offering:		
Common Stock (including attached preferred share purchase rights)		
Debt Securities, including additional 6.125% Senior Notes due 2014(4)(5)		
Guarantees of Debt Securities(6)		
Preferred Stock		
Warrants		
Secondary Offering:		
Common Stock (including attached preferred share purchase rights)		
Total	$ 350,000,000	$ 41,195(7)

(1) Rule 457(o) under the Securities Act of 1933, permits the registration fee to be calculated on the basis of the maximum offering price of all of the securities listed and, therefore, the table does not specify by each class information as to the amount to be registered or the proposed maximum offering price per security.
(2) This registration statement also covers an indeterminate amount of securities that may be issued in exchange for, or upon conversion or exercise of, as the case may be, any securities registered hereunder that provide for conversion, exercise or exchange. Any securities registered hereunder may be sold separately or as units with other securities registered hereunder.
(3) An indeterminate principal amount or number of debt securities, preferred stock, common stock and warrants may be issued from time to time at indeterminate prices, with an aggregate offering price not to exceed $350,000,000.
(4) If any debt securities are issued at an original issue discount, then the offering price of those debt securities shall be in an amount that will result in an aggregate initial offering price not to exceed $350,000,000, less the dollar amount of any registered securities previously issued.
(5) Excluding accrued interest and distributions, if any.
(6) If a series of debt securities of Hornbeck Offshore is issued, certain subsidiaries of Hornbeck Offshore may fully, irrevocably and unconditionally guarantee on an unsecured basis such debt securities. Pursuant to rule 457(n) under the Securities Act of 1933, no separate fee is payable with respect to the guarantees of the debt securities being registered.
(7) Calculated pursuant to Rule 457(o) at the statutory rate of $117.70 per $1,000,000 of securities registered.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

* Includes existing domestic significant restricted subsidiaries that may guarantee debt securities being registered hereby, which are also registrants. Information about these additional registrants appears below.

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TABLE OF SUBSIDIARY GUARANTOR REGISTRANTS

(Exact name of Additional Registrant as Specified in its Charter)(1)	(State or Other Jurisdiction of Incorporation)	(Primary Standard Industrial Classification Code Number)	I.R.S. Employer Identification Number
Hornbeck Offshore Services, LLC	Delaware	4424	72-1375844
Hornbeck Offshore Operators, LLC	Delaware	4424	72-1375844
Hornbeck Offshore Transportation, LLC	Delaware	4424	72-1375844
Hornbeck Offshore Trinidad & Tobago, LLC	Delaware	4424	72-1375844
HOS-IV, LLC	Delaware	4424	72-1375844
Energy Services Puerto Rico, LLC	Delaware	4424	72-1375844

(1) The address for each subsidiary guarantor registrant is 103 Northpark Boulevard, Suite 300, Covington, Louisiana 70433.

EXPLANATORY NOTE

This Registration Statement contains two forms of prospectuses to be used in connection with offerings of the following securities:

(1) Debt securities (other than our 6.125% Senior Notes due 2014), guarantees of debt securities (if any) by certain of our subsidiaries, common stock, preferred stock and warrants offered by us, and shares of common stock offered by the selling stockholders; and

(2) additional 6.125% Senior Notes due 2014 and guarantees of such notes by certain of our subsidiaries.

Excluding the securities that may be offered by the selling stockholders, we may offer any combination of the securities described in these prospectuses in one or more offerings with a total aggregate initial offering price of up to $350,000,000.

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The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated August 31, 2005.

PROSPECTUS

$350,000,000

Hornbeck Offshore Services, Inc.

Common Stock
Preferred Stock
Debt Securities
Warrants

Selling Stockholders

2,250,000 Shares of Common Stock

By this prospectus, from time to time, Hornbeck Offshore Services, Inc. may offer and sell up to $350,000,000 in the form of one or more of the securities listed above in one or more classes or series and in amounts, at prices and on terms that we will determine at the time of the offerings. Our subsidiaries may guarantee any debt securities that we issue under this prospectus. This prospectus provides you with a general description of these securities.

Up to 2,250,000 shares of common stock may be sold from time to time in one or more offerings by the selling stockholders identified on page 25. Hornbeck Offshore will not receive any proceeds from sales of shares of Hornbeck Offshore common stock by the selling stockholders.

Hornbeck Offshore will provide you with a prospectus supplement before we or any of the selling stockholders sell any securities under this prospectus. Any prospectus supplement will inform you about the specific terms of an offering by Hornbeck Offshore or any selling stockholder, will list the names of any underwriters or agents, and may also add, update or change information contained in this prospectus. You should carefully read this prospectus, the documents that are incorporated by reference in this prospectus and any accompanying prospectus supplement before you invest in any of our securities. This prospectus may not be used to sell any security unless it is accompanied by a prospectus supplement.

Our common stock is listed for trading on the New York Stock Exchange under the symbol “HOS.” On August 30, 2005, the last reported sales price of our shares of common stock was $33.95.

Neither the Securities and Exchange Commission, nor any state securities commission, has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

Prospectus dated , 200 .

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You should rely only on the information included or incorporated by reference in this prospectus and any accompanying prospectus supplement. Neither we nor the selling stockholders have authorized any dealer, salesman or other person to provide you with additional or different information. This prospectus and any accompanying prospectus supplement are not an offer to sell or the solicitation of an offer to buy any securities other than the securities to which they relate and are not an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make an offer or solicitation in that jurisdiction. You should not assume that the information in this prospectus or any accompanying prospectus supplement or in any document incorporated by reference in this prospectus or any accompanying prospectus supplement is accurate as of any date other than the date of the document containing the information.

ABOUT THIS PROSPECTUS

In this prospectus, including documents incorporated by reference (except to the extent otherwise specified in such documents), “Company,” “we,” “us” and “our” refers to Hornbeck Offshore Services, Inc. and its subsidiaries, unless otherwise indicated. References in this prospectus and in such incorporated documents to “OSVs” mean offshore supply vessels; to “deepwater” mean offshore areas, generally 1,000’ to 5,000’ in depth, and ultra-deepwater areas, generally more than 5,000’ in depth; to “deep well” mean a well drilled to a true vertical depth of 15,000’ or greater; and to “new generation,” when referring to OSVs, mean modern, deepwater-capable vessels subject to the regulations promulgated under the International Convention on Tonnage Measurement of Ships, 1969, which was adopted by the United States and made effective for all U.S.-flagged vessels in 1992 and foreign-flagged equivalent OSVs.

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or Commission, using a “shelf” registration process. Under this shelf process, we may, over time, sell any combination of the securities described in this prospectus in one or more offerings up to a total dollar amount of $350,000,000. In addition, the selling stockholders may sell up to 2,250,000 shares of common stock in one or more offerings. This prospectus provides you with a general description of the securities that may be offered pursuant to this prospectus. Each time securities are offered for sale, we will provide one or more prospectus supplements that will contain specific information about the terms of that offering. A prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any accompanying prospectus supplement together with the additional information described under the following heading.

The registration statement that contains this prospectus (including the exhibits) contains additional important information about us and the securities offered under this prospectus. Specifically, we have filed certain legal documents that control the terms of the securities offered by this prospectus as exhibits to the registration statement. We will file certain other legal documents that control the terms of certain of the securities offered by this prospectus as exhibits to reports we file with the Commission. The registration statement and those other reports can be read at the Commission website or at the Commission offices mentioned below under the following heading.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the information and reporting requirements of the Securities Exchange Act of 1934, as amended, or Exchange Act, under which we file annual, quarterly and current reports, proxy statements and other information with the Commission. You may read and copy this information at the following location of the Commission at prescribed rates at Public Reference Room, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549. Please call the Commission at (800) 732-0330 for further information about the Public Reference Room. In addition, our reports and other information concerning us can be inspected at The New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005, where our common stock is listed.

The Commission also maintains an Internet website that contains reports, proxy statements and other information about issuers that file electronically with the Commission. The address of that website is *www.sec.gov*. Commission filings may also be accessed free of charge through our Internet website at *www.hornbeckoffshore.com* (click on “Investors” and then “SEC Filings”). Information contained on our website, other than documents specifically incorporated by reference into this prospectus, is not intended to be incorporated by reference into this prospectus, and you should not consider that information as part of this prospectus.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We are "incorporating by reference" into this prospectus certain information that we file with the Commission, which means that we are disclosing important information to you by referring you to those documents. The information incorporated by reference is deemed to be part of this prospectus, except for any information superseded by information contained directly in this prospectus. This prospectus incorporates by reference the documents set forth below that we have previously filed with the Commission (excluding such documents or portions thereof that are not deemed "filed" under the Exchange Act in accordance with the Exchange Act and applicable Commission rules and regulations). These documents contain important information about us and our finances.

Commission Filings (No. 001-32108)	Period
Annual Report on Form 10-K	Year Ended December 31, 2004 (as amended by Amendment No. 1 on Form 10-K/A filed on August 11, 2005)
Quarterly Reports on Form 10-Q	Quarters Ended March 31, 2005 (as amended by Amendment No. 1 on Form 10-Q/A filed on August 11, 2005) and June 30, 2005
Current Reports on Form 8-K	Filed on January 21, 2005, February 8, 2005, February 25, 2005, March 18, 2005, May 4, 2005, May 5, 2005, July 22, 2005, August 5, 2005 and August 31, 2005
Registration Statement on Form 8-A/A	Filed on September 3, 2004, and any future amendment or report updating that description

All documents that we file with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act (excluding such documents or portions thereof that are not deemed "filed" under the Exchange Act in accordance with the Exchange Act and applicable Commission rules and regulations) from the date of this prospectus and prior to the termination of the offering of the securities under this prospectus shall also be deemed to be incorporated herein by reference. Any statement contained in this prospectus or in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

We will provide without charge to each person to whom this prospectus is delivered, upon written or oral request of such person, a copy of any or all documents incorporated by reference in this prospectus. Requests for such copies should be directed to James O. Harp, Jr., Executive Vice President and Chief Financial Officer, Hornbeck Offshore Services, Inc., 103 Northpark Boulevard, Suite 300, Covington, Louisiana 70433, by mail, or if by telephone at (985) 727-2000. Exhibits to the filings will not be sent, however, unless those exhibits have specifically been incorporated by reference in this prospectus.

Information contained on our website, other than documents filed with the Commission that are specifically incorporated by reference into this prospectus, is not intended to be incorporated by reference in this prospectus and you should not consider that information a part of this prospectus.

You should rely only on the information incorporated by reference or provided in this prospectus and the applicable prospectus supplement. No one else is authorized to provide you with any other information or any different information. We are not making an offer of securities in any state where an offer is not permitted. You should not assume that the information in this prospectus is accurate as of any date other than the date on the front of this prospectus.

SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS

This prospectus and the documents incorporated by reference into this prospectus contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or Securities Act, and Section 21E of the Exchange Act. These statements include certain discussions relating to our earnings and projected business, among other things. We have based these forward-looking statements on our current views and assumptions about future events and our future financial performance. You can generally identify forward-looking statements by the appearance in such a statement of words like “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “potential”, “predict”, “project”, “should” or “will” or other comparable words or the negative of these words. When you consider our forward-looking statements, you should keep in mind the risks we describe and other cautionary statements we make in this prospectus and in any accompanying prospectus supplement. For a further discussion of risk factors affecting our business, please reference the risk factors described in the reports we file with the Commission under the Exchange Act. For a discussion of risk factors affecting the securities offered by us, please reference the section entitled “Risk Factors” in the accompanying prospectus supplement.

Among the risks, uncertainties and assumptions to which these forward-looking statements may be subject are:

- activity levels in the energy markets;
- changes in oil and natural gas prices;
- increases in supply of vessels in our markets;
- the mandated retirement of single-hulled tank barges prior to anticipated retirement dates;
- the effects of competition;
- our ability to complete vessels under construction or conversion without significant delays or cost overruns;
- our ability to integrate acquisitions successfully;
- our ability to maintain adequate levels of insurance;
- demand for refined petroleum products or in methods of delivery;
- loss of existing customers and our ability to attract new customers;
- changes in laws;
- changes in international economic and political conditions;
- changes in foreign currency exchange rates;
- adverse domestic or foreign tax consequences;
- uncollectible foreign accounts receivable or longer collection periods on such accounts;
- financial stability of our customers;
- retention of skilled employees and our management;
- laws governing the health and safety of our employees working offshore;
- catastrophic marine disasters;
- adverse weather and sea conditions;
- oil and hazardous substance spills;
- war and terrorism;

- acts of God;
- our ability to finance our operations on acceptable terms and access the debt and equity markets to fund our capital requirements, which may depend on general market conditions and our financial condition at the time;
- our ability to charter our vessels on acceptable terms; and
- our success at managing these risks.

Our forward-looking statements are only predictions based on expectations that we believe are reasonable. Actual events or results may differ materially from those described in any forward-looking statement. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. To the extent these risks, uncertainties and assumptions give rise to events that vary from our expectations, the forward-looking events discussed in this prospectus may not occur.

ABOUT HORNBECK OFFSHORE SERVICES, INC.

We are a leading provider of technologically advanced, new generation OSVs serving the offshore oil and gas industry, primarily in the U.S. Gulf of Mexico and in select international markets. The focus of our OSV business is on complex exploration and production activities, which include deepwater, deep well and other logistically demanding projects. We are also a leading transporter of petroleum products through our tug and tank barge segment serving the energy industry, primarily in the northeastern United States and Puerto Rico. We currently own and operate a fleet of over 50 U.S.-flagged vessels serving the energy industry.

We were formed as a Delaware corporation in 1997. Our principal executive offices are located at 103 Northpark Boulevard, Suite 300, Covington, Louisiana 70433, and our telephone number is (985) 727-2000. Our website address is *www.hornbeckoffshore.com*. Information on our website, other than documents filed with the Commission that are specifically incorporated by reference into this prospectus, does not constitute part of this prospectus.

RECENT DEVELOPMENTS

On or about the date of this prospectus, we also filed a registration statement on Form S-4 with the Commission using a “shelf” registration process to register the issuance of common stock, preferred stock, debt securities and warrants, or any combination thereof, in connection with certain acquisitions. Under that registration statement, we may, over time in connection with the acquisition of various assets, businesses or securities, offer and sell any combination of the referenced securities up to a total dollar amount of $150,000,000, in addition to the $350,000,000 contemplated by this prospectus.

USE OF PROCEEDS

Unless otherwise indicated in an accompanying prospectus supplement, we expect to use the net proceeds from the sale of the securities offered pursuant to this prospectus and any accompanying prospectus supplement for general corporate purposes. These purposes may include financing of strategic acquisitions and capital expenditures (including newbuild and conversion programs), additions to working capital and repayment of all or a portion of our indebtedness outstanding at the time. Until the net proceeds are used for these purposes, we may deposit them in interest-bearing accounts or invest them in short-term marketable securities. Any specific allocation of the net proceeds of an offering of securities to a specific purpose will be determined at the time of the offering and will be described in an accompanying prospectus supplement.

We will not receive any of the proceeds from the sale of shares of common stock by the selling stockholders under this prospectus and any related prospectus supplement.

RATIO OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges is computed by dividing fixed charges into earnings. For purposes of determining the ratios of earnings to fixed charges, earnings are defined as income from continuing operations plus fixed charges, excluding capitalized interest. Fixed charges consist of interest (whether expensed or capitalized) and amortization of debt expenses. As of the date of this prospectus, we do not have any preferred stock outstanding. The table below sets forth the calculation of the ratio of earnings to fixed charges for the periods indicated (in thousands, except for ratio data).

	Year Ended December 31,				Six Months Ended June 30,	
	2001	2002	2003	2004	2004	2005
Total Interest Cost						
Interest Expense	$ 16,646	$ 16,207	$ 18,523	$ 17,698	$ 9,801	$ 5,438
Capitalized Interest	3,075	3,867	2,734	3,004	911	2,110
Total Interest Cost (fixed charges)	19,721	20,074	21,257	20,702	10,712	7,548
Pre-tax Income	12,756	18,786	18,048	(3,803)	6,768	20,576
Interest Expense	16,646	16,207	18,523	17,698	9,801	5,438
Earnings	29,402	34,993	36,571	13,895	16,569	26,014
Ratio of earnings to fixed charges(1)(2)	1.49x	1.74x	1.72x	0.67x	1.55x	3.45x

(1) We have authority to issue up to 5,000 shares of preferred stock, par value $.01 per share; however, there are currently no such shares outstanding and we do not have a preferred stock dividend obligation. Therefore, the ratio of earnings to fixed charges and preferred stock dividends is equal to the ratio of earnings to fixed charges and is not disclosed separately.

(2) If we adjust earnings to exclude the impact of loss on the early extinguishment of debt incurred in the 2001, 2004 and 2005 periods reflected above, the ratio of earnings to fixed charges, as so adjusted, would be 1.64x and 1.76x for the years ended December 31, 2001 and 2004, respectively, and 1.55x and 3.67x for the six-month periods ended June 30, 2004 and 2005, respectively.

DESCRIPTION OF THE SECURITIES WE MAY OFFER

General

We may issue, in one or more offerings, any combination of common stock, preferred stock, senior or subordinated debt securities, or warrants. The selling stockholders may sell in one or more offerings up to 2,250,000 shares of our common stock.

This prospectus contains a summary of the general terms of the various securities that we or the selling stockholders may offer. The prospectus supplement to be attached to the front of this prospectus relating to any particular securities offered will describe the specific terms of the securities, which may be in addition to or different from the general terms summarized in this prospectus. The summary in this prospectus and in any prospectus supplement does not describe every aspect of the securities and is subject to and qualified in its entirety by reference to all applicable provisions of the documents relating to the securities offered. These documents are or will be filed as exhibits to or incorporated by reference in the registration statement.

In addition, the prospectus supplement will set forth the terms of the offering, the initial public offering price and net proceeds to us or the selling stockholders, as the case may be. Where applicable, the prospectus supplement will also describe any material United States federal income tax considerations relating to the securities offered and indicate whether the securities offered are or will be listed on any securities exchange.

Book-Entry System

Unless otherwise indicated in a prospectus supplement, certain of the securities we may offer will be issued in the form of one or more fully registered global securities. These global securities will be deposited with, or on behalf of, the Depository Trust Company, or DTC, and registered in the name of its nominee. Except as described below, the global securities may be transferred, in whole and not in part, only to DTC or to another nominee of DTC.

DTC has advised us that it is:

- a limited-purpose trust company organized under the New York Banking Law;
- a "banking organization" within the meaning of the New York Banking Law;
- a member of the United States Federal Reserve System;
- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and
- a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities for institutions that have accounts with DTC ("participants") and to facilitate the clearance and settlement of securities transactions among its participants through electronic book-entry changes in participants' accounts. Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, some of whom (and/or their representatives) own DTC. Access to DTC's book-entry system is also available to others that clear through or maintain a custodial relationship with a participant, either directly or indirectly. DTC administers its book-entry system in accordance with its rules and bylaws and legal requirements.

Upon issuance of a global security representing certain of the offered securities, DTC will credit on its book-entry registration and transfer system the principal amount to participants' accounts. Ownership of beneficial interests in a global security will be limited to participants or to persons that hold interests through participants. Ownership of interests in a global security will be shown on, and the transfer of those ownership interests will be effected only through, records maintained by DTC (with respect to participants' interests) and the participants (with respect to the owners of beneficial interests in a global security). The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of those securities in definitive form. These limits and laws may impair the ability to transfer beneficial interests in a global security.

So long as DTC (or its nominee) is the registered holder and owner of a global security, DTC (or its nominee) will be considered, for all purposes under the applicable indenture, the sole owner and holder of the related offered securities. Except as described below, owners of beneficial interests in a global security will not:

- be entitled to have the offered securities registered in their names; or
- receive or be entitled to receive physical delivery of certificated offered securities in definitive form.

Each person owning a beneficial interest in a global security must rely on DTC's procedures (and, if that person holds through a participant, on the participant's procedures) to exercise any rights of a holder of offered securities under the global security or any applicable indenture, or otherwise. The indentures incorporated by reference as exhibits to the registration statement of which this prospectus is a part provide that DTC may grant proxies and otherwise authorize participants to take any action which it (as the holder of a global security) is entitled to take under such indentures or the global security. We understand that under existing industry practice, if we request any action of holders or an owner of a beneficial interest in a global security desires to take any action that DTC (as the holder of the global security) is entitled to take, DTC would authorize the participants to take that action and the participants would authorize their beneficial owners to take the action or would otherwise act upon the instructions of their beneficial owners.

We will make payments with respect to offered securities represented by a global security to DTC. We expect that DTC, upon receipt of any payments, will immediately credit participants' accounts with payments in amounts proportionate to their respective beneficial interests. We also expect that payments by participants to owners of beneficial interests in a global security held through them will be governed by standing instructions and customary practices (as is the case with securities held for customers' accounts in "street name") and will be the responsibility of the participants. We will not have any responsibility or liability for:

- any aspect of the records relating to, or payments made on account of, beneficial ownership interests in a global security for any securities;
- maintaining, supervising, or reviewing any records relating to any beneficial ownership interests;
- any other aspect of the relationship between DTC and its participants; or
- the relationship between the participants and the owners of beneficial interests in a global security.

Unless and until they are exchanged in whole or in part for certificated securities in definitive form, the global securities may not be transferred except as a whole by DTC to its nominee or by its nominee to DTC or another nominee.

The securities of any series represented by a global security may be exchanged for certificated securities in definitive form if:

- DTC notifies us that it is unwilling or unable to continue as depositary for the global security or if at any time it ceases to be a clearing agency registered under the Exchange Act;
- we decide at any time not to have the securities of that series represented by a global security and so notify DTC; or
- in the case of debt securities, upon notice from DTC to the applicable indenture's trustee if an event of default has occurred and is continuing with respect to such debt securities.

If there is such an exchange, we will issue certificated securities in authorized denominations and registered in such names as DTC directs. Subject to the foregoing, a global security is not exchangeable, except for a global security of the same aggregate denomination to be registered in DTC's or its nominee's name.

DESCRIPTION OF CAPITAL STOCK

For purposes of this section entitled "Description of Capital Stock," the terms "we," "our," "us" and "Company" refer only to Hornbeck Offshore Services, Inc. and not its subsidiaries.

General

The following description of our capital stock is only a summary. For more complete information, you should refer to our certificate of incorporation, bylaws and stockholder rights plan and any amendments thereto, which we have filed with the Commission and incorporated by reference as exhibits to the registration statement of which this prospectus is a part. In addition, you should refer to the Delaware General Corporation Law, which also governs our structure, management and activities.

As of August 30, 2005, our authorized capital stock consisted of:

- 100,000,000 shares of common stock, par value $.01 per share, of which 20,997,943 were outstanding and held by approximately 75 holders of record, representing approximately 3,145 beneficial owners; and

- 5,000,000 shares of preferred stock, par value $.01 per share, of which 1,000,000 have been designated as Series A Junior Participating Preferred Stock in connection with the stockholder rights plan discussed below, but none are currently outstanding.

Our common stock is listed and trades on the New York Stock Exchange under the ticker symbol “HOS.”

Common Stock

General. The holders of common stock are entitled to one vote per share on all matters submitted to a vote of our stockholders. Stockholders are not permitted to cumulate their votes. With certain exceptions, which are described below, a majority of the votes entitled to be cast and represented in person or by proxy at a meeting of stockholders is required to approve any matter on which stockholders vote. The affirmative vote of holders of at least 80% of the shares entitled to vote is required to approve certain amendments to our certificate of incorporation and bylaws. See “Anti-Takeover Effects of Certificate, Bylaws and Stockholder Rights Plan.” The affirmative vote of holders of at least 66 $^{2}/_{3}$% of the shares entitled to vote is required to approve or authorize:

- a merger or consolidation with any other corporation;
- the sale, lease, exchange or other disposition of all or substantially all of our assets;
- a liquidation of our Company; or
- any amendments to our certificate of incorporation.

The holders of common stock are entitled to receive ratably such dividends as may be declared from time to time by our board of directors out of funds legally available for the payment of dividends, subject to preferences that may be applicable to any outstanding preferred stock. The indenture governing our 6.125% senior notes due 2014 and our revolving credit facility limit our ability to declare or pay dividends and, in some circumstances, prohibit the declaration or payment of dividends and other restricted payments. If we liquidate, dissolve or otherwise wind up our business, the holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities and satisfaction of prior distribution rights of preferred stock, if any is then outstanding. The holders of common stock have no preemptive or conversion rights or other subscription rights, and there are no redemption or sinking fund provisions applicable to the common stock. All of the outstanding shares of common stock are fully paid and nonassessable.

Voting Agreements. Under the terms of a stockholders’ agreement among SCF-IV, L.P., Todd M. Hornbeck, Troy A. Hornbeck, Cari Investment Company and the Company, Todd and Troy Hornbeck and Cari Investment Company have agreed to vote their shares in favor of SCF-IV, L.P.’s designee to our board, so long as SCF-IV, L.P. owns at least 5% of our outstanding common stock. Under the currently effective terms of this agreement, SCF-IV, L.P. also agrees to vote its shares in favor of two designees of Todd and Troy Hornbeck to the board of directors. Pursuant to a voting arrangement entered into between SCF-IV, L.P. and us, SCF is restricted from voting 269,346 of its shares.

Jones Act Restrictions on Ownership by Non-U.S. Citizens. Under Section 27 of the Merchant Marine Act of 1920, also known as the Jones Act, the privilege of transporting merchandise or passengers for hire in the coastwise trade in U.S. domestic waters is restricted to only those vessels that are owned and managed by U.S. citizens and are built in and registered under the laws of the United States. A corporation is not considered a U.S. citizen unless, among other things, at least 75% of the ownership of voting interests with respect to its equity stock is held by U.S. citizens.

If we should fail to comply with such requirements, our vessels would lose their eligibility to engage in coastwise trade within U.S. domestic waters. To facilitate compliance, our certificate of incorporation:

- limits ownership by Non-U.S. citizens of any class of our capital stock (including our common stock) to 20%, so that foreign ownership will not exceed the 25% permitted by the Jones Act;
- permits withholding of dividends and suspension of voting rights with respect to any shares held by non-U.S. citizens that exceed 20%;
- permits a stock certification system with two types of certificates to aid tracking of ownership;
- permits our board of directors to authorize the Company to redeem any shares held by non-U.S. citizens that exceed 20%; and
- permits our board of directors to make such determinations to ascertain ownership and implement such measures as reasonably may be necessary.

Preferred Stock

General. Our board of directors has the authority, without further action by the stockholders, to issue up to 5,000,000 shares of preferred stock, par value $.01 per share, in one or more series and to fix the designations, powers, preferences, privileges and relative participation, optional or special rights and the qualifications, limitations or restrictions thereof, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights of our common stock. The following briefly summarizes the material terms of the preferred stock that we may offer, other than pricing and related terms disclosed in a prospectus supplement. You should read the particular terms of any series of preferred stock that we offer which we will describe in more detail in any prospectus supplement relating to such series. You should also read the more detailed provisions of our certificate of incorporation and the statement with respect to shares relating to each particular series of preferred stock for provisions that may be important to you. The statement with respect to shares relating to each particular series of preferred stock offered by the accompanying prospectus supplement and this prospectus will be filed as an exhibit to a document incorporated by reference in the registration statement. The prospectus supplement will also state whether any of the terms summarized below do not apply to the series of preferred stock being offered.

A total of 1,000,000 shares of preferred stock have been designated as Series A Junior Participating Preferred Stock, which we refer to as “the Series A Preferred Stock”, in connection with our stockholder rights plan discussed below. No other series of preferred stock has been designated and no shares of preferred stock are outstanding.

Rank. The shares of preferred stock of any series will have the rank set forth in the relevant certificate of designation and described in the prospectus supplement relating to the relevant series.

Dividends. The certificate of designation setting forth the terms of a series of preferred stock may provide that holders of that series are entitled to receive dividends, when, as and if authorized by our board of directors out of funds legally available for dividends, before any declaration or payment of any dividends on securities ranking junior to such series relating to dividends. The rates and dates of payment of dividends and any other terms applicable to the dividends will be set forth in the relevant certificate of designation and described in the prospectus supplement relating to the relevant series.

To the extent provided in the certificate of designation, dividends will be payable to holders of record of preferred stock as they appear on our books on the record dates fixed by the board of directors. Dividends on any series of preferred stock may be cumulative or noncumulative and payable in cash or in kind.

Voting Rights. The holders of shares of preferred stock will have the voting rights provided by the applicable certificate of designation and as required by applicable law. These voting rights will be described in the applicable prospectus supplement.

Conversion and Exchange. The certificate of designation setting forth the terms of a series of preferred stock may provide for and the prospectus supplement for the relevant series of preferred stock may describe the terms, if any, on which shares of that series are convertible into or exchangeable for shares of our common stock or securities of a third party.

Redemption. If so specified in the certificate of designation setting forth the terms of a series of preferred stock, which will be described in the applicable prospectus supplement, a series of preferred stock may be redeemable at our or the holder's option and/or may be mandatorily redeemed partially or in whole.

Liquidation Preference. Upon any voluntary or involuntary liquidation, dissolution or winding up of our Company, holders of each series of preferred stock may be entitled to receive distributions upon liquidation. Those distributions will be made before any distribution is made on any securities ranking junior to such series relating to liquidation. The terms and conditions of those distributions will be set forth in the applicable certificate of designation and described in the relevant prospectus supplement.

Our board of directors may cause shares of preferred stock to be issued in public or private transactions for any proper corporate purposes, including possible acquisitions, and such issuance could adversely affect the voting rights of holders of our common stock. The issuance of preferred stock could also affect the likelihood that holders of common stock will receive dividends or payments upon liquidation. In addition, the rights of holders of the preferred stock offered may be adversely affected by the rights of holders of any shares of preferred stock that may be issued in the future. The preferred stock could have the effect of acting as an anti-takeover device to prevent a change in control of our Company.

Unless the particular prospectus supplement states otherwise, holders of each series of preferred stock will not have any preemptive or subscription rights to acquire more of our stock.

The transfer agent, registrar, dividend disbursing agent and redemption agent for shares of each series of preferred stock will be named in the prospectus supplement relating to such series.

Anti-Takeover Effects of Certificate of Incorporation, Bylaws and Stockholder Rights Plan

General. Our certificate of incorporation, bylaws and stockholder rights plan contain provisions that are designed in part to make it more difficult and time-consuming for a person to obtain control of our Company. The provisions of our certificate of incorporation, bylaws and stockholder rights plan reduce the vulnerability of our Company to an unsolicited takeover proposal. These provisions may also have an adverse effect on the ability of stockholders to influence the governance of our Company. In addition, our certificate of incorporation contains provisions that enable our board to limit the amount of our common stock that may be owned by persons who are not U.S. citizens. See "Common Stock—Jones Act Restrictions on Ownership by Non-U.S. Citizens" above. This may adversely affect the liquidity of our common stock in certain situations. You should read our certificate of incorporation, bylaws and stockholder rights plan in their entirety for a complete description of the rights of holders of our common stock.

In addition, because we have a significant amount of authorized but unissued common stock and preferred stock, our board of directors may make it more difficult or may discourage an attempt to obtain control of our Company by issuing additional stock in our Company.

Board of Directors. Our certificate of incorporation and bylaws divide the members of our board of directors into three classes serving three-year staggered terms. The classification of directors makes it more difficult for our stockholders to change the composition of our board: at least two annual meetings of stockholders may be required for the stockholders to change a majority of the directors, whether or not a plurality of our stockholders favors such a change. The affirmative vote of the holders of at least 80% of the shares entitled to vote is required to alter or repeal the provision related to the classification of our board.

Our stockholders may only remove directors from office for cause by the affirmative vote of stockholders holding at least 80% of the shares entitled to vote at an election of directors. Our stockholders may not remove directors without cause. Vacancies in a directorship may be filled only by the vote of a majority of the remaining directors, although if a director was removed by the stockholders, the vacancy may be filled at the meeting at which the removal took place by the affirmative vote of stockholders holding at least 80% of the shares entitled to vote. The number of directors may be fixed by resolution of the board, but must be no less than four nor more than nine unless otherwise determined by holders of 80% of the shares entitled to vote at an election of directors or by unanimous consent of the board.

Contractual Restrictions on Transfer by Certain Stockholders. Todd M. Hornbeck, Troy A. Hornbeck and Cari Investment Company have agreed, beginning after we become a reporting company under the Securities Exchange Act of 1934, to give us notice of and an opportunity to make a competing offer regarding a decision by any of them to sell or consider accepting an offer to sell to a single person or entity shares of common stock representing 5% or more of our common stock, other than in compliance with Rule 144 or to an affiliate or family member of the holder. SCF-IV, L.P. has also agreed to give us notice of and an opportunity to make a competing offer regarding a decision by it to sell or consider accepting an offer to sell to a single person or entity shares of common stock representing 5% or more of our common stock. SCF-IV, L.P. is further prohibited from transferring any of its shares of our common stock to any person or entity that is a competitor of ours. In addition, certain purchasers that participated in our 2003 private placement agreed to a similar restriction prohibiting the transfer of any of their shares of our common stock to any person or entity that is a competitor of ours.

Supermajority Voting. The affirmative vote of the holders of at least 66 $^{2}/_{3}$% of our outstanding voting stock is required to amend or repeal our certificate of incorporation, except with respect to the classification of the board, which requires the affirmative vote of the holders of at least 80% of our outstanding voting stock. The affirmative vote of the holders of at least 80% of our outstanding voting stock is required to amend, alter, change or repeal the provisions in our bylaws governing the following matters:

- the composition of the board of directors, including the classification of the board;
- the removal of directors and the procedure for electing the successor to a removed director;
- the date and time of the annual meeting;
- advance notice of stockholder nominations and stockholder business; and
- the procedure for calling a special meeting of stockholders.

No Stockholder Action by Written Consent. Under Delaware law, unless a corporation's certificate of incorporation specifies otherwise, any action that could be taken at an annual or special meeting of stockholders may be taken without a meeting and without notice to or a vote of other stockholders if a consent in writing is signed by holders of outstanding stock having voting power sufficient to take such action at a meeting at which all outstanding shares were present and voted. Our certificate of incorporation provides that stockholder action may be taken only at an annual or special meeting of stockholders. As a result, our stockholders may not act upon any matter except at a duly called meeting.

Advance Notice of Stockholder Nominations and Stockholder Business. Our stockholders may nominate a person for election as a director or bring other business before a stockholder meeting only if the proposal is provided in a written notice to the Secretary of the Company at a specified time in advance of the meeting. The notice of stockholder proposal is also required to include certain other related information, as detailed in our bylaws.

Stockholder Rights Plan. Our board implemented a stockholder rights plan on June 18, 2003, a copy of which has been filed with the Commission, and declared a dividend of one right for each outstanding share of our common stock to stockholders of record on June 18, 2003. One right will also attach to each share issued after June 18, 2003. The rights will only become exercisable, and transferable apart from our common stock, 10 business days following a public announcement that a person or group has acquired beneficial ownership of, or has commenced a tender or exchange offer for, 10% or more of our common stock. The rights plan was subsequently amended to, among other changes, conform its terms to the 1-for-2.5 reverse stock split of our common stock effected on March 5, 2004. The discussion that follows sets forth the operation of the rights.

Each right will initially entitle the holder to purchase one one-hundredth of one share of our Series A Preferred Stock at a price of $187.50, subject to adjustment. If a person becomes an “acquiring person” as defined below, each holder of a right who is not an acquiring person will have the right to receive upon exercise of each right and payment of the purchase price one one-hundredth of one share of our Series A Preferred Stock (or, in certain circumstances, cash, property, our common stock or other of our securities). Similarly, if after an event triggering the exercise of the rights we are acquired in a merger or other business combination, or 50% or more of our assets or earning power are sold or transferred, each holder of a right (other than holders whose rights have been voided) will have the right to receive, upon exercise of the right and payment of the purchase price, that number of shares of common stock of the company acquiring us having a then current market price equal to twice the exercise price for one one-hundredth of a share of Series A Preferred Stock.

Under the rights plan, an acquiring person is a person or group that has acquired or has announced an offer to acquire 10% or more of our common stock. The following are excluded from the definition of acquiring person:

- the Company;
- any subsidiary of the Company;
- any employee benefit plan or employee stock plan of the Company, any subsidiary of the Company or any person appointed or holding our common stock pursuant to the terms of any such plans; or
- any person whose ownership of 10% or more of our common stock then outstanding results solely from being a beneficial owner of 10% or more of our common stock at the effective date of the rights plan or having participated in our 2003 private placement, results from any transaction approved by at least 80% of the members of our entire board of directors or results from a reduction in the number of our issued and outstanding shares of common stock pursuant to a transaction approved by our board of directors. A person excluded for these reasons will become an acquiring person if it acquires any additional shares of our common stock, unless such additional acquisition does not result in the person owning 10% or more of our common stock, does not increase its percentage ownership of our common stock, or is approved in the same manner.

We may redeem the rights in whole, but not in part, at a redemption price of $.001 per right at any time before the rights become exercisable. The rights expire on June 17, 2013. Pursuant to the stockholder rights plan, all shares of our Series A Preferred Stock are reserved for issuance upon exercise of the rights.

The rights have certain anti-takeover effects. The rights will cause substantial dilution to a person or group who attempts to acquire us without the approval of our board of directors. As a result, the overall effect of the rights may be to render more difficult or discourage any attempt to acquire us even if such acquisition may be favorable to the interests of our stockholders.

Because our board of directors can redeem the rights or approve certain offers, the rights should not interfere with any merger or other business combination approved by our board of directors.

The description and terms of the rights are set forth in a rights plan between the Company and Mellon Investor Services LLC, which serves as the rights agent.

Delaware Business Combination Statute. Section 203 of the Delaware General Corporation Law provides that, subject to specified exceptions, an "interested stockholder" of a Delaware corporation may not engage in any "business combination," including general mergers or consolidations or acquisitions of additional shares of the corporation, with the corporation for a three-year period following the time that such stockholder becomes an interested stockholder unless:

- before such time, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an "interested stockholder," the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding specified shares; or
- on or after such time, the business combination is approved by the board of directors of the corporation and authorized not by written consent, but at an annual or special meeting of stockholders, by the affirmative vote of at least 66 2/3% of the outstanding voting stock not owned by the interested stockholder.

Under Section 203, the restrictions described above also do not apply to specified business combinations proposed by an interested stockholder following the announcement or notification of a transaction specified in Section 203 and involving the corporation and a person who:

- had not been an interested stockholder during the previous three years; or
- became an interested stockholder with the approval of a majority of the corporation's directors, if such transaction is approved or not opposed by a majority of the directors who were directors prior to any person becoming an interested stockholder during the previous three years or were recommended for election or elected to succeed such directors by a majority of such directors.

Except as otherwise specified in Section 203, an "interested stockholder" is defined to include:

- any person that is the owner of 15% or more of the outstanding voting stock of the corporation, or is an affiliate or associate of the corporation and was the owner of 15% or more of the outstanding voting stock of the corporation at any time within three years immediately before the date of determination; and
- the affiliates and associates of any such person.

Under some circumstances, Section 203 makes it more difficult for an interested stockholder to effect various business combinations with a corporation for a three-year period.

Liability and Indemnification of Directors and Officers

Our certificate of incorporation provides that our directors will not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except that it shall not eliminate or limit the liability of a director to the extent provided by applicable law (1) for any breach of a director's duty of loyalty to us or our stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the Delaware General Corporation Law, or any successor statute, or (4) for any transaction from which the director derives an improper personal benefit. Moreover, the provisions do not apply to claims against a director for violations of certain laws, including federal securities laws. If the Delaware General Corporation Law is amended to authorize the further elimination or limitation of directors' liability, then the liability of our directors will automatically be limited to the fullest extent provided by law. Our certificate of incorporation and bylaws also contain provisions to indemnify our directors and officers to the fullest extent permitted by the Delaware General Corporation Law. In addition, we have entered into indemnification agreements with our directors and officers. These provisions and agreements may have the practical effect in certain cases of eliminating the ability of stockholders to collect monetary damages from our directors and officers. We believe that these contractual agreements and the provisions in our certificate of incorporation and bylaws are necessary to attract and retain qualified persons as directors and officers.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Mellon Investor Services LLC.

DESCRIPTION OF DEBT SECURITIES

For purposes of this section entitled "Description of Debt Securities," the terms "we," "our," "us" and "Company" refer only to Hornbeck Offshore Services, Inc. and not its subsidiaries.

General

We may issue senior or subordinated debt securities. The senior debt securities will constitute part of our senior debt, will be issued under a senior debt indenture (which is separate and in addition to the indenture governing our 6.125% senior notes due 2014, referred to as the 6.125% senior note indenture) and, unless secured, will rank on a parity with all of our other unsecured and unsubordinated debt. The subordinated debt securities will be issued under a subordinated debt indenture and will be subordinate and junior in right of payment, as set forth in the subordinated debt indenture, to all of our senior indebtedness. If this prospectus is being delivered in connection with a series of subordinated debt securities, the accompanying prospectus supplement or the information we incorporate in this prospectus by reference will indicate the approximate amount of senior indebtedness outstanding as of the end of the most recent fiscal quarter for which financial statements are available. We refer to our senior debt indenture (excluding our 6.125% senior note indenture) and our subordinated debt indenture individually as an "indenture" and collectively as the "indentures." The forms of the indentures are exhibits to the registration statement we filed with the Commission, of which this prospectus is a part.

We have summarized below the material provisions of the indentures and the debt securities, or indicated which material provisions will be described in the related prospectus supplement. These descriptions are only summaries, and you should refer to the applicable indenture, which describes completely the terms and definitions summarized below and contains additional information regarding the debt securities. The specific terms of any series of debt securities will be described in a prospectus supplement. For each series of debt securities, the applicable prospectus supplement for the series

may change and supplement the summary below. Any reference to particular sections or defined terms of the applicable indenture in any statement under this heading qualifies the entire statement and incorporates by reference the applicable section or definition into that statement.

The indentures do not limit the aggregate principal amount of debt securities that may be offered under the indentures. We may issue debt securities at one or more times in one or more series. Each series of debt securities may have different terms. The terms of any series of debt securities will be described in, or determined by action taken pursuant to, a resolution of our board of directors or in a supplement to the indenture relating to that series.

The prospectus supplement, including any related pricing supplement, relating to any series of debt securities that we may offer will describe the following specific financial, legal and other terms particular to such series of debt securities:

- the title and denomination of the debt securities;
- any limit on the aggregate principal amount of the debt securities;
- the date or dates on which the debt securities will mature;
- the rate or rates (which may be fixed or variable) at which the debt securities will bear interest, if any, or the method of calculating the rate or rates of interest, the method of payment of interest, in particular whether the interest will be paid in kind or otherwise, the date or dates from which interest will accrue or the method by which the date or dates will be determined, the dates on which interest will be payable, and any regular record date for payment of interest;
- the price and other terms and conditions on which the debt securities may be redeemed, in whole or in part, at our option or otherwise;
- the terms and conditions upon which we may be obligated to redeem or purchase the debt securities under any sinking fund or similar provisions or upon the happening of a specified event, passage of time or at the option of a holder;
- the place or places where the principal of, premium and other amounts, if any, and interest shall be payable;
- any covenants to which the Company or its subsidiaries may be subject with respect to the debt securities;
- the place or places where the debt securities may be surrendered for transfer or exchange, and where notices and demands to or upon the Company in respect to the debt securities and the applicable indenture may be served;
- the person or persons within which and the price or prices at which the debt securities may, in accordance with any option or mandatory redemption provisions, be redeemed and the other detailed terms and provisions of any such optional or mandatory redemption provision;
- if other than denominations of $1,000 and any integral multiple thereof, the denomination in which the debt securities will be issuable;
- if other than the principal amount thereof, the portion of the principal amount of the debt securities which will be payable upon the declaration of acceleration of the maturity of those debt securities;
- any addition to, or modification or deletion of, any events of default or covenants with respect to the securities and any related terms for the waiver of any event of default or noncompliance of any covenant;

- any index or formula used to determine the amount of payment of principal of and interest on the debt securities;
- if other than U.S. dollars, the currency or currencies, including the currency unit or units, in which payments of principal of, premium and other amounts, if any, and interest on the debt securities will or may be payable, or in which the debt securities shall be denominated, and any particular related provisions;
- if we or a holder may elect that payments of principal of, premium and other amounts, if any, or interest on the debt securities be made in a currency or currencies, including currency unit or units, other than that in which the debt securities are denominated or designated to be payable, the currency or currencies in which such payments are to be made, including the terms and conditions applicable to any payments and the manner in which they exchange rate with respect to such payments will be determined, and any particular related provisions;
- if the amount of principal payable at the maturity of any debt securities is not determinable as of any one or more dates prior to the maturity date, the amount which shall be deemed to be the principal amount of such debt securities as of any such date for any purpose;
- any provisions relating to the defeasance of our obligations in connection with the debt securities;
- any provision regarding exchangeability or conversion of the debt securities into our common stock;
- whether the debt securities will be secured;
- the terms of any transfer, mortgage, pledge or assignment as security for the debt securities;
- whether any debt securities will be issued in the form of a global security, and, if different than described above under “Description of the Securities We May Offer—Book Entry System,” any circumstances under which a global security may be exchanged for debt securities registered in the names of persons other than the depositary for the global security or its nominee;
- any agents for the debt securities, including trustees, depositories, authenticating, conversion, calculation or paying agents, transfer agents or registrars;
- whether the debt securities are senior or subordinated debt securities, or a combination thereof;
- whether the subordination provisions summarized below or different subordination provisions will apply to any debt securities that are subordinated debt securities;
- any provisions relating to the satisfaction and discharge of the debt securities;
- whether the debt securities will have the benefits of any guarantee and, if so, the identity of the guarantors and the terms and provisions applicable to any such guarantee; and
- any other material terms of the debt securities.

The terms of any series of debt securities may vary from the terms described here. Thus, this summary also is subject to and qualified by reference to the description of the particular terms of your debt securities to be described in the prospectus supplement. The prospectus supplement relating to the debt securities will be attached to the front of this prospectus.

The debt securities may be offered and sold at a substantial discount below their stated principal amount and may be “original issue discount securities.” Alternatively, debt securities may be sold in a package with another security and the allocation of the offering price between the two securities may have the effect of offering the debt security at an original issue discount, in which case the debt

security will be an “original issue discount security.” “Original issue discount securities” may bear no interest or interest at a rate below the prevailing market rate at the time of issuance. In addition, less than the entire principal amount of these securities may be payable upon declaration of acceleration of their maturity. We will summarize material United States federal income tax considerations and other special considerations that may be applicable to holders of original issue discount securities in the applicable prospectus supplement.

Indentures

Debt securities issued under this prospectus that will be senior debt will be issued under a senior debt indenture (which is separate and in addition to our 6.125% senior note indenture) between us and Wells Fargo Bank, National Association, as trustee. We call that indenture, as it may be supplemented from time to time, the “senior debt indenture.” Debt securities that will be subordinated debt will be issued under a subordinated debt indenture between us and Wells Fargo Bank, National Association, as trustee. We call that indenture, as it may be supplemented from time to time, the “subordinated debt indenture”. We refer to the trustee under each of these indentures as the “senior debt indenture trustee” or as the “subordinated debt indenture trustee” as the context may require. The trustee has two main roles. First, the trustee can enforce your rights against us if we default. There are some limitations on the extent to which the trustee acts on your behalf, described under “Remedies If An Event of Default Occurs.” Second, the trustee may perform administrative duties for us, such as sending you interest payments, transferring your debt securities to a new buyer if you sell, and sending you notices. Each indenture and its associated documents contain the full legal text of the matters described in this section “Description of Debt Securities.”

Subordination of Subordinated Debt Securities

Holders of subordinated debt securities should recognize that contractual provisions in the subordinated debt indenture may prohibit us from making payments on these securities. Subordinated debt securities are subordinate and junior in right of payment, to the extent and in the manner stated in the subordinated debt indenture, to all of our senior indebtedness.

Unless otherwise provided in the applicable prospectus supplement, the subordination provisions of the subordinated debt indenture will apply to subordinated debt securities. The subordinated debt indenture provides that, unless all principal of and any premium and other amounts and interest on the senior indebtedness has been paid in full, or provision has been made to make these payments in full, no payment of principal of, or any premium or other amounts or interest on, any subordinated debt securities may be made in the event:

- of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization or other similar proceedings involving us or a substantial part of our property;
- that a default has occurred in the payment of principal, any premium, interest or other monetary amounts due and payable on any senior indebtedness or there has occurred any other event of default concerning senior indebtedness that permits the holder or holders of the senior indebtedness or a trustee with respect to senior indebtedness to accelerate the maturity of the senior indebtedness with notice or passage of time, or both, and that event of default has continued beyond the applicable grace period, if any, and that default or event of default has not been cured or waived or has not ceased to exist and any related acceleration has been rescinded; or
- that the principal of and accrued interest on any subordinated debt securities have been declared due and payable upon an event of default as defined under the subordinated debt indenture and that declaration has not been rescinded and annulled as provided under the subordinated debt indenture.

If the subordinated debt indenture trustee or any direct holders of the subordinated debt securities receive any payment or distribution that is prohibited under the subordination provisions, then such trustee or the direct holders will have to repay that money to us or the persons making payment or distributions, as the case may be. Even if the subordination provisions prevent us from making any payment when due on the subordinated debt securities of any series, we will be in default on our obligations under that series if we do not make the payment when due. This means that the subordinated debt indenture trustee and the direct holders of that series can take action against us, but they will not receive any money until the claims of the direct holders of senior indebtedness have been fully satisfied.

The prospectus supplement may include a description of additional terms implementing the subordination feature.

Events Of Default

General

You will have special rights if an “event of default” occurs, with respect to any series, and is not cured, as described later in this subsection or in a prospectus supplement. Under each indenture, the term “event of default” means any of the following:

- we do not pay interest on a debt security, in the case of senior debt securities or subordinated debt securities, within 30 days of its due date;
- we do not pay the principal or any premium on a debt security on its due date;
- we do not make a sinking fund payment, if applicable, within five days following its due date;
- we remain in breach of any covenant or warranty described in such indenture for 60 days after we receive a notice stating we are in breach;
- certain events of bankruptcy, insolvency or reorganization of our Company; or
- if a subsidiary guarantee for a debt security is held to be invalid by a court.

Remedies if an Event of Default Occurs

With respect to events of default relating to certain events of bankruptcy, insolvency or reorganization, all principal and accrued interest on the debt securities shall become immediately due and payable. If another event of default has occurred and has not been cured, the trustee or the direct holders of 25% in principal amount of the outstanding debt securities of the affected series may declare the entire principal amount of all the debt securities of that series to be due and immediately payable. This is called a “declaration of acceleration of maturity.”

Except in cases of default, where a trustee has some special duties, a trustee is not required to take any action under the terms of each indenture at the request of any direct holders unless the direct holders offer the trustee reasonable protection from expenses and liability (called an “indemnity”). If reasonable indemnity is provided, the direct holders of a majority in principal amount of the outstanding debt securities of the relevant series may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority direct holders may also direct the trustee in performing any other action under the terms of each indenture.

In general, before you bypass the trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the debt securities, the following must occur:

- you must give the trustee written notice that an event of default has occurred and remains uncured;

- the direct holders of 25% in principal amount of all outstanding debt securities of the relevant series must make a written request that the trustee take action because of the default, and must offer reasonable indemnity to the trustee against the cost and other liabilities of taking that action;
- the trustee must have not taken action for 60 days after receipt of the above notice and offer of indemnity; and
- the trustee must not have received from direct holders of a majority in principal amount of the outstanding debt securities of that series a direction inconsistent with the written notice during the 60 day period after receipt of the above notice.

However, you are entitled at any time to bring a lawsuit for the payment of money due on your debt security on or after its due date, subject to applicable subordination features, if any.

Satisfaction and Discharge

We can discharge or defease our obligations under the indentures as stated below or as provided in the applicable prospectus supplement.

Unless otherwise provided in the applicable prospectus supplement, we may discharge obligations to holders of any series of debt securities that have not already been delivered to the trustee for cancellation and that have either become due and payable or are by their terms to become due and payable, or are scheduled for redemption, within one year. Subject to certain other conditions, we may effect a discharge by irrevocably depositing with the trustee cash in an amount certified to be enough to pay when due, whether at maturity, upon redemption or otherwise, the principal of, premium and other amounts, if any, and interest on the debt securities and any mandatory sinking fund payments.

Modification

There are three types of changes we can make to the indentures and the debt securities.

Changes Requiring Your Approval

First, there are changes that cannot be made to the indentures or your debt securities without your specific approval. Following is a list of those types of changes:

- change the payment due date of the principal or interest on a debt security;
- reduce any amounts due on a debt security;
- reduce the amount of principal payable upon acceleration of the maturity of a debt security following a default;
- change the place of or the currency for payment on a debt security;
- impair your right to sue for payment or for conversion of a debt security;
- release any guarantor subsidiary other than as provided in the indentures;
- reduce the percentage in principal amount of debt securities, the consent of whose holders is required to modify or amend the indentures;
- modify any other aspect of the provisions dealing with modification and waiver of the indentures;
- modify any conversion ratio, if any, or otherwise impair conversion rights, if any, of any debt security except as permitted by the indentures;

- modify any redemption provisions;
- directly or indirectly release any of the collateral or security interest or guarantee in respect of the debt securities, except as permitted in the indentures;
- change any obligations to pay additional amounts under the applicable indentures; and
- reduce the percentage in principal amount of debt securities, the consent of whose holders is required to waive compliance with certain provisions of the indentures or to waive certain defaults.

In addition, we may not amend the subordinated debt indenture to alter the subordination of any outstanding subordinated debt securities in a manner adverse to the holders of senior indebtedness without the written consent of the requisite portion of holders of senior indebtedness then outstanding under the terms of such senior indebtedness.

Changes Requiring a Majority Vote

The second type of change to the indentures and the debt securities is the kind that requires consent of the holders of a majority in principal amount of the outstanding debt securities of the particular series affected. With a majority vote, the holders may waive past defaults, provided that such defaults are not of the type described previously under “Changes Requiring Your Approval.”

Changes Not Requiring Approval

The third type of change does not require any vote by direct holders of debt securities. This type is limited to clarifications and certain other changes that would not adversely affect holders of the debt securities.

Defeasance and Covenant Defeasance

Except as provided in the applicable prospectus supplement, we may elect either

- to be discharged from all our obligations in respect of debt securities (and any related guarantees) of any series, except for our obligations to execute, authenticate, deliver and date debt securities, to register the transfer or exchange of debt securities, to replace temporary, destroyed, stolen, lost or mutilated debt securities, to furnish to the trustee a list of names and addresses of holders of debt securities of any series, to maintain paying agencies and to hold in trust monies for punctual payment of principal and interest of the debt securities of such series to the applicable holders of record we will refer to this discharge as “defeasance”), or
- to be released from our obligations to comply with some restrictive covenants applicable to the debt securities of any series (we will refer to this release as “covenant defeasance”);

in either case upon the deposit with the trustee, or other qualifying trustee, in trust, of money and/or U.S. government obligations which will provide money sufficient to pay all principal of and any premium, other amounts and interest on the debt securities of that series when due. We may establish such a trust only if, among other things, we have received an opinion of counsel to the effect that the holders of debt securities of the series will not recognize income, gain or loss for federal income tax purposes as a result of the deposit, defeasance or covenant defeasance and will be subject to federal income tax on the same amounts, and in the same manner and at the same times as would have been the case if the deposit, defeasance or covenant defeasance had not occurred. The opinion, in the case of defeasance under the first bullet point above, must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable federal income tax laws occurring after the date of the relevant indenture.

We may exercise the defeasance option with respect to debt securities notwithstanding our prior exercise of the covenant defeasance option. If we exercise the defeasance option, payment of the debt securities may not be accelerated because of a default. If we exercise the covenant defeasance option, payment of the debt securities may not be accelerated by reason of a default with respect to the covenants to which covenant defeasance is applicable. However, if the acceleration were to occur by reason of another default, the realizable value at the acceleration date of the money and U.S. government obligations in the defeasance trust could be less than the principal and interest then due on the debt securities, in that the required deposit in the defeasance trust is based upon scheduled cash flow rather than market value, which will vary depending upon interest rates and other factors.

Conversion Rights

The terms and conditions, if any, on which debt securities being offered are convertible into common stock will be set forth in an applicable prospectus supplement. Those terms will include the conversion price, the conversion period, provisions as to whether conversion will be at the option of the holder or us, the events requiring an adjustment of the conversion price and provisions affecting conversion in the event that the debt securities are redeemed.

Consolidation, Merger And Sale Of Assets

We may consolidate or merge with or into another entity, and we may sell or lease substantially all of our assets to another corporation if the following conditions, among others, are met:

- where we merge out of existence or sell or lease substantially all our assets, the other entity must be a corporation, partnership or trust organized under the laws of a State or the District of Columbia or under federal law, and it must agree to be legally responsible for the debt securities;
- where, as a result of such transaction, our assets become subject to a mortgage, pledge, lien, security interest or other encumbrance which is not otherwise permitted under the indentures, we or our successor must take such steps as may be necessary to secure the debt securities equally and ratably with (or prior to) all indebtedness secured thereby;
- the merger, sale of assets or other transaction must not cause a default or an event of default on the debt securities; and
- any other conditions provided in the indentures with respect to the debt securities are satisfied.

Form, Exchange, Registration And Transfer

Generally, we will issue debt securities only in registered global form. However, if specified in the prospectus supplement or in the certain instances described in “Description of the Securities We May Offer—Book-Entry System,” we may issue certificated securities in definitive form.

You may have your debt securities broken into more debt securities of smaller denominations or combined into fewer debt securities of larger denominations, as long as the total principal amount is not changed. This is called an “exchange.”

You may exchange or transfer debt securities at the office of the trustee. The trustee (or replacement trustee) acts as our agent for registering debt securities in the names of holders and transferring debt securities. The person performing the role of maintaining the list of registered direct holders is called the “security registrar.” It will also perform transfers. You will not be required to pay a service charge to transfer or exchange debt securities, but you may be required to pay for any tax or other governmental charge associated with the exchange or transfer. The transfer or exchange will only be made if the security registrar is satisfied with your proof of ownership.

If the debt securities are redeemable and we redeem less than all of the debt securities of a particular series, we may block the transfer or exchange of those debt securities during the period beginning 15 days before the day we mail the notice of redemption and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. We may also refuse to register transfers or exchanges of debt securities selected for redemption, except that we will continue to permit transfers and exchanges of the unredeemed portion of any debt security being partially redeemed.

Payment And Paying Agents

We will pay interest to you if you are a direct holder listed in the trustee's records at the close of business on a particular day in advance of each due date for interest, even if you no longer own the debt security on the interest due date. That particular day, usually about two weeks in advance of the interest due date, is called the "regular record date" and will be stated in the prospectus supplement. Holders buying and selling debt securities must work out between them how to compensate for the fact that we will pay all the interest for an interest period to the one who is the registered holder on the regular record date. The most common manner is to adjust the sales price of the debt securities to prorate interest fairly between buyer and seller. This prorated interest amount is called "accrued interest."

We may choose to pay interest, principal and any other money due on the debt securities at the corporate trust office of the trustee. You must make arrangements to have your payments picked up at or wired from the trust office.

We may also arrange for additional payment offices, and may cancel or change these offices, including our use of the trustee's corporate trust office. These offices are called "paying agents." We may also choose to act as our own paying agent. We must notify you of changes in the paying agents for any particular series of debt securities.

Notices

Notices to holders of debt securities will be given by mail to the addresses of such holders as they appear in the security register.

Regarding the Trustee

The trustee under the senior debt indenture and the subordinated debt indenture and their respective affiliates may engage in, and will be permitted to continue to engage in, other transactions with us and our affiliates, provided, however, that if it acquires any conflicting interest as described under the Trust Indenture Act of 1939, it must eliminate the conflict or resign.

Governing Law

The indentures will be governed by the laws of the State of New York.

DESCRIPTION OF WARRANTS

For purposes of this section entitled “Description of Warrants,” the terms “we,” “our,” “us” and “Company” refer only to Hornbeck Offshore Services, Inc. and not its subsidiaries.

We may issue warrants to purchase shares of any class or series of common stock, preferred stock or debt securities. Warrants may be issued independently or together with any shares of common stock, preferred stock or debt securities and may be attached to or separate from such shares of common stock or preferred stock or debt securities.

Each series of warrants will be issued under a separate warrant agreement (each, a “Warrant Agreement”) to be entered into between us and a warrant agent (each, a “Warrant Agent”). The Warrant Agent will act as our agent in connection with the Warrants of such series and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of warrants. The following sets forth some of the general terms and provisions of the warrants that may be offered. Further terms of the warrants and the applicable Warrant Agreement will be set forth in the applicable prospectus supplement. The Warrant Agreement for a particular series of warrants will be filed as an exhibit to a document incorporated by reference in the registration statement of which this prospectus is a part.

The applicable prospectus supplement will describe the following terms of any warrants in respect of which this prospectus is being delivered:

- the title of the warrants;
- the securities, which may include shares of any class or series of common stock, preferred stock or debt securities, for which the warrants are exercisable;
- the price or prices at which the warrants will be issued;
- the periods during which the warrants are exercisable;
- the number of shares of any class or series of common stock or preferred stock or the amount of debt securities for which each warrant is exercisable;
- the exercise price for the warrants, including any changes to or adjustments in the exercise price;
- if applicable, the designation and terms of the securities with which the warrants are issued and the number of warrants issued with each security or each principal amount of security;
- if applicable, the date on and after which the warrants and the related common stock, preferred stock or debt securities will be separately transferable;
- any listing of the warrants on a securities exchange or automated quotation system;
- if applicable, a discussion of material United States federal income tax consequences and other special considerations with respect to any warrants; and
- any other terms of the warrants, including terms, procedures and limitations relating to the transferability, exchange and exercise of such warrants.

SELLING STOCKHOLDERS

The following table sets forth information about the selling stockholders' beneficial ownership of our common stock as of August 30, 2005 as provided by the selling stockholders and after the sale of the common stock offered by the selling stockholders under this prospectus and the applicable prospectus supplement, assuming all such shares are sold. The selling stockholders have not committed to sell any shares under this prospectus. The numbers presented under "Shares Beneficially Owned After the Offering" assumes that all of the shares offered by the selling stockholders are sold and that the selling stockholder acquires no additional shares of our common stock before the completion of this offering. The selling stockholders may offer from time to time all, some or none of the shares of our common stock beneficially owned by them, and there are currently no agreements, arrangements or understandings with respect to the sale or distribution of any of our common stock by the selling stockholders. We will pay all expenses incurred with respect to the registration and sale of their respective common stock except that the selling stockholders will pay all underwriting fees, discounts and commissions related to any shares sold, as well as certain out-of-pocket expenses incurred directly by such selling stockholders.

	Shares Beneficially Owned Before Offering			Shares Beneficially Owned After Offering	
Name	No.	Percentage of Our Common Stock Outstanding	Shares Offered	No.	Percentage of Our Common Stock Outstanding
SCF-IV, L.P. (1)	3,846,208	18.3%	2,000,000	1,846,208	8.8%
William Herbert Hunt Trust Estate (2)	2,058,391	9.8%	250,000	1,808,391	8.6%

(1) SCF-IV, L.P. is a limited partnership of which the ultimate general partner is L.E. Simmons & Associates, Incorporated. Andrew L. Waite, who has served on our Board of Directors since 2000, serves as a Managing Director of L.E. Simmons & Associates, Incorporated. Mr. Waite has disclaimed beneficial ownership of the shares beneficially owned by SCF-IV, L.P. See "Description of Capital Stock—Voting Agreements" for a description of certain contractual relationships between SCF-IV, L.P. and the Company.

(2) Bruce W. Hunt, who has served on our Board of Directors since 1997, is a representative of the William Herbert Hunt Trust Estate. As such, Mr. Hunt may be deemed to have voting and dispositive power over the shares beneficially owned by the Trust Estate. Mr. Hunt has disclaimed beneficial ownership of the shares owned by the Trust Estate.

PLAN OF DISTRIBUTION

We and the selling stockholders may sell the offered securities in and outside the United States (1) through underwriters or dealers, (2) directly to purchasers, including our affiliates and stockholders, or, in the case of the Company only, in a rights offering, (3) through agents or (4) through a combination of any of these methods. The prospectus supplement will include the following information:

- the terms of the offering;
- the names of any underwriters, dealers or agents;
- the name or names of any managing underwriter or underwriters;
- the purchase price of the securities;
- the net proceeds from the sale of the securities;
- any delay delivery arrangements;
- any underwriting discounts, commissions and other items constituting underwriters' compensation;

- any initial public offering price or price range;
- any discounts or concessions allowed or reallowed or paid to dealers; and
- any commissions paid by agents.

In addition, we and the selling stockholders may enter into derivative or other hedging transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. If the applicable prospectus supplement indicates, in connection with those derivatives, the third parties may sell securities covered by this prospectus and the applicable prospectus supplement, including in short sale transactions. If so, the third parties may use securities pledged by us or borrowed from us or others to settle those sales or to close out any related open borrowings of stock, and may use securities received from us in settlement of those derivatives to close out any related open borrowings of stock. The third parties in such sale transactions will be underwriters and, if not identified in this prospectus, will be identified in the applicable prospectus supplement (or a post-effective amendment). We or one of our affiliates may also sell shares of our common stock short using this prospectus and deliver the common stock covered by this prospectus to close out such short positions, or loan or pledge securities to a financial institution or other third party that in turn may sell the securities using this prospectus. We may pledge or grant a security interest in some or all of the common stock covered by this prospectus to support a derivative or hedging position or other obligation and, if we default on the performance of our obligations, the pledgees or secured parties may offer and sell the common stock from time to time pursuant to this prospectus. Such financial institution or third party may transfer its short position to investors in our securities or in connection with a simultaneous offering of other securities offered by this prospectus or otherwise.

Sale Through Underwriters or Dealers

If securities are sold by us or the selling stockholders by means of an underwritten offering, we and the selling stockholders, as applicable, will execute an underwriting agreement with an underwriter or underwriters at the time an agreement for such sale is reached, and the names of the specific managing underwriter or underwriters, as well as any other underwriters, the respective amounts underwritten and the terms of the transaction, including commissions, discounts and any other compensation of the underwriters and dealers, if any, will be set forth in the applicable prospectus supplement which will be used by the underwriters to make resales of the securities in respect of which this prospectus is being delivered to the public. In such sales, the underwriters will acquire the securities for their own account for resale to the public. The underwriters may resell the securities from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. Underwriters may offer securities to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more firms acting as underwriters. Unless we inform you otherwise in the prospectus supplement, the obligations of the underwriters to purchase the securities will be subject to certain conditions, and the underwriters will be obligated to purchase all of the offered securities if they purchase any of them. The underwriters may change from time to time any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers.

Representatives of the underwriters through whom the offered securities are sold for public offering and sale may engage in over-allotment, stabilizing transactions, syndicate short covering transactions and penalty bids in accordance with Regulation M under the Securities Exchange Act of 1934. Over-allotment involves syndicate sales in excess of the offering size, which creates a syndicate short position. Stabilizing transactions permit bids to purchase the offered securities so long as the stabilizing bids do not exceed a specified maximum. Syndicate covering transactions involve purchases of the offered securities in the open market after the distribution has been completed in order to cover syndicate short positions. Penalty bids permit the representative of the underwriters to

reclaim a selling concession from a syndicate member when the offered securities originally sold by such syndicate member are purchased in a syndicate covering transaction to cover syndicate short positions. Such stabilizing transactions, syndicate covering transactions and penalty bids may cause the price of the offered securities to be higher than it would otherwise be in the absence of such transactions. These transactions may be effected on a national securities exchange and, if commenced, may be discontinued at any time.

Some or all of the securities that we offer though this prospectus may be new issues of securities with no established trading market, other than the common stock. Any common stock sold pursuant to a prospectus supplement will be listed on the New York Stock Exchange, subject to official notice of issuance. Any underwriters to whom we sell our securities for public offering and sale, other than our common stock, may make a market in those securities, but they will not be obligated to do so and they may discontinue any market making at any time without notice. We cannot assure you of the liquidity of, or continued trading markets for, any securities that we offer.

If we and the selling stockholders use dealers in the sale of securities, the securities will be sold to them as principals. They may then resell those securities to the public at varying prices determined by the dealers at the time of resale. We will include in the prospectus supplement the names of the dealers and the terms of the transaction.

Underwriters or sales agents may make sales in privately negotiated transactions and/or any other method permitted by law, including sales deemed to be an “at the market” offering as defined in Rule 415 promulgated under the Securities Act, which includes sales made directly on the New York Stock Exchange, the existing trading market for our common stock, or sales made to or through a market maker other than on an exchange. At the market offerings may not exceed 10% of the aggregate market value of our outstanding voting securities held by non affiliates on a date within 60 days prior to the filing of the registration statement of which this prospectus is a part.

Direct Sales and Sales through Agents

We or the selling stockholders may sell the securities directly. In this case, no underwriters or agents would be involved. We or the selling stockholders may also sell the securities through agents designated from time to time. In the prospectus supplement, the name of any agent involved in the offer or sale of the offered securities will be provided, and we will describe any commissions payable to the agent. Unless you are informed otherwise in the prospectus supplement, any agent will agree to use its reasonable best efforts to solicit purchases for the period of its appointment.

We and the selling stockholders may sell the securities directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act with respect to any sale of those securities. The terms of any such sales will be described in the prospectus supplement.

We may also make direct sales through subscription rights distributed to our existing stockholders on a pro rata basis that may or may not be transferable. In any distribution of subscription rights to our stockholders, if all of the underlying securities are not subscribed for, we may then sell the unsubscribed securities directly to third parties or we may engage the services of one or more underwriters, dealers or agents, including standby underwriters, to sell the unsubscribed securities to third parties.

Remarketing Arrangements

Offered securities may also be offered and sold, if so indicated in the applicable prospectus supplement, in connection with a remarketing upon their purchase, in accordance with a redemption or repayment pursuant to their terms, or otherwise, by one or more remarketing firms, acting as principals

for their own accounts or as agents for us or the selling stockholders. Any remarketing firm will be identified and the terms of its agreements, if any, with us or the selling stockholders and its compensation will be described in the applicable prospectus supplement. Remarketing firms may be deemed to be underwriters, as that term is defined in the Securities Act, in connection with the securities remarketed.

Delayed Delivery Arrangements

If we so indicate in the prospectus supplement, we or the selling stockholders may authorize agents, underwriters or dealers to solicit offers from certain types of institutions to purchase securities from us and the selling stockholders, as applicable, at the public offering price under delayed delivery contracts. These contracts would provide for payment and delivery on a specified date in the future. The contracts would be subject only to those conditions described in the prospectus supplement. The prospectus supplement will describe the commission payable for solicitation of those contracts.

General Information

We and the selling stockholders may have agreements with the underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Securities Act, or to contribute with respect to payments that the underwriters, dealers or agents may be required to make.

Underwriters, dealers and agents may engage in transactions with, or perform services for, us in the ordinary course of our business.

LEGAL MATTERS

The validity of the securities offered by this prospectus will be passed upon for us by Winstead Sechrest & Minick P.C., Houston, Texas. R. Clyde Parker, Jr., a shareholder in Winstead Sechrest & Minick P.C., is a nonvoting, advisory director appointed by our board of directors, owns 60,400 shares of our common stock and has options to acquire 24,125 shares of our common stock. Legal counsel to any underwriters may pass upon legal matters for such underwriters.

EXPERTS

The consolidated financial statements of Hornbeck Offshore Services, Inc. at December 31, 2004 and 2003, and for each of the three years in the period ended December 31, 2004, incorporated in this prospectus by reference to the Company's Annual Report on Form 10-K, as amended, for the year ended December 31, 2004 have been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which is incorporated by reference herein, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

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The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated August 31, 2005.

PROSPECTUS

$350,000,000

Hornbeck Offshore Services, Inc.

6.125% Senior Notes due 2014

By this prospectus, from time to time, Hornbeck Offshore Services, Inc. may offer and sell up to an aggregate principal amount of $350,000,000 of additional 6.125% Senior Notes due 2014. This prospectus provides you with a general description of these securities.

Hornbeck Offshore will provide you with a prospectus supplement before we sell any of our 6.125% Senior Notes due 2014 under this prospectus. Any prospectus supplement will inform you about the specific terms of an offering of our 6.125% Senior Notes due 2014 by Hornbeck Offshore, will list the names of any underwriters or agents, and may also add, update or change information contained in this prospectus. You should carefully read this prospectus, the documents that are incorporated by reference in this prospectus and any accompanying prospectus supplement before you invest in our 6.125% Senior Notes due 2014. This prospectus may not be used to sell any of our 6.125% Senior Notes due 2014 unless it is accompanied by a prospectus supplement.

Neither the Securities and Exchange Commission, nor any state securities commission, has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

Prospectus dated , 200 .

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You should rely only on the information included or incorporated by reference in this prospectus and any accompanying prospectus supplement. We have not authorized any dealer, salesman or other person to provide you with additional or different information. This prospectus and any accompanying prospectus supplement are not an offer to sell or the solicitation of an offer to buy any securities other than the securities to which they relate and are not an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make an offer or solicitation in that jurisdiction. You should not assume that the information in this prospectus or any accompanying prospectus supplement or in any document incorporated by reference in this prospectus or any accompanying prospectus supplement is accurate as of any date other than the date of the document containing the information.

ABOUT THIS PROSPECTUS

In this prospectus, including documents incorporated by reference (except to the extent otherwise specified in such documents), “Company,” “we,” “us” and “our” refers to Hornbeck Offshore Services, Inc. and its subsidiaries, unless otherwise indicated. References in this prospectus and in such incorporated documents to “OSVs” mean offshore supply vessels; to “deepwater” mean offshore areas, generally 1,000’ to 5,000’ in depth, and ultra-deepwater areas, generally more than 5,000’ in depth; to “deep well” mean a well drilled to a true vertical depth of 15,000’ or greater; and to “new generation,” when referring to OSVs, mean modern, deepwater-capable vessels subject to the regulations promulgated under the International Convention on Tonnage Measurement of Ships, 1969, which was adopted by the United States and made effective for all U.S.-flagged vessels in 1992 and foreign-flagged equivalent OSVs.

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or Commission, using a “shelf” registration process. Under this shelf process, we may, over time, sell additional 6.125% Senior Notes due 2014 described in this prospectus in one or more offerings with a maximum aggregate offering price of up to $350,000,000. This prospectus provides you with a general description of the notes that may be offered pursuant to this prospectus. Each time our notes are offered for sale, we will provide one or more prospectus supplements that will contain specific information about the terms of that offering. A prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any accompanying prospectus supplement together with the additional information described under the following heading.

The registration statement that contains this prospectus (including the exhibits) contains additional important information about us and the notes offered under this prospectus. Specifically, we have filed certain legal documents that control the terms of the notes offered by this prospectus as exhibits to the registration statement. We will file certain other legal documents that control the terms of certain of the notes offered by this prospectus as exhibits to reports we file with the Commission. The registration statement and those other reports can be read at the Commission website or at the Commission offices mentioned below under the following heading.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the information and reporting requirements of the Securities Exchange Act of 1934, as amended, or Exchange Act, under which we file annual, quarterly and current reports, proxy statements and other information with the Commission. You may read and copy this information at the following location of the Commission at prescribed rates at Public Reference Room, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549. Please call the Commission at (800) 732-0330 for further information about the Public Reference Room. In addition, our reports and other information concerning us can be inspected at The New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005, where our common stock is listed.

The Commission also maintains an Internet website that contains reports, proxy statements and other information about issuers that file electronically with the Commission. The address of that website is *www.sec.gov*. Commission filings may also be accessed free of charge through our Internet website at *www.hornbeckoffshore.com* (click on “Investors” and then “SEC Filings”). Information contained on our website, other than documents specifically incorporated by reference into this prospectus, is not intended to be incorporated by reference into this prospectus, and you should not consider that information as part of this prospectus.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We are "incorporating by reference" into this prospectus certain information that we file with the Commission, which means that we are disclosing important information to you by referring you to those documents. The information incorporated by reference is deemed to be part of this prospectus, except for any information superseded by information contained directly in this prospectus. This prospectus incorporates by reference the documents set forth below that we have previously filed with the Commission (excluding such documents or portions thereof that are not deemed "filed" under the Exchange Act in accordance with the Exchange Act and applicable Commission rules and regulations). These documents contain important information about us and our finances.

Commission Filings (No. 001-32108)	Period
Annual Report on Form 10-K	Year Ended December 31, 2004 (as amended by Amendment No. 1 on Form 10-K/A filed on August 11, 2005)
Quarterly Reports on Form 10-Q	Quarters Ended March 31, 2005 (as amended by Amendment No. 1 on Form 10-Q/A filed on August 11, 2005) and June 30, 2005
Current Reports on Form 8-K	Filed on January 21, 2005, February 8, 2005, February 25, 2005, March 18, 2005, May 4, 2005, May 5, 2005, July 22, 2005, August 5, 2005 and August 31, 2005
Registration Statement on Form 8-A/A	Filed on September 3, 2004, and any future amendment or report updating that description

All documents that we file with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act (excluding such documents or portions thereof that are not deemed "filed" under the Exchange Act in accordance with the Exchange Act and applicable Commission rules and regulations) from the date of this prospectus and prior to the termination of the offering of the notes under this prospectus shall also be deemed to be incorporated herein by reference. Any statement contained in this prospectus or in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

We will provide without charge to each person to whom this prospectus is delivered, upon written or oral request of such person, a copy of any or all documents incorporated by reference in this prospectus. Requests for such copies should be directed to James O. Harp, Jr., Executive Vice President and Chief Financial Officer, Hornbeck Offshore Services, Inc., 103 Northpark Boulevard, Suite 300, Covington, Louisiana 70433, by mail, or if by telephone at (985) 727-2000. Exhibits to the filings will not be sent, however, unless those exhibits have specifically been incorporated by reference in this prospectus.

Information contained on our website, other than documents specifically incorporated by reference into this prospectus, is not intended to be incorporated by reference in this prospectus and you should not consider that information a part of this prospectus.

You should rely only on the information incorporated by reference or provided in this prospectus and the applicable prospectus supplement. No one else is authorized to provide you with any other information or any different information. We are not making an offer of securities in any state where an offer is not permitted. You should not assume that the information in this prospectus is accurate as of any date other than the date on the front of this prospectus.

SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS

This prospectus and the documents incorporated by reference into this prospectus contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or Securities Act, and Section 21E of the Exchange Act. These statements include certain discussions relating to our earnings and projected business, among other things. We have based these forward-looking statements on our current views and assumptions about future events and our future financial performance. You can generally identify forward-looking statements by the appearance in such a statement of words like “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “potential”, “predict”, “project”, “should” or “will” or other comparable words or the negative of these words. When you consider our forward-looking statements, you should keep in mind the risks we describe and other cautionary statements we make in this prospectus and in any accompanying prospectus supplement. For a further discussion of risk factors affecting our business, please reference the risk factors described in the reports we file with the Commission under the Exchange Act. For a discussion of risk factors affecting the securities offered by us, please reference the risk factors in the section entitled “Risk Factors” in the accompanying prospectus supplement.

Among the risks, uncertainties and assumptions to which these forward-looking statements may be subject are:

- activity levels in the energy markets;
- changes in oil and natural gas prices;
- increases in supply of vessels in our markets;
- the mandated retirement of single-hulled tank barges prior to anticipated retirement dates;
- the effects of competition;
- our ability to complete vessels under construction or conversion without significant delays or cost overruns;
- our ability to integrate acquisitions successfully;
- our ability to maintain adequate levels of insurance;
- demand for refined petroleum products or in methods of delivery;
- loss of existing customers and our ability to attract new customers;
- changes in laws;
- changes in international economic and political conditions;
- changes in foreign currency exchange rates;
- adverse domestic or foreign tax consequences;
- uncollectible foreign accounts receivable or longer collection periods on such accounts;
- financial stability of our customers;
- retention of skilled employees and our management;
- laws governing the health and safety of our employees working offshore;
- catastrophic marine disasters;
- adverse weather and sea conditions;
- oil and hazardous substance spills;

- war and terrorism;
- acts of God;
- our ability to finance our operations on acceptable terms and access the debt and equity markets to fund our capital requirements, which may depend on general market conditions and our financial condition at the time;
- our ability to charter our vessels on acceptable terms; and
- our success at managing these risks.

Our forward-looking statements are only predictions based on expectations that we believe are reasonable. Actual events or results may differ materially from those described in any forward-looking statement. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. To the extent these risks, uncertainties and assumptions give rise to events that vary from our expectations, the forward-looking events discussed in this prospectus may not occur.

ABOUT HORNBECK OFFSHORE SERVICES, INC.

We are a leading provider of technologically advanced, new generation OSVs serving the offshore oil and gas industry, primarily in the U.S. Gulf of Mexico and in select international markets. The focus of our OSV business is on complex exploration and production activities, which include deepwater, deep well and other logistically demanding projects. We are also a leading transporter of petroleum products through our tug and tank barge segment serving the energy industry, primarily in the northeastern United States and Puerto Rico. We currently own and operate a fleet of over 50 U.S.—flagged vessels serving the energy industry.

We were formed as a Delaware corporation in 1997. Our principal executive offices are located at 103 Northpark Boulevard, Suite 300, Covington, Louisiana 70433, and our telephone number is (985) 727-2000. Our website address is *www.hornbeckoffshore.com*. Information on our website, other than documents filed with the Commission that are specifically incorporated by reference into this prospectus, does not constitute part of this prospectus.

RECENT DEVELOPMENTS

On or about the date of this prospectus, we also filed a registration statement on Form S-4 with the Commission using a “shelf” registration process to register the issuance of common stock, preferred stock, debt securities and warrants, or any combination thereof, in connection with certain acquisitions. Under that registration statement, we may, over time in connection with the acquisition of various assets, businesses or securities, offer and sell any combination of the referenced securities up to a total dollar amount of $150,000,000, in addition to the $350,000,000 contemplated by this prospectus.

USE OF PROCEEDS

Unless otherwise indicated in an accompanying prospectus supplement, we expect to use the net proceeds from the sale of the notes offered pursuant to this prospectus and any accompanying prospectus supplement for general corporate purposes. These purposes may include financing of strategic acquisitions and capital expenditures (including newbuild and conversion programs), additions to working capital and repayment of all or a portion of our indebtedness outstanding at the time. Until the net proceeds are used for these purposes, we may deposit them in interest-bearing accounts or invest them in short-term marketable securities. Any specific allocation of the net proceeds of an offering of notes to a specific purpose will be determined at the time of the offering and will be described in an accompanying prospectus supplement.

RATIO OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges is computed by dividing fixed charges into earnings. For purposes of determining the ratios of earnings to fixed charges, earnings are defined as income from continuing operations plus fixed charges, excluding capitalized interest. Fixed charges consist of interest (whether expensed or capitalized) and amortization of debt expenses. As of the date of this prospectus, we do not have any preferred stock outstanding. The table below sets forth the calculation of the ratio of earnings to fixed charges for the periods indicated (in thousands, except for ratio data).

	Year Ended December 31,				Six Months Ended June 30,	
	2001	2002	2003	2004	2004	2005
Total Interest Cost						
Interest Expense	$ 16,646	$ 16,207	$ 18,523	$ 17,698	$ 9,801	$ 5,438
Capitalized Interest	3,075	3,867	2,734	3,004	911	2,110
Total Interest Cost (fixed charges)	19,721	20,074	21,257	20,702	10,712	7,548
Pre-tax Income	12,756	18,786	18,048	(3,803)	6,768	20,576
Interest Expense	16,646	16,207	18,523	17,698	9,801	5,438
Earnings	29,402	34,993	36,571	13,895	16,569	26,014
Ratio of earnings to fixed charges(1)	1.49x	1.74x	1.72x	0.67x	1.55x	3.45x

(1) If we adjust earnings to exclude the impact of loss on the early extinguishment of debt incurred in the 2001, 2004 and 2005 periods reflected above, the ratio of earnings to fixed charges, as so adjusted, would be 1.64x and 1.76x for the years ended December 31, 2001 and 2004, respectively, and 1.55x and 3.67x for the six-month periods ended June 30, 2004 and 2005, respectively.

DESCRIPTION OF THE NOTES

General

On November 23, 2004, we issued, in a private placement, $225,000,000 aggregate principal amount of our 6.125% Senior Notes due 2014 under an Indenture dated as of November 23, 2004 (the “Indenture”) among the Company, the Guarantors and Wells Fargo Bank, National Association, as trustee (the “Trustee”). These notes were subsequently exchanged for substantially similar notes pursuant to an exchange offer that was registered under the Securities Act (such exchanged notes being referred to herein as the “Outstanding Notes”). Subject to the covenant described in the first paragraph under “—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock”, the Company has the flexibility of issuing additional Notes in the future in an unlimited amount under the Indenture (the “Additional Notes”).

For purposes of this description, references to the “Company” mean Hornbeck Offshore Services, Inc., but not any of its subsidiaries. You will find the definitions of some of the other capitalized terms used in this description under the heading “—Certain Definitions”. The term “Notes” as used herein refers collectively to the Outstanding Notes and any Additional Notes issued in the future.

This “Description of the Notes” is intended to be a useful overview of the material provisions of the Notes and the Indenture. As this description is only a summary, you should refer to the Indenture and the Notes for a complete description of the obligations of the Company and your rights. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”).

The Notes:

- are general unsecured obligations of the Company;
- are issued in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof;
- are represented by one or more registered Notes in global form, but in certain circumstances may be represented by Notes in certificated form;
- rank equally in right of payment to all existing and any future senior indebtedness of the Company, but are effectively subordinated to all existing and future secured indebtedness of the Company to the extent of the value of the collateral securing such indebtedness;
- rank senior in right of payment to any future subordinated indebtedness of the Company; and
- are unconditionally guaranteed on a senior basis by certain Subsidiaries of the Company.

Any Outstanding Notes and Additional Notes that are issued and outstanding in the future will be treated as a single class of securities under the Indenture

Initially, not all of the Company's existing Subsidiaries will guarantee the Notes. Furthermore, under the circumstances described below under the subheading "—Certain Covenants—Additional Subsidiary Guarantees", in the future one or more of its Subsidiaries may not guarantee the Notes. In the event of a bankruptcy, liquidation or reorganization of any of these non-guarantor Subsidiaries, the non-guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Company. The non-guarantor Subsidiaries have no outstanding Indebtedness (other than intercompany Indebtedness). Such non-guarantor Subsidiaries generated less than 1.0% of the Company's consolidated revenues in the fiscal year ended December 31, 2003 and held less than 1.0% of its consolidated assets as of December 31, 2004.

As of the date of the Indenture, all of the Company's Subsidiaries are "Restricted Subsidiaries". However, under the circumstances described below under the subheading "—Certain Covenants—Future Designation of Restricted and Unrestricted Subsidiaries", the Company will be permitted to designate certain of its Subsidiaries as "Unrestricted Subsidiaries". Unrestricted Subsidiaries will not be subject to many of the restrictive covenants in the Indenture. Unrestricted Subsidiaries will not guarantee the Notes.

Principal, Maturity and Interest

The Notes will mature on December 1, 2014. Interest on the Notes will:

- accrue at the rate of 6.125% per annum;
- accrue, with respect to the Outstanding Notes, from November 23, 2004 and, with respect to the Additional Notes, from the date of their issuance;
- be payable in cash semi-annually in arrears on June 1 and December 1, commencing on June 1, 2005;
- be payable to the holders of record on the May 15 and November 15 immediately preceding the related interest payment dates; and
- be computed on the basis of a 360-day year comprised of twelve 30-day months.

Methods of Receiving Payments on the Notes

If a holder has given wire transfer instructions to the paying agent, the Company will pay all principal, interest and premium, if any, on that holder's Notes in accordance with those instructions. All

other payments on Notes will be made at the office or agency of the paying agent within the City and State of New York unless the Company elects to make interest payments by check mailed to the holders at their addresses set forth in the register of holders.

Paying Agent and Registrar for the Notes

The Trustee will initially act as paying agent and registrar. The Company may change the paying agent or registrar without prior notice to the holders of the Notes, and the Company or any of its Subsidiaries may act as paying agent or registrar.

Transfer and Exchange

A holder may transfer or exchange Notes in accordance with the Indenture. The registrar and the Trustee may require a holder to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. No service charge will be imposed by the Company, the Trustee or the registrar for any registration of transfer or exchange of Notes, but holders will be required to pay all taxes due on transfer. The Company is not required to transfer or exchange any Note selected for redemption. Also, the Company is not required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

Subsidiary Guarantees

The Company's payment obligations under the Notes are jointly and severally guaranteed (the "Subsidiary Guarantees") by all of the Company's current Significant Subsidiaries. In the future, certain Restricted Subsidiaries of the Company will be required to guarantee the Notes under the circumstances described under "—Certain Covenants—Additional Subsidiary Guarantees".

The obligations of each Guarantor under its Subsidiary Guarantee are a general unsecured obligation of such Guarantor, ranking equally in right of payment with all other current or future senior indebtedness of such Guarantor, including any borrowings under the Credit Facility, and senior in right of payment to any subordinated indebtedness incurred by such Guarantor in the future. The Subsidiary Guarantees are effectively subordinated, however, to all current and future secured obligations of the Guarantors, including any borrowings under the Credit Facility, to the extent of the value of the assets collateralizing such obligations.

The obligations of each Guarantor under its Subsidiary Guarantee are limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under bankruptcy, fraudulent conveyance and fraudulent transfer and similar laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Subsidiary Guarantee, result in the obligations of such Guarantor under its Subsidiary Guarantee not constituting a fraudulent transfer or conveyance.

The Indenture provides that no Guarantor may consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person (other than the Company or another Guarantor), whether or not affiliated with such Guarantor, unless:

(1) subject to the provisions of the following paragraph, the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) executes a supplement to the Indenture and delivers an Opinion of Counsel in accordance with the terms of the Indenture;

(2) immediately after giving effect to such transaction, no Default or Event of Default exists;

(3) such Guarantor, or any Person formed by or surviving any such consolidation or merger, would have Consolidated Net Worth (immediately after giving effect to such transaction), equal to

or greater than the Consolidated Net Worth of such Guarantor immediately preceding the transaction; and

(4) the Company would be permitted by virtue of the Company's *pro forma* Consolidated Interest Coverage Ratio, immediately after giving effect to such transaction, to incur at least $1.00 of additional Indebtedness pursuant to the Consolidated Interest Coverage Ratio test set forth in the covenant described below under the caption "—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock".

The Indenture provides that, in the event of a sale or other disposition (including by way of merger or consolidation) of all or substantially all of the assets or all of the Capital Stock of any Guarantor, then such Guarantor or the Person acquiring its assets will be released and relieved of any obligations under its Subsidiary Guarantee; *provided, however*, that the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of the Indenture. See "—Repurchase at the Option of Holders—Asset Sales". In addition, in the event the Board of Directors designates a Guarantor to be an Unrestricted Subsidiary, then such Guarantor will be released and relieved of any obligations under its Subsidiary Guarantee, *provided* that such designation is conducted in accordance with the applicable provisions of the Indenture. All Subsidiary Guarantees will be released also upon Legal Defeasance as described below under the caption "—Legal Defeasance and Covenant Defeasance" or upon satisfaction and discharge of the Indenture as described below under the caption "—Satisfaction and Discharge".

Optional Redemption

At any time prior to December 1, 2009, the Company may redeem the Notes at its option, in whole or in part, at a redemption price equal to 100% of the principal amount thereof plus the Make Whole Premium as of, and accrued and unpaid interest, if any, to, the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on an interest payment date that is on or prior to the redemption date).

The Notes will also be redeemable at the Company's option on or after December 1, 2009, in whole or in part, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, thereon to the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on an interest payment date that is on or prior to the redemption date), if redeemed during the twelve-month period beginning on December 1 of the years indicated below:

Year	Percentage
2009	103.063%
2010	102.042%
2011	101.021%
2012 and thereafter	100.000%

Further, prior to December 1, 2007, the Company may redeem up to 35% of the aggregate principal amount of Notes originally issued at a redemption price of 106.125% of the principal amount thereof, plus accrued and unpaid interest, if any, thereon to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on an interest payment date that is on or prior to the redemption date), with the net cash proceeds of one or more Qualified Equity Offerings, *provided* that

(a) at least 65% of the aggregate principal amount of Notes originally issued remains outstanding immediately after the occurrence of each such redemption and

(b) each such redemption occurs within 60 days of the date of the closing of each such Qualified Equity Offering.

Selection and Notice

If less than all of the Notes are to be redeemed at any time, selection of Notes for redemption will be made by the Trustee on a *pro rata* basis, by lot or by such method as the Trustee considers fair and appropriate; *provided, however*, that no Notes of $2,000 or less may be redeemed in part.

Notices of redemption will be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each holder of Notes to be redeemed at its registered address.

Notices of redemption may not be conditional.

If any Note is to be redeemed in part only, the notice of redemption that relates to such Note will state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption.

Mandatory Redemption

Except as set forth below under "—Repurchase at the Option of Holders", the Company is not required to repurchase the Notes or to make mandatory redemption or sinking fund payments with respect to the Notes.

Repurchase at the Option of Holders

Change of Control. Upon the occurrence of a Change of Control, the Company will be required to make an offer (a "Change of Control Offer") to repurchase all or any part (equal to minimum amounts of $2,000 and integral multiples of $1,000 in excess thereof) of each holder's Notes at an offer price in cash equal to 101% of the aggregate principal amount thereof, plus accrued and unpaid interest, if any, thereon to the date of repurchase (the "Change of Control Payment"), subject to the right of holders of record on the relevant record date to receive interest due on an interest payment date that is on or prior to the date of repurchase.

Within 30 days following a Change of Control, the Company will mail a notice to each holder of Notes and the Trustee describing the transaction that constitutes the Change of Control and offering to repurchase Notes on the date specified in such notice, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"), pursuant to the procedures required by the Indenture and described in such notice. The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

On or before the Change of Control Payment Date, the Company will, to the extent lawful,

(a) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer,

(b) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered and

(c) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company.

The Paying Agent will promptly mail to each holder of Notes so tendered the Change of Control Payment for such Notes (or, if all the Notes are then in global form, make such payment through the facilities of The Depository Trust Company), and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided, however*, that each such new Note will be in a minimum principal amount of $2,000. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the holders of the Notes to require that the Company repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction. In addition, the Company could enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that could affect the Company's capital structure or the value of the Notes, but that would not constitute a Change of Control. The occurrence of a Change of Control may result in a default under the Credit Facility and give the lenders thereunder the right to require the Company to repay all outstanding obligations thereunder. The Company's ability to repurchase Notes following a Change of Control may also be limited by the Company's then existing financial resources.

The Company will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

A "Change of Control" will be deemed to have occurred upon the occurrence of any of the following:

(a) the sale, lease, transfer, conveyance or other disposition (other than by merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole,

(b) the adoption of a plan relating to the liquidation or dissolution of the Company,

(c) the consummation of any transaction (including, without limitation, any merger or consolidation, but excluding the effect of any voting arrangement pursuant to any agreement among the Company and any stockholders of the Company as in effect on the Issue Date) the result of which is that any "person" (as such term is used in Section 13(d)(3) of the Exchange Act) becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act), directly or indirectly through one or more intermediaries, of more than 50% of the voting power of the outstanding Voting Stock of the Company or

(d) the first day on which more than a majority of the members of the Board of Directors are not Continuing Directors;

provided, however, that a transaction in which the Company becomes a Subsidiary of another Person (other than a Person that is an individual) shall not constitute a Change of Control if

(1) the stockholders of the Company immediately prior to such transaction "beneficially own" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act), directly or indirectly through one or more intermediaries, at least a majority of the voting power of the outstanding Voting Stock of the Company immediately following the consummation of such transaction and

(2) immediately following the consummation of such transaction, no “person” (as such term is defined above), other than such other Person (but including the holders of the Equity Interests of such other Person), “beneficially owns” (as such term is defined above), directly or indirectly through one or more intermediaries, more than 50% of the voting power of the outstanding Voting Stock of the Company.

For purposes of this definition, a time charter of, bareboat charter or other contract for, marine vessels to customers in the ordinary course of business shall not be deemed to be a “lease” under clause (a) above.

“Continuing Directors” means, as of any date of determination, any member of the Board of Directors who

(a) was a member of the Board of Directors on the Issue Date or

(b) was nominated for election to the Board of Directors with the approval of, or whose election to the Board of Directors was ratified by, at least two-thirds of the directors who were members of the Board of Directors on the Issue Date or who were so elected to the Board of Directors thereafter.

The definition of Change of Control includes an event by which the Company sells, leases, transfers, conveys or otherwise disposes of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all”, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require the Company to repurchase such Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company and its Subsidiaries, taken as whole, may be uncertain.

Asset Sales. The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale (excluding for this purpose an Event of Loss) unless

(a) the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the fair market value (as determined in accordance with the definition of such term, the results of which determination shall be set forth in an Officers’ Certificate delivered to the Trustee) of the assets or Equity Interests issued or sold or otherwise disposed of and

(b) at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents;

provided, however, that the amount of

(1) any liabilities (as shown on the Company’s or such Restricted Subsidiary’s most recent balance sheet) of the Company or such Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Subsidiary Guarantee) that are assumed by the transferee of any such assets or Equity Interests pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability,

(2) Liquid Securities, and

(3) any securities, notes or other obligations received by the Company or such Restricted Subsidiary from such transferee that are converted within 180 days by the Company or such Restricted Subsidiary into cash (to the extent of the cash received),

shall each be deemed to be Cash Equivalents for purposes of this provision.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale (including, without limitation, an Event of Loss), the Company or any such Restricted Subsidiary may apply such Net Proceeds to

(a) permanently repay all or any portion of the principal of any secured Indebtedness (to the extent of the fair value of the assets collateralizing such Indebtedness, as determined by the Board of Directors) or

(b) to acquire (including by way of a purchase of assets or stock, merger, consolidation or otherwise) Productive Assets, *provided* that if the Company or such Restricted Subsidiary enters into a binding agreement to acquire such Productive Assets within such 365-day period, but the consummation of the transactions under such agreement has not occurred within such 365-day period, and the agreement has not been terminated, then the 365-day period will be extended to 18 months to permit such consummation; *provided further*, *however*, if such consummation does not occur, or such agreement is terminated within such 18-month period, then the Company may apply, or cause such Restricted Subsidiary to apply, within 90 days after the end of the 18-month period or the effective date of such termination, whichever is earlier, such Net Proceeds as provided in clauses (a) and (b) of this paragraph.

Pending the final application of any such Net Proceeds, the Company or any such Restricted Subsidiary may temporarily reduce outstanding revolving credit borrowings, including borrowings under the Credit Facility, or otherwise invest such Net Proceeds in any manner that is not prohibited by the Indenture. Any Net Proceeds from Asset Sales that are not applied or invested as provided in the first sentence of this paragraph will be deemed to constitute “Excess Proceeds”.

When the aggregate amount of Excess Proceeds exceeds $20 million, the Company will be required to make an offer to all holders of Notes (an “Asset Sale Offer”) to purchase the maximum principal amount of Notes that may be purchased out of the Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, thereon to the date of purchase, subject to the right of holders of record on the relevant record date to receive interest due on an interest payment date that is on or prior to the date of purchase, in accordance with the procedures set forth in the Indenture; *provided, however*, that, if the Company is required to apply such Excess Proceeds to repurchase, or to offer to repurchase, any *Pari Passu* Indebtedness, the Company shall only be required to offer to repurchase the maximum principal amount of Notes that may be purchased out of the amount of such Excess Proceeds multiplied by a fraction, the numerator of which is the aggregate principal amount of Notes outstanding and the denominator of which is the aggregate principal amount of Notes outstanding plus the aggregate principal amount of *Pari Passu* Indebtedness outstanding.

To the extent that the aggregate principal amount of Notes tendered pursuant to an Asset Sale Offer is less than the amount that the Company is required to repurchase, the Company may use any remaining Excess Proceeds for general corporate purposes. If the aggregate principal amount of Notes surrendered by holders thereof exceeds the amount that the Company is required to repurchase, the Trustee will select the Notes to be purchased on a *pro rata* basis. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero.

The Company will not, and will not permit any Restricted Subsidiary to, enter into or suffer to exist any agreement (other than any agreement governing the Credit Facility) that would place any restriction of any kind (other than pursuant to law or regulation) on the ability of the Company to make an Asset Sale Offer. The agreement governing the Credit Facility may contain prohibitions of certain events, including events that would constitute a Change of Control or an Asset Sale. In addition, the exercise by the holders of Notes of their right to require the Company to repurchase the Notes upon a Change of Control or an Asset Sale could cause a default under these other agreements, even if the

Change of Control or Asset Sale itself does not, due to the financial effect of such repurchases on the Company. Finally, the Company's ability to pay cash to the holders of Notes upon a repurchase may be limited by the Company's then existing financial resources.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the purchase of the Notes as a result of an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sales provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Asset Sale provisions of the Indenture by virtue of such conflict.

Certain Covenants

Restricted Payments. The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly,

(a) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any such payment in connection with any merger or consolidation involving the Company) or to the direct or indirect holders of the Company's Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company);

(b) purchase, redeem or otherwise acquire or retire for value (including without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any of its Restricted Subsidiaries (other than any such Equity Interests owned by the Company or any Wholly Owned Restricted Subsidiary of the Company);

(c) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value, any Indebtedness that is subordinated in right of payment to the Notes or the Subsidiary Guarantees, except a payment of interest or principal at Stated Maturity; or

(d) make any Restricted Investment

(all such payments and other actions set forth in clauses (a) through (d) above being collectively referred to as "Restricted Payments"), unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(2) the Company would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least $1.00 of additional Indebtedness pursuant to the Consolidated Interest Coverage Ratio test set forth in the first paragraph of the covenant described under the caption "— Incurrence of Indebtedness and Issuance of Preferred Stock"; and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Issue Date (excluding Restricted Payments permitted by clauses (b), (c), (d), (f), (g) and (h), but including Restricted Payments permitted by clauses (a) and (e), of the next succeeding paragraph), is less than the sum of the following:

(A) 50% of the cumulative Consolidated Net Income of the Company for the period (taken as one accounting period) from January 1, 2004 to the end of the Company's most recently

ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit), plus

(B) subject to clause (b) of the next succeeding paragraph, 100% of the aggregate net cash proceeds, and the fair market value of any property other than cash, received by the Company since January 1, 2004 from the issue or sale of Equity Interests of the Company (other than Disqualified Stock) or of Disqualified Stock or debt securities of the Company that have been converted into, or exchanged for, such Equity Interests (other than any such Equity Interests, Disqualified Stock or convertible debt securities sold to a Restricted Subsidiary of the Company and other than Disqualified Stock or convertible debt securities that have been converted into, or exchanged for, Disqualified Stock), plus

(C) to the extent that any Restricted Investment that was made after the Issue Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of (1) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (2) the initial amount of such Restricted Investment, plus

(D) in the event that any Unrestricted Subsidiary is redesignated as a Restricted Subsidiary, the lesser of (1) an amount equal to the fair market value of the Investments in such Subsidiary previously made by the Company and its Restricted Subsidiaries as of the date of such redesignation and (2) the amount of such Investments, plus

(E) $20 million.

The preceding provisions will not prohibit:

(a) the payment of any dividend within 60 days after the date of declaration thereof if at said date of declaration such payment would have complied with the provisions of the Indenture;

(b) the redemption, repurchase, retirement, defeasance or other acquisition of any subordinated Indebtedness of the Company or any Guarantor or Equity Interests of the Company or any of its Restricted Subsidiaries in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary of the Company) of, other Equity Interests of the Company (other than any Disqualified Stock), *provided* that the amount of any such net cash proceeds that are utilized for any such redemption, repurchase, retirement, defeasance or other acquisition shall be excluded from clause (3)(B) of the preceding paragraph;

(c) the defeasance, redemption, repurchase, retirement or other acquisition of subordinated Indebtedness of the Company or any Guarantor with the net cash proceeds from an incurrence of, or in exchange for, Permitted Refinancing Indebtedness;

(d) the payment of any dividend or distribution by a Restricted Subsidiary of the Company to the Company or any of its Wholly Owned Restricted Subsidiaries;

(e) so long as no Default or Event of Default has occurred and is continuing, the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any of its Restricted Subsidiaries held by any employee of the Company or any of its Restricted Subsidiaries, *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests shall not exceed $500,000 in any calendar year;

(f) the acquisition of Equity Interests by the Company in connection with the exercise of stock options or stock appreciation rights by way of cashless exercise or in connection with the satisfaction of withholding tax obligations;

(g) in connection with an acquisition by the Company or by any of its Restricted Subsidiaries, the return to the Company or any of its Restricted Subsidiaries of Equity Interests of the Company

or any of its Restricted Subsidiaries constituting a portion of the purchase price consideration in settlement of indemnification claims; and

(h) the purchase by the Company of fractional shares of Equity Interests arising out of stock dividends, splits or combinations or business combinations.

The amount of all Restricted Payments (other than cash) will be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The fair market value of any non-cash Restricted Payment will be determined in the manner contemplated by the definition of the term "fair market value", and the results of such determination will be evidenced by an Officers' Certificate delivered to the Trustee. Not later than the date of making any Restricted Payment (other than a Restricted Payment permitted by clause (b), (c), (d), (f), (g) or (h) of the preceding paragraph), the Company shall deliver to the Trustee an Officers' Certificate stating that such Restricted Payment is permitted and setting forth the basis upon which the calculations required by the covenant "Restricted Payments" were computed.

Incurrence of Indebtedness and Issuance of Preferred Stock. The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur" or an "incurrence") any Indebtedness (including, without limitation, any Acquired Indebtedness) and the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any Disqualified Stock; *provided, however*, that the Company and its Restricted Subsidiaries may incur Indebtedness, and the Company may issue Disqualified Stock, in each case if the Consolidated Interest Coverage Ratio for the Company's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock is issued would have been at least 2.0 to 1.0 at the time such additional Indebtedness is incurred or such Disqualified Stock is issued (such time being called the "Incurrence Time"), in each case as determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness or Disqualified Stock had been issued or incurred at the beginning of such four-quarter period.

The preceding provisions will not apply to the incurrence by the Company or any of its Restricted Subsidiaries of any of the following Indebtedness:

(a) Indebtedness under the Credit Facility in an aggregate principal amount at any one time outstanding not to exceed the greater of (1) $75 million and (2) 20% of the Company's Consolidated Net Tangible Assets determined as of the end of the Company's most recently completed fiscal quarter for which internal financial statements are available;

(b) Existing Indebtedness;

(c) Hedging Obligations;

(d) Indebtedness represented by the Outstanding Notes or any Subsidiary Guarantees;

(e) intercompany Indebtedness between or among the Company and any of its Wholly Owned Restricted Subsidiaries, *provided* that any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Wholly Owned Restricted Subsidiary of the Company, or any sale or other transfer of any such Indebtedness to a Person that is neither the Company nor a Wholly Owned Restricted Subsidiary of the Company, shall be deemed to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, as of the date such issuance, sale or other transfer is not permitted by this clause (e);

(f) Indebtedness in respect of bid, performance or surety bonds issued for the account of the Company or any Restricted Subsidiary thereof in the ordinary course of business, including guarantees or obligations of the Company or any Restricted Subsidiary thereof with respect to letters of credit supporting such bid, performance or surety obligations (in each case other than for an obligation for money borrowed);

(g) the guarantee by the Company of Indebtedness of any of its Restricted Subsidiaries or by any Restricted Subsidiary of Indebtedness of the Company or another Restricted Subsidiary, in each case, that was permitted to be incurred by another provision of this covenant;

(h) Permitted Refinancing Debt incurred in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund Indebtedness that was incurred pursuant to the first paragraph of this covenant or clause (b), (d) or (h) of the second paragraph of this covenant; and

(i) other Indebtedness in a principal amount not to exceed $25 million at any one time outstanding.

The Company will not, and will not permit any Guarantor to, directly or indirectly, incur any Indebtedness which by its terms (or by the terms of any agreement governing such Indebtedness) is subordinated to any other Indebtedness of the Company or of such Guarantor, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) made expressly subordinate to the Notes or the Subsidiary Guarantee of such Guarantor, as the case may be, to the same extent and in the same manner as such Indebtedness is subordinated pursuant to subordination provisions that are most favorable to the holders of any other Indebtedness of the Company or of such Guarantor, as the case may be; *provided, however*, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness solely by virtue of being unsecured.

For purposes of determining compliance with this “Incurrence of Indebtedness and Issuance of Preferred Stock” covenant, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Indebtedness described in clauses (a) through (i) of the second paragraph, or is entitled to be incurred pursuant to the first paragraph, of this covenant, the Company will be permitted to classify such item of Indebtedness on the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant, and such item of Indebtedness will be treated as having been incurred pursuant to such category. There are no restrictions in the Indenture on the ability of an Unrestricted Subsidiary to incur Indebtedness or issue preferred stock.

Liens. The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur or assume any Lien on any asset now owned or hereafter acquired, or any income or profits therefrom, except Permitted Liens, to secure:

(a) any Indebtedness of the Company, unless prior to, or contemporaneously therewith, the Notes are equally and ratably secured, until such time as such Indebtedness is no longer secured by a Lien (other than Permitted Liens), or

(b) any Indebtedness of any Guarantor, unless prior to, or contemporaneously therewith, its Subsidiary Guarantee is equally and ratably secured, until such time as such Indebtedness is no longer secured by a Lien (other than Permitted Liens);

provided, however, that if such Indebtedness is expressly subordinated to the Notes or the Subsidiary Guarantees, the Lien securing such Indebtedness will be subordinated and junior to the Lien securing the Notes or the Subsidiary Guarantees, as the case may be, with the same relative priority as such Indebtedness has with respect to the Notes or the Subsidiary Guarantees. The incurrence of secured

Indebtedness by the Company and its Restricted Subsidiaries is subject to further limitations on the incurrence of Indebtedness as described under "—Incurrence of Indebtedness and Issuance of Preferred Stock".

Sale-and-Leaseback Transactions. The Company will not, and will not permit any of its Restricted Subsidiaries to, enter into any sale-and-leaseback transaction; *provided, however*, that the Company or any Restricted Subsidiary, as applicable, may enter into a sale-and-leaseback transaction if:

(a) the Company or such Restricted Subsidiary could have

(1) incurred Indebtedness in an amount equal to the Attributable Indebtedness relating to such sale-and-leaseback transaction pursuant to the Consolidated Interest Coverage Ratio test set forth in the first paragraph of the covenant described above under the caption "—Incurrence of Indebtedness and Issuance of Preferred Stock", *provided, however*, that this clause (1) shall no longer be effective if the Terminated Covenants terminate as described under "—Covenant Termination" below, and

(2) incurred a Lien to secure such Indebtedness pursuant to the covenant described under the caption "—Liens",

(b) the gross cash proceeds of such sale-and-leaseback transaction are at least equal to the fair market value (as determined in accordance with the definition of such term, the results of which determination shall be set forth in an Officers' Certificate delivered to the Trustee) of the assets that are the subject of such sale-and-leaseback transaction and

(c) the transfer of assets in such sale-and-leaseback transaction is permitted by, and the Company applies the proceeds of such transaction in compliance with, the covenant described above under the caption "—Repurchase at the Option of Holders—Asset Sales".

Issuances and Sales of Capital Stock of Restricted Subsidiaries. The Company

(a) will not, and will not permit any Restricted Subsidiary of the Company to, transfer, convey, sell or otherwise dispose of any Capital Stock of any Restricted Subsidiary of the Company to any Person (other than the Company or a Wholly Owned Restricted Subsidiary of the Company), unless

(1) such transfer, conveyance, sale, or other disposition is of all the Capital Stock of such Restricted Subsidiary and

(2) the Net Proceeds from such transfer, conveyance, sale or other disposition are applied in accordance with the covenant described above under the caption "—Repurchase at the Option of Holders—Asset Sales", and

(b) will not permit any Restricted Subsidiary of the Company to issue any of its Equity Interests to any Person other than to the Company or a Wholly Owned Restricted Subsidiary of the Company;

except, in the case of both clauses (a) and (b) above, with respect to (i) dispositions or issuances by a Wholly Owned Restricted Subsidiary of the Company as contemplated in clauses (a) and (b) of the definition of "Wholly Owned Restricted Subsidiary" or (ii) other dispositions or issuances of Capital Stock of a Restricted Subsidiary of the Company, provided that, after giving *pro forma* effect thereto, the Investment of the Company and its Restricted Subsidiaries in all Restricted Subsidiaries that are not Wholly Owned Restricted Subsidiaries of the Company, determined on a consolidated basis in accordance with GAAP, does not exceed 25% of Consolidated Net Tangible Assets of the Company. For purposes of this covenant, the creation or perfection of a Lien on any Capital Stock of a Restricted Subsidiary of the Company to secure any Indebtedness of the Company or any of its Restricted Subsidiaries will not be deemed to be a disposition of such Capital Stock, *provided* that any sale by the secured party of such Capital Stock following foreclosure of its Lien will be subject to this covenant.

Dividend and Other Payment Restrictions Affecting Subsidiaries. The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to do any of the following:

(a) (i) pay dividends or make any other distributions to the Company or any of its Restricted Subsidiaries on its Capital Stock or (ii) pay any Indebtedness owed to the Company or any of its Restricted Subsidiaries,

(b) make loans or advances to the Company or any of its Restricted Subsidiaries or

(c) transfer any of its assets to the Company or any of its Restricted Subsidiaries,

except for such encumbrances or restrictions existing under or by reason of:

(1) the Credit Facility or Existing Indebtedness, each as in effect on the Issue Date,

(2) the Indenture, the Notes and the Subsidiary Guarantees,

(3) applicable law,

(4) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person or the assets of any Person, other than the Person, or the assets of the Person, so acquired, *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred,

(5) by reason of customary non-assignment provisions in leases entered into in the ordinary course of business and consistent with past practices,

(6) by reason of customary provisions restricting the transfer of copyrighted or patented materials consistent with industry practice,

(7) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature described in clause (c) above on the property so acquired,

(8) customary provisions in bona fide contracts for the sale of assets,

(9) Permitted Refinancing Indebtedness with respect to any Indebtedness referred to in clauses (1), (2) and (4) above, *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced or

(10) provisions with respect to the disposition or distribution of assets in joint venture agreements, asset sale agreements, stock sale agreements and other similar agreements entered into in the ordinary course of business.

Merger, Consolidation or Sale of Assets. The Company may not consolidate or merge with or into (whether or not the Company is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its assets in one or more related transactions to another Person unless

(a) the Company is the surviving corporation or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition has been made is a corporation organized or existing under the laws of the United States, any state thereof or the District of Columbia,

(b) the Person formed by or surviving any such consolidation or merger (if other than the Company) or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition has been made assumes all the obligations of the Company under the Notes and the Indenture pursuant to a supplemental indenture in a form reasonably satisfactory to the Trustee,

(c) immediately after such transaction no Default or Event of Default exists and

(d) except in the case of a merger of the Company with or into a Wholly Owned Restricted Subsidiary of the Company, the Company or the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, lease, conveyance or other disposition has been made

(1) will have Consolidated Net Worth immediately after the transaction equal to or greater than the Consolidated Net Worth of the Company immediately preceding the transaction and

(2) will, at the time of such transaction and after giving *pro forma* effect thereto as if such transaction had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Consolidated Interest Coverage Ratio test set forth in the first paragraph of the covenant described above under the caption "—Incurrence of Indebtedness and Issuance of Preferred Stock;"

provided, however, that this clause (d) shall no longer be effective if the Terminated Covenants terminate as described under "—Covenant Termination" below.

Although there is a limited body of case law interpreting the phrase "substantially all", there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the assets of the Company.

Transactions with Affiliates. The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its assets to, or purchase any assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each of the foregoing, an "Affiliate Transaction"), unless:

(a) such Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person or, if there is no such comparable transaction, on terms that are fair and reasonable to the Company or such Restricted Subsidiary, and

(b) the Company delivers to the Trustee

(1) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10 million, a resolution of the Board of Directors set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with clause (a) above and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors and

(2) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $20 million, an opinion as to the fairness to the Company or the relevant Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm that is, in the judgment of the Board of Directors, qualified to render such opinion and is independent with respect to the Company, *provided* that such opinion will not be required with respect to any Affiliate Transaction or series of related Affiliate Transactions involving either (i) shipyard contracts that are awarded following a competitive bidding process and approved by a majority of the disinterested members of the

Board of Directors or (ii) an Affiliate in which an unrelated third person owns Voting Stock in excess of that owned by the Company or any of its Restricted Subsidiaries;

provided, however, that the following shall be deemed not to be Affiliate Transactions:

(A) any employment agreement or other employee compensation plan or arrangement entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business of the Company or such Restricted Subsidiary;

(B) transactions between or among the Company and its Restricted Subsidiaries;

(C) Permitted Investments and Restricted Payments that are permitted by the provisions of the Indenture;

(D) loans or advances to officers, directors and employees of the Company or any Restricted Subsidiary made in the ordinary course of business and consistent with past practices of the Company and its Restricted Subsidiaries in an aggregate amount not to exceed $500,000 outstanding at any one time;

(E) indemnities of officers, directors and employees of the Company or any of its Restricted Subsidiaries permitted by bylaw or statutory provisions;

(F) maintenance in the ordinary course of business of customary benefit programs or arrangements for officers, directors and employees of the Company or any Restricted Subsidiary, including without limitation vacation plans, health and life insurance plans, deferred compensation plans, retirement or savings plans and similar plans;

(G) registration rights or similar agreements with officers, directors or significant shareholders of the Company or any Restricted Subsidiary;

(H) issuance of Equity Interests (other than Disqualified Stock) by the Company; and

(I) the payment of reasonable and customary regular fees to directors of the Company or any of its Restricted Subsidiaries who are not employees of the Company or any Affiliate.

Additional Subsidiary Guarantees. If the Company or any of its Restricted Subsidiaries, after the Issue Date, acquires or creates another Significant Subsidiary or if any other Restricted Subsidiary becomes such, then such Significant Subsidiary shall become a Guarantor by executing a supplement to the Indenture and delivering it to the Trustee in accordance with the terms of the Indenture; *provided, however*, this requirement shall not apply to a Significant Subsidiary that is a Foreign Subsidiary. If, after the Issue Date, any Restricted Subsidiary of the Company (including a Foreign Subsidiary) that is not already a Guarantor guarantees any other Indebtedness of the Company or any Indebtedness of a Domestic Subsidiary, then that Subsidiary shall become a Guarantor by executing a supplemental indenture and delivering it to the Trustee within ten Business Days of the date on which it guaranteed such Indebtedness. Notwithstanding the preceding, any Subsidiary Guarantee of a Restricted Subsidiary (other than a Significant Subsidiary) shall be unconditionally released upon the release or discharge of its guarantee of all other Indebtedness of the Company or any Domestic Subsidiary, except a release or discharge by, or as a result of payment under, such guarantee.

Conduct of Business. The Company will not, and will not permit any of its Restricted Subsidiaries to, engage in the conduct of any business other than the marine transportation and logistics business and such other businesses as are complementary or related thereto as determined in good faith by the Board of Directors of the Company.

Reports. Whether or not the Company is required to do so by the rules and regulations of the Commission, the Company will file with the Commission within the time periods specified in the Commission's rules and regulations (unless the Commission will not accept such a filing) and, within

15 days of filing, or attempting to file, the same with the Commission, furnish to the holders of the Notes and the Trustee

(a) all quarterly and annual financial and other information with respect to the Company and its Subsidiaries that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Company were required to file such forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report thereon by the Company's certified independent accountants, and

(b) all current reports that would be required to be filed with the Commission on Form 8-K if the Company were required to file such reports.

If the Company has designated any of its Subsidiaries as Unrestricted Subsidiaries, then the quarterly and annual financial information required by the preceding paragraph will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in Management's Discussion and Analysis of Financial Condition and Results of Operations, of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company.

In addition, the Company and the Guarantors will furnish to the holders of the Notes, prospective purchasers of the Notes and securities analysts, upon their request, the information, if any, required to be delivered pursuant to Rule 144A(d) (4) under the Securities Act.

Future Designation of Restricted and Unrestricted Subsidiaries. The preceding covenants (including calculation of financial ratios and the determination of limitations on the incurrence of Indebtedness) may be affected by the designation by the Company of any existing or future Subsidiary of the Company as an Unrestricted Subsidiary, or by the redesignation by the Company of an Unrestricted Subsidiary as a Restricted Subsidiary.

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if such designation would not cause a Default. For purposes of making such determination, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid in cash) in the Subsidiary so designated will be deemed to be Restricted Payments at the time of such designation (except to the extent they qualify as Permitted Investments). All such outstanding Investments will be deemed to constitute Investments in an amount equal to the greater of (a) the net book value of such Investments at the time of such designation and (b) the fair market value of such Investments at the time of such designation. Such designation will only be permitted if such Restricted Payments would be permitted at such time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

The Board of Directors of the Company may also redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if such redesignation complies with the requirements of the Indenture described in the definition of "Unrestricted Subsidiary". If the aggregate amount of all Restricted Payments calculated for purposes of the first paragraph of the covenant described under "—Restricted Payments" above includes an Investment in an Unrestricted Subsidiary that subsequently becomes a Restricted Subsidiary pursuant to the terms of this paragraph, then the aggregate amount of such Restricted Payments will be reduced by the lesser of (a) an amount equal to the fair market value of the Investments previously made by the Company and its Restricted Subsidiaries in such Unrestricted Subsidiary at the time it becomes a Restricted Subsidiary and (b) the amount of such Investments.

Any designation or redesignation pursuant to this covenant by the Board of Directors will be evidenced by the filing with the Trustee of a Board Resolution giving effect to such action and evidencing the valuation of any Investment relating thereto (as determined in good faith by the Board of Directors) and an Officers' Certificate certifying that such action and valuation complied with the preceding requirements.

Covenant Termination

Once the Notes have achieved an Investment Grade Rating and no Default has occurred and is continuing under the Indenture, the Company and its Restricted Subsidiaries will no longer be subject to the provisions of the Indenture described above under the caption "Repurchase at the Option of Holders" and under the following headings under the caption "—Certain Covenants":

- "—Restricted Payments",
- "—Incurrence of Indebtedness and Issuance of Preferred Stock",
- "—Issuances and Sales of Capital Stock of Restricted Subsidiaries",
- "—Dividend and Other Payment Restrictions Affecting Subsidiaries",
- "—Transactions with Affiliates",
- "—Conduct of Business" and
- "—Future Designation of Restricted and Unrestricted Subsidiaries".

(collectively, the "Terminated Covenants") and any provisions of the Notes inconsistent with the elimination of the Terminated Covenants; *provided, however*, the Company and its Restricted Subsidiaries will remain subject to the provisions of the Indenture described above under the following headings under the caption "—Certain Covenants":

- "—Liens",
- "—Sale-and-Leaseback Transactions" (except to the extent set forth in that covenant)",
- "—Merger, Consolidation or Sale of Assets" (except to the extent set forth in that covenant),
- "—Additional Subsidiary Guarantees" and
- "—Reports".

After termination of the Terminated Covenants, for purposes of complying with the "Liens" covenant, the Liens described in clauses (a) and (m) of the definition of "Permitted Liens" will be Permitted Liens only to the extent those Liens secure Indebtedness not exceeding, at the time of determination, 10% of the Consolidated Net Tangible Assets of the Company. Once effective, this 10% limitation on Permitted Liens will continue to apply during any later period in which the Notes do not have an Investment Grade Rating.

Events of Default and Remedies

Each of the following constitutes an Event of Default:

(a) default for 30 days in the payment when due of interest on the Notes;

(b) default in payment when due of the principal of or premium, if any, on the Notes;

(c) failure by the Company to comply with the provisions described under the caption "—Repurchase at the Option of Holders" or "—Certain Covenants—Merger, Consolidation or Sale of Assets";

(d) failure by the Company for 60 days after notice to comply with any of its other agreements in the Indenture or the Notes;

(e) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the

Company or any of its Restricted Subsidiaries), whether such Indebtedness or guarantee now exists or is created after the Issue Date, which default

(1) is caused by a failure to pay principal of or premium or interest on such Indebtedness prior to the expiration of any grace period provided in such Indebtedness (a “Payment Default”) or

(2) results in the acceleration of such Indebtedness prior to its express maturity and

(3) in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $10 million or more and

provided, further, that if any such default is cured or waived or any such acceleration rescinded, or such Indebtedness is repaid, within a period of 10 days from the continuation of such default beyond the applicable grace period or the occurrence of such acceleration, as the case may be, such Event of Default and any consequential acceleration of the Notes shall be automatically rescinded, so long as such rescission does not conflict with any judgment or decree;

(f) failure by the Company or any of its Restricted Subsidiaries to pay final judgments aggregating in excess of $10 million, which judgments are not paid, discharged or stayed for a period of 60 days;

(g) failure by any Guarantor to perform any covenant set forth in its Subsidiary Guarantee, or the repudiation by any Guarantor of its obligations under its Subsidiary Guarantee or the unenforceability of any Subsidiary Guarantee against a Guarantor for any reason other than as provided in the Indenture; and

(h) certain events of bankruptcy or insolvency with respect to the Company or any Significant Subsidiary.

If any Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately. Notwithstanding the preceding, in the case of an Event of Default arising from certain events of bankruptcy or insolvency with respect to the Company, all outstanding Notes will become due and payable without further action or notice. The holders of a majority in principal amount of the then outstanding Notes by written notice to the Trustee may on behalf of all of the holders rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, premium or interest that has become due solely because of the acceleration) have been cured or waived. Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal, premium or interest) if it determines that withholding notice is in their interest.

In the case of any Event of Default occurring by reason of any willful action (or inaction) taken (or not taken) by or on behalf of the Company with the intention of avoiding payment of the premium that the Company would have had to pay if the Company then had elected to redeem the Notes pursuant to the optional redemption provisions of the Indenture, an equivalent premium shall also become and be immediately due and payable to the extent permitted by law upon the acceleration of the Notes.

The holders of a majority in principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of the principal of premium or interest on the Notes.

Except to enforce the right to receive payment of principal, premium, if any, or interest when due, no holder of the Notes may pursue any remedy with respect to the Indenture or the Notes unless:

(1) such holder has previously given the Trustee notice that an Event of Default is continuing;

(2) holders of at least 25% in principal amount of the outstanding Notes have requested the Trustee to pursue such remedy;

(3) such holders have offered the Trustee security or indemnity satisfactory to it against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt thereof and the offer of indemnity; and

(5) holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

The Company will be required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company will be required, upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator, member, partner or stockholder of the Company or any Guarantor, as such, shall have any liability for any obligations of the Company or any Guarantor under the Notes, the Subsidiary Guarantees or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the federal securities laws, and it is the view of the Commission that such a waiver is against public policy.

Legal Defeasance and Covenant Defeasance

The Company may, at its option and at any time, elect to have all of the obligations of itself and the Guarantors discharged with respect to the outstanding Notes and the Subsidiary Guarantees (“Legal Defeasance”) except for

(a) the rights of holders of outstanding Notes to receive payments in respect of the principal of and premium and interest on such Notes when such payments are due from the trust referred to below,

(b) the Company’s obligations with respect to the Notes concerning issuing temporary Notes, registration of transfer or exchange of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust,

(c) the rights, powers, trusts, duties and immunities of the Trustee, and the Company’s and any Guarantor’s obligations in connection therewith and

(d) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have the obligations of the Company and the Guarantors released with respect to certain covenants that are described in the Indenture (“Covenant Defeasance”) and thereafter any omission to comply with such obligations will not constitute a Default or Event of Default with respect to the Notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy and insolvency events) described under “Events of Default and Remedies” will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance,

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the holders of the Notes, cash in U.S. dollars, non-callable U.S. Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of and premium and interest on the outstanding Notes on the Stated Maturity or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to Stated Maturity or to a particular redemption date,

(2) in the case of Legal Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the Issue Date, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such opinion of counsel shall confirm that, the holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred,

(3) in the case of Covenant Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that the holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred,

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit or the grant of Liens securing such borrowings) or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit,

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Indenture) to which the Company or any of its Restricted Subsidiaries is a party or by which the Company or any of its Restricted Subsidiaries is bound,

(6) the Company must have delivered to the Trustee an Opinion of Counsel to the effect that, after the 91st day following the date of deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally,

(7) the Company must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by the Company with the intent of preferring the holders of Notes over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding creditors of the Company or others and

(8) the Company must deliver to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

If the Company exercises either Legal Defeasance or Covenant Defeasance, any Liens securing the Notes that were created pursuant to the requirements of the "Liens" covenant will be released.

Amendment and Waiver

Except as provided below, the Indenture or the Notes may be amended with the consent of the holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), and any existing non-payment default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the holders of a majority in principal amount of the then outstanding Notes (including consents obtained in connection with a tender offer or exchange offer for Notes).

Without the consent of each holder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting Holder):

(a) reduce the principal amount of Notes whose holders must consent to an amendment or waiver,

(b) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption or repurchase of the Notes (other than provisions relating to the covenants described above under the caption "—Repurchase at the Option of Holders"),

(c) reduce the rate of or change the time for payment of interest on any Note,

(d) waive a Default or Event of Default in the payment of principal of or premium or interest on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in principal amount of the Notes and a waiver of the payment default that resulted from such acceleration),

(e) make any Note payable in money other than that stated in the Notes,

(f) make any change in the provisions of the Indenture relating to waivers of past defaults or the rights of holders of Notes to receive payments of principal of or premium or interest on the Notes (except as permitted in clause (g) hereof),

(g) waive a redemption or repurchase payment with respect to any Note (other than a payment required by one of the covenants described above under the caption "—Repurchase at the Option of Holders"),

(h) alter the ranking of the Notes relative to other Indebtedness of the Company or any Subsidiary Guarantee relative to other Indebtedness of the Guarantors, in either case in a manner adverse to the holders, or

(i) make any change in the foregoing amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any holder of Notes, the Company, the Guarantors and the Trustee may amend the Indenture or the Notes to cure any ambiguity, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of certificated Notes, to provide for the assumption of the Company's obligations to holders of Notes in the case of a merger or consolidation or sale of all or substantially all of the Company's assets, to make any change that would provide any additional rights or benefits to the holders of Notes or that does not adversely affect the legal rights under the Indenture of any such holder (provided that any change to conform the Indenture to this prospectus will not be deemed to adversely affect such legal rights), to secure the Notes pursuant to the requirements of the "Liens" covenant, to add any additional Guarantor or to release any Guarantor from its Subsidiary Guarantee, in each case as provided in the Indenture, or to comply with requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

Neither the Company nor any of its Subsidiaries will, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any holder of any Notes for or as an

inducement to any consent, waiver or amendment of any terms or provisions of the Indenture or the Notes, unless such consideration is offered to be paid or agreed to be paid to all holders of the Notes which so consent, waive or agree to amend in the time frame set forth in solicitation documents relating to such consent, waiver or agreement.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes issued thereunder, when:

(a) either:

(1) all Notes that have been authenticated (except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust and thereafter repaid to the Company) have been delivered to the Trustee for cancellation or

(2) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the giving of a notice of redemption or otherwise or will become due and payable within one year and the Company or any Guarantor has irrevocably deposited or caused to be irrevocably deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Securities or a combination thereof, in such amounts as will be sufficient without consideration of any reinvestment of interest, to pay and discharge the entire indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium, if any, and accrued interest to the date of maturity or redemption;

(b) no Default or Event of Default has occurred and is continuing on the date of such deposit or will occur as a result of such deposit and such deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(c) the Company or any Guarantor has paid or caused to be paid all other sums payable by it under the Indenture; and

(d) the Company has delivered an Officers' Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Concerning the Trustee

Wells Fargo Bank, National Association, serves as trustee, registrar and paying agent under the Indenture. Such bank currently serves in the same capacities with respect to the Outstanding Notes, and it is a lender under the Credit Facility.

The Indenture contains certain limitations on the rights of the Trustee, should it be a creditor of the Company or any Guarantor, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee is permitted to engage in other transactions; however, if after an Event of Default has occurred and is continuing, the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue or resign.

The holders of a majority in principal amount of the then outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. In case an Event of Default occurs (which is not cured), the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the

conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder shall have offered to the Trustee security or indemnity satisfactory to it against any loss, liability or expense.

Governing Law

The Indenture will provide that it, the Notes and the Subsidiary Guarantees will be governed by the laws of the State of New York.

Book-entry, Delivery and Form

The Notes will be issued in the form of one or more global notes (the "Global Notes"). The Global Notes will be:

- deposited with the Trustee as custodian for The Depository Trust Company ("DTC"), in New York, New York, and
- registered in the name of DTC or its nominee,

in each case for credit to an account of a Direct Participant (or Indirect Participant) as described below.

Transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its Direct or Indirect Participants, including, if applicable, those of the Euroclear System ("Euroclear") and Clearstream Banking, S.A. ("Clearstream"), which may change from time to time.

The Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee in limited circumstances. Beneficial interests in the Global Notes may be exchanged for Certificated Notes only in limited circumstances. See "— Depository Procedures with Respect to Global Notes—Transfers of Interests in Global Note for Certificated Notes".

Depository Procedures with Respect to Global Notes

DTC has advised the Company that DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participating organizations (collectively, the "Direct Participants") and to facilitate the clearance and settlement of securities transactions between Direct Participants through electronic book-entry changes to accounts of the Direct Participants, thereby eliminating the need for physical movement of certificates. Direct Participants include securities brokers and dealers, banks, trust companies and clearing corporations and may include certain other organizations. Certain of such Direct Participants (or their representatives), together with other entities, own DTC. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through, or maintain a custodial relationship with, a Direct Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not Direct Participants may beneficially own securities held by or on behalf of DTC only through the Direct Participants or the Indirect Participants.

DTC has also advised the Company that pursuant to procedures established by it,

(a) upon deposit of the Global Notes, DTC will credit, the aggregate principal amount of Notes represented by such Global Notes, to the accounts of Direct Participants and

(b) ownership of such interests in the Global Notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC (with respect to the Direct Participants) or by the Direct Participants and the Indirect Participants (with respects to other owners of beneficial interests in the Global Notes).

Investors in the Global Notes may hold their interests therein directly through DTC, if they are Direct Participants in such system, or indirectly through organizations that are Direct Participants in such system, including Euroclear or Clearstream. Euroclear Bank N.V./S.A. will act initially as depository for Euroclear, and Citibank, N.A. will act initially as depository for Clearstream (each a "Nominee" of Euroclear and Clearstream, respectively.). Therefore, they will each be recorded on DTC's records as the holders of all ownership interests held by them on behalf of Euroclear and Clearstream, respectively. Euroclear and Clearstream must maintain on their own records the ownership interests, and transfers of ownership interests by and between, their own customers' securities accounts. DTC will not maintain such records. All ownership interests in the Global Notes, including those of customers' securities accounts held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC.

The laws of some states require that certain persons take physical delivery in a definitive, certificated form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Note to such persons may be limited to that extent. Because DTC can act only on behalf of its Direct Participants, which in turn act on behalf of Indirect Participants and others, the ability of a person having a beneficial interest in a Global Note to pledge such interests to persons that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interest.

Except as described in "—Transfers of Interests in the Global Notes for Certificated Notes" below, owners of interests in the Global Notes will not have Notes registered in their names, will not receive Certificated Notes and will not be considered the registered owners or holders thereof under the Indenture for any purpose.

DTC has also advised the Company that its current practice, upon receipt of any payment in respect of interests in securities such as the Global Notes (including principal and interest) held by it or its nominee, is to credit the accounts of the relevant Direct Participants with the payment on the payment date, in amounts proportionate to their respective holdings in principal amount of beneficial interests in the relevant security such as the Global Notes as shown on the records of DTC, unless DTC has reason to believe it will not receive payment on such payment date. Payments by the Direct Participants and the Indirect Participants to the beneficial owners of the Notes will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts for customers registered in "street name". Such payments will be the responsibility of the Direct Participants or the Indirect Participants and will not be the responsibility of DTC, the Trustee or the Company. Neither the Company nor the Trustee will be liable for any delay by DTC or any of its Direct Participants or Indirect Participants in identifying the beneficial owners of the Global Notes, and the Company and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee as the registered owner of the Global Notes for all purposes.

The Global Notes will trade in DTC's Same-day Funds Settlement System and, therefore, transfers between Direct Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in immediately available funds. Transfers between Indirect Participants (other than Indirect Participants who hold an interest in the Notes through Euroclear or Clearstream) who hold an interest through a Direct Participant will be effected in accordance with the procedures of such Direct Participant but generally will settle in immediately available funds. Transfers between and among Indirect Participants who hold interests in the Notes through Euorclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Cross-market transfers with respect to the Global Notes between the Direct Participants in DTC, on the one hand, and Indirect Participants who hold interests in the Notes through Euroclear or Clearstream, on the other hand, will be effected by Euroclear's or Clearstream's Nominee through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be; however, delivery of instructions relating to cross-market transactions must be made directly to Euorclear or Clearstream and within the established deadlines (Brussels time) of such systems. Indirect Participants who hold interests in the Notes through Euroclear and Clearstream may not deliver instructions directly to Euroclear's and Clearstream's Nominees. Euroclear and Clearstream will, if the transaction meets their settlement requirements, deliver instructions to their respective Nominees to deliver or receive interests on Euroclear's or Clearstream's behalf in the Global Notes in DTC, and make or receive payment in accordance with normal procedures for same-day fund settlement applicable to DTC.

Because of time zone differences, the securities account of an Indirect Participant who holds an interest in the Notes through Euroclear or Clearstream purchasing an interest in a Global Note from a Direct Participant in DTC will be credited and any such crediting will be reported to Euroclear or Clearstream during the European business day for Euroclear or Clearstream immediately following the settlement date of DTC in New York. Although recorded in DTC's accounting records as of DTC's settlement date in New York, Euroclear and Clearstream customers will not have access to the cash amount credited to their accounts as a result of a sale of an interest in a Global Note to a DTC Participant until the European business day for Euroclear and Clearstream immediately following DTC's settlement date.

DTC has advised the Company that it will take any action permitted to be taken by a Noteholder only at the direction of one or more Direct Participants to whose account with DTC interests in a Global Note are credited and only in respect of such portion of the aggregate principal amount of the Notes as to which such Direct Participant or Participants has or have given such direction. However, if there is an Event of Default under the Indenture, DTC reserves the right to exchange the Global Notes (without the direction of one or more of its Direct Participants) for legended Certificated Notes, and to distribute such Certificated Notes to its Direct Participants. See "—Transfer of Interests in the Global Notes for Certificated Notes".

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Global Notes among Participants in DTC, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Company, the Trustee or any of their respective agents will have any responsibility for the performance by DTC, its Direct Participants or Indirect Participants of their respective obligations under the rules and procedures governing their operations, including maintaining, supervising or reviewing the records relating to, or payments made on account of, beneficial ownership interests in the Global Notes.

Transfers of Interests in the Global Notes for Certificated Notes. The Global Notes may be exchanged for definitive notes in registered, certificated form without interest coupons ("Certificated Notes") if (a) DTC (1) notifies the Company that it is unwilling or unable to continue as depositary for the Global Notes or (2) has ceased to be a clearing agency registered under the Exchange Act and, in either case, the Company thereupon fails to appoint a successor depositary within 90 days, or (b) there shall have occurred and be continuing an Event of Default and DTC notifies the Trustee of its decision to exchange the Global Notes for Certificated Notes. In any such case, upon surrender by the Direct and Indirect Participants of their interests in such Global Notes, Certificated Notes will be issued to each person that such Direct and Indirect Participants and DTC identify to the Trustee as being the beneficial owner of the related Notes.

Certificated Notes delivered in exchange for any beneficial interest in a Global Note will be registered in the names, and issued in any approved denominations, requested by DTC on behalf of such Direct or Indirect Participants (in accordance with DTC's customary procedures).

Neither the Company nor the Trustee will be liable for any delay by the holder of the Global Notes or DTC in identifying the beneficial owners of Notes, and the Company and the Trustee may conclusively rely on, and will be protected in relying on, instructions from the holder of the Global Notes or DTC for all purposes.

Same-Day Settlement and Payment. Payments in respect of the Notes represented by the Global Notes (including principal, premium, if any, interest) will be made by wire transfer of immediately available funds to the account specified by the holder of such Global Notes. With respect to Certificated Notes, the Company will make all payments of principal, premium, if any, and interest in the manner indicated above under "—Methods of Receiving Payments on the Notes". The Company expects that secondary trading in the Certificated Notes will also be settled in immediately available funds.

The information in this section concerning DTC, Euorclear and Clearstream and their book-entry systems has been obtained from sources that the Company believes to be reliable and is provided solely as a matter of convenience, but the Company takes no responsibility for its accuracy. The Company takes no responsibility for these systems and urges investors to contact DTC, Euroclear and Clearstream or their participants directly to discuss these matters.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"*Acquired Indebtedness*" means Indebtedness of a Person (a) existing at the time such Person becomes a Restricted Subsidiary or (b) assumed in connection with acquisitions of assets from such Person. Acquired Indebtedness will be deemed to be incurred on the date the acquired Person becomes a Restricted Subsidiary or the date of the related acquisition of assets from such Person.

"*Affiliate*" of any specified Person means an "affiliate" of such Person, as such term is defined for purposes of Rule 144 under the Securities Act.

"*Asset Sale*" means

(a) the sale, lease, conveyance or other disposition (a "disposition") of any assets or rights (including, without limitation, by way of a sale and leaseback), excluding dispositions in the ordinary course of business (*provided* that the disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption "—Repurchase at the Option of Holders—Change of Control" and the provisions described above under the caption "—Certain Covenants—Merger, Consolidation or Sale of Assets" and not by the provisions of the Asset Sales covenant),

(b) the issue or sale by the Company or any of its Restricted Subsidiaries of Equity Interests of any of the Company's Subsidiaries, and

(c) any Event of Loss,

whether, in the case of clause (a), (b) or (c), in a single transaction or a series of related transactions, *provided* that such transaction or series of related transactions (1) involves assets or rights having a

fair market value in excess of $5 million or (2) results in the payment of net proceeds (including insurance proceeds from an Event of Loss) in excess of $5 million. Notwithstanding the preceding provisions of this definition, the following transactions will be deemed not to be Asset Sales:

(A) a disposition of obsolete or excess equipment or other assets;

(B) a disposition of assets (including Equity Interests) by the Company to a Restricted Subsidiary or by a Restricted Subsidiary to the Company or to a Restricted Subsidiary;

(C) a disposition of cash or Cash Equivalents;

(D) disposition of assets (including Equity Interests) that constitutes a Permitted Investment or Restricted Payment that is permitted by the provisions of the Indenture described above under "—Certain Covenants—Restricted Payments";

(E) any charter or lease of any equipment or other assets entered into in the ordinary course of business and with respect to which the Company or any Restricted Subsidiary thereof is the lessor, except any such charter or lease that provides for the acquisition of such assets by the lessee during or at the end of the term thereof for an amount that is less than the fair market value thereof at the time the right to acquire such assets occurs; and

(F) any trade or exchange by the Company or any Restricted Subsidiary of the Company of equipment or other assets for equipment or other assets owned or held by another Person, *provided* that the fair market value of the assets traded or exchanged by the Company or such Restricted Subsidiary (together with any cash or Cash Equivalents) is reasonably equivalent to the fair market value of the assets (together with any cash or Cash Equivalents) to be received by the Company or such Restricted Subsidiary.

The fair market value of any non-cash proceeds of a disposition of assets and of any assets referred to in the preceding clauses (E) and (F) of this definition shall be determined in the manner contemplated in the definition of the term "fair market value", the results of which determination shall be set forth in an Officers' Certificate delivered to the Trustee.

"*Attributable Indebtedness*" in respect of a sale-and-leaseback transaction means, at the time of determination, the present value (discounted at the rate of interest implicit in such transaction, determined in accordance with GAAP) of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale-and-lease-back transaction (including any period for which such lease has been extended or may, at the option of the lessor, be extended). As used in the preceding sentence, the "net rental payments" under any lease for any such period shall mean the sum of rental and other payments required to be paid with respect to such period by the lessee thereunder, excluding any amounts required to be paid by such lessee on account of maintenance and repairs, insurance, taxes, assessments, water rates or similar charges. In the case of any lease that is terminable by the lessee upon payment of penalty, such net rental payment shall also include the amount of such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated.

"*Capital Lease Obligation*" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

"*Capital Stock*" means

(a) in the case of a corporation, corporate stock,

(b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock,

(c) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited) and

(d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"*Cash Equivalents*" means

(a) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof having maturities of not more than six months from the date of acquisition,

(b) certificates of deposit and Eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case with or issued by any commercial bank organized under the laws of any country that is a member of the Organization for Economic Cooperation and Development having capital and surplus in excess of $500 million and whose long-terms debt securities are rated at least A3 by Moody's and at least A- by S&P,

(c) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (a) and (b) above entered into with any financial institution meeting the qualifications specified in clause (b) above,

(d) commercial paper having a rating of at least P-1 from Moody's or at least A-1 from S&P and in each case maturing within 270 days after the date of acquisition,

(e) deposits available for withdrawal on demand with any commercial bank not meeting the qualifications specified in clause (b) above, provided all deposits referred to in this clause (e) are made in the ordinary course of business and do not exceed $2 million in the aggregate at any one time, and

(f) money market mutual funds substantially all of the assets of which are of the type described in the foregoing clauses (a) through (d).

"*Consolidated Cash Flow*" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period plus, to the extent deducted or excluded in calculating Consolidated Net Income for such period,

(a) an amount equal to any extraordinary loss plus any net loss realized by such Person or any of its Restricted Subsidiaries in connection with an Asset Sale,

(b) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries,

(c) Consolidated Interest Expense of such Person and its Restricted Subsidiaries, and

(d) depreciation and amortization (including amortization of goodwill and other intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) of such Person and its Restricted Subsidiaries,

in each case, on a consolidated basis and determined in accordance with GAAP.

"*Consolidated Interest Coverage Ratio*" means with respect to any Person for any period, the ratio of the Consolidated Cash Flow of such Person for such period to the Consolidated Interest Expense of such Person for such period; *provided, however*, that the Consolidated Interest Coverage Ratio shall be calculated giving *pro forma* effect to each of the following transactions as if each such transaction had occurred at the beginning of the applicable four-quarter reference period:

(a) any incurrence, assumption, guarantee, repayment, purchase or redemption by such Person or any of its Restricted Subsidiaries of any Indebtedness (other than revolving credit

borrowings) subsequent to the commencement of the period for which the Consolidated Interest Coverage Ratio is being calculated but prior to the date on which the event occurred for which the calculation of the Consolidated Interest Coverage Ratio is made (the "Calculation Date");

(b) any acquisition that has been made by such Person or any of its Restricted Subsidiaries, or approved and expected to be consummated within 30 days of the Calculation Date, including, in each case, through a merger or consolidation, and including any related financing transactions, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date;

(c) any delivery to, or acquisition by, such Person or any of its Restricted Subsidiaries of any newly constructed vessel (or vessels), whether constructed by such Person or otherwise (including, but not limited to offshore supply vessels, offshore service vessels, crewboats, fast supply vessels, anchor handling and towing supply vessels, tankers, tugs and tank barges), usable in the normal course of business of such Person or any of its Restricted Subsidiaries, that is (or are) subject to a Qualified Services Contract; and

(d) any other transaction that may be given *pro forma* effect in accordance with Article 11 of Regulation S-X as in effect from time to time;

provided further, however, that (1) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded and (2) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded, but only to the extent that the obligations giving rise to such Consolidated Interest Expense will not be obligations of the referent Person or any of its Restricted Subsidiaries following the Calculation Date. For purposes of clause (c) of this definition, the amount of Consolidated Cash Flow attributable to such vessel (or vessels) shall be calculated in good faith by a responsible financial or accounting officer of such Person and shall include in the calculation of the Consolidated Interest Coverage Ratio the revenues to be earned pursuant to the Qualified Services Contract relating to such vessel (or vessels), taking into account, where applicable, only contractual minimum amounts, and the estimated expenses related thereto. Such estimated expenses shall be based on the expenses of the most nearly comparable vessel in such Person's fleet or, if no such comparable vessel exists, then on the industry average for expenses of comparable vessels; *provided, however*, in determining the estimated expenses attributable to such new vessel (or vessels), the calculation shall give effect to the interest expense attributable to the incurrence, assumption or guarantee of any Indebtedness relating to the construction, delivery or acquisition of such new vessel (or vessels) in accordance with clause (a) of this definition. Notwithstanding the preceding, in any calculation of Consolidated Interest Coverage Ratio based on the preceding clause (c), the *pro forma* inclusion of Consolidated Cash Flow attributable to such Qualified Services Contract for the four-quarter reference period shall be reduced by the actual Consolidated Cash Flow from such new vessel (or vessels) previously earned and accounted for in the actual results for the four-quarter reference period.

"*Consolidated Interest Expense*" means, with respect to any Person for any period, the sum, without duplication, of

(a) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued (including, without limitation, amortization of original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments (if any) pursuant to Hedging Obligations but excluding (i) amortization of debt issuance costs and (ii) any nonrecurring charges relating to any premium or penalty paid, write off of deferred finance costs or original issue discount or other

charges in connection with redeeming or otherwise retiring any Indebtedness prior to its Stated Maturity, to the extent that any of such nonrecurring charges constitutes consolidated interest expense) and

(b) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period.

"*Consolidated Net Income*" means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP, *provided* that

(a) the Net Income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person or a Wholly Owned Restricted Subsidiary thereof,

(b) the Net Income of any Restricted Subsidiary shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders,

(c) unrealized losses and gains under derivative instruments included in the determination of Consolidated Net Income, including, without limitation those resulting from the application of Statement of Financial Accounting Standards No. 133 shall be excluded and

(d) the cumulative effect of a change in accounting principles shall be excluded.

In addition, notwithstanding the preceding, there shall be excluded from Consolidated Net Income any nonrecurring charges relating to any premium or penalty paid, write off of deferred finance costs or original issue discount or other charges in connection with redeeming or otherwise retiring any Indebtedness prior to its Stated Maturity.

"*Consolidated Net Tangible Assets*" means, with respect to any Person as of any date, the sum of the amounts that would appear on a consolidated balance sheet of such Person and its consolidated Restricted Subsidiaries as the total assets of such Person and its consolidated Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP and after deducting therefrom,

(a) to the extent otherwise included, unamortized debt discount and expenses and other unamortized deferred charges, goodwill, patents, trademarks, service marks, trade names, copyrights, licenses, organization or development expenses and other intangible items and

(b) the aggregate amount of liabilities of such Person and its Restricted Subsidiaries which may be properly classified as current liabilities (including tax accrued as estimated), determined on a consolidated basis in accordance with GAAP.

"*Consolidated Net Worth*" means, with respect to any Person as of any date, the sum of

(a) the consolidated equity of the common stockholders of such Person and its consolidated Restricted Subsidiaries as of such date plus

(b) the respective amounts reported on such Person's balance sheet as of such date with respect to any series of preferred stock (other than Disqualified Stock) that by its terms is not entitled to the payment of dividends unless such dividends may be declared and paid only out of net earnings in respect of the year of such declaration and payment, but only to the extent of any cash received by such Person upon issuance of such preferred stock, less

(1) all write-ups (other than write-ups resulting from foreign currency translations and write-ups of tangible assets of a going concern business made within 12 months after the

acquisition of such business) subsequent to the Issue Date in the book value of any asset owned by such Person or a consolidated Restricted Subsidiary of such Person,

(2) all investments as of such date in unconsolidated Subsidiaries and in Persons that are not Restricted Subsidiaries and

(3) all unamortized debt discount and expense and unamortized deferred charges as of such date, in each case determined in accordance with GAAP.

"*Credit Facility*" means that certain Amended and Restated Credit Agreement dated as of February 13, 2004 among certain Restricted Subsidiaries of the Company and Hibernia National Bank, as agent, and Hibernia National Bank, Fortis Capital Corp., Southwest Bank of Texas, N.A., DVB Bank Aktiengesellscheft and Wells Fargo Bank, N.A., as lenders, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, in each case as amended, restated, modified, supplemented, extended, renewed, replaced, refinanced or restructured from time to time, whether by the same or any other agent or agents, lender or group of lenders, whether represented by one or more agreements and whether one or more Subsidiaries are added or removed as borrowers or guarantors thereunder or as parties thereto.

"*Default*" means any event that is or with the passage of time or the giving of notice or both would be an Event of Default.

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures (excluding any maturity as a result of an optional redemption by the issuer thereof) or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature or are redeemed or retired in full; *provided, however*, that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof (or of any security into which it is convertible or for which it is exchangeable) have the right to require the issuer to repurchase such Capital Stock (or such security into which it is convertible or for which it is exchangeable) upon the occurrence of any of the events constituting an Asset Sale or a Change of Control shall not constitute Disqualified Stock if such Capital Stock (and all such securities into which it is convertible or for which it is exchangeable) provides that the issuer thereof will not repurchase or redeem any such Capital Stock (or any such security into which it is convertible or for which it is exchangeable) pursuant to such provisions prior to compliance by the Company with the provisions of the Indenture described under the caption "Repurchase at the Option of Holders—Change of Control" or "Repurchase at the Option of Holders—Asset Sales", as the case may be.

"*Domestic Subsidiary*" means any Restricted Subsidiary of the Company other than a Foreign Subsidiary.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Event of Loss*" means, with respect to any asset of the Company or any Restricted Subsidiary,

(a) any damage to such asset that results in an insurance settlement with respect thereto on the basis of a total loss or a constructive or compromised total loss or

(b) the confiscation, condemnation or requisition of title to such asset by any government or instrumentality or agency thereof.

"*Existing Indebtedness*" means Indebtedness of the Company and its Restricted Subsidiaries (other than Indebtedness under the Credit Facility) in existence on the Issue Date, until such amounts

are repaid, but shall not include any Indebtedness that is repaid with the proceeds of the Outstanding Notes (including the notes for which they were exchanged).

The term "*fair market value*" means, with respect to any asset or Investment, the fair market value of such asset or Investment at the time of the event requiring such determination, as determined in good faith by the Board of Directors of the Company, or, with respect to any asset or Investment in excess of $20 million (other than cash or Cash Equivalents), as determined by a reputable appraisal firm that is, in the judgment of the disinterested members of such Board of Directors, qualified to perform the task for which such firm has been engaged and independent with respect to the Company.

"*Foreign Subsidiary*" means any Restricted Subsidiary of the Company that was not formed under the laws of the United States or any state of the United States or the District of Columbia and that conducts substantially all of its operations outside the United States.

"*GAAP*" means generally accepted accounting principles in the United States, which are in effect from time to time.

"*Guarantor*" means each of:

(a) Energy Services Puerto Rico, LLC, Hornbeck Offshore Services, LLC, Hornbeck Offshore Transportation, LLC, Hornbeck Offshore Operators, LLC, HOS-IV, LLC, and Hornbeck Offshore Trinidad & Tobago, LLC, each a Delaware limited liability company;

(b) any other Restricted Subsidiary of the Company that becomes a Guarantor in accordance with the provisions of the Indenture; and

(c) their respective successors and assigns,

in each case until such Guarantor ceases to be such in accordance with the Indenture.

"*Hedging Obligations*" means, with respect to any Person, the obligations of such Person under

(a) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements,

(b) other agreements or arrangements designed to protect such Person against fluctuations in interest rates and

(c) any foreign currency futures contract, option or similar agreement or arrangement designed to protect such Person against fluctuations in foreign currency rates,

in each case to the extent such obligations are incurred in the ordinary course of business of such Person and not for speculative purposes.

"*Indebtedness*" means, with respect to any Person, any indebtedness of such Person, whether or not contingent, in respect of (1) borrowed money including, without limitation, any guarantee thereof, or (2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof) or banker's acceptances or representing Capital Lease Obligations or the deferred and unpaid purchase price of any property, or representing any Hedging Obligations, if and to the extent any of the preceding indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP, *provided, however*, that any accrued expense or trade payable of such Person shall not constitute Indebtedness. The amount of any Indebtedness outstanding as of any date shall be

(a) the accreted value thereof, in the case of any Indebtedness that does not require current payments of interest, and

(b) the principal amount thereof, in the case of any other Indebtedness (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of such Person and its Restricted Subsidiaries thereunder).

"*Institutional Accredited Investor*" means an institution that is an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act, who is not a QIB.

"*Investment Grade Rating*" means a rating equal to or higher than Baa3 (or the equivalent) by Moody's or BBB- (or the equivalent) by S&P.

"*Investments*" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of direct or indirect loans (including guarantees by the referent Person of, and Liens on any assets of the referent Person securing, Indebtedness or other obligations of other Persons), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP; *provided, however*, that the following shall not constitute Investments:

(a) extensions of trade credit or other advances to customers on commercially reasonable terms in accordance with normal trade practices or otherwise in the ordinary course of business,

(b) Hedging Obligations and

(c) endorsements of negotiable instruments and documents in the ordinary course of business.

If the Company or any Restricted Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of the Company such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Company, the Company shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Equity Interests of such Restricted Subsidiary not sold or disposed of in an amount determined as provided in the final paragraph of the covenant described above under the caption "—Certain Covenants—Restricted Payments".

"*Issue Date*" means November 23, 2004.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction other than a precautionary financing statement respecting a lease not intended as a security agreement) or any assignment (or agreement to assign) any right to income or profits from any asset by way of security.

"*Liquid Securities*" means equity securities (1) of any master limited partnership, (2) that are publicly traded on the New York Stock Exchange, the American Stock Exchange or the Nasdaq National Market and (3) as to which (a) the holder is not subject to any restrictions on sale or transfer (including any volume restrictions under Rule 144 under the Securities Act or any other restrictions imposed by the Securities Act), (b) a registration statement under the Securities Act covering the resale thereof is in effect, or (c) the Company or a Subsidiary is entitled to registration rights under the Securities Act.

"*Make Whole Premium*" means, with respect to any Note on any redemption date, the excess, if any, of (1) the present value at such redemption date of (A) the redemption price of the Note at

December 1, 2009 (such redemption price being set forth in the table appearing above under the caption "—Optional Redemption") and (B) all required interest payments due on the Note during the period from such redemption date through December 1, 2009 (excluding accrued but unpaid interest), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points over (2) the principal amount of the Note, if greater.

The term "*merger*" includes a compulsory share exchange, a conversion of a corporation into another business entity and any other transaction having effects substantially similar to a merger under the General Corporation Law of the State of Delaware.

"*Moody's*" means Moody's Investors Service, Inc. or any successor to its rating agency business.

"*Net Income*" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however,

(a) any gain (but not loss), together with any related provision for taxes on such gain (but not loss), realized in connection with

(1) any Asset Sale (including, without limitation, dispositions pursuant to sale-and-leaseback transactions) or

(2) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries and

(b) any extraordinary or nonrecurring gain (but not loss), together with any related provision for taxes on such extraordinary or nonrecurring gain (but not loss).

"*Net Proceeds*" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of (without duplication)

(a) the direct costs relating to such Asset Sale (including, without limitation, legal, accounting and investment banking fees, sales commissions, recording fees, title transfer fees, title insurance premiums, appraiser fees and costs incurred in connection with preparing such asset for sale) and any relocation expenses incurred as a result thereof,

(b) taxes paid or estimated to be payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements),

(c) amounts required to be applied to the repayment of Indebtedness (other than under the Credit Facility) secured by a Lien on the assets that were the subject of such Asset Sale and

(d) any reserve established in accordance with GAAP or any amount placed in escrow, in either case for adjustment in respect of the sale price of such assets, until such time as such reserve is reversed or such escrow arrangement is terminated, in which case Net Proceeds shall include only the amount of the reserve so reversed or the amount returned to the Company or its Restricted Subsidiaries from such escrow arrangement, as the case may be.

"*Non-Recourse Debt*" means Indebtedness

(a) as to which neither the Company nor any of its Restricted Subsidiaries

(1) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or is otherwise directly or indirectly liable (as a guarantor or otherwise) or

(2) constitutes the lender,

(b) no default with respect to which (including any rights the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon notice, lapse of time or both) the holders of Indebtedness of the Company or any of its Restricted Subsidiaries to declare a default on such Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity and

(c) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries.

"*Pari Passu Indebtedness*" means, with respect to any Net Proceeds from Asset Sales, Indebtedness of the Company or any of its Restricted Subsidiaries the terms of which require the Company or such Restricted Subsidiary to apply such Net Proceeds to offer to repurchase such Indebtedness.

"*Permitted Investments*" means

(a) any Investment in the Company (including, without limitation, any acquisition of the Notes) or in a Restricted Subsidiary of the Company,

(b) any Investment in Cash Equivalents,

(c) any Investment by the Company or any Restricted Subsidiary of the Company in a Person if as a result of such Investment

(1) such Person becomes a Restricted Subsidiary of the Company or

(2) such Person is merged or consolidated with or into, or transfers or conveys all or substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company,

(d) any Investment made as a result of the receipt of non-cash consideration from

(1) an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption "—Repurchase at the Option of Holders—Asset Sales" or

(2) a disposition of assets that does not constitute an Asset Sale,

(e) Investments in a Person engaged principally in the business of providing marine transportation or logistics services or other businesses reasonably complementary or related thereto as determined in good faith by the Board of Directors, *provided* that the aggregate amount of all such Investments at any one time outstanding pursuant to this clause (e) in Persons that are not Restricted Subsidiaries of the Company shall not exceed the greater of

(1) $50 million and

(2) 10% of Consolidated Net Tangible Assets determined as of the end of the Company's most recently completed fiscal quarter for which internal financial statements are available,

(f) Investments in stock, obligations or securities received in settlement of any debts owing to the Company or any Restricted Subsidiary of the Company as a result of bankruptcy or insolvency proceedings or upon the foreclosure, perfection or enforcement of any Lien in favor of the Company or any Restricted Subsidiary of the Company, in each case as to any debt owing to the Company or any Restricted Subsidiary of the Company, that arose in the ordinary course of business of the Company or any such Restricted Subsidiary and

(g) any Investment in a Person to the extent that such Investment was made or entered into in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company.

"*Permitted Liens*" means

(a) Liens securing Indebtedness incurred pursuant to clause (a) of the second paragraph of the covenant entitled "—Incurrence of Indebtedness and Issuance of Preferred Stock",

(b) Liens in favor of the Company and its Restricted Subsidiaries,

(c) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Company or any Restricted Subsidiary of the Company, *provided* that such Liens were in existence prior to its contemplation of such merger or consolidation and do not extend to any property other than those of the Person merged into or consolidated with the Company or any of its Restricted Subsidiaries,

(d) Liens on property existing at the time of acquisition thereof by the Company or any Restricted Subsidiary of the Company, *provided* that such Liens were in existence prior to its contemplation of such acquisition and do not extend to any other property of the Company or any of its Restricted Subsidiaries,

(e) Liens securing the performance of tenders, bids, statutory obligations, surety, appeal, return-of-money or performance bonds, government contracts, insurance obligations or other obligations of a like nature incurred in the ordinary course of business, or Liens securing reimbursement undertakings respecting letters of credit supporting any such obligations,

(f) Liens securing Hedging Obligations,

(g) Liens existing on the Issue Date,

(h) Liens securing Non-Recourse Debt,

(i) any interest or title of a lessor under a Capital Lease Obligation or an operating lease,

(j) Liens arising by reason of deposits necessary to obtain standby letters of credit in the ordinary course of business,

(k) Liens on real or personal property or assets of the Company or a Restricted Subsidiary of the Company thereof to secure Indebtedness incurred for the purpose of

(1) financing all or any part of the purchase price of such property or assets incurred prior to, at the time of, or within 120 days after, completion of the acquisition of such property or assets or

(2) financing all or any part of the cost of construction or improvement of any such property or assets,

provided that the amount of any such financing shall not exceed the amount expended in the acquisition of, or the construction or improvement of, such property or assets and such Liens shall not extend to any other property or assets of the Company or a Restricted Subsidiary of the Company (other than any associated accounts, contracts and insurance proceeds),

(l) Liens securing Permitted Refinancing Indebtedness with respect to any Indebtedness referred to in clauses (c), (d), (g) and (k) above and in this clause (1),

(m) Liens securing Indebtedness of the Company or any Restricted Subsidiary of the Company that does not exceed $25 million at any one time outstanding,

(n) Liens on assets of the Company or any Restricted Subsidiary of the Company that were substituted or exchanged as collateral for other assets of the Company or any Restricted Subsidiary of the Company that are referred to in any of the preceding clauses (c), (d) and (k) of this definition, *provided* that the fair market value of the substituted or exchanged assets substantially approximates, at the time of the substitution or exchange, the fair market value of the other assets so referred to,

(o) judgment Liens not giving rise to an Event of Default so long as any appropriate legal proceeding that may have been duly initiated for the review of such judgment has not been finally terminated or the period within which such proceeding may be initiated has not expired,

(p) rights of banks to set off deposits against Indebtedness owed to said banks,

(q) Liens upon specific items of inventory or other goods and proceeds of the Company or its Restricted Subsidiaries securing the Company's or any such Restricted Subsidiary's obligations in respect of bankers' acceptances issued or created for the account of any such Person to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business, and

(r) legal or equitable Liens deemed to exist by reason of negative pledge covenants and other covenants or undertakings of a like nature.

"*Permitted Refinancing Indebtedness*" means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of the Company or any of its Restricted Subsidiaries; *provided, however*, that

(a) the principal amount of such Permitted Refinancing Indebtedness does not exceed the principal amount of, plus premium, if any, and accrued interest on, the Indebtedness so extended, refinanced, renewed, replaced, defeased or refunded (plus the amount of reasonable expenses incurred in connection therewith),

(b) such Permitted Refinancing Indebtedness has a final maturity date no earlier than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded,

(c) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the Notes or the Subsidiary Guarantees, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes or the Subsidiary Guarantees, as the case may be, on terms at least as favorable, taken as a whole, to the holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded and

(d) such Indebtedness is incurred either by the Company or by the Restricted Subsidiary that is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded;

provided, however, that a Restricted Subsidiary may guarantee Permitted Refinancing Indebtedness incurred by the Company, whether or not such Restricted Subsidiary was an obligor or guarantor of the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; *provided further*, however, that if such Permitted Refinancing Indebtedness is subordinated to the Notes, such guarantee shall be subordinated to such Restricted Subsidiary's Subsidiary Guarantee to at least the same extent.

"*Productive Assets*" means Vessels or other assets (other than assets that would be classified as current assets in accordance with GAAP) of the kind used or usable by the Company or its Restricted Subsidiaries in the business of providing marine transportation or logistics services (or any other business that is reasonably complementary or related thereto as determined in good faith by the Board of Directors).

"*Qualified Equity Offering*" means

(a) any sale of Equity Interests (other than Disqualified Stock) of the Company for cash pursuant to an underwritten offering registered under the Securities Act or

(b) any other sale of Equity Interests (other than Disqualified Stock) of the Company for cash,

in each case so long as such sale does not result in a Change of Control.

"*Qualified Services Contract*" means, with respect to any newly constructed offshore supply vessel, offshore service vessel (including, without limitation, any crewboat, fast supply vessel and anchor-handling towing supply (AHTS) vessel), tug, double-hulled tank barge and double-hulled tanker delivered to the Company or any of its Restricted Subsidiaries, or any such newly constructed vessel constructed for a third party and then acquired by the Company or any of its Restricted Subsidiaries within 365 days of such vessel's original delivery date, a contract that the Board of Directors of the Company, acting in good faith, designates as a "Qualified Services Contract" pursuant to a resolution of the Board of Directors, which contract:

(a) is between the Company or one of its Restricted Subsidiaries, on the one hand, and (1) a Person with a rating of either a BBB- or higher from S&P or Baa3 or higher from Moody's, or if such ratings are not available, then a similar investment grade rating from another nationally recognized statistical rating agency or (2) any other Person provided such contract is supported by letters of credit, performance bonds or guarantees from a Person that has an investment grade rating as described in the preceding subclause (1) of this clause (a), or such contract provides for a lockbox or similar arrangement or direct payment to the Company or a Restricted Subsidiary by a Person with such an investment grade rating, for the full amount of the contracted payments due over the four-quarter reference period considered in calculating the Consolidated Interest Coverage Ratio;

(b) provides for services to be performed by the Company or one of its Restricted Subsidiaries involving the use of such vessel or a charter (bareboat or otherwise) of such vessel by the Company or one of its Restricted Subsidiaries, in either case for a minimum period of at least one year; and

(c) provides for a fixed or minimum dayrate or fixed or minimum volume or freight rates (including, if applicable, lay time and demurrage) for such vessel.

"*Restricted Investment*" means an Investment other than a Permitted Investment.

"*Restricted Subsidiary*" of a Person means any Subsidiary of such Person that is not an Unrestricted Subsidiary.

"*S&P*" means Standard & Poors Ratings Services, a division of The McGraw-Hill Companies, Inc., or any successor to its rating agency business.

"*Significant Subsidiary*" means

(a) any Restricted Subsidiary of the Company that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the Issue Date, and

(b) any other Restricted Subsidiary of the Company that represents more than 5% of the Consolidated Net Tangible Assets of the Company, based upon the most recent internal financial statements of the Company.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"*Subsidiary*" means, with respect to any Person,

(a) any corporation, association or other business entity of which more than 50% of the total Voting Stock is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof),

(b) any partnership (1) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (2) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof) and

(c) any other Person whose results for financial reporting purposes are consolidated with those of such Person in accordance with GAAP.

"*Treasury Rate*" means, as of any redemption date in respect to the Notes, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) that has become publicly available at least two business days prior to the redemption date, or if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to December 1, 2009; *provided, however*, that if the period from the redemption date to December 1, 2009 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

"*Unrestricted Subsidiary*" means any Subsidiary of the Company that is designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a Board Resolution and any Subsidiary of an Unrestricted Subsidiary. The Board of Directors may designate a Subsidiary as an Unrestricted Subsidiary only to the extent that such Subsidiary at the time of such designation

(a) has no Indebtedness other than Non-Recourse Debt,

(b) is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless such agreement, contract, arrangement or understanding does not violate the terms of the Indenture described under the caption "—Certain Covenants—Transactions with Affiliates", and

(c) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation

(1) to subscribe for additional Equity Interests or

(2) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results.

Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee a certified copy of the Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption "—Certain Covenants—Restricted Payments". If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of the Company as of such date (and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption "—Incurrence of Indebtedness and Issuance of Preferred Stock", the Company shall be in default of such covenant). The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary, *provided* that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if:

(A) such Indebtedness is permitted under the covenant described under the caption "—Incurrence of Indebtedness and Issuance of Preferred Stock", calculated on a *pro forma* basis as if such designation had occurred at the beginning of the four-quarter reference period, and

(B) no Default or Event of Default would be in existence following such designation.

"*Voting Stock*" of a Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors, managers or trustees of such Person.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness at any date, the number of years obtained by dividing

(a) the sum of the products obtained by multiplying

(1) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by

(2) the number of years (calculated to the nearest one twelfth) that will elapse between such date and the making of such payment, by

(b) the then outstanding principal amount of such Indebtedness.

"*Wholly Owned Restricted Subsidiary*" of any Person means a Restricted Subsidiary of such Person to the extent that

(a) all of the outstanding Capital Stock of which (other than directors' qualifying shares and Capital Stock held by other statutorily required minority shareholders) shall at the time be owned directly or indirectly by such Person or

(b) such Restricted Subsidiary is organized in a foreign jurisdiction and is required by the applicable laws and regulations of such foreign jurisdiction or its governmental agencies, authorities or state-owned businesses to be partially owned by the government of such foreign jurisdiction or individual or corporate citizens of such foreign jurisdiction in order for such Restricted Subsidiary to transact business in such foreign jurisdiction,

provided that such Person, directly or indirectly, owns the remaining Capital Stock in such Restricted Subsidiary and, by contract or otherwise, controls the management and business of such Restricted Subsidiary to substantially the same extent as if such Restricted Subsidiary were a wholly owned Restricted Subsidiary.

PLAN OF DISTRIBUTION

We may sell the notes in and outside the United States (1) through underwriters or dealers, (2) directly to purchasers, including our affiliates and stockholders, or in a rights offering, (3) through agents or (4) through a combination of any of these methods. The prospectus supplement will include the following information:

- the terms of the offering;
- the names of any underwriters, dealers or agents;
- the name or names of any managing underwriter or underwriters;
- the purchase price of the notes;
- the net proceeds from the sale of the notes;
- any delayed delivery arrangements;
- any underwriting discounts, commissions and other items constituting underwriters' compensation;
- any initial public offering price;
- any discounts or concessions allowed or reallowed or paid to dealers; and
- any commissions paid to agents.

Sale Through Underwriters or Dealers

If we use underwriters in the sale, the underwriters will acquire the notes for their own account for resale to the public. The underwriters may resell the notes from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. Underwriters may offer notes to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more firms acting as underwriters. Unless we inform you otherwise in the prospectus supplement, the obligations of the underwriters to purchase the notes will be subject to certain conditions, and the underwriters will be obligated to purchase all of the offered notes if they purchase any of them. The underwriters may change from time to time any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers.

Representatives of the underwriters through whom the notes are sold for public offering and sale may engage in over-allotment, stabilizing transactions, syndicate short covering transactions and penalty bids in accordance with Regulation M under the Securities Exchange Act of 1934. Over-allotment involves syndicate sales in excess of the offering size, which creates a syndicate short position. Stabilizing transactions permit bids to purchase the notes so long as the stabilizing bids do not exceed a specified maximum. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover syndicate short positions. Penalty bids permit the representative of the underwriters to reclaim a selling concession from a syndicate member when the notes originally sold by such syndicate member are purchased in a syndicate covering transaction to cover syndicate short positions. Such stabilizing transactions, syndicate covering transactions and penalty bids may cause the price of the notes to be higher than it would otherwise be in the absence of such transactions. These transactions may be effected on a national securities exchange and, if commenced, may be discontinued at any time.

Any underwriters to whom we sell the notes for public offering and sale may make a market in the notes, but they will not be obligated to do so and they may discontinue any market making at any time without notice. Accordingly, we cannot assure you of the liquidity of, or continued trading markets for, the notes.

If we use dealers in the sale of notes, we will sell the notes to them as principals. They may then resell those notes to the public at varying prices determined by the dealers at the time of resale. We will include in the prospectus supplement the names of the dealers and the terms of the transaction.

Direct Sales and Sales through Agents

We may sell the notes directly. In this case, no underwriters or agents would be involved. We may also sell the notes through agents designated from time to time. In the prospectus supplement, we will name any agent involved in the offer or sale of the notes, and we will describe any commissions payable to the agent. Unless we inform you otherwise in the prospectus supplement, any agent will agree to use its reasonable best efforts to solicit purchases for the period of its appointment.

We may sell the notes directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act with respect to any sale of those notes. We will describe the terms of any such sales in the prospectus supplement.

Remarketing Arrangements

Notes may also be offered and sold, if so indicated in the applicable prospectus supplement, in connection with a remarketing upon their purchase, in accordance with a redemption or repayment pursuant to their terms, or otherwise, by one or more remarketing firms, acting as principals for their

own accounts or as agents for us. Any remarketing firm will be identified and the terms of its agreements, if any, with us and its compensation will be described in the applicable prospectus supplement. Remarketing firms may be deemed to be underwriters, as that term is defined in the Securities Act, in connection with the notes remarketed.

Delayed Delivery Arrangements

If we so indicate in the prospectus supplement, we may authorize agents, underwriters or dealers to solicit offers from certain types of institutions to purchase notes from us at the public offering price under delayed delivery contracts. These contracts would provide for payment and delivery on a specified date in the future. The contracts would be subject only to those conditions described in the prospectus supplement. The prospectus supplement will describe the commission payable for solicitation of those contracts.

General Information

We may have agreements with the underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Securities Act, or to contribute with respect to payments that the underwriters, dealers or agents may be required to make.

Underwriters, dealers and agents may engage in transactions with, or perform services for, us in the ordinary course of our business.

LEGAL MATTERS

The validity of the notes offered by this prospectus will be passed upon for us by Winstead Sechrest & Minick P.C., Houston, Texas. R. Clyde Parker, Jr., a shareholder in Winstead Sechrest & Minick P.C., is a nonvoting, advisory director appointed by our board of directors, owns 60,400 shares of our common stock and has options to acquire 24,125 shares of our common stock. Legal counsel to any underwriters may pass upon legal matters for such underwriters.

EXPERTS

The consolidated financial statements of Hornbeck Offshore Services, Inc. at December 31, 2004 and 2003, and for each of the three years in the period ended December 31, 2004, incorporated in this prospectus by reference to the Company's Annual Report on Form 10-K, as amended, for the year ended December 31, 2004 have been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which is incorporated by reference herein, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution

Securities and Exchange Commission filing fee	$ 41,200
Legal fees and expenses	200,000
Accounting fees and expenses	100,000
Printing expenses	100,000
Miscellaneous (including listing fees, if applicable)	8,800
Total expenses	$ 450,000

All of the above expenses other than the filing fee are estimates. All of the above fees and expenses will be borne by the Registrants.

Item 15. Indemnification of Directors and Officers

The Delaware General Corporation Law, under which we are incorporated, authorizes the indemnification of directors and officers under the circumstances described below. To the extent one of our present or former directors or officers is successful on the merits or otherwise in defense of any action, suit or proceeding described below, the Delaware General Corporation Law requires that such person be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by such person in connection with such action, suit or proceeding. Article Eight of our Certificate of Incorporation requires indemnification of our directors and officers to the extent permitted by law. Section 6.10 of our Bylaws provides for, and sets forth the procedures for obtaining, such indemnification. These provisions may be sufficiently broad to indemnify such persons for liabilities under the Securities Act of 1933. In addition, we maintain insurance which insures our directors and officers against certain liabilities.

The Delaware General Corporation Law gives us the power to indemnify each of our officers and directors against expenses, including attorneys' fees, and judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any action, suit or proceeding by reason of such person being or having been one of our directors, officers, employees or agents, or of any other corporation, partnership, joint venture, trust or other enterprise at our request. To be entitled to such indemnification, such person must have acted in good faith and in a manner he reasonably believed to be in or not opposed to our best interest and, if a criminal proceeding, had no reasonable cause to believe that the conduct was unlawful. The Delaware General Corporation Law also gives us the power to indemnify each of our officers and directors against expenses, including attorneys' fees, actually and reasonably incurred by such person in connection with the defense or settlement of any action or suit by or in the right of us to procure a judgment in our favor by reason of such person being or having been one of our directors, officers, employees or agents, or of any other corporation, partnership, joint venture, trust or other enterprise at our request, except that we may not indemnify such person with respect to any claim, issue or matter as to which such person was adjudged to be liable to us in the absence of a determination by the court that, despite the adjudication of liability, such person is fairly and reasonably entitled to indemnity. To be entitled to such indemnification, such person must have acted in good faith and in a manner he reasonably believed to be in or not opposed to our best interest.

We have also entered into indemnification agreements with our directors and officers. These agreements provide rights that are consistent with but more detailed than those provided under Delaware Law and our Bylaws. The indemnification agreements are not intended to deny or otherwise

limit third-party derivative suits against us or our directors or officers, but if a director or officer is entitled to indemnity or contribution under the indemnification agreement, the financial burden of the third-party suit would be borne by us, and we would not benefit from derivative recoveries against the director or officer. Such recoveries would accrue to the benefit of us but would be offset by our obligations to the director of officer under the indemnification agreement.

Item 16. Exhibits and Financial Statement Schedules

The following are filed herewith pursuant to the requirements of Item 601 of Regulation S-K:

Exhibit Number		Description of Exhibit
*1.1	—	Form of Underwriting Agreement for Common Stock.
*1.2	—	Form of Underwriting Agreement for Preferred Stock.
*1.3	—	Form of Underwriting Agreement for Senior Debt Security.
*1.4	—	Form of Underwriting Agreement for Subordinated Debt Security.
3.1	—	Second Restated Certificate of Incorporation of Hornbeck Offshore Services, Inc., as amended through May 5, 2005 (incorporated by reference to Exhibit 3.1 to the Company's Form 10-Q for the period ended March 31, 2005).
3.2	—	Certificate of Designation of Series A Junior Participating Preferred Stock of Hornbeck Offshore Services, Inc. filed with the Secretary of State of the State of Delaware on June 20, 2003 (incorporated by reference to Exhibit 3.6 to the Company's Registration Statement on Form S-1 dated September 19, 2003, Registration No. 333-108943).
3.3	—	Fourth Restated Bylaws of Hornbeck Offshore Services, Inc. adopted June 30, 2004 (incorporated by reference to Exhibit 3.3 to the Company's Form 10-Q for the period ended June 30, 2004).
+3.4	—	Certificate of Formation of Hornbeck Offshore Services, LLC, as amended (f/k/a Hornbeck Offshore Services, Inc., including Certificates of Incorporation and Conversion of Hornbeck Offshore Services, Inc.).
+3.5	—	Limited Liability Company Agreement of Hornbeck Offshore Services, LLC.
+3.6	—	Certificate of Formation of Hornbeck Offshore Operators, LLC, as amended (f/k/a Hornbeck-LEEVAC Marine Operators, LLC, including the Certificate of Incorporation of HV Marine Operators, Inc., Certificate of Amendment to the Certificate of Incorporation of HV Maine Operators, Inc., Certificate of Conversion of Hornbeck-LEEVAC Marine Operators, Inc., and the Certificate of Amendment to the Certificate of Formation of Hornbeck-LEEVAC Marine Operators, LLC).
+3.7	—	Limited Liability Company Agreement of Hornbeck Offshore Operators, LLC.
+3.8	—	Certificate of Formation of Hornbeck Offshore Transportation, LLC, as amended (f/k/a LEEVAC Marine, LLC, including the Certificate of Merger of LEEVAC Marine, Inc. into LEEVAC Marine, LLC, and the Certificate of Amendment to the Certificate of Formation of LEEVAC Marine, LLC).
+3.9	—	Limited Liability Company Agreement of Hornbeck Offshore Transportation, LLC.
+3.10	—	Certificate of Formation of Hornbeck Offshore Trinidad & Tobago, LLC.
+3.11	—	Limited Liability Company Agreement of Hornbeck Offshore Trinidad & Tobago, LLC.

Exhibit Number		Description of Exhibit
+3.12	—	Certificate of Formation of HOS-IV, LLC, as amended (f/k/a Hornbeck Offshore Services (2003), LLC, including the Certificate of Amendment to the Certificate of Formation of Hornbeck Offshore Service (2003), LLC).
+3.13	—	Limited Liability Company Agreement of HOS-IV, LLC.
+3.14	—	Certificate of Formation of Energy Services Puerto Rico, LLC (including the Certificate of Merger of Energy Services Puerto Rico, Inc. into Energy Services Puerto Rico, LLC).
+3.15	—	Limited Liability Company Agreement of Energy Services Puerto Rico, LLC.
4.1	—	Specimen Certificate for the Company's common stock, $0.01 par value (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1, Registration No. 333-108943).
4.2	—	Rights Agreement dated as of June 18, 2003 between the Company and Mellon Investor Services LLC as Rights Agent, which indicates as Exhibit A the Certificate of Designations of Series A Junior Participating Preferred Stock, as Exhibit B the form of Right Certificate and as Exhibit C the form of Summary of Rights to Purchase Stock (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed July 2, 2003).
4.3	—	Amendment to Rights Agreement dated as of March 5, 2004 between the Company and Mellon Investor Services LLC as Rights Agent (incorporated by reference to Exhibit 4.13 to the Company's Form 10-K for the period ended December 31, 2003).
4.4	—	Second Amendment to Rights Agreement dated as of September 3, 2004 by and between the Company and Mellon Investor Services, LLC as Rights Agent (incorporated by reference to Exhibit 4.3 to the Company's Form 8-A/A filed September 3, 2004, Registration No. 333-108943).
4.5	—	Indenture, dated November 23, 2004 among Hornbeck Offshore Services, Inc., as issuer, the guarantors party thereto and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed November 18, 2004).
+4.6	—	Form of Senior Debt Indenture.
+4.7	—	Form of Senior Debt Securities (contained in Exhibit 4.6).
+4.8	—	Form of Subordinated Debt Indenture.
+4.9	—	Form of Subordinated Debt Securities (contained in Exhibit 4.8).
*4.10	—	Form of Warrant Agreement for Common Stock including as an exhibit thereto the form of warrant certificate.
*4.11	—	Form of Warrant Agreement for Preferred Stock including as an exhibit thereto the form of warrant certificate.
*4.12	—	Form of Warrant Agreement for Debt Securities including as an exhibit thereto the form of warrant certificate.
*4.13	—	Form of Certificate of Designation of Preferred Stock.
+5	—	Opinion of Winstead Sechrest & Minick P.C.
+12	—	Computation of Ratio of Earnings to Fixed Charges.

Exhibit Number		Description of Exhibit
+23.1	—	Consent of Winstead Sechrest & Minick P.C. (contained in Exhibit 5).
+23.2	—	Consent of Ernst & Young LLP.
+24	—	Powers of Attorney (set forth on page S-1).
25.1	—	Form T-1 Statement of Eligibility of Wells Fargo Bank, National Association, under the Indenture, dated November 23, 2004 (incorporated by reference to Exhibit 25 to the Company's Registration Statement on Form S-4 dated December 22, 2004, Registration No. 333-121557).
+25.2	—	Form T-1 Statement of Eligibility of Wells Fargo Bank, National Association, under the Senior Debt Indenture.
+25.3	—	Form T-1 Statement of Eligibility of Wells Fargo Bank, National Association, under the Subordinated Debt Indenture.

* To be filed by amendment or as an exhibit to a Current Report on Form 8-K, Quarterly Report on Form 10-Q, or Annual Report on Form 10-K, subsequent to the effective date of this registration statement.
\+ Filed herewith.

Item 17. Undertakings

(a) The undersigned Registrants hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrants pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrants hereby undertake that, for purposes of determining any liability under the Securities Act of 1933, each filing of a Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrants pursuant to the provisions set forth or described in Item 15 of this Registration Statement, or otherwise, the Registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by a Registrant of expenses incurred or paid by a director, officer or controlling person of a Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, each of the Registrants will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

(d) The undersigned Registrants hereby undertake to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act ("Act") in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Act.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this Registration Statement on Form S-3 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Covington, the State of Louisiana, on August 31, 2005.

HORNBECK OFFSHORE SERVICES, INC.

By: /s/ TODD M. HORNBECK

Todd M. Hornbeck
Chairman, President and Chief Executive Officer

KNOW ALL THESE MEN BY THESE PRESENTS, that each individual whose signature appears below constitutes and appoints Todd M. Hornbeck and James O. Harp, Jr., and each of them, either one of whom may act without joinder of the other, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any or all pre- and post-effective amendments to this Registration Statement (including any Registration Statement for the same offering that is to be effective upon filing pursuant to Rule 462 (b) promulgated under the Securities Act of 1933), and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, and each of them, or the substitute or substitutes of any or all of them, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons, in the capacities and on the date indicated.

Signature	Title	Date
/s/ TODD M. HORNBECK **(Todd M. Hornbeck)**	Chairman, President, Chief Executive Officer, Secretary and Director (Principal Executive Officer)	August 31, 2005
/s/ JAMES O. HARP, JR. **(James O. Harp, Jr.)**	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	August 31, 2005
/s/ LARRY D. HORNBECK **(Larry D. Hornbeck)**	Director	August 31, 2005
/s/ BRUCE W. HUNT **(Bruce W. Hunt)**	Director	August 31, 2005
/s/ STEVEN W. KRABLIN **(Steven W. Krablin)**	Director	August 31, 2005

Signature	Title	Date
/s/ PATRICIA B. MELCHER **(Patricia B. Melcher)**	Director	August 31, 2005
/s/ BERNIE W. STEWART **(Bernie W. Stewart)**	Director	August 31, 2005
/s/ DAVID A. TRICE **(David A. Trice)**	Director	August 31, 2005
/s/ ANDREW L. WAITE **(Andrew L. Waite)**	Director	August 31, 2005

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, each of the registrants below has duly caused this Registration Statement on Form S-3 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Covington, the State of Louisiana, on August 31, 2005.

Energy Services Puerto Rico, LLC
Hornbeck Offshore Services, LLC
Hornbeck Offshore Transportation, LLC
Hornbeck Offshore Operators, LLC
HOS-IV, LLC
Hornbeck Offshore Trinidad & Tobago, LLC

By: /s/ TODD M. HORNBECK

Todd M. Hornbeck
Sole Manager, President and
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement on Form S-3 has been signed by the following persons on behalf of each of the above-referenced registrants and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ TODD M. HORNBECK **(Todd M. Hornbeck)**	President, Chief Executive Officer, Secretary and Sole Manager (Principal Executive Officer)	August 31, 2005
/s/ JAMES O. HARP, JR. **(James O. Harp, Jr.)**	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	August 31, 2005

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+3.14	—	Certificate of Formation of Energy Services Puerto Rico, LLC (including the Certificate of Merger of Energy Services Puerto Rico, Inc. into Energy Services Puerto Rico, LLC).
+3.15	—	Limited Liability Company Agreement of Energy Services Puerto Rico, LLC.
4.1	—	Specimen Certificate for the Company's common stock, $0.01 par value (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1, Registration No. 333-108943).

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Exhibit Number		Description of Exhibit
4.2	—	Rights Agreement dated as of June 18, 2003 between the Company and Mellon Investor Services LLC as Rights Agent, which indicates as Exhibit A the Certificate of Designations of Series A Junior Participating Preferred Stock, as Exhibit B the form of Right Certificate and as Exhibit C the form of Summary of Rights to Purchase Stock (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed July 2, 2003).
4.3	—	Amendment to Rights Agreement dated as of March 5, 2004 between the Company and Mellon Investor Services LLC as Rights Agent (incorporated by reference to Exhibit 4.13 to the Company's Form 10-K for the period ended December 31, 2003).
4.4	—	Second Amendment to Rights Agreement dated as of September 3, 2004 by and between the Company and Mellon Investor Services, LLC as Rights Agent (incorporated by reference to Exhibit 4.3 to the Company's Form 8-A/A filed September 3, 2004, Registration No. 333-108943).
4.5	—	Indenture, dated November 23, 2004 among Hornbeck Offshore Services, Inc., as issuer, the guarantors party thereto and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed November 18, 2004).
+4.6	—	Form of Senior Debt Indenture.
+4.7	—	Form of Senior Debt Securities (contained in Exhibit 4.6).
+4.8	—	Form of Subordinated Debt Indenture.
+4.9	—	Form of Subordinated Debt Securities (contained in Exhibit 4.8).
*4.10	—	Form of Warrant Agreement for Common Stock including as an exhibit thereto the form of warrant certificate.
*4.11	—	Form of Warrant Agreement for Preferred Stock including as an exhibit thereto the form of warrant certificate.
*4.12	—	Form of Warrant Agreement for Debt Securities including as an exhibit thereto the form of warrant certificate.
*4.13	—	Form of Certificate of Designation of Preferred Stock.
+5	—	Opinion of Winstead Sechrest & Minick P.C.
+12	—	Computation of Ratio of Earnings to Fixed Charges.
+23.1	—	Consent of Winstead Sechrest & Minick P.C. (contained in Exhibit 5).
+23.2	—	Consent of Ernst & Young LLP.
+24	—	Powers of Attorney (set forth on page S-1).
25.1	—	Form T-1 Statement of Eligibility of Wells Fargo Bank, National Association, under the Indenture, dated November 23, 2004 (incorporated by reference to Exhibit 25 to the Company's Registration Statement on Form S-4 dated December 22, 2004, Registration No. 333-121557).
+25.2	—	Form T-1 Statement of Eligibility of Wells Fargo Bank, National Association, under the Senior Debt Indenture.
+25.3	—	Form T-1 Statement of Eligibility of Wells Fargo Bank, National Association, under the Subordinated Debt Indenture.

* To be filed by amendment or as an exhibit to a Current Report on Form 8-K, Quarterly Report on Form 10-Q, or Annual Report on Form 10-K, subsequent to the effective date of this registration statement.

\+ Filed herewith.

Exhibit 3.4

CERTIFICATE OF FORMATION

OF

HORNBECK OFFSHORE SERVICES, LLC

The undersigned natural person of the age of eighteen (18) years or more, acting as organizer of Hornbeck Offshore Services, LLC, a Delaware limited liability company (the "***Company***"), under the Delaware Limited Liability Company Act (the "***Act***"), does hereby adopt the following Certificate of Formation for the Company.

ARTICLE I

The name of the Company is Hornbeck Offshore Services, LLC.

ARTICLE II

The period of duration for the Company is perpetual.

ARTICLE III

The street address of the initial registered office of the Company is 1209 Orange Street, Wilmington, Delaware, and the name of its initial registered agent at such address is The Corporation Trust Company.

ARTICLE IV

The management of the Limited Liability Company is hereby reserved to its managers (the "***Managers***"). The names and addresses of the initial Managers are as follows:

Name	**Address**
Christian G. Vaccari	414 North Causeway Blvd. Mandeville, Louisiana 70448
Todd M. Hornbeck	414 North Causeway Blvd. Mandeville, Louisiana 70448

ARTICLE V

The initial limited liability company agreement (the "***LLC Agreement"***) will be adopted by the Members.

ARTICLE VI

The membership interests of the Company will be subject to restrictions on their transferability as set out in the LLC Agreement of the Company, which LLC Agreement will be kept with the records of the Company. The Company will provide a copy of the LLC Agreement without charge to any record holder of a membership interest upon written request addressed to the Company at its principal business office or its registered agent's address.

ARTICLE VII

This Certificate of Formation may be amended, modified, supplemented or restated in any manner permitted by applicable law and as provided in the LLC Agreement.

ARTICLE VIII

The name and address of the organizer is James O. Harp, Jr., 414 North Causeway Blvd., Mandeville, Louisiana 70448.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of December, 2001.

/s/ James O. Harp, Jr.

James O. Harp, Jr.

CERTIFICATE OF INCORPORATION

OF

HORNBECK OFFSHORE SERVICES, INC.

ARTICLE I

The name of the corporation is HORNBECK OFFSHORE SERVICES, INC.

ARTICLE II

The registered office of the corporation in the State of Delaware is located at 1209 Orange Street in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE III

The corporation is to have perpetual existence.

ARTICLE IV

The purpose for which the corporation is organized is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

ARTICLE V

The total number of shares of stock which the corporation will have authority to issue is 1,000 shares of common stock par value $0.10 per share.

ARTICLE VI

The Corporation shall indemnify, to the full extent permitted by Section 145 of the General Corporation Law of Delaware, as amended from time to time, all persons whom it may indemnify pursuant thereto. No director shall be personally liable to the Corporation or any stockholder for monetary damages for breach of fiduciary duty as a director, except for any matter in respect of which such director shall be liable under Section 174 of Title 8 of the General Corporation Law of Delaware or any amendment thereto or successor

provision thereto or shall be liable by reason that, in addition to any and all other requirements for such liability, such director (i) shall have breached his or her duty of loyalty to the Corporation or its stockholders, (ii) shall not have acted in good faith or, in failing to act, shall not have acted in good faith, (iii) shall have acted in a manner involving intentional misconduct or a knowing violation of law, or in failing to act, shall have acted in a manner involving intentional misconduct or a knowing violation of law or (iv) shall have derived an improper personal benefit. Neither the amendment nor repeal of this Article VI nor the adoption of any provision of the Certificate of Incorporation inconsistent with this Article VI, shall eliminate or reduce the effect of this Article VI in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article VI, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

ARTICLE VII

The board of directors is expressly authorized to make alter, or repeal the by-laws of the corporation or to adopt new by-laws.

ARTICLE VIII

The name and address of the person who is to serve as director until the first annual meeting of stockholders and until his successor is elected and qualify is:

Name	**Address**
Larry D. Hornbeck	P. O. Box 191 Port Bolivar, Texas 77650

ARTICLE IX

The name and mailing address of the incorporator is R. Clyde Parker, Jr., 1001 Fannin Street, Suite 1200, Houston, Texas 77002. The powers of the incorporator are to terminate upon the filing of this Certificate of Incorporation.

IN WITNESS WHEREOF, the undersigned, being the incorporator hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of Delaware, does make this Certificate, hereby declaring and certifying that this is his act and deed and the facts herein stated are true, and accordingly does hereunto set his hand this 18th day of March, 1996.

/s/ R. Clyde Parker, Jr.

R. CLYDE PARKER, JR.
Incorporator

CERTIFICATE OF CONVERSION
FROM A CORPORATION TO A LIMITED LIABILITY COMPANY
PURSUANT TO SECTION 266 OF THE DELAWARE GENERAL
CORPORATION LAW

1. The name of the corporation is Hornbeck Offshore Services, Inc.

2. The date on which the original Certificate of Incorporation was filed with the Secretary of State is March 18, 1996.

3. The name of the limited liability company into which the corporation is herein being converted is Hornbeck Offshore Services, LLC.

4. The conversion has been approved in accordance with the provisions of Section 266.

5. This limited liability company will be governed by the terms of the Certificate of Formation, attached hereto as Exhibit A.

By: /s/ James O. Harp, Jr.

James O. Harp, Jr.
Vice President & Chief Financial Officer

Exhibit 3.5

LIMITED LIABILITY COMPANY AGREEMENT

OF

HORNBECK OFFSHORE SERVICES, LLC

December 17, 2001

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LIMITED LIABILITY COMPANY AGREEMENT

OF

HORNBECK OFFSHORE SERVICES, LLC

This Limited Liability Company Agreement of HORNBECK OFFSHORE SERVICES, LLC is adopted as of the date set forth below by HORNBECK-LEEVAC Marine Services, Inc., a Delaware corporation, the sole member of HORNBECK OFFSHORE SERVICES, LLC, a Delaware limited liability company, as follows:

ARTICLE I

DEFINITIONS

Section 1.1. **Terms Defined.** When used in this Agreement, the following terms shall have the meanings set forth below:

"Act" shall mean the Delaware Limited Liability Company Act, as amended from time to time.

"Affiliate" shall mean a Person (i) which is directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Person in question, or (ii) in which the Person in question is a manager, officer, director or has a financial interest. The term "control," as used in the immediately preceding sentence, means, with respect to an entity that is a corporation, the right to exercise, directly or indirectly, more than 50% of the voting rights attributable to the shares of such corporation and, with respect to a Person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person.

"Agreement" shall mean this Limited Liability Company Agreement as amended from time to time.

"Capital Contribution" shall mean cash and the fair market value of any property other than cash (net of liabilities which the Company assumes or takes the property subject to) that is contributed to the capital of the Company by a Member.

"Cash Flow" shall mean, for the period in question, the amount by which the aggregate cash receipts of the Company from any source (including loans) exceed the sum of the cash expenditures of the Company plus a cash reserve in the amount determined by a Majority in Membership Interests to be sufficient to meet the working capital requirements of the Company.

"Certificate" shall mean the Certificate of Formation filed on behalf of the Company with the Secretary of State of the State of Delaware in accordance with all applicable statutes.

"Company" shall mean HORNBECK OFFSHORE SERVICES, LLC, the limited liability company created pursuant to the Certificate and governed by this Agreement.

"Initial Member" shall mean HORNBECK-LEEVAC Marine Services, Inc.

"Majority in Membership Interests" shall mean, at a properly called meeting at which a quorum of Members entitled to vote is present, Members owning more than 50% of the Membership Interests entitled to vote present at such meeting.

"Managers" shall mean those persons appointed as such pursuant to Article IV to manage and control the business affairs of the Company.

"Members" shall mean HORNBECK-LEEVAC Marine Services, Inc., any transferees of Membership Interests pursuant to Section 9.1(b) and any new Members admitted to the Company pursuant to Section 9.1(c).

"Membership Interest" shall mean a Member's percentage interest in the voting rights and distributions of the Company as described in Section 3.5 and as may be affected by the provisions hereunder.

"Officer" shall mean an individual appointed by a Majority in Membership Interests pursuant to Section 4.7.

"Person" shall mean an individual, partnership, joint venture, corporation, trust, limited liability company, estate or other entity or organization.

"Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, any appeal in such an action, suit or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding.

"Section" shall mean any section or subsection in this Agreement.

"Transfers" shall mean the sale, transfer, conveyance, assignment, pledge, hypothecation, mortgage or other encumbrance or disposition of all or any part of a Membership Interest.

Section 1.2. **Number and Gender.** Whenever the context requires, references in this Agreement to the singular number shall include the plural, and the plural number shall include the singular, and words denoting gender shall include the masculine, feminine and neuter.

ARTICLE II

GENERAL

Section 2.1. **Name.** The business of the Company shall be conducted under the name of the Company.

Section 2.2. **Principal Place of Business; Registered Office; Registered Agent.** The principal place of business of the Company shall be at such place as determined by the Managers from time to time. The registered office of the Company shall be at 1209 Orange Street, Wilmington, Delaware. The registered agent shall be The Corporation Trust Company.

Section 2.3. **Term.** The Company shall continue until terminated pursuant to Section 12.1.

Section 2.4. **Taxation as a Disregarded Entity**. Solely for federal income tax purposes, the Company shall be disregarded as an entity separate from its Member as long as the Company has a single Member. If necessary, the Member or appropriate officer is authorized and directed to make an election to that effect on behalf of the Company in accordance with the Code and regulations promulgated thereunder. In the event that the Company has more than one Member, due to the admission of additional Members or a transfer of the Initial Member's Membership Interest pursuant to Article VIII, and can no longer be classified as a disregarded entity for federal income tax purposes, the Company's new classification for federal income tax purposes shall be determined by the Majority in Membership Interests and the Members shall take any and all necessary and appropriate actions to effect such classification.

Section 2.5. **Purpose of the Company**. The purpose of the Company is to engage in any business activity that lawfully may be conducted by a limited liability company organized pursuant to the Act, including conducting business activities outside the State of Delaware.

ARTICLE III

CAPITAL CONTRIBUTIONS; LOANS; MEMBERSHIP INTERESTS

Section 3.1. **Initial Capital Contributions.** The Initial Member is the Person executing this Agreement as of the date hereof as a Member.

Section 3.2. **Additional Capital Contributions, Loans and Guaranties.** No Member shall have any obligation to make any additional Capital Contributions to the Company. Nor shall any Member be obligated to advance any funds, guarantee any loans or otherwise to incur personal liability with respect to any loan to the Company. However, nothing herein shall prohibit or limit the right of any Member to make additional Capital Contributions to the Company.

Section 3.3. **Member Loans.** A Member, or an Affiliate of a Member, may, but is not obligated to, loan or cause to be loaned to the Company such additional sums as the Managers deem appropriate or necessary for the conduct of the business of the Partnership. Loans made by a Member, or an Affiliate of a Member, shall be upon such terms and for such maturities as the Managers deem reasonable in view of all the facts and circumstances and the repayment of which may be designated in priority to distributions of Cash Flow.

Section 3.4. **Other Matters Relating to Capital Contributions.**

(a) Loans by any Member to the Company shall not be considered contributions to the capital of the Company.

(b) No Member shall be entitled to withdraw, or to obtain a return of, any part of his contribution to the capital of the Company, or to receive property or assets other than cash in return thereof, and no Member shall be liable to any other Member for a return of his contributions to the capital of the Company, except as provided in this Agreement.

(c) No Member shall be entitled to priority over any other Member, either with respect to a return of his contributions to the capital of the Company, or to allocations of taxable income, gains, losses or credits, or to distributions, except as provided in this Agreement.

(d) No interest shall be paid on any Member's Capital Contribution.

Section 3.5. **Membership Interests.** Each Member shall have a Membership Interest expressed as a percentage equal to the following:

Initial Member	100%

ARTICLE IV

MANAGEMENT BY MANAGERS

Section 4.1. **Management of the Company.** Except as otherwise expressly limited by statute, the Articles of Organization or the provisions of this Agreement, the Managers shall have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company, and to take all such actions as they deem necessary or appropriate to accomplish the purposes of the Company as set forth herein. By way of illustration and not limitation, the Managers shall have the power:

(a) to invest or otherwise participate in partnerships, corporations or other entities;

(b) to purchase or otherwise acquire, construct, deal in, sell, lease or otherwise dispose of full or fractional interests in oil and gas leases, real property, depreciable property or personal property of any kind and to buy or hold insurance of any kind;

(c) to provide or contract for services of any kind; to make, enter into, deliver or perform contracts, agreements and other undertakings; to contract for the services of accountants, attorneys, investment managers, appraisers, contractors, or other service providers and to delegate powers to any such person; to retain or employ employees;

(d) to lend money with or without security to any person, including any Member or an Affiliate of a Member, on any commercially reasonable terms;

(e) without limitation as to amount or terms, to borrow and raise moneys, to issue, accept, endorse and execute promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or nonnegotiable instruments and evidences of indebtedness, and to secure the payment of any such indebtedness and any interest in any such indebtedness by mortgage, pledge, transfer or assignment in trust of all or any part of the Company assets, whether owned at the time of any such transactions or acquired thereafter, and to sell, pledge or otherwise dispose of any such obligations of the Partnership;

(f) to guarantee any financial transaction of any kind with or without charging a fee therefor;

(g) to have and maintain one or more offices and to rent or acquire office space, engage personnel, purchase equipment and supplies and do anything else which may be appropriate in connection with the maintenance of offices;

(h) to pay any expenses related to any of the Company's businesses or affairs;

(i) to compromise claims against the Company;

(j) to establish bank accounts and other similar accounts for the Company; to make or delegate the authority to make withdrawals from such accounts by check or electronic transfer in the name of the Company; and

(k) to acquire real and personal property, arrange financing, enter contracts and complete any other arrangements on behalf of the Company, in the name of the Company or in the name of a nominee without having to disclose the existence of the Company.

The Managers shall use reasonable efforts to carry out the purposes of the Company. The Managers shall not be required to devote their full time and attention to the management of the business and affairs of the Company, and shall only be required to devote so much time and effort as may be reasonably necessary for that purpose. Except as otherwise expressly set forth in this Agreement, no Member, as such, shall have any authority, right, or power to bind the Company, or to manage, or to participate in the management of, the business and affairs of the Company.

Section 4.2. **Number.** The number of Managers shall be determined from time to time by resolution of a Majority in Membership Interests; provided that at all times the number of Managers shall be at least one (1) and no decrease shall have the effect of shortening the term of any incumbent Manager.

Section 4.3. **Qualifications, Election and Term.** Managers need not be residents of Delaware or Members of the Company. The persons constituting the Managers shall be elected by a Majority in Membership Interests. Each Manager, upon election as a Manager, shall hold office until his or her successor is elected and qualified, or until his earlier death, resignation, or removal.

Section 4.4. **Regular Meetings.** Regular meetings of the Managers may be held at such time and place as determined by the Managers. Unless otherwise required by statute, notice of regular meetings of the Managers shall not be required.

Section 4.5. **Special Meetings.** Special meetings of the Managers may be called by any Manager upon 24 hours' notice to each Manager, personally or by mail, telegram or facsimile. Except as may be otherwise expressly provided by statute, the Certificate or this Agreement, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice or waiver of notice of such meeting.

Section 4.6. **Quorum; Majority Vote.** Each Manager, in its capacity of Manager, shall be entitled to one vote in each action to be taken by the Managers. At all meetings of the Managers, the presence of a majority of the number of Managers fixed in accordance with this Agreement shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Managers present in person or by proxy at any meeting at which there is a quorum shall be the act of the Managers, except as may be otherwise specifically required by statute, the

Articles of Organization or this Agreement. If a quorum is not present at any meeting of the Managers, the Managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. Upon attainment of representation by a quorum, subject to an adjournment of the meeting, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 4.7. **Officers**.

(a) Officers of the Company may be appointed by the Managers. The Managers may appoint a Chief Executive Officer, a President, one or more Vice Presidents, a Secretary, a Treasurer and any other Officer or assistant Officer as they deem appropriate. Any two or more offices may be held by the same person. Each Officer shall be appointed for such term and shall exercise such powers, perform such duties and have such authority as determined from time to time by the Managers.

(b) The following officers of the Company, if appointed, shall have such powers and duties, except as modified by the Managers, as generally pertain to their offices, respectively, as well as such powers and duties as from time to time shall be conferred by the Managers and by this Agreement:

(i) Chief Executive Officer. The chief executive officer shall be subject to the control of the Managers, and shall in general supervise and control all business and affairs of the Company. The chief executive officer may sign, with the secretary or any other proper officer of the Company thereunto authorized by the Managers, deeds, mortgages, bonds, contracts, and other obligations in the name of the Company, which the Managers have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Managers or by this Agreement to some other officer or agent of the Company, or shall be required by law to be otherwise signed and executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Managers from time to time.

(ii) President. In the absence of the chief executive officer, or in the event of his death or inability to act or refusal to act, the president shall perform the duties of the chief executive officer and when so acting shall have all of the powers of and be subject to all of the restrictions upon the chief executive officer. In general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the chief executive officer or the Managers from time to time.

(iii) Executive Vice Presidents. Executive vice presidents will perform the duties assigned to them by the Managers, and, in the order designated by the president, at the request of the president or in the absence of the president will perform as well the duties of the president's office. Each executive vice president will have power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, or other instruments authorized by the Managers.

(iv) Vice Presidents. Vice presidents will perform the duties assigned to them by the Managers, and at the request of the president, will perform as well the

duties of the president's office. Each vice president will have the power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, and other instruments authorized by the Managers.

(v) Secretary. The Secretary shall keep the minutes of all meetings of the Members and Managers and shall have general charge of such books and records of the Company as the Managers may direct, and in general shall perform all duties and exercises all powers incident to the office of Secretary and such other duties and powers as the Managers or the President may from time to time assign to or confer on the Secretary.

(vi) Treasurer. The treasurer will be the principal financial officer of the Company and will have charge of the corporate funds and securities and will keep a record of the property and indebtedness of the Company. He will, if required by the Managers, give bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Managers may require.

(vii) Other Officers. The Managers may appoint such other officers, agents, or employees as it may deem necessary for the conduct of the business of the Company. In addition, the Managers may authorize the president or some other officers to appoint such agents or employees as they deem necessary for the conduct of the business of the Company.

(c) The compensation of all Officers of the Company shall be fixed by the Managers.

(d) Each Officer of the Company shall hold office until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office. Any Officer appointed by the Managers may be removed either with or without cause by the Managers, but such removal shall be without prejudice to the contract rights, if any, of the individual so removed. If the office of any Officer becomes vacant for any reason, the vacancy may be filled by the Managers.

ARTICLE V

MEETINGS OF MEMBERS

Section 5.1. **Meetings**. Meetings of the Members, for any purpose or purposes, may be called by any Member or the Managers. Unless otherwise required by statute, notice of regular meetings of Members shall not be required.

Section 5.2. **Place of Meetings**. Meetings of Members for all purposes may be held at such time and place, within or without the State of Delaware, as determined by the Members.

Section 5.3. **Quorum**. At each meeting the holders of a Majority in Membership Interests issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall be requisite and shall constitute a quorum of the Members for the transaction of business except as otherwise provided by statute, the Certificate or this Agreement, but in no event shall a quorum

consist of the holders of less than one-third of the Membership Interests entitled to vote at such a meeting. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 5.4. **Voting by Members**. With respect to any matter other than a matter for which the affirmative vote of the holders of a specified portion of the Membership Interests entitled to vote is required by the Act, the affirmative vote of the holders of a Majority in Membership Interests entitled to vote represented in person or by proxy at a meeting of Members at which a quorum is present shall be the act of the Members, unless otherwise provided in the Certificate or this Agreement.

Section 5.5. **Voting Procedure**. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person, by proxy appointed by an instrument in writing subscribed by such Member, or by his duly authorized attorney-in-fact. No form of proxy or power of attorney bearing a date more than eleven (11) months prior to said meeting shall be valid, unless said instrument provides for a longer period. Each proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest.

Section 5.6. **Action Without Meeting; Telephone Meetings.**

(a) Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder or holders of Membership Interests having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all Membership Interests entitled to vote on the action were present and voted. Prompt notice shall be given to any Member of the approval of any decision requiring Member approval if such decision was approved without a meeting of the Members and such Member did not approve the decision in writing.

(b) Subject to applicable notice provisions and unless otherwise restricted by the Certificate, Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all individuals participating in the meeting can hear each other, and participation in such meeting shall constitute presence in person at such meeting, except where an individual's participation is for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE VI

LIMITATION OF LIABILITY; INDEMNIFICATION

Section 6.1. **Limitation of Liability.** The Members, Managers and any persons serving as officers of the Company and their respective shareholders, members, partners, officers, directors, agents, employees, and representatives shall not be liable, responsible, or accountable in damages or otherwise to the Company or the Members for any mistake of fact or judgment in operating the

business of the Company or for any act performed (or omitted to be performed) in good faith (including, without limitation, pursuant to advice of legal counsel) and within the scope of this Agreement, unless such actions or inactions shall have resulted from gross negligence, willful misconduct, or fraud.

Section 6.2. **Indemnification and Advance of Expenses.** The Company shall indemnify and/or advance expenses to a Person who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the Person (i) is or was a Member, Manager or Officer, or (ii) is or was serving at the request of the Company as a member, manager, officer, director, or employee or in a similar capacity of another Person to the fullest extent provided by, and in accordance with the procedures set forth in Section 145 of the Delaware General Corporation Law and any other applicable laws.

ARTICLE VII

DISTRIBUTIONS

Section 7.1. **Distributions of Cash Flow.** Except as provided in Section 7.3, Cash Flow shall be distributed to the Members in accordance with the Members' Membership Interests at such time as the Managers, in their sole discretion, may deem appropriate.

Section 7.2. **Limitations on Distributions.** The Company may not make a distribution to its Members to the extent that, immediately after giving effect to the distribution, all liabilities of the Company, other than any liabilities to Members in respect of distributions and liabilities for which the recourse of creditors is limited to specific property of the Company, exceed the fair value of the Company's assets, except that the fair value of property that is subject to a liability for which recourse of creditors is limited shall be included in the Company's assets only to the extent that the fair value of that property exceeds that liability.

Section 7.3. **Distributions Upon Liquidation of Company**. Upon liquidation of the Company, the assets of the Company shall be distributed no later than the later of ninety (90) days after the date of such liquidation or the end of the Company's taxable year in which the liquidation occurs and shall be applied in the following order of priority:

(a) First, to the payment of debts and liabilities of the Company (including debts owed to Members or former Members);

(b) Second, to set up any reserves which the Managers deem reasonably necessary for contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the business of the Company; and

(c) Finally, to the Members pro rata in accordance with their Membership Interest.

Section 7.4. **Payment of Costs and Expenses.** The Company shall be responsible for paying all costs and expenses of forming and continuing the Company, and conducting the business of the Company. If any such costs and expenses are or have been paid by a Member or any of his Affiliates, then such Member (or his Affiliates) shall be entitled to be reimbursed for such payment so long as such cost or expense was reasonably necessary and was reasonable in amount.

ARTICLE VIII

FISCAL MATTERS

Section 8.1. **Books and Records**. The Company shall keep full and accurate books and records of all of its transactions in accordance with both regulatory and generally accepted accounting principles, consistently applied.

Section 8.2. **Tax Returns**. The Members shall cause to be prepared and filed on or before the Company's applicable filing due date (including extensions), any required federal, state and local tax returns for the Company.

Section 8.3. **Bank Accounts**. The Members shall open and maintain a special bank account or accounts in a bank or savings and loan association, the deposits of which are insured by an agency of the United States government, in which shall be deposited all funds of the Company. There shall be no commingling of the property and assets of the Company with the property and assets of any other Person.

Section 8.4. **Tax Elections**. The Members shall be entitled to determine any election available to the Company for federal, state or local tax purposes.

ARTICLE IX

TRANSFERS AND ADMISSION OF NEW MEMBERS

Section 9.1. **Restriction on Transfers and Admission of New Members**.

(a) Subject to Sections 9.1(b) and 9.1(c), membership in the Company shall be restricted to the Initial Member, assignment in whole or in part of any Membership Interest is prohibited, and no new Members shall be admitted.

(b) Notwithstanding the provisions of Section 9.1(a), all or part of the Membership Interest of a Member may be Transferred by the Member if the Transfer is consented to by a Majority in Membership Interests.

(c) Notwithstanding the provisions of Section 9.1(a), any Person may be admitted as a new Member of the Company provided that such Person's admission into the Company is consented to by a Majority in Membership Interests.

Section 9.2. **Assumption by Transferee**. Any transferee to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(b) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said transferee shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such transferee shall be admitted as a substitute Member and shall succeed to all rights of his transferor.

Section 9.3. **Assumption by New Members**. Any new Member to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(c) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said new Member shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such new Member shall be admitted as a Member and shall succeed to all rights of a Member.

Section 9.4. **Cost of Transfers**. The transferee of any Membership Interest shall reimburse the Company for all costs incurred by the Company resulting from any Transfer.

Section 9.5. **Effect of Attempted Disposition in Violation of this Agreement**. Any attempted Transfer of any Membership Interest in breach of this Agreement shall be null and void and of no effect whatever.

ARTICLE X

RETIREMENT OR RESIGNATION OF MEMBER

Section 10.1. **Withdrawal**. A Member may retire or resign from the Company at any time.

Section 10.2. **Distributions on Withdrawal**. Except as otherwise provided by the Act, the Certificate or in Article XII of this Agreement, upon retirement or resignation of a Member, the retiring or resigning Member (the "Withdrawing Member") shall be entitled to receive in cash or an undivided interest in property of the Company the fair market value of the Member's Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by agreement between a Majority in Membership Interests and the Withdrawing Member. If such agreement cannot be reached between the parties, then such Member shall not withdraw from the Company.

ARTICLE XI

EXPULSION

Section 11.1. **Expulsion**. A Member may be expelled from the Company if the expulsion is consented to by at least sixty-seven percent (67%) of the total Membership Interests.

Section 11.2. **Distributions on Expulsion**. Except as otherwise provided by the Act, or in Article XI of this Agreement, upon expulsion, an expelled member shall be entitled to receive in cash or an undivided interest in the property of the Company the fair market value of the Member's Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by a Majority in Membership Interests (excluding the interest of the expelled Member).

ARTICLE XII

DISSOLUTION

Section 12.1. **Dissolution**. The Company shall be dissolved as provided in the Act. On dissolution of the Company, the affairs of the Company shall be wound up and the assets of the Company shall be distributed as and to the extent provided by the Act.

ARTICLE XIII

MISCELLANEOUS

Section 13.1. **Amendments**. These Regulations may be amended, modified, terminated or waived only by written agreement among all Members.

Section 13.2. **Integration**. This agreement sets forth all understandings of the Members. All other agreements, oral or written, concerning the Company are merged into and superseded by this agreement.

Section 13.3. **Other Activities**. Any Member may engage or possess an interest in other business ventures of every nature and description, independently or with others, provided that such interest in other business ventures is disclosed to the other Members (unless otherwise prohibited by court order, government regulation or other law), and neither the Company nor any of the other Members shall have any right by virtue of this Agreement in and to such other ventures or to the income or property derived therefrom.

Section 13.4. **Partition**. No Member shall be entitled to a partition of any property or assets of the Company, notwithstanding any provision of law to the contrary. A Membership Interest is personal property.

Section 13.5. **Notices**. Any notice required or permitted to be delivered to any Member under the provisions of this Agreement shall be deemed delivered, whether actually received or not, when deposited in a United States Postal Service depository, postage prepaid, registered or certified, return receipt requested, and addressed to the Member at the address specified by written notice delivered to the Company.

Section 13.6. **Provisions Severable**. Every provision of this Agreement is intended to be severable and, if any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

Section 13.7. **Headings**. The headings of the various Sections are intended solely for convenience of reference, and shall not be deemed or construed to explain, modify or place any construction upon the provisions hereof.

Section 13.8. **Third Party Beneficiaries**. These Regulations shall be for the benefit of the undersigned parties and their permitted successors and assigns only, it being the intention of the parties that no one shall be deemed to be a third party beneficiary of this Agreement.

ARTICLE XIV

CERTIFICATE BY MEMBERS

The undersigned, being the sole Member of the Company, hereby agrees to and certifies that the foregoing Agreement is the Agreement of the Company, and that such Agreement has been duly adopted and are binding on the Company and its Members.

IN WITNESS WHEREOF, the undersigned have signed this certificate as of December 17, 2001.

MEMBER:

HORNBECK-LEEVAC MARINE SERVICES, INC.

By: /s/ Todd M. Hornbeck

Todd M. Hornbeck, President

STATE OF LOUISIANA '
'
PARISH OF TAMMANY '

This instrument was ACKNOWLEDGED before me on March 30, 2004, by Todd M. Hornbeck, President of HORNBECK-LEEVAC Marine Services, Inc., a Delaware corporation, on behalf of said corporation.

[S E A L]

/s/ Samuel A. Giberga

Notary Public - State of Louisiana

My Commission Expires:

Samuel A. Giberga

For Life

Printed Name of Notary Public

Exhibit 3.6

CERTIFICATE OF FORMATION

OF

HORNBECK-LEEVAC MARINE OPERATORS, LLC

The undersigned natural person of the age of eighteen (18) years or more, acting as organizer of HORNBECK-LEEVAC Marine Operators, LLC, a Delaware limited liability company (the "Company"), under the Delaware Limited Liability Company Act (the "Act"), does hereby adopt the following Certificate of Formation for the Company.

ARTICLE I

The name of the Company is HORNBECK-LEEVAC Marine Operators, LLC.

ARTICLE II

The period of duration for the Company is perpetual.

ARTICLE III

The street address of the initial registered office of the Company is 1209 Orange Street, Wilmington, Delaware, and the name of its initial registered agent at such address is The Corporation Trust Company.

ARTICLE IV

The management of the Limited Liability Company is hereby reserved to its managers (the "Managers"). The names and addresses of the initial Managers are as follows:

Name	**Address**
Christian G. Vaccari	414 North Causeway Blvd. Mandeville, Louisiana 70448
Todd M. Hornbeck	414 North Causeway Blvd. Mandeville, Louisiana 70448

ARTICLE V

The initial limited liability company agreement (the "LLC Agreement") will be adopted by the Members.

ARTICLE VI

The membership interests of the Company will be subject to restrictions on their transferability as set out in the LLC Agreement of the Company, which LLC Agreement will be

kept with the records of the Company. The Company will provide a copy of the LLC Agreement without charge to any record holder of a membership interest upon written request addressed to the Company at its principal business office or its registered agent's address.

ARTICLE VII

This Certificate of Formation may be amended, modified, supplemented or restated in any manner permitted by applicable law and as provided in the LLC Agreement.

ARTICLE VIII

The name and address of the organizer is James O. Harp, Jr., 414 North Causeway Blvd., Mandeville, Louisiana 70448.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of December, 2001.

/s/ James O. Harp, Jr.

James O. Harp, Jr.

CERTIFICATE OF INCORPORATION

OF

HV MARINE OPERATORS, INC.

ARTICLE ONE

The name of the corporation is HV Marine Operators, Inc.

ARTICLE TWO

The street address of its initial registered office in Delaware is 1209 Orange Street, Wilmington, Delaware 19805 and the name of its initial registered agent at such address is The Corporation Trust Company, New Castle County.

ARTICLE THREE

The corporation is to have perpetual existence.

ARTICLE FOUR

The purpose for which the corporation is organized is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

ARTICLE FIVE

The total number of shares of stock which the corporation will have authority to issue is 1,000 shares of common stock, par value $0.10 per share.

ARTICLE SIX

The Corporation shall indemnify its officers and directors under the circumstances and to the full extent permitted by law.

ARTICLE SEVEN

The board of directors is expressly authorized to make, alter, or repeal the bylaws of the corporation or to adopt new bylaws.

ARTICLE EIGHT

The names and addresses of the persons who are to serve as directors until the first annual meeting of stockholders and until their successors are elected and qualified are:

Christian G. Vaccari
716 Tete Lours Drive
Mandeville, Louisiana 70471

Todd M. Hornbeck
139-B James Comeaux Road, No. 810
Lafayette, Louisiana 70508

ARTICLE NINE

The name and address of the incorporator is R. Clyde Parker, Jr., 910 Travis Street, Suite 1700, Houston, Texas 77002.

THE UNDERSIGNED, being the incorporator hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, does make this Certificate, hereby declaring and certifying that this is my act and deed and the facts herein stated are true, and accordingly have hereunto set my hand this 2nd day of June, 1997.

/s/ R. Clyde Parker, Jr.

R. Clyde Parker, Jr.

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
HV MARINE OPERATORS, INC.

Pursuant to Section 242 of the Delaware General Corporation Law, HV Marine Operators, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Corporation"), does hereby certify:

FIRST: The Certificate of Incorporation of the Corporation is hereby amended so that Article One reads as follows:

"ARTICLE ONE

The name of the corporation is HORNBECK-LEEVAC Marine Operators, Inc."

SECOND: The amendment to the Certificate of Incorporation herein certified has been duly adopted in accordance with the provisions of Section 242 of the Delaware General Corporation Law.

IN WITNESS WHEREOF, said HV Marine Operators, Inc., has caused this certificate to be signed by Christian G. Vaccari, its Chief Executive Officer, and attested by Todd M. Hornbeck, its Secretary, this 31st day of October, 1999.

HV MARINE OPERATORS, INC.

ATTEST:

By: /s/ Todd M. Hornbeck

Todd M. Hornbeck, Secretary

By: /s/ Christian G. Vaccari

Christian G. Vaccari, Chief Executive Officer

CERTIFICATE OF CONVERSION
FROM A CORPORATION TO A LIMITED LIABILITY COMPANY
PURSUANT TO SECTION 266 OF THE DELAWARE GENERAL
CORPORATION LAW

1. The name of the corporation is HORNBECK-LEEVAC Marine Operators, Inc. The corporation was originally incorporated under the name HV Marine Operators, Inc.

2. The date on which the original Certificate of Incorporation was filed with the Secretary of State is June 2, 1997.

3. The name of the limited liability company into which the corporation is herein being converted is HORNBECK-LEEVAC Marine Operators, LLC.

4. The conversion has been approved in accordance with the provisions of Section 266.

5. This limited liability company will be governed by the terms of the Certificate of Formation.

By: /s/ James O. Harp, Jr.

James O. Harp, Jr.
Vice President & Chief Financial Officer

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF FORMATION
OF
HORNBECK-LEEVAC MARINE OPERATORS, LLC

Pursuant to Section 18-202 of the Delaware Limited Liability company Act, HORNBECK-LEEVAC Marine Operators, LLC, a Delaware limited liability company, does hereby certify:

FIRST: The Certificate of Formation of the Company is hereby amended so that Article I reads as follows:

ARTICLE I

The name of the Company is Hornbeck Offshore Operators, LLC.

IN WITNESS WHEREOF, HORNBECK-LEEVAC Marine Operators, LLC has caused this certificate to be signed by Todd M. Hornbeck, the Company's President and Chief Executive Officer, this 28th day of May, 2002.

HORNBECK-LEEVAC Marine Operators, LLC

By: /s/ Todd M. Hornbeck

Todd M. Hornbeck
President and Chief Executive Officer

EXHIBIT 3.7

LIMITED LIABILITY COMPANY AGREEMENT

OF

HORNBECK OFFSHORE OPERATORS, LLC

(formerly HORNBECK-LEEVAC MARINE OPERATORS, LLC)

December 17, 2001

TABLE OF CONTENTS

LIMITED LIABILITY COMPANY AGREEMENT

OF

HORNBECK-LEEVAC MARINE OPERATORS, LLC

This Limited Liability Company Agreement of HORNBECK-LEEVAC Marine Operators, LLC is adopted as of the date set forth below by HORNBECK-LEEVAC Marine Services, Inc., a Delaware corporation, the sole member of HORNBECK-LEEVAC Marine Operators, LLC, a Delaware limited liability company, as follows:

ARTICLE I

DEFINITIONS

Section 1.1. **Terms Defined.** When used in this Agreement, the following terms shall have the meanings set forth below:

"Act" shall mean the Delaware Limited Liability Company Act, as amended from time to time.

"Affiliate" shall mean a Person (i) which is directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Person in question, or (ii) in which the Person in question is a manager, officer, director or has a financial interest. The term "control," as used in the immediately preceding sentence, means, with respect to an entity that is a corporation, the right to exercise, directly or indirectly, more than 50% of the voting rights attributable to the shares of such corporation and, with respect to a Person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person.

"Agreement" shall mean this Limited Liability Company Agreement as amended from time to time.

"Capital Contribution" shall mean cash and the fair market value of any property other than cash (net of liabilities which the Company assumes or takes the property subject to) that is contributed to the capital of the Company by a Member.

"Cash Flow" shall mean, for the period in question, the amount by which the aggregate cash receipts of the Company from any source (including loans) exceed the sum of the cash expenditures of the Company plus a cash reserve in the amount determined by a Majority in Membership Interests to be sufficient to meet the working capital requirements of the Company.

"Certificate" shall mean the Certificate of Formation filed on behalf of the Company with the Secretary of State of the State of Delaware in accordance with all applicable statutes.

"Company" shall mean HORNBECK-LEEVAC Marine Operators, LLC, the limited liability company created pursuant to the Certificate and governed by this Agreement.

"Initial Member" shall mean HORNBECK-LEEVAC Marine Services, Inc.

"Majority in Membership Interests" shall mean, at a properly called meeting at which a quorum of Members entitled to vote is present, Members owning more than 50% of the Membership Interests entitled to vote present at such meeting.

"Managers" shall mean those persons appointed as such pursuant to Article IV to manage and control the business affairs of the Company.

"Members" shall mean HORNBECK-LEEVAC Marine Services, Inc., any transferees of Membership Interests pursuant to Section 9.1(b) and any new Members admitted to the Company pursuant to Section 9.1(c).

"Membership Interest" shall mean a Member's percentage interest in the voting rights and distributions of the Company as described in Section 3.5 and as may be affected by the provisions hereunder.

"Officer" shall mean an individual appointed by a Majority in Membership Interests pursuant to Section 4.7.

"Person" shall mean an individual, partnership, joint venture, corporation, trust, limited liability company, estate or other entity or organization.

"Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, any appeal in such an action, suit or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding.

"Section" shall mean any section or subsection in this Agreement.

"Transfers" shall mean the sale, transfer, conveyance, assignment, pledge, hypothecation, mortgage or other encumbrance or disposition of all or any part of a Membership Interest.

Section 1.2. **Number and Gender.** Whenever the context requires, references in this Agreement to the singular number shall include the plural, and the plural number shall include the singular, and words denoting gender shall include the masculine, feminine and neuter.

ARTICLE II

GENERAL

Section 2.1. **Name.** The business of the Company shall be conducted under the name of the Company.

Section 2.2. **Principal Place of Business; Registered Office; Registered Agent.** The principal place of business of the Company shall be at such place as determined by the Managers from time to time. The registered office of the Company shall be at 1209 Orange Street, Wilmington, Delaware. The registered agent shall be The Corporation Trust Company.

Section 2.3. **Term.** The Company shall continue until terminated pursuant to Section 12.1.

Section 2.4. **Taxation as a Disregarded Entity**. Solely for federal income tax purposes, the Company shall be disregarded as an entity separate from its Member as long as the Company has a single Member. If necessary, the Member or appropriate officer is authorized and directed to make an election to that effect on behalf of the Company in accordance with the Code and regulations promulgated thereunder. In the event that the Company has more than one Member, due to the admission of additional Members or a transfer of the Initial Member's Membership Interest pursuant to Article VIII, and can no longer be classified as a disregarded entity for federal income tax purposes, the Company's new classification for federal income tax purposes shall be determined by the Majority in Membership Interests and the Members shall take any and all necessary and appropriate actions to effect such classification.

Section 2.5. **Purpose of the Company**. The purpose of the Company is to engage in any business activity that lawfully may be conducted by a limited liability company organized pursuant to the Act, including conducting business activities outside the State of Delaware.

ARTICLE III

CAPITAL CONTRIBUTIONS; LOANS; MEMBERSHIP INTERESTS

Section 3.1. **Initial Capital Contributions.** The Initial Member is the Person executing this Agreement as of the date hereof as a Member.

Section 3.2. **Additional Capital Contributions, Loans and Guaranties.** No Member shall have any obligation to make any additional Capital Contributions to the Company. Nor shall any Member be obligated to advance any funds, guarantee any loans or otherwise to incur personal liability with respect to any loan to the Company. However, nothing herein shall prohibit or limit the right of any Member to make additional Capital Contributions to the Company.

Section 3.3. **Member Loans.** A Member, or an Affiliate of a Member, may, but is not obligated to, loan or cause to be loaned to the Company such additional sums as the Managers deem appropriate or necessary for the conduct of the business of the Partnership. Loans made by a Member, or an Affiliate of a Member, shall be upon such terms and for such maturities as the Managers deem reasonable in view of all the facts and circumstances and the repayment of which may be designated in priority to distributions of Cash Flow.

Section 3.4. **Other Matters Relating to Capital Contributions**.

(a) Loans by any Member to the Company shall not be considered contributions to the capital of the Company.

(b) No Member shall be entitled to withdraw, or to obtain a return of, any part of his contribution to the capital of the Company, or to receive property or assets other than cash in return thereof, and no Member shall be liable to any other Member for a return of his contributions to the capital of the Company, except as provided in this Agreement.

(c) No Member shall be entitled to priority over any other Member, either with respect to a return of his contributions to the capital of the Company, or to allocations of taxable income, gains, losses or credits, or to distributions, except as provided in this Agreement.

(d) No interest shall be paid on any Member's Capital Contribution.

Section 3.5. **Membership Interests.** Each Member shall have a Membership Interest expressed as a percentage equal to the following:

Initial Member	100%

ARTICLE IV

MANAGEMENT BY MANAGERS

Section 4.1. **Management of the Company.** Except as otherwise expressly limited by statute, the Articles of Organization or the provisions of this Agreement, the Managers shall have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company, and to take all such actions as they deem necessary or appropriate to accomplish the purposes of the Company as set forth herein. By way of illustration and not limitation, the Managers shall have the power:

(a) to invest or otherwise participate in partnerships, corporations or other entities;

(b) to purchase or otherwise acquire, construct, deal in, sell, lease or otherwise dispose of full or fractional interests in oil and gas leases, real property, depreciable property or personal property of any kind and to buy or hold insurance of any kind;

(c) to provide or contract for services of any kind; to make, enter into, deliver or perform contracts, agreements and other undertakings; to contract for the services of accountants, attorneys, investment managers, appraisers, contractors, or other service providers and to delegate powers to any such person; to retain or employ employees;

(d) to lend money with or without security to any person, including any Member or an Affiliate of a Member, on any commercially reasonable terms;

(e) without limitation as to amount or terms, to borrow and raise moneys, to issue, accept, endorse and execute promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or nonnegotiable instruments and evidences of indebtedness, and to secure the payment of any such indebtedness and any interest in any such indebtedness by mortgage, pledge, transfer or assignment in trust of all or any part of the Company assets, whether owned at the time of any such transactions or acquired thereafter, and to sell, pledge or otherwise dispose of any such obligations of the Partnership;

(f) to guarantee any financial transaction of any kind with or without charging a fee therefor;

(g) to have and maintain one or more offices and to rent or acquire office space, engage personnel, purchase equipment and supplies and do anything else which may be appropriate in connection with the maintenance of offices;

(h) to pay any expenses related to any of the Company's businesses or affairs;

(i) to compromise claims against the Company;

(j) to establish bank accounts and other similar accounts for the Company; to make or delegate the authority to make withdrawals from such accounts by check or electronic transfer in the name of the Company; and

(k) to acquire real and personal property, arrange financing, enter contracts and complete any other arrangements on behalf of the Company, in the name of the Company or in the name of a nominee without having to disclose the existence of the Company.

The Managers shall use reasonable efforts to carry out the purposes of the Company. The Managers shall not be required to devote their full time and attention to the management of the business and affairs of the Company, and shall only be required to devote so much time and effort as may be reasonably necessary for that purpose. Except as otherwise expressly set forth in this Agreement, no Member, as such, shall have any authority, right, or power to bind the Company, or to manage, or to participate in the management of, the business and affairs of the Company.

Section 4.2. **Number.** The number of Managers shall be determined from time to time by resolution of a Majority in Membership Interests; provided that at all times the number of Managers shall be at least one (1) and no decrease shall have the effect of shortening the term of any incumbent Manager.

Section 4.3. **Qualifications, Election and Term.** Managers need not be residents of Delaware or Members of the Company. The persons constituting the Managers shall be elected by a Majority in Membership Interests. Each Manager, upon election as a Manager, shall hold office until his or her successor is elected and qualified, or until his earlier death, resignation, or removal.

Section 4.4. **Regular Meetings.** Regular meetings of the Managers may be held at such time and place as determined by the Managers. Unless otherwise required by statute, notice of regular meetings of the Managers shall not be required.

Section 4.5. **Special Meetings.** Special meetings of the Managers may be called by any Manager upon 24 hours' notice to each Manager, personally or by mail, telegram or facsimile. Except as may be otherwise expressly provided by statute, the Certificate or this Agreement, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice or waiver of notice of such meeting.

Section 4.6. **Quorum; Majority Vote.** Each Manager, in its capacity of Manager, shall be entitled to one vote in each action to be taken by the Managers. At all meetings of the Managers, the presence of a majority of the number of Managers fixed in accordance with this Agreement shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Managers present in person or by proxy at any meeting at which there is a quorum shall be the act of the Managers, except as may be otherwise specifically required by statute, the

Articles of Organization or this Agreement. If a quorum is not present at any meeting of the Managers, the Managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. Upon attainment of representation by a quorum, subject to an adjournment of the meeting, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 4.7. **Officers**.

(a) Officers of the Company may be appointed by the Managers. The Managers may appoint a Chief Executive Officer, a President, one or more Vice Presidents, a Secretary, a Treasurer and any other Officer or assistant Officer as they deem appropriate. Any two or more offices may be held by the same person. Each Officer shall be appointed for such term and shall exercise such powers, perform such duties and have such authority as determined from time to time by the Managers.

(b) The following officers of the Company, if appointed, shall have such powers and duties, except as modified by the Managers, as generally pertain to their offices, respectively, as well as such powers and duties as from time to time shall be conferred by the Managers and by this Agreement:

(i) Chief Executive Officer. The chief executive officer shall be subject to the control of the Managers, and shall in general supervise and control all business and affairs of the Company. The chief executive officer may sign, with the secretary or any other proper officer of the Company thereunto authorized by the Managers, deeds, mortgages, bonds, contracts, and other obligations in the name of the Company, which the Managers have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Managers or by this Agreement to some other officer or agent of the Company, or shall be required by law to be otherwise signed and executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Managers from time to time.

(ii) President. In the absence of the chief executive officer, or in the event of his death or inability to act or refusal to act, the president shall perform the duties of the chief executive officer and when so acting shall have all of the powers of and be subject to all of the restrictions upon the chief executive officer. In general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the chief executive officer or the Managers from time to time.

(iii) Executive Vice Presidents. Executive vice presidents will perform the duties assigned to them by the Managers, and, in the order designated by the president, at the request of the president or in the absence of the president will perform as well the duties of the president's office. Each executive vice president will have power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, or other instruments authorized by the Managers.

(iv) Vice Presidents. Vice presidents will perform the duties assigned to them by the Managers, and at the request of the president, will perform as well the

duties of the president's office. Each vice president will have the power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, and other instruments authorized by the Managers.

(v) Secretary. The Secretary shall keep the minutes of all meetings of the Members and Managers and shall have general charge of such books and records of the Company as the Managers may direct, and in general shall perform all duties and exercises all powers incident to the office of Secretary and such other duties and powers as the Managers or the President may from time to time assign to or confer on the Secretary.

(vi) Treasurer. The treasurer will be the principal financial officer of the Company and will have charge of the corporate funds and securities and will keep a record of the property and indebtedness of the Company. He will, if required by the Managers, give bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Managers may require.

(vii) Other Officers. The Managers may appoint such other officers, agents, or employees as it may deem necessary for the conduct of the business of the Company. In addition, the Managers may authorize the president or some other officers to appoint such agents or employees as they deem necessary for the conduct of the business of the Company.

(c) The compensation of all Officers of the Company shall be fixed by the Managers.

(d) Each Officer of the Company shall hold office until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office. Any Officer appointed by the Managers may be removed either with or without cause by the Managers, but such removal shall be without prejudice to the contract rights, if any, of the individual so removed. If the office of any Officer becomes vacant for any reason, the vacancy may be filled by the Managers.

ARTICLE V

MEETINGS OF MEMBERS

Section 5.1. **Meetings**. Meetings of the Members, for any purpose or purposes, may be called by any Member or the Managers. Unless otherwise required by statute, notice of regular meetings of Members shall not be required.

Section 5.2. **Place of Meetings**. Meetings of Members for all purposes may be held at such time and place, within or without the State of Delaware, as determined by the Members.

Section 5.3. **Quorum**. At each meeting the holders of a Majority in Membership Interests issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall be requisite and shall constitute a quorum of the Members for the transaction of business except as otherwise provided by statute, the Certificate or this Agreement, but in no event shall a quorum

consist of the holders of less than one-third of the Membership Interests entitled to vote at such a meeting. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 5.4. **Voting by Members**. With respect to any matter other than a matter for which the affirmative vote of the holders of a specified portion of the Membership Interests entitled to vote is required by the Act, the affirmative vote of the holders of a Majority in Membership Interests entitled to vote represented in person or by proxy at a meeting of Members at which a quorum is present shall be the act of the Members, unless otherwise provided in the Certificate or this Agreement.

Section 5.5. **Voting Procedure**. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person, by proxy appointed by an instrument in writing subscribed by such Member, or by his duly authorized attorney-in-fact. No form of proxy or power of attorney bearing a date more than eleven (11) months prior to said meeting shall be valid, unless said instrument provides for a longer period. Each proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest.

Section 5.6. **Action Without Meeting; Telephone Meetings**.

(a) Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder or holders of Membership Interests having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all Membership Interests entitled to vote on the action were present and voted. Prompt notice shall be given to any Member of the approval of any decision requiring Member approval if such decision was approved without a meeting of the Members and such Member did not approve the decision in writing.

(b) Subject to applicable notice provisions and unless otherwise restricted by the Certificate, Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all individuals participating in the meeting can hear each other, and participation in such meeting shall constitute presence in person at such meeting, except where an individual's participation is for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE VI

LIMITATION OF LIABILITY; INDEMNIFICATION

Section 6.1. **Limitation of Liability.** The Members, Managers and any persons serving as officers of the Company and their respective shareholders, members, partners, officers, directors, agents, employees, and representatives shall not be liable, responsible, or accountable in damages or otherwise to the Company or the Members for any mistake of fact or judgment in operating the

business of the Company or for any act performed (or omitted to be performed) in good faith (including, without limitation, pursuant to advice of legal counsel) and within the scope of this Agreement, unless such actions or inactions shall have resulted from gross negligence, willful misconduct, or fraud.

Section 6.2. **Indemnification and Advance of Expenses.** The Company shall indemnify and/or advance expenses to a Person who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the Person (i) is or was a Member, Manager or Officer, or (ii) is or was serving at the request of the Company as a member, manager, officer, director, or employee or in a similar capacity of another Person to the fullest extent provided by, and in accordance with the procedures set forth in Section 145 of the Delaware General Corporation Law and any other applicable laws.

ARTICLE VII

DISTRIBUTIONS

Section 7.1. **Distributions of Cash Flow.** Except as provided in Section 7.3, Cash Flow shall be distributed to the Members in accordance with the Members' Membership Interests at such time as the Managers, in their sole discretion, may deem appropriate.

Section 7.2. **Limitations on Distributions.** The Company may not make a distribution to its Members to the extent that, immediately after giving effect to the distribution, all liabilities of the Company, other than any liabilities to Members in respect of distributions and liabilities for which the recourse of creditors is limited to specific property of the Company, exceed the fair value of the Company's assets, except that the fair value of property that is subject to a liability for which recourse of creditors is limited shall be included in the Company's assets only to the extent that the fair value of that property exceeds that liability.

Section 7.3. **Distributions Upon Liquidation of Company**. Upon liquidation of the Company, the assets of the Company shall be distributed no later than the later of ninety (90) days after the date of such liquidation or the end of the Company's taxable year in which the liquidation occurs and shall be applied in the following order of priority:

(a) First, to the payment of debts and liabilities of the Company (including debts owed to Members or former Members);

(b) Second, to set up any reserves which the Managers deem reasonably necessary for contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the business of the Company; and

(c) Finally, to the Members pro rata in accordance with their Membership Interest.

Section 7.4. **Payment of Costs and Expenses.** The Company shall be responsible for paying all costs and expenses of forming and continuing the Company, and conducting the business of the Company. If any such costs and expenses are or have been paid by a Member or any of his Affiliates, then such Member (or his Affiliates) shall be entitled to be reimbursed for such payment so long as such cost or expense was reasonably necessary and was reasonable in amount.

ARTICLE VIII

FISCAL MATTERS

Section 8.1. **Books and Records**. The Company shall keep full and accurate books and records of all of its transactions in accordance with both regulatory and generally accepted accounting principles, consistently applied.

Section 8.2. **Tax Returns**. The Members shall cause to be prepared and filed on or before the Company's applicable filing due date (including extensions), any required federal, state and local tax returns for the Company.

Section 8.3. **Bank Accounts**. The Members shall open and maintain a special bank account or accounts in a bank or savings and loan association, the deposits of which are insured by an agency of the United States government, in which shall be deposited all funds of the Company. There shall be no commingling of the property and assets of the Company with the property and assets of any other Person.

Section 8.4. **Tax Elections**. The Members shall be entitled to determine any election available to the Company for federal, state or local tax purposes.

ARTICLE IX

TRANSFERS AND ADMISSION OF NEW MEMBERS

Section 9.1. **Restriction on Transfers and Admission of New Members**.

(a) Subject to Sections 9.1(b) and 9.1(c), membership in the Company shall be restricted to the Initial Member, assignment in whole or in part of any Membership Interest is prohibited, and no new Members shall be admitted.

(b) Notwithstanding the provisions of Section 9.1(a), all or part of the Membership Interest of a Member may be Transferred by the Member if the Transfer is consented to by a Majority in Membership Interests.

(c) Notwithstanding the provisions of Section 9.1(a), any Person may be admitted as a new Member of the Company provided that such Person's admission into the Company is consented to by a Majority in Membership Interests.

Section 9.2. **Assumption by Transferee**. Any transferee to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(b) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said transferee shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such transferee shall be admitted as a substitute Member and shall succeed to all rights of his transferor.

Section 9.3. **Assumption by New Members**. Any new Member to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(c) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said new Member shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such new Member shall be admitted as a Member and shall succeed to all rights of a Member.

Section 9.4. **Cost of Transfers**. The transferee of any Membership Interest shall reimburse the Company for all costs incurred by the Company resulting from any Transfer.

Section 9.5. **Effect of Attempted Disposition in Violation of this Agreement**. Any attempted Transfer of any Membership Interest in breach of this Agreement shall be null and void and of no effect whatever.

ARTICLE X

RETIREMENT OR RESIGNATION OF MEMBER

Section 10.1. **Withdrawal**. A Member may retire or resign from the Company at any time.

Section 10.2. **Distributions on Withdrawal**. Except as otherwise provided by the Act, the Certificate or in Article XII of this Agreement, upon retirement or resignation of a Member, the retiring or resigning Member (the "Withdrawing Member") shall be entitled to receive in cash or an undivided interest in property of the Company the fair market value of the Member's Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by agreement between a Majority in Membership Interests and the Withdrawing Member. If such agreement cannot be reached between the parties, then such Member shall not withdraw from the Company.

ARTICLE XI

EXPULSION

Section 11.1. **Expulsion**. A Member may be expelled from the Company if the expulsion is consented to by at least sixty-seven percent (67%) of the total Membership Interests.

Section 11.2. **Distributions on Expulsion**. Except as otherwise provided by the Act, or in Article XI of this Agreement, upon expulsion, an expelled member shall be entitled to receive in cash or an undivided interest in the property of the Company the fair market value of the Member's Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by a Majority in Membership Interests (excluding the interest of the expelled Member).

ARTICLE XII

DISSOLUTION

Section 12.1. **Dissolution**. The Company shall be dissolved as provided in the Act. On dissolution of the Company, the affairs of the Company shall be wound up and the assets of the Company shall be distributed as and to the extent provided by the Act.

ARTICLE XIII

MISCELLANEOUS

Section 13.1. **Amendments**. These Regulations may be amended, modified, terminated or waived only by written agreement among all Members.

Section 13.2. **Integration**. This agreement sets forth all understandings of the Members. All other agreements, oral or written, concerning the Company are merged into and superseded by this agreement.

Section 13.3. **Other Activities**. Any Member may engage or possess an interest in other business ventures of every nature and description, independently or with others, provided that such interest in other business ventures is disclosed to the other Members (unless otherwise prohibited by court order, government regulation or other law), and neither the Company nor any of the other Members shall have any right by virtue of this Agreement in and to such other ventures or to the income or property derived therefrom.

Section 13.4. **Partition**. No Member shall be entitled to a partition of any property or assets of the Company, notwithstanding any provision of law to the contrary. A Membership Interest is personal property.

Section 13.5. **Notices**. Any notice required or permitted to be delivered to any Member under the provisions of this Agreement shall be deemed delivered, whether actually received or not, when deposited in a United States Postal Service depository, postage prepaid, registered or certified, return receipt requested, and addressed to the Member at the address specified by written notice delivered to the Company.

Section 13.6. **Provisions Severable**. Every provision of this Agreement is intended to be severable and, if any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

Section 13.7. **Headings**. The headings of the various Sections are intended solely for convenience of reference, and shall not be deemed or construed to explain, modify or place any construction upon the provisions hereof.

Section 13.8. **Third Party Beneficiaries**. These Regulations shall be for the benefit of the undersigned parties and their permitted successors and assigns only, it being the intention of the parties that no one shall be deemed to be a third party beneficiary of this Agreement.

ARTICLE XIV

CERTIFICATE BY MEMBERS

The undersigned, being the sole Member of the Company, hereby agrees to and certifies that the foregoing Agreement is the Agreement of the Company, and that such Agreement has been duly adopted and are binding on the Company and its Members.

IN WITNESS WHEREOF, the undersigned have signed this certificate as of December 17, 2001.

MEMBER:

HORNBECK-LEEVAC MARINE SERVICES, INC.

By: /s/ Todd M. Hornbeck

Todd M. Hornbeck, President

STATE OF LOUISIANA '
'
PARISH OF Tammany '

This instrument was ACKNOWLEDGED before me on March 30, 2004, by Todd M. Hornbeck, President of HORNBECK-LEEVAC Marine Services, Inc., a Delaware corporation, on behalf of said corporation.

[S E A L]

/s/ Samuel A. Giberga

Notary Public - State of Louisiana

My Commission Expires:

Samuel A. Giberga

For Life

Printed Name of Notary Public

EXHIBIT 3.8

CERTIFICATE OF FORMATION

OF

LEEVAC MARINE, LLC

The undersigned natural person of the age of eighteen (18) years or more, acting as organizer of LEEVAC Marine, LLC, a Delaware limited liability company (the "***Company***"), under the Delaware Limited Liability Company Act (the "***Act***"), does hereby adopt the following Certificate of Formation for the Company.

ARTICLE I

The name of the Company is LEEVAC Marine, LLC.

ARTICLE II

The period of duration for the Company is perpetual.

ARTICLE III

The street address of the initial registered office of the Company is 1209 Orange Street, Wilmington, Delaware, and the name of its initial registered agent at such address is The Corporation Trust Company.

ARTICLE IV

The management of the Limited Liability Company is hereby reserved to its managers (the "***Managers***"). The names and addresses of the initial Managers are as follows:

Name	Address
Christian G. Vaccari	414 North Causeway Blvd. Mandeville, Louisiana 70448
Todd M. Hornbeck	414 North Causeway Blvd. Mandeville, Louisiana 70448

ARTICLE V

The initial limited liability company agreement (the ***"LLC Agreement"***) will be adopted by the Members.

ARTICLE VI

The membership interests of the Company will be subject to restrictions on their transferability as set out in the LLC Agreement of the Company, which LLC Agreement will be

kept with the records of the Company. The Company will provide a copy of the LLC Agreement without charge to any record holder of a membership interest upon written request addressed to the Company at its principal business office or its registered agent's address.

ARTICLE VII

This Certificate of Formation may be amended, modified, supplemented or restated in any manner permitted by applicable law and as provided in the LLC Agreement.

ARTICLE VIII

The name and address of the organizer is James O. Harp, Jr., 414 North Causeway Blvd., Mandeville, Louisiana 70448.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of December, 2001.

/s/ James O. Harp, Jr.

James O. Harp, Jr.

CERTIFICATE OF MERGER
OF
LEEVAC MARINE, INC.
INTO
LEEVAC MARINE, LLC

Pursuant to Sec. 18-209 of the Delaware Limited Liability Company Act, the undersigned surviving limited liability company submits the following Certificate of Merger for filing and certifies that:

1. The name and jurisdiction of formation or organization of each of the limited liability companies or other business entities which is to merger are:

Name	Jurisdiction
LEEVAC Marine, Inc.	Louisiana
LEEVAC Marine, LLC	Delaware

2. An agreement of merger has been approved and executed by each of the domestic limited liability companies or other business entities which is to merge.

3. The name of the surviving limited liability company is: LEEVAC Marine, LLC

4. The merger shall become effective on the date when the Secretary of State of the Merged Corporation and the Surviving Limited Liability Company shall have issued a Certificate of Merger or other similar document.

5. The agreement of merger is on file at a place of business of the surviving limited liability company which is located at :

414 N. Causeway Boulevard
Mandeville, Louisiana 70448

6. A copy of the agreement of merger will be furnished by the surviving limited liability company, on request and without cost, to any member of any domestic limited liability company or any person holding an interest in any other business entity which is to merge.

IN WITNESS WHEREOF, this Certificate of Merger has been duly executed as of the 26th day of December, 2001, and is being filed in accordance with Sec. 18-209 of the Act by an authorized person of the surviving limited liability company in the merger.

LEEVAC MARINE, INC.

By: /s/ James O. Harp, Jr.

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF FORMATION
OF
LEEVAC MARINE, LLC

Pursuant to Section 18-202 of the Delaware Limited Liability Company Act, LEEVAC Marine, LLC, a Delaware limited liability company, does hereby certify:

FIRST: The Certificate of Formation of the Company is hereby amended so that Article I reads as follows:

ARTICLE I

The name of the Company is Hornbeck Offshore Transportation, LLC.

IN WITNESS WHEREOF, LEEVAC Marine, LLC has caused this certificate to be signed by Todd M. Hornbeck, the Company's President and Chief Executive Officer, this 28th day of May, 2002.

LEEVAC Marine, LLC

By: /s/ Todd M. Hornbeck

Todd M. Hornbeck,
President and Chief Executive Officer

EXHIBIT 3.9

LIMITED LIABILITY COMPANY AGREEMENT

OF

HORNBECK OFFSHORE TRANSPORTATION, LLC

(formerly LEEVAC MARINE, LLC)

December 17, 2001

TABLE OF CONTENTS

LIMITED LIABILITY COMPANY AGREEMENT

OF

HORNBECK OFFSHORE TRANSPORTATION

(formerly LEEVAC MARINE, LLC)

This Limited Liability Company Agreement of LEEVAC Marine, LLC is adopted as of the date set forth below by HORNBECK-LEEVAC Marine Services, Inc., a Delaware corporation, the sole member of LEEVAC Marine, LLC, a Delaware limited liability company, as follows:

ARTICLE I

DEFINITIONS

Section 1.1. **Terms Defined.** When used in this Agreement, the following terms shall have the meanings set forth below:

"Act" shall mean the Delaware Limited Liability Company Act, as amended from time to time.

"Affiliate" shall mean a Person (i) which is directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Person in question, or (ii) in which the Person in question is a manager, officer, director or has a financial interest. The term "control," as used in the immediately preceding sentence, means, with respect to an entity that is a corporation, the right to exercise, directly or indirectly, more than 50% of the voting rights attributable to the shares of such corporation and, with respect to a Person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person.

"Agreement" shall mean this Limited Liability Company Agreement as amended from time to time.

"Capital Contribution" shall mean cash and the fair market value of any property other than cash (net of liabilities which the Company assumes or takes the property subject to) that is contributed to the capital of the Company by a Member.

"Cash Flow" shall mean, for the period in question, the amount by which the aggregate cash receipts of the Company from any source (including loans) exceed the sum of the cash expenditures of the Company plus a cash reserve in the amount determined by a Majority in Membership Interests to be sufficient to meet the working capital requirements of the Company.

"Certificate" shall mean the Certificate of Formation filed on behalf of the Company with the Secretary of State of the State of Delaware in accordance with all applicable statutes.

"Company" shall mean Leevac Marine, LLC, the limited liability company created pursuant to the Certificate and governed by this Agreement.

"Initial Member" shall mean HORNBECK-LEEVAC Marine Services, Inc.

"Majority in Membership Interests" shall mean, at a properly called meeting at which a quorum of Members entitled to vote is present, Members owning more than 50% of the Membership Interests entitled to vote present at such meeting.

"Managers" shall mean those persons appointed as such pursuant to Article IV to manage and control the business affairs of the Company.

"Members" shall mean HORNBECK-LEEVAC Marine Services, Inc., any transferees of Membership Interests pursuant to Section 9.1(b) and any new Members admitted to the Company pursuant to Section 9.1(c).

"Membership Interest" shall mean a Member's percentage interest in the voting rights and distributions of the Company as described in Section 3.5 and as may be affected by the provisions hereunder.

"Officer" shall mean an individual appointed by a Majority in Membership Interests pursuant to Section 4.7.

"Person" shall mean an individual, partnership, joint venture, corporation, trust, limited liability company, estate or other entity or organization.

"Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, any appeal in such an action, suit or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding.

"Section" shall mean any section or subsection in this Agreement.

"Transfers" shall mean the sale, transfer, conveyance, assignment, pledge, hypothecation, mortgage or other encumbrance or disposition of all or any part of a Membership Interest.

Section 1.2. **Number and Gender.** Whenever the context requires, references in this Agreement to the singular number shall include the plural, and the plural number shall include the singular, and words denoting gender shall include the masculine, feminine and neuter.

ARTICLE II

GENERAL

Section 2.1. **Name.** The business of the Company shall be conducted under the name of the Company.

Section 2.2. **Principal Place of Business; Registered Office; Registered Agent.** The principal place of business of the Company shall be at such place as determined by the Managers from time to time. The registered office of the Company shall be at 1209 Orange Street, Wilmington, Delaware. The registered agent shall be The Corporation Trust Company.

Section 2.3. **Term.** The Company shall continue until terminated pursuant to Section 12.1.

Section 2.4. **Taxation as a Disregarded Entity**. Solely for federal income tax purposes, the Company shall be disregarded as an entity separate from its Member as long as the Company has a single Member. If necessary, the Member or appropriate officer is authorized and directed to make an election to that effect on behalf of the Company in accordance with the Code and regulations promulgated thereunder. In the event that the Company has more than one Member, due to the admission of additional Members or a transfer of the Initial Member's Membership Interest pursuant to Article VIII, and can no longer be classified as a disregarded entity for federal income tax purposes, the Company's new classification for federal income tax purposes shall be determined by the Majority in Membership Interests and the Members shall take any and all necessary and appropriate actions to effect such classification.

Section 2.5. **Purpose of the Company**. The purpose of the Company is to engage in any business activity that lawfully may be conducted by a limited liability company organized pursuant to the Act, including conducting business activities outside the State of Delaware.

ARTICLE III

CAPITAL CONTRIBUTIONS; LOANS; MEMBERSHIP INTERESTS

Section 3.1. **Initial Capital Contributions.** The Initial Member is the Person executing this Agreement as of the date hereof as a Member.

Section 3.2. **Additional Capital Contributions, Loans and Guaranties.** No Member shall have any obligation to make any additional Capital Contributions to the Company. Nor shall any Member be obligated to advance any funds, guarantee any loans or otherwise to incur personal liability with respect to any loan to the Company. However, nothing herein shall prohibit or limit the right of any Member to make additional Capital Contributions to the Company.

Section 3.3. **Member Loans.** A Member, or an Affiliate of a Member, may, but is not obligated to, loan or cause to be loaned to the Company such additional sums as the Managers deem appropriate or necessary for the conduct of the business of the Partnership. Loans made by a Member, or an Affiliate of a Member, shall be upon such terms and for such maturities as the Managers deem reasonable in view of all the facts and circumstances and the repayment of which may be designated in priority to distributions of Cash Flow.

Section 3.4. **Other Matters Relating to Capital Contributions.**

(a) Loans by any Member to the Company shall not be considered contributions to the capital of the Company.

(b) No Member shall be entitled to withdraw, or to obtain a return of, any part of his contribution to the capital of the Company, or to receive property or assets other than cash in return thereof, and no Member shall be liable to any other Member for a return of his contributions to the capital of the Company, except as provided in this Agreement.

(c) No Member shall be entitled to priority over any other Member, either with respect to a return of his contributions to the capital of the Company, or to allocations of taxable income, gains, losses or credits, or to distributions, except as provided in this Agreement.

(d) No interest shall be paid on any Member's Capital Contribution.

Section 3.5. **Membership Interests.** Each Member shall have a Membership Interest expressed as a percentage equal to the following:

Initial Member	100%

ARTICLE IV

MANAGEMENT BY MANAGERS

Section 4.1. **Management of the Company.** Except as otherwise expressly limited by statute, the Articles of Organization or the provisions of this Agreement, the Managers shall have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company, and to take all such actions as they deem necessary or appropriate to accomplish the purposes of the Company as set forth herein. By way of illustration and not limitation, the Managers shall have the power:

(a) to invest or otherwise participate in partnerships, corporations or other entities;

(b) to purchase or otherwise acquire, construct, deal in, sell, lease or otherwise dispose of full or fractional interests in oil and gas leases, real property, depreciable property or personal property of any kind and to buy or hold insurance of any kind;

(c) to provide or contract for services of any kind; to make, enter into, deliver or perform contracts, agreements and other undertakings; to contract for the services of accountants, attorneys, investment managers, appraisers, contractors, or other service providers and to delegate powers to any such person; to retain or employ employees;

(d) to lend money with or without security to any person, including any Member or an Affiliate of a Member, on any commercially reasonable terms;

(e) without limitation as to amount or terms, to borrow and raise moneys, to issue, accept, endorse and execute promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or nonnegotiable instruments and evidences of indebtedness, and to secure the payment of any such indebtedness and any interest in any such indebtedness by mortgage, pledge, transfer or assignment in trust of all or any part of the Company assets, whether owned at the time of any such transactions or acquired thereafter, and to sell, pledge or otherwise dispose of any such obligations of the Partnership;

(f) to guarantee any financial transaction of any kind with or without charging a fee therefor;

(g) to have and maintain one or more offices and to rent or acquire office space, engage personnel, purchase equipment and supplies and do anything else which may be appropriate in connection with the maintenance of offices;

(h) to pay any expenses related to any of the Company's businesses or affairs;

(i) to compromise claims against the Company;

(j) to establish bank accounts and other similar accounts for the Company; to make or delegate the authority to make withdrawals from such accounts by check or electronic transfer in the name of the Company; and

(k) to acquire real and personal property, arrange financing, enter contracts and complete any other arrangements on behalf of the Company, in the name of the Company or in the name of a nominee without having to disclose the existence of the Company.

The Managers shall use reasonable efforts to carry out the purposes of the Company. The Managers shall not be required to devote their full time and attention to the management of the business and affairs of the Company, and shall only be required to devote so much time and effort as may be reasonably necessary for that purpose. Except as otherwise expressly set forth in this Agreement, no Member, as such, shall have any authority, right, or power to bind the Company, or to manage, or to participate in the management of, the business and affairs of the Company.

Section 4.2. **Number.** The number of Managers shall be determined from time to time by resolution of a Majority in Membership Interests; provided that at all times the number of Managers shall be at least one (1) and no decrease shall have the effect of shortening the term of any incumbent Manager.

Section 4.3. **Qualifications, Election and Term.** Managers need not be residents of Delaware or Members of the Company. The persons constituting the Managers shall be elected by a Majority in Membership Interests. Each Manager, upon election as a Manager, shall hold office until his or her successor is elected and qualified, or until his earlier death, resignation, or removal.

Section 4.4. **Regular Meetings.** Regular meetings of the Managers may be held at such time and place as determined by the Managers. Unless otherwise required by statute, notice of regular meetings of the Managers shall not be required.

Section 4.5. **Special Meetings.** Special meetings of the Managers may be called by any Manager upon 24 hours' notice to each Manager, personally or by mail, telegram or facsimile. Except as may be otherwise expressly provided by statute, the Certificate or this Agreement, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice or waiver of notice of such meeting.

Section 4.6. **Quorum; Majority Vote.** Each Manager, in its capacity of Manager, shall be entitled to one vote in each action to be taken by the Managers. At all meetings of the Managers, the presence of a majority of the number of Managers fixed in accordance with this Agreement shall be

necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Managers present in person or by proxy at any meeting at which there is a quorum shall be the act of the Managers, except as may be otherwise specifically required by statute, the Articles of Organization or this Agreement. If a quorum is not present at any meeting of the Managers, the Managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. Upon attainment of representation by a quorum, subject to an adjournment of the meeting, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 4.7. **Officers**.

(a) Officers of the Company may be appointed by the Managers. The Managers may appoint a Chief Executive Officer, a President, one or more Vice Presidents, a Secretary, a Treasurer and any other Officer or assistant Officer as they deem appropriate. Any two or more offices may be held by the same person. Each Officer shall be appointed for such term and shall exercise such powers, perform such duties and have such authority as determined from time to time by the Managers.

(b) The following officers of the Company, if appointed, shall have such powers and duties, except as modified by the Managers, as generally pertain to their offices, respectively, as well as such powers and duties as from time to time shall be conferred by the Managers and by this Agreement:

(i) Chief Executive Officer. The chief executive officer shall be subject to the control of the Managers, and shall in general supervise and control all business and affairs of the Company. The chief executive officer may sign, with the secretary or any other proper officer of the Company thereunto authorized by the Managers, deeds, mortgages, bonds, contracts, and other obligations in the name of the Company, which the Managers have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Managers or by this Agreement to some other officer or agent of the Company, or shall be required by law to be otherwise signed and executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Managers from time to time.

(ii) President. In the absence of the chief executive officer, or in the event of his death or inability to act or refusal to act, the president shall perform the duties of the chief executive officer and when so acting shall have all of the powers of and be subject to all of the restrictions upon the chief executive officer. In general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the chief executive officer or the Managers from time to time.

(iii) Executive Vice Presidents. Executive vice presidents will perform the duties assigned to them by the Managers, and, in the order designated by the president, at the request of the president or in the absence of the president will perform as well the duties of the president's office. Each executive vice president will have power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, or other instruments authorized by the Managers.

(iv) Vice Presidents. Vice presidents will perform the duties assigned to them by the Managers, and at the request of the president, will perform as well the duties of the president's office. Each vice president will have the power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, and other instruments authorized by the Managers.

(v) Secretary. The Secretary shall keep the minutes of all meetings of the Members and Managers and shall have general charge of such books and records of the Company as the Managers may direct, and in general shall perform all duties and exercises all powers incident to the office of Secretary and such other duties and powers as the Managers or the President may from time to time assign to or confer on the Secretary.

(vi) Treasurer. The treasurer will be the principal financial officer of the Company and will have charge of the corporate funds and securities and will keep a record of the property and indebtedness of the Company. He will, if required by the Managers, give bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Managers may require.

(vii) Other Officers. The Managers may appoint such other officers, agents, or employees as it may deem necessary for the conduct of the business of the Company. In addition, the Managers may authorize the president or some other officers to appoint such agents or employees as they deem necessary for the conduct of the business of the Company.

(c) The compensation of all Officers of the Company shall be fixed by the Managers.

(d) Each Officer of the Company shall hold office until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office. Any Officer appointed by the Managers may be removed either with or without cause by the Managers, but such removal shall be without prejudice to the contract rights, if any, of the individual so removed. If the office of any Officer becomes vacant for any reason, the vacancy may be filled by the Managers.

ARTICLE V

MEETINGS OF MEMBERS

Section 5.1. **Meetings**. Meetings of the Members, for any purpose or purposes, may be called by any Member or the Managers. Unless otherwise required by statute, notice of regular meetings of Members shall not be required.

Section 5.2. **Place of Meetings**. Meetings of Members for all purposes may be held at such time and place, within or without the State of Delaware, as determined by the Members.

Section 5.3. **Quorum**. At each meeting the holders of a Majority in Membership Interests issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall be requisite and shall constitute a quorum of the Members for the transaction of business except as otherwise provided by statute, the Certificate or this Agreement, but in no event shall a quorum consist of the holders of less than one-third of the Membership Interests entitled to vote at such a meeting. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 5.4. **Voting by Members**. With respect to any matter other than a matter for which the affirmative vote of the holders of a specified portion of the Membership Interests entitled to vote is required by the Act, the affirmative vote of the holders of a Majority in Membership Interests entitled to vote represented in person or by proxy at a meeting of Members at which a quorum is present shall be the act of the Members, unless otherwise provided in the Certificate or this Agreement.

Section 5.5. **Voting Procedure**. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person, by proxy appointed by an instrument in writing subscribed by such Member, or by his duly authorized attorney-in-fact. No form of proxy or power of attorney bearing a date more than eleven (11) months prior to said meeting shall be valid, unless said instrument provides for a longer period. Each proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest.

Section 5.6. **Action Without Meeting; Telephone Meetings.**

(a) Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder or holders of Membership Interests having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all Membership Interests entitled to vote on the action were present and voted. Prompt notice shall be given to any Member of the approval of any decision requiring Member approval if such decision was approved without a meeting of the Members and such Member did not approve the decision in writing.

(b) Subject to applicable notice provisions and unless otherwise restricted by the Certificate, Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all individuals participating in the meeting can hear each other, and participation in such meeting shall constitute presence in person at such meeting, except where an individual’s participation is for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE VI

LIMITATION OF LIABILITY; INDEMNIFICATION

Section 6.1. **Limitation of Liability.** The Members, Managers and any persons serving as officers of the Company and their respective shareholders, members, partners, officers, directors, agents, employees, and representatives shall not be liable, responsible, or accountable in damages or otherwise to the Company or the Members for any mistake of fact or judgment in operating the business of the Company or for any act performed (or omitted to be performed) in good faith (including, without limitation, pursuant to advice of legal counsel) and within the scope of this Agreement, unless such actions or inactions shall have resulted from gross negligence, willful misconduct, or fraud.

Section 6.2. **Indemnification and Advance of Expenses.** The Company shall indemnify and/or advance expenses to a Person who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the Person (i) is or was a Member, Manager or Officer, or (ii) is or was serving at the request of the Company as a member, manager, officer, director, or employee or in a similar capacity of another Person to the fullest extent provided by, and in accordance with the procedures set forth in Section 145 of the Delaware General Corporation Law and any other applicable laws.

ARTICLE VII

DISTRIBUTIONS

Section 7.1. **Distributions of Cash Flow.** Except as provided in Section 7.3, Cash Flow shall be distributed to the Members in accordance with the Members' Membership Interests at such time as the Managers, in their sole discretion, may deem appropriate.

Section 7.2. **Limitations on Distributions.** The Company may not make a distribution to its Members to the extent that, immediately after giving effect to the distribution, all liabilities of the Company, other than any liabilities to Members in respect of distributions and liabilities for which the recourse of creditors is limited to specific property of the Company, exceed the fair value of the Company's assets, except that the fair value of property that is subject to a liability for which recourse of creditors is limited shall be included in the Company's assets only to the extent that the fair value of that property exceeds that liability.

Section 7.3. **Distributions Upon Liquidation of Company**. Upon liquidation of the Company, the assets of the Company shall be distributed no later than the later of ninety (90) days after the date of such liquidation or the end of the Company's taxable year in which the liquidation occurs and shall be applied in the following order of priority:

(a) First, to the payment of debts and liabilities of the Company (including debts owed to Members or former Members);

(b) Second, to set up any reserves which the Managers deem reasonably necessary for contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the business of the Company; and

(c) Finally, to the Members pro rata in accordance with their Membership Interest.

Section 7.4. **Payment of Costs and Expenses.** The Company shall be responsible for paying all costs and expenses of forming and continuing the Company, and conducting the business of the Company. If any such costs and expenses are or have been paid by a Member or any of his Affiliates, then such Member (or his Affiliates) shall be entitled to be reimbursed for such payment so long as such cost or expense was reasonably necessary and was reasonable in amount.

ARTICLE VIII

FISCAL MATTERS

Section 8.1. **Books and Records**. The Company shall keep full and accurate books and records of all of its transactions in accordance with both regulatory and generally accepted accounting principles, consistently applied.

Section 8.2. **Tax Returns**. The Members shall cause to be prepared and filed on or before the Company's applicable filing due date (including extensions), any required federal, state and local tax returns for the Company.

Section 8.3. **Bank Accounts**. The Members shall open and maintain a special bank account or accounts in a bank or savings and loan association, the deposits of which are insured by an agency of the United States government, in which shall be deposited all funds of the Company. There shall be no commingling of the property and assets of the Company with the property and assets of any other Person.

Section 8.4. **Tax Elections**. The Members shall be entitled to determine any election available to the Company for federal, state or local tax purposes.

ARTICLE IX

TRANSFERS AND ADMISSION OF NEW MEMBERS

Section 9.1. **Restriction on Transfers and Admission of New Members.**

(a) Subject to Sections 9.1(b) and 9.1(c), membership in the Company shall be restricted to the Initial Member, assignment in whole or in part of any Membership Interest is prohibited, and no new Members shall be admitted.

(b) Notwithstanding the provisions of Section 9.1(a), all or part of the Membership Interest of a Member may be Transferred by the Member if the Transfer is consented to by a Majority in Membership Interests.

(c) Notwithstanding the provisions of Section 9.1(a), any Person may be admitted as a new Member of the Company provided that such Person's admission into the Company is consented to by a Majority in Membership Interests.

Section 9.2. **Assumption by Transferee**. Any transferee to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(b) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said transferee shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such transferee shall be admitted as a substitute Member and shall succeed to all rights of his transferor.

Section 9.3. **Assumption by New Members**. Any new Member to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(c) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said new Member shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such new Member shall be admitted as a Member and shall succeed to all rights of a Member.

Section 9.4. **Cost of Transfers**. The transferee of any Membership Interest shall reimburse the Company for all costs incurred by the Company resulting from any Transfer.

Section 9.5. **Effect of Attempted Disposition in Violation of this Agreement**. Any attempted Transfer of any Membership Interest in breach of this Agreement shall be null and void and of no effect whatever.

ARTICLE X

RETIREMENT OR RESIGNATION OF MEMBER

Section 10.1. **Withdrawal**. A Member may retire or resign from the Company at any time.

Section 10.2. **Distributions on Withdrawal**. Except as otherwise provided by the Act, the Certificate or in Article XII of this Agreement, upon retirement or resignation of a Member, the retiring or resigning Member (the “Withdrawing Member”) shall be entitled to receive in cash or an undivided interest in property of the Company the fair market value of the Member’s Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by agreement between a Majority in Membership Interests and the Withdrawing Member. If such agreement cannot be reached between the parties, then such Member shall not withdraw from the Company.

ARTICLE XI

EXPULSION

Section 11.1. **Expulsion**. A Member may be expelled from the Company if the expulsion is consented to by at least sixty-seven percent (67%) of the total Membership Interests.

Section 11.2. **Distributions on Expulsion**. Except as otherwise provided by the Act, or in Article XI of this Agreement, upon expulsion, an expelled member shall be entitled to receive in cash or an undivided interest in the property of the Company the fair market value of the Member’s Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by a Majority in Membership Interests (excluding the interest of the expelled Member).

ARTICLE XII

DISSOLUTION

Section 12.1. **Dissolution**. The Company shall be dissolved as provided in the Act. On dissolution of the Company, the affairs of the Company shall be wound up and the assets of the Company shall be distributed as and to the extent provided by the Act.

ARTICLE XIII

MISCELLANEOUS

Section 13.1. **Amendments**. These Regulations may be amended, modified, terminated or waived only by written agreement among all Members.

Section 13.2. **Integration**. This agreement sets forth all understandings of the Members. All other agreements, oral or written, concerning the Company are merged into and superseded by this agreement.

Section 13.3. **Other Activities**. Any Member may engage or possess an interest in other business ventures of every nature and description, independently or with others, provided that such interest in other business ventures is disclosed to the other Members (unless otherwise prohibited by court order, government regulation or other law), and neither the Company nor any of the other Members shall have any right by virtue of this Agreement in and to such other ventures or to the income or property derived therefrom.

Section 13.4. **Partition**. No Member shall be entitled to a partition of any property or assets of the Company, notwithstanding any provision of law to the contrary. A Membership Interest is personal property.

Section 13.5. **Notices**. Any notice required or permitted to be delivered to any Member under the provisions of this Agreement shall be deemed delivered, whether actually received or not, when deposited in a United States Postal Service depository, postage prepaid, registered or certified, return receipt requested, and addressed to the Member at the address specified by written notice delivered to the Company.

Section 13.6. **Provisions Severable**. Every provision of this Agreement is intended to be severable and, if any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

Section 13.7. **Headings**. The headings of the various Sections are intended solely for convenience of reference, and shall not be deemed or construed to explain, modify or place any construction upon the provisions hereof.

Section 13.8. **Third Party Beneficiaries**. These Regulations shall be for the benefit of the undersigned parties and their permitted successors and assigns only, it being the intention of the parties that no one shall be deemed to be a third party beneficiary of this Agreement.

ARTICLE XIV

CERTIFICATE BY MEMBERS

The undersigned, being the sole Member of the Company, hereby agrees to and certifies that the foregoing Agreement is the Agreement of the Company, and that such Agreement has been duly adopted and are binding on the Company and its Members.

IN WITNESS WHEREOF, the undersigned have signed this certificate as of December 17, 2001.

MEMBER:

HORNBECK-LEEVAC MARINE SERVICES, INC.

By: /s/ Todd M. Hornbeck

Todd M. Hornbeck, President

STATE OF LOUISIANA '
'
PARISH OF Tammany '

This instrument was ACKNOWLEDGED before me on March 30, 2004, by Todd M. Hornbeck, President, of Hornbeck Offshore Services, Inc. (formerly HORNBECK-LEEVAC Marine Services, Inc.), a Delaware corporation, on behalf of said corporation.

[S E A L]

/s/ Samuel A. Giberga

Notary Public - State of Louisiana

My Commission Expires:

Samuel A. Giberga

For Life

Printed Name of Notary Public

EXHIBIT 3.10

CERTIFICATE OF FORMATION
OF
HORNBECK OFFSHORE TRINIDAD & TOBAGO, LLC

The undersigned natural person of the age of eighteen (18) years or more, acting as organizer of Hornbeck Offshore Trinidad & Tobago, LLC, a Delaware limited liability company (the "***Company***"), under the Delaware Limited Liability Company Act (the "***Act***"), does hereby adopt the following Certificate of Formation for the Company.

1. The name of the Company is Hornbeck Offshore Trinidad & Tobago, LLC.

2. The period of duration for the Company is perpetual.

3. The street address of the initial registered office of the Company is Corporation Trust Center, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801 and the name of its initial registered agent is The Corporation Trust Company.

4. The management of the Company is hereby reserved to its managers (the "***Managers***"). The name and address of the initial Manager are as follows:

Name	**Address**
Todd M. Hornbeck	103 Northpark Blvd, Suite 300 Covington, LA 70433

5. The initial limited liability company agreement (the "***LLC Agreement"***) will be adopted by the Members.

6. The membership interests of the Company will be subject to restrictions on their transferability as set out in the LLC Agreement of the Company, which LLC Agreement will be kept with the records of the Company. The Company will provide a copy of the LLC Agreement without charge to any record holder of a membership interest upon written request addressed to the Company at its principal business office or its registered agent's address.

7. This Certificate of Formation may be amended, modified, supplemented or restated in any manner permitted by applicable law and as provided in the LLC Agreement.

8. The name and address of the organizer is M. Celeste Frugé, Winstead Sechrest & Minick P.C., 600 Town Center One, 1450 Lake Robbins Drive, Suite 600, The Woodlands, Texas 77380.

IN WITNESS WHEREOF, I have hereunto set my hand this 23rd day of January, 2004.

/s/ M. Celeste Frugé

M. Celeste Frugé

EXHIBIT 3.11

LIMITED LIABILITY COMPANY AGREEMENT

OF

HORNBECK OFFSHORE TRINIDAD & TOBAGO, LLC

January 23, 2004

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LIMITED LIABILITY COMPANY AGREEMENT

OF

HORNBECK OFFSHORE TRINIDAD & TOBAGO, LLC

This Limited Liability Company Agreement of Hornbeck Offshore Trinidad & Tobago, LLC is adopted as of the date set forth below by Hornbeck Offshore Services, Inc., a Delaware corporation, the sole member of Hornbeck Offshore Trinidad & Tobago, LLC, a Delaware limited liability company, as follows:

ARTICLE I

DEFINITIONS

Section 1.1. **Terms Defined.** When used in this Agreement, the following terms shall have the meanings set forth below:

"Act" shall mean the Delaware Limited Liability Company Act, as amended from time to time.

"Affiliate" shall mean a Person (i) which is directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Person in question, or (ii) in which the Person in question is a manager, officer, director or has a financial interest. The term "control," as used in the immediately preceding sentence, means, with respect to an entity that is a corporation, the right to exercise, directly or indirectly, more than 50% of the voting rights attributable to the shares of such corporation and, with respect to a Person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person.

"Agreement" shall mean this Limited Liability Company Agreement as amended from time to time.

"Capital Contribution" shall mean cash and the fair market value of any property other than cash (net of liabilities which the Company assumes or takes the property subject to) that is contributed to the capital of the Company by a Member.

"Cash Flow" shall mean, for the period in question, the amount by which the aggregate cash receipts of the Company from any source (including loans) exceed the sum of the cash expenditures of the Company plus a cash reserve in the amount determined by a Majority in Membership Interests to be sufficient to meet the working capital requirements of the Company.

"Certificate" shall mean the Certificate of Formation filed on behalf of the Company with the Secretary of State of the State of Delaware in accordance with all applicable statutes.

"Company" shall mean Hornbeck Offshore Trinidad & Tobago, LLC, the limited liability company created pursuant to the Certificate and governed by this Agreement.

"Initial Member" shall mean Hornbeck Offshore Services, Inc.

"Majority in Membership Interests" shall mean, at a properly called meeting at which a quorum of Members entitled to vote is present, Members owning more than 50% of the Membership Interests entitled to vote present at such meeting.

"Managers" shall mean those persons appointed as such pursuant to Article IV to manage and control the business affairs of the Company.

"Members" shall mean Hornbeck Offshore Services, Inc., any transferees of Membership Interests pursuant to Section 9.1(b) and any new Members admitted to the Company pursuant to Section 9.1(c).

"Membership Interest" shall mean a Member's percentage interest in the voting rights and distributions of the Company as described in Section 3.5 and as may be affected by the provisions hereunder.

"Officer" shall mean an individual appointed by a Majority in Membership Interests pursuant to Section 4.7.

"Person" shall mean an individual, partnership, joint venture, corporation, trust, limited liability company, estate or other entity or organization.

"Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, any appeal in such an action, suit or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding.

"Section" shall mean any section or subsection in this Agreement.

"Transfers" shall mean the sale, transfer, conveyance, assignment, pledge, hypothecation, mortgage or other encumbrance or disposition of all or any part of a Membership Interest.

Section 1.2. **Number and Gender.** Whenever the context requires, references in this Agreement to the singular number shall include the plural, and the plural number shall include the singular, and words denoting gender shall include the masculine, feminine and neuter.

ARTICLE II

GENERAL

Section 2.1. **Name.** The business of the Company shall be conducted under the name of the Company.

Section 2.2. **Principal Place of Business; Registered Office; Registered Agent.** The principal place of business of the Company shall be at such place as determined by the Managers from time to time. The registered office of the Company shall be at Corporation Trust Center, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801 . The registered agent shall be The Corporation Trust Company.

Section 2.3. **Term.** The Company shall continue until terminated pursuant to Section 12.1.

Section 2.4. **Taxation as a Disregarded Entity**. Solely for federal income tax purposes, the Company shall be disregarded as an entity separate from its Member as long as the Company has a single Member. If necessary, the Member or appropriate officer is authorized and directed to make an election to that effect on behalf of the Company in accordance with the Code and regulations promulgated thereunder. In the event that the Company has more than one Member, due to the admission of additional Members or a transfer of the Initial Member's Membership Interest pursuant to Article VIII, and can no longer be classified as a disregarded entity for federal income tax purposes, the Company's new classification for federal income tax purposes shall be determined by the Majority in Membership Interests and the Members shall take any and all necessary and appropriate actions to effect such classification.

Section 2.5. **Purpose of the Company**. The purpose of the Company is to engage in any business activity that lawfully may be conducted by a limited liability company organized pursuant to the Act, including conducting business activities outside the State of Delaware.

ARTICLE III

CAPITAL CONTRIBUTIONS; LOANS; MEMBERSHIP INTERESTS

Section 3.1. **Initial Capital Contributions.** The Initial Member is the Person executing this Agreement as of the date hereof as a Member.

Section 3.2. **Additional Capital Contributions, Loans and Guaranties.** No Member shall have any obligation to make any additional Capital Contributions to the Company. Nor shall any Member be obligated to advance any funds, guarantee any loans or otherwise to incur personal liability with respect to any loan to the Company. However, nothing herein shall prohibit or limit the right of any Member to make additional Capital Contributions to the Company.

Section 3.3. **Member Loans.** A Member, or an Affiliate of a Member, may, but is not obligated to, loan or cause to be loaned to the Company such additional sums as the Managers deem appropriate or necessary for the conduct of the business of the Partnership. Loans made by a Member, or an Affiliate of a Member, shall be upon such terms and for such maturities as the Managers deem reasonable in view of all the facts and circumstances and the repayment of which may be designated in priority to distributions of Cash Flow.

Section 3.4. **Other Matters Relating to Capital Contributions**.

(a) Loans by any Member to the Company shall not be considered contributions to the capital of the Company.

(b) No Member shall be entitled to withdraw, or to obtain a return of, any part of his contribution to the capital of the Company, or to receive property or assets other than cash in return thereof, and no Member shall be liable to any other Member for a return of his contributions to the capital of the Company, except as provided in this Agreement.

(c) No Member shall be entitled to priority over any other Member, either with respect to a return of his contributions to the capital of the Company, or to allocations of taxable income, gains, losses or credits, or to distributions, except as provided in this Agreement.

(d) No interest shall be paid on any Member's Capital Contribution.

Section 3.5. **Membership Interests.** Each Member shall have a Membership Interest expressed as a percentage equal to the following:

Initial Member	100%

ARTICLE IV

MANAGEMENT BY MANAGERS

Section 4.1. **Management of the Company.** Except as otherwise expressly limited by statute, the Articles of Organization or the provisions of this Agreement, the Managers shall have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company, and to take all such actions as they deem necessary or appropriate to accomplish the purposes of the Company as set forth herein. By way of illustration and not limitation, the Managers shall have the power:

(a) to invest or otherwise participate in partnerships, corporations or other entities;

(b) to purchase or otherwise acquire, construct, deal in, sell, lease or otherwise dispose of full or fractional interests in oil and gas leases, real property, depreciable property or personal property of any kind and to buy or hold insurance of any kind;

(c) to provide or contract for services of any kind; to make, enter into, deliver or perform contracts, agreements and other undertakings; to contract for the services of accountants, attorneys, investment managers, appraisers, contractors, or other service providers and to delegate powers to any such person; to retain or employ employees;

(d) to lend money with or without security to any person, including any Member or an Affiliate of a Member, on any commercially reasonable terms;

(e) without limitation as to amount or terms, to borrow and raise moneys, to issue, accept, endorse and execute promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or nonnegotiable instruments and evidences of indebtedness, and to secure the payment of any such indebtedness and any interest in any such indebtedness by mortgage, pledge, transfer or assignment in trust of all or any part of the Company assets, whether owned at the time of any such transactions or acquired thereafter, and to sell, pledge or otherwise dispose of any such obligations of the Partnership;

(f) to guarantee any financial transaction of any kind with or without charging a fee therefor;

(g) to have and maintain one or more offices and to rent or acquire office space, engage personnel, purchase equipment and supplies and do anything else which may be appropriate in connection with the maintenance of offices;

(h) to pay any expenses related to any of the Company's businesses or affairs;

(i) to compromise claims against the Company;

(j) to establish bank accounts and other similar accounts for the Company; to make or delegate the authority to make withdrawals from such accounts by check or electronic transfer in the name of the Company; and

(k) to acquire real and personal property, arrange financing, enter contracts and complete any other arrangements on behalf of the Company, in the name of the Company or in the name of a nominee without having to disclose the existence of the Company.

The Managers shall use reasonable efforts to carry out the purposes of the Company. The Managers shall not be required to devote their full time and attention to the management of the business and affairs of the Company, and shall only be required to devote so much time and effort as may be reasonably necessary for that purpose. Except as otherwise expressly set forth in this Agreement, no Member, as such, shall have any authority, right, or power to bind the Company, or to manage, or to participate in the management of, the business and affairs of the Company.

Section 4.2. **Number.** The number of Managers shall be determined from time to time by resolution of a Majority in Membership Interests; provided that at all times the number of Managers shall be at least one (1) and no decrease shall have the effect of shortening the term of any incumbent Manager.

Section 4.3. **Qualifications, Election and Term.** Managers need not be residents of Delaware or Members of the Company. The persons constituting the Managers shall be elected by a Majority in Membership Interests. Each Manager, upon election as a Manager, shall hold office until his or her successor is elected and qualified, or until his earlier death, resignation, or removal.

Section 4.4. **Regular Meetings.** Regular meetings of the Managers may be held at such time and place as determined by the Managers. Unless otherwise required by statute, notice of regular meetings of the Managers shall not be required.

Section 4.5. **Special Meetings.** Special meetings of the Managers may be called by any Manager upon 24 hours' notice to each Manager, personally or by mail, telegram or facsimile. Except as may be otherwise expressly provided by statute, the Certificate or this Agreement, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice or waiver of notice of such meeting.

Section 4.6. **Quorum; Majority Vote.** Each Manager, in its capacity of Manager, shall be entitled to one vote in each action to be taken by the Managers. At all meetings of the Managers, the presence of a majority of the number of Managers fixed in accordance with this Agreement shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Managers present in person or by proxy at any meeting at which there is a quorum shall be the act of the Managers, except as may be otherwise specifically required by statute, the

Articles of Organization or this Agreement. If a quorum is not present at any meeting of the Managers, the Managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. Upon attainment of representation by a quorum, subject to an adjournment of the meeting, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 4.7. **Officers**.

(a) Officers of the Company may be appointed by the Managers. The Managers may appoint a Chief Executive Officer, a President, one or more Vice Presidents, a Secretary, a Treasurer and any other Officer or assistant Officer as they deem appropriate. Any two or more offices may be held by the same person. Each Officer shall be appointed for such term and shall exercise such powers, perform such duties and have such authority as determined from time to time by the Managers.

(b) The following officers of the Company, if appointed, shall have such powers and duties, except as modified by the Managers, as generally pertain to their offices, respectively, as well as such powers and duties as from time to time shall be conferred by the Managers and by this Agreement:

(i) Chief Executive Officer. The chief executive officer shall be subject to the control of the Managers, and shall in general supervise and control all business and affairs of the Company. The chief executive officer may sign, with the secretary or any other proper officer of the Company thereunto authorized by the Managers, deeds, mortgages, bonds, contracts, and other obligations in the name of the Company, which the Managers have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Managers or by this Agreement to some other officer or agent of the Company, or shall be required by law to be otherwise signed and executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Managers from time to time.

(ii) President. In the absence of the chief executive officer, or in the event of his death or inability to act or refusal to act, the president shall perform the duties of the chief executive officer and when so acting shall have all of the powers of and be subject to all of the restrictions upon the chief executive officer. In general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the chief executive officer or the Managers from time to time.

(iii) Executive Vice Presidents. Executive vice presidents will perform the duties assigned to them by the Managers, and, in the order designated by the president, at the request of the president or in the absence of the president will perform as well the duties of the president's office. Each executive vice president will have power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, or other instruments authorized by the Managers.

(iv) Vice Presidents. Vice presidents will perform the duties assigned to them by the Managers, and at the request of the president, will perform as well the

duties of the president's office. Each vice president will have the power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, and other instruments authorized by the Managers.

(v) Secretary. The Secretary shall keep the minutes of all meetings of the Members and Managers and shall have general charge of such books and records of the Company as the Managers may direct, and in general shall perform all duties and exercises all powers incident to the office of Secretary and such other duties and powers as the Managers or the President may from time to time assign to or confer on the Secretary.

(vi) Treasurer. The treasurer will be the principal financial officer of the Company and will have charge of the corporate funds and securities and will keep a record of the property and indebtedness of the Company. He will, if required by the Managers, give bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Managers may require.

(vii) Other Officers. The Managers may appoint such other officers, agents, or employees as it may deem necessary for the conduct of the business of the Company. In addition, the Managers may authorize the president or some other officers to appoint such agents or employees as they deem necessary for the conduct of the business of the Company.

(c) The compensation of all Officers of the Company shall be fixed by the Managers.

(d) Each Officer of the Company shall hold office until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office. Any Officer appointed by the Managers may be removed either with or without cause by the Managers, but such removal shall be without prejudice to the contract rights, if any, of the individual so removed. If the office of any Officer becomes vacant for any reason, the vacancy may be filled by the Managers.

ARTICLE V

MEETINGS OF MEMBERS

Section 5.1. **Meetings**. Meetings of the Members, for any purpose or purposes, may be called by any Member or the Managers. Unless otherwise required by statute, notice of regular meetings of Members shall not be required.

Section 5.2. **Place of Meetings**. Meetings of Members for all purposes may be held at such time and place, within or without the State of Delaware, as determined by the Members.

Section 5.3. **Quorum**. At each meeting the holders of a Majority in Membership Interests issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall be requisite and shall constitute a quorum of the Members for the transaction of business except as otherwise provided by statute, the Certificate or this Agreement, but in no event shall a quorum

consist of the holders of less than one-third of the Membership Interests entitled to vote at such a meeting. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 5.4. **Voting by Members**. With respect to any matter other than a matter for which the affirmative vote of the holders of a specified portion of the Membership Interests entitled to vote is required by the Act, the affirmative vote of the holders of a Majority in Membership Interests entitled to vote represented in person or by proxy at a meeting of Members at which a quorum is present shall be the act of the Members, unless otherwise provided in the Certificate or this Agreement.

Section 5.5. **Voting Procedure**. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person, by proxy appointed by an instrument in writing subscribed by such Member, or by his duly authorized attorney-in-fact. No form of proxy or power of attorney bearing a date more than eleven (11) months prior to said meeting shall be valid, unless said instrument provides for a longer period. Each proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest.

Section 5.6. **Action Without Meeting; Telephone Meetings**.

(a) Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder or holders of Membership Interests having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all Membership Interests entitled to vote on the action were present and voted. Prompt notice shall be given to any Member of the approval of any decision requiring Member approval if such decision was approved without a meeting of the Members and such Member did not approve the decision in writing.

(b) Subject to applicable notice provisions and unless otherwise restricted by the Certificate, Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all individuals participating in the meeting can hear each other, and participation in such meeting shall constitute presence in person at such meeting, except where an individual's participation is for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE VI

LIMITATION OF LIABILITY; INDEMNIFICATION

Section 6.1. **Limitation of Liability.** The Members, Managers and any persons serving as officers of the Company and their respective shareholders, members, partners, officers, directors, agents, employees, and representatives shall not be liable, responsible, or accountable in damages or otherwise to the Company or the Members for any mistake of fact or judgment in operating the

business of the Company or for any act performed (or omitted to be performed) in good faith (including, without limitation, pursuant to advice of legal counsel) and within the scope of this Agreement, unless such actions or inactions shall have resulted from gross negligence, willful misconduct, or fraud.

Section 6.2. **Indemnification and Advance of Expenses.** The Company shall indemnify and/or advance expenses to a Person who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the Person (i) is or was a Member, Manager or Officer, or (ii) is or was serving at the request of the Company as a member, manager, officer, director, or employee or in a similar capacity of another Person to the fullest extent provided by, and in accordance with the procedures set forth in Section 145 of the Delaware General Corporation Law and any other applicable laws.

ARTICLE VII

DISTRIBUTIONS

Section 7.1. **Distributions of Cash Flow.** Except as provided in Section 7.3, Cash Flow shall be distributed to the Members in accordance with the Members' Membership Interests at such time as the Managers, in their sole discretion, may deem appropriate.

Section 7.2. **Limitations on Distributions.** The Company may not make a distribution to its Members to the extent that, immediately after giving effect to the distribution, all liabilities of the Company, other than any liabilities to Members in respect of distributions and liabilities for which the recourse of creditors is limited to specific property of the Company, exceed the fair value of the Company's assets, except that the fair value of property that is subject to a liability for which recourse of creditors is limited shall be included in the Company's assets only to the extent that the fair value of that property exceeds that liability.

Section 7.3. **Distributions Upon Liquidation of Company**. Upon liquidation of the Company, the assets of the Company shall be distributed no later than the later of ninety (90) days after the date of such liquidation or the end of the Company's taxable year in which the liquidation occurs and shall be applied in the following order of priority:

(a) First, to the payment of debts and liabilities of the Company (including debts owed to Members or former Members);

(b) Second, to set up any reserves which the Managers deem reasonably necessary for contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the business of the Company; and

(c) Finally, to the Members pro rata in accordance with their Membership Interest.

Section 7.4. **Payment of Costs and Expenses.** The Company shall be responsible for paying all costs and expenses of forming and continuing the Company, and conducting the business of the Company. If any such costs and expenses are or have been paid by a Member or any of his Affiliates, then such Member (or his Affiliates) shall be entitled to be reimbursed for such payment so long as such cost or expense was reasonably necessary and was reasonable in amount.

ARTICLE VIII

FISCAL MATTERS

Section 8.1. **Books and Records**. The Company shall keep full and accurate books and records of all of its transactions in accordance with both regulatory and generally accepted accounting principles, consistently applied.

Section 8.2. **Tax Returns**. The Members shall cause to be prepared and filed on or before the Company's applicable filing due date (including extensions), any required federal, state and local tax returns for the Company.

Section 8.3. **Bank Accounts**. The Members shall open and maintain a special bank account or accounts in a bank or savings and loan association, the deposits of which are insured by an agency of the United States government, in which shall be deposited all funds of the Company. There shall be no commingling of the property and assets of the Company with the property and assets of any other Person.

Section 8.4. **Tax Elections**. The Members shall be entitled to determine any election available to the Company for federal, state or local tax purposes.

ARTICLE IX

TRANSFERS AND ADMISSION OF NEW MEMBERS

Section 9.1. **Restriction on Transfers and Admission of New Members**.

(a) Subject to Sections 9.1(b) and 9.1(c), membership in the Company shall be restricted to the Initial Member, assignment in whole or in part of any Membership Interest is prohibited, and no new Members shall be admitted.

(b) Notwithstanding the provisions of Section 9.1(a), all or part of the Membership Interest of a Member may be Transferred by the Member if the Transfer is consented to by a Majority in Membership Interests.

(c) Notwithstanding the provisions of Section 9.1(a), any Person may be admitted as a new Member of the Company provided that such Person's admission into the Company is consented to by a Majority in Membership Interests.

Section 9.2. **Assumption by Transferee**. Any transferee to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(b) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said transferee shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such transferee shall be admitted as a substitute Member and shall succeed to all rights of his transferor.

Section 9.3. **Assumption by New Members**. Any new Member to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(c) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said new Member shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such new Member shall be admitted as a Member and shall succeed to all rights of a Member.

Section 9.4. **Cost of Transfers**. The transferee of any Membership Interest shall reimburse the Company for all costs incurred by the Company resulting from any Transfer.

Section 9.5. **Effect of Attempted Disposition in Violation of this Agreement**. Any attempted Transfer of any Membership Interest in breach of this Agreement shall be null and void and of no effect whatever.

ARTICLE X

RETIREMENT OR RESIGNATION OF MEMBER

Section 10.1. **Withdrawal**. A Member may retire or resign from the Company at any time.

Section 10.2. **Distributions on Withdrawal**. Except as otherwise provided by the Act, the Certificate or in Article XII of this Agreement, upon retirement or resignation of a Member, the retiring or resigning Member (the "Withdrawing Member") shall be entitled to receive in cash or an undivided interest in property of the Company the fair market value of the Member's Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by agreement between a Majority in Membership Interests and the Withdrawing Member. If such agreement cannot be reached between the parties, then such Member shall not withdraw from the Company.

ARTICLE XI

EXPULSION

Section 11.1. **Expulsion**. A Member may be expelled from the Company if the expulsion is consented to by at least sixty-seven percent (67%) of the total Membership Interests.

Section 11.2. **Distributions on Expulsion**. Except as otherwise provided by the Act, or in Article XI of this Agreement, upon expulsion, an expelled member shall be entitled to receive in cash or an undivided interest in the property of the Company the fair market value of the Member's Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by a Majority in Membership Interests (excluding the interest of the expelled Member).

ARTICLE XII

DISSOLUTION

Section 12.1. **Dissolution**. The Company shall be dissolved as provided in the Act. On dissolution of the Company, the affairs of the Company shall be wound up and the assets of the Company shall be distributed as and to the extent provided by the Act.

ARTICLE XIII

MISCELLANEOUS

Section 13.1. **Amendments**. These Regulations may be amended, modified, terminated or waived only by written agreement among all Members.

Section 13.2. **Integration**. This agreement sets forth all understandings of the Members. All other agreements, oral or written, concerning the Company are merged into and superseded by this agreement.

Section 13.3. **Other Activities**. Any Member may engage or possess an interest in other business ventures of every nature and description, independently or with others, provided that such interest in other business ventures is disclosed to the other Members (unless otherwise prohibited by court order, government regulation or other law), and neither the Company nor any of the other Members shall have any right by virtue of this Agreement in and to such other ventures or to the income or property derived therefrom.

Section 13.4. **Partition**. No Member shall be entitled to a partition of any property or assets of the Company, notwithstanding any provision of law to the contrary. A Membership Interest is personal property.

Section 13.5. **Notices**. Any notice required or permitted to be delivered to any Member under the provisions of this Agreement shall be deemed delivered, whether actually received or not, when deposited in a United States Postal Service depository, postage prepaid, registered or certified, return receipt requested, and addressed to the Member at the address specified by written notice delivered to the Company.

Section 13.6. **Provisions Severable**. Every provision of this Agreement is intended to be severable and, if any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

Section 13.7. **Headings**. The headings of the various Sections are intended solely for convenience of reference, and shall not be deemed or construed to explain, modify or place any construction upon the provisions hereof.

Section 13.8. **Third Party Beneficiaries**. These Regulations shall be for the benefit of the undersigned parties and their permitted successors and assigns only, it being the intention of the parties that no one shall be deemed to be a third party beneficiary of this Agreement.

ARTICLE XIV

CERTIFICATE BY MEMBERS

The undersigned, being the sole Member of the Company, hereby agrees to and certifies that the foregoing Agreement is the Agreement of the Company, and that such Agreement has been duly adopted and are binding on the Company and its Members.

IN WITNESS WHEREOF, the undersigned have signed this certificate as of January 23, 2004.

MEMBER:

HORNBECK OFFSHORE SERVICES, INC.

By: /s/ Todd M. Hornbeck

Todd M. Hornbeck,
President

EXHIBIT 3.12

CERTIFICATE OF FORMATION

OF

HORNBECK OFFSHORE SERVICES (2003), LLC

The undersigned natural person of the age of eighteen (18) years or more, acting as organizer of Hornbeck Offshore Services **(**2003), LLC, a Delaware limited liability company (the "***Company***"), under the Delaware Limited Liability Company Act (the "***Act***"), does hereby adopt the following Certificate of Formation for the Company.

ARTICLE I

The name of the Company is Hornbeck Offshore Services (2003), LLC.

ARTICLE II

The period of duration for the Company is perpetual.

ARTICLE III

The street address of the initial registered office of the Company is 615 South DuPont Highway, City of Dover, County of Kent, Delaware 19901 and the name of its initial registered agent is Capitol Services, Inc.

ARTICLE IV

The management of the Company is hereby reserved to its managers (the "***Managers***"). The name and address of the initial Manager are as follows:

Name	**Address**
Todd M. Hornbeck	414 North Causeway Blvd. Mandeville, Louisiana 70448

ARTICLE V

The initial limited liability company agreement (the "***LLC Agreement"***) will be adopted by the Members.

ARTICLE VI

The membership interests of the Company will be subject to restrictions on their transferability as set out in the LLC Agreement of the Company, which LLC Agreement will be kept with the records of the Company. The Company will provide a copy of the LLC Agreement without charge to any record holder of a membership interest upon written request addressed to the Company at its principal business office or its registered agent's address.

ARTICLE VII

This Certificate of Formation may be amended, modified, supplemented or restated in any manner permitted by applicable law and as provided in the LLC Agreement.

ARTICLE VIII

The name and address of the organizer is Elaine O'Gorman, Winstead Sechrest & Minick P.C., 910 Travis Street, Suite 2400, Houston, Texas 77002.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of May, 2003.

/s/ Elaine O'Gorman

Elaine O'Gorman

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF FORMATION
OF
HORNBECK OFFSHORE SERVICES (2003), LLC

Pursuant to Section 18-202 of the Delaware Limited Liability Company Act, Hornbeck Offshore Services (2003), a Delaware limited liability company, does hereby certify:

FIRST: The Certificate of Formation of the Company is hereby amended so that Article I reads as follows:

ARTICLE I

The name of the Company is HOS-IV, LLC.

IN WITNESS WHEREOF, Hornbeck Offshore Services (2003) has caused this certificate to be signed by Todd M. Hornbeck, the Company's President and Chief Executive Officer, this 12th day of June, 2003.

HORNBECK OFFSHORE SERVICES (2003), LLC

By: /s/ Todd M. Hornbeck

Todd M. Hornbeck,
President and Chief Executive Officer

EXHIBIT 3.13

LIMITED LIABILITY COMPANY AGREEMENT

OF

HOS-IV, LLC

(FORMERLY HORNBECK OFFSHORE SERVICES (2003), LLC)

May 30, 2003

TABLE OF CONTENTS

LIMITED LIABILITY COMPANY AGREEMENT

OF

HORNBECK OFFSHORE SERVICES (2003), LLC

This Limited Liability Company Agreement of Hornbeck Offshore Services (2003), LLC is adopted as of the date set forth below by Hornbeck Offshore Services, Inc., a Delaware corporation, the sole member of Hornbeck Offshore Services (2003), LLC, a Delaware limited liability company, as follows:

ARTICLE I

DEFINITIONS

Section 1.1. **Terms Defined.** When used in this Agreement, the following terms shall have the meanings set forth below:

"Act" shall mean the Delaware Limited Liability Company Act, as amended from time to time.

"Affiliate" shall mean a Person (i) which is directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Person in question, or (ii) in which the Person in question is a manager, officer, director or has a financial interest. The term "control," as used in the immediately preceding sentence, means, with respect to an entity that is a corporation, the right to exercise, directly or indirectly, more than 50% of the voting rights attributable to the shares of such corporation and, with respect to a Person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person.

"Agreement" shall mean this Limited Liability Company Agreement as amended from time to time.

"Capital Contribution" shall mean cash and the fair market value of any property other than cash (net of liabilities which the Company assumes or takes the property subject to) that is contributed to the capital of the Company by a Member.

"Cash Flow" shall mean, for the period in question, the amount by which the aggregate cash receipts of the Company from any source (including loans) exceed the sum of the cash expenditures of the Company plus a cash reserve in the amount determined by a Majority in Membership Interests to be sufficient to meet the working capital requirements of the Company.

"Certificate" shall mean the Certificate of Formation filed on behalf of the Company with the Secretary of State of the State of Delaware in accordance with all applicable statutes.

"Company" shall mean Hornbeck Offshore Services (2003), LLC, the limited liability company created pursuant to the Certificate and governed by this Agreement.

"Initial Member" shall mean Hornbeck Offshore Services, Inc.

"Majority in Membership Interests" shall mean, at a properly called meeting at which a quorum of Members entitled to vote is present, Members owning more than 50% of the Membership Interests entitled to vote present at such meeting.

"Managers" shall mean those persons appointed as such pursuant to Article IV to manage and control the business affairs of the Company.

"Members" shall mean Hornbeck Offshore Services, Inc., any transferees of Membership Interests pursuant to Section 9.1(b) and any new Members admitted to the Company pursuant to Section 9.1(c).

"Membership Interest" shall mean a Member's percentage interest in the voting rights and distributions of the Company as described in Section 3.5 and as may be affected by the provisions hereunder.

"Officer" shall mean an individual appointed by a Majority in Membership Interests pursuant to Section 4.7.

"Person" shall mean an individual, partnership, joint venture, corporation, trust, limited liability company, estate or other entity or organization.

"Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, any appeal in such an action, suit or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding.

"Section" shall mean any section or subsection in this Agreement.

"Transfers" shall mean the sale, transfer, conveyance, assignment, pledge, hypothecation, mortgage or other encumbrance or disposition of all or any part of a Membership Interest.

Section 1.2. **Number and Gender.** Whenever the context requires, references in this Agreement to the singular number shall include the plural, and the plural number shall include the singular, and words denoting gender shall include the masculine, feminine and neuter.

ARTICLE II

GENERAL

Section 2.1. **Name.** The business of the Company shall be conducted under the name of the Company.

Section 2.2. **Principal Place of Business; Registered Office; Registered Agent.** The principal place of business of the Company shall be at such place as determined by the Managers from time to time. The registered office of the Company shall be at 1209 Orange Street, Wilmington, Delaware. The registered agent shall be The Corporation Trust Company.

Section 2.3. **Term.** The Company shall continue until terminated pursuant to Section 12.1.

Section 2.4. **Taxation as a Disregarded Entity**. Solely for federal income tax purposes, the Company shall be disregarded as an entity separate from its Member as long as the Company has a single Member. If necessary, the Member or appropriate officer is authorized and directed to make an election to that effect on behalf of the Company in accordance with the Code and regulations promulgated thereunder. In the event that the Company has more than one Member, due to the admission of additional Members or a transfer of the Initial Member's Membership Interest pursuant to Article VIII, and can no longer be classified as a disregarded entity for federal income tax purposes, the Company's new classification for federal income tax purposes shall be determined by the Majority in Membership Interests and the Members shall take any and all necessary and appropriate actions to effect such classification.

Section 2.5. **Purpose of the Company**. The purpose of the Company is to engage in any business activity that lawfully may be conducted by a limited liability company organized pursuant to the Act, including conducting business activities outside the State of Delaware.

ARTICLE III

CAPITAL CONTRIBUTIONS; LOANS; MEMBERSHIP INTERESTS

Section 3.1. **Initial Capital Contributions.** The Initial Member is the Person executing this Agreement as of the date hereof as a Member.

Section 3.2. **Additional Capital Contributions, Loans and Guaranties.** No Member shall have any obligation to make any additional Capital Contributions to the Company. Nor shall any Member be obligated to advance any funds, guarantee any loans or otherwise to incur personal liability with respect to any loan to the Company. However, nothing herein shall prohibit or limit the right of any Member to make additional Capital Contributions to the Company.

Section 3.3. **Member Loans.** A Member, or an Affiliate of a Member, may, but is not obligated to, loan or cause to be loaned to the Company such additional sums as the Managers deem appropriate or necessary for the conduct of the business of the Partnership. Loans made by a Member, or an Affiliate of a Member, shall be upon such terms and for such maturities as the Managers deem reasonable in view of all the facts and circumstances and the repayment of which may be designated in priority to distributions of Cash Flow.

Section 3.4. **Other Matters Relating to Capital Contributions.**

(a) Loans by any Member to the Company shall not be considered contributions to the capital of the Company.

(b) No Member shall be entitled to withdraw, or to obtain a return of, any part of his contribution to the capital of the Company, or to receive property or assets other than cash in return thereof, and no Member shall be liable to any other Member for a return of his contributions to the capital of the Company, except as provided in this Agreement.

(c) No Member shall be entitled to priority over any other Member, either with respect to a return of his contributions to the capital of the Company, or to allocations of taxable income, gains, losses or credits, or to distributions, except as provided in this Agreement.

(d) No interest shall be paid on any Member's Capital Contribution.

Section 3.5. **Membership Interests.** Each Member shall have a Membership Interest expressed as a percentage equal to the following:

Initial Member	100%

ARTICLE IV

MANAGEMENT BY MANAGERS

Section 4.1. **Management of the Company.** Except as otherwise expressly limited by statute, the Articles of Organization or the provisions of this Agreement, the Managers shall have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company, and to take all such actions as they deem necessary or appropriate to accomplish the purposes of the Company as set forth herein. By way of illustration and not limitation, the Managers shall have the power:

(a) to invest or otherwise participate in partnerships, corporations or other entities;

(b) to purchase or otherwise acquire, construct, deal in, sell, lease or otherwise dispose of full or fractional interests in oil and gas leases, real property, depreciable property or personal property of any kind and to buy or hold insurance of any kind;

(c) to provide or contract for services of any kind; to make, enter into, deliver or perform contracts, agreements and other undertakings; to contract for the services of accountants, attorneys, investment managers, appraisers, contractors, or other service providers and to delegate powers to any such person; to retain or employ employees;

(d) to lend money with or without security to any person, including any Member or an Affiliate of a Member, on any commercially reasonable terms;

(e) without limitation as to amount or terms, to borrow and raise moneys, to issue, accept, endorse and execute promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or nonnegotiable instruments and evidences of indebtedness, and to secure the payment of any such indebtedness and any interest in any such indebtedness by mortgage, pledge, transfer or assignment in trust of all or any part of the Company assets, whether owned at the time of any such transactions or acquired thereafter, and to sell, pledge or otherwise dispose of any such obligations of the Partnership;

(f) to guarantee any financial transaction of any kind with or without charging a fee therefor;

(g) to have and maintain one or more offices and to rent or acquire office space, engage personnel, purchase equipment and supplies and do anything else which may be appropriate in connection with the maintenance of offices;

(h) to pay any expenses related to any of the Company's businesses or affairs;

(i) to compromise claims against the Company;

(j) to establish bank accounts and other similar accounts for the Company; to make or delegate the authority to make withdrawals from such accounts by check or electronic transfer in the name of the Company; and

(k) to acquire real and personal property, arrange financing, enter contracts and complete any other arrangements on behalf of the Company, in the name of the Company or in the name of a nominee without having to disclose the existence of the Company.

The Managers shall use reasonable efforts to carry out the purposes of the Company. The Managers shall not be required to devote their full time and attention to the management of the business and affairs of the Company, and shall only be required to devote so much time and effort as may be reasonably necessary for that purpose. Except as otherwise expressly set forth in this Agreement, no Member, as such, shall have any authority, right, or power to bind the Company, or to manage, or to participate in the management of, the business and affairs of the Company.

Section 4.2. **Number.** The number of Managers shall be determined from time to time by resolution of a Majority in Membership Interests; provided that at all times the number of Managers shall be at least one (1) and no decrease shall have the effect of shortening the term of any incumbent Manager.

Section 4.3. **Qualifications, Election and Term.** Managers need not be residents of Delaware or Members of the Company. The persons constituting the Managers shall be elected by a Majority in Membership Interests. Each Manager, upon election as a Manager, shall hold office until his or her successor is elected and qualified, or until his earlier death, resignation, or removal.

Section 4.4. **Regular Meetings.** Regular meetings of the Managers may be held at such time and place as determined by the Managers. Unless otherwise required by statute, notice of regular meetings of the Managers shall not be required.

Section 4.5. **Special Meetings.** Special meetings of the Managers may be called by any Manager upon 24 hours' notice to each Manager, personally or by mail, telegram or facsimile. Except as may be otherwise expressly provided by statute, the Certificate or this Agreement, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice or waiver of notice of such meeting.

Section 4.6. **Quorum; Majority Vote.** Each Manager, in its capacity of Manager, shall be entitled to one vote in each action to be taken by the Managers. At all meetings of the Managers, the presence of a majority of the number of Managers fixed in accordance with this Agreement shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Managers present in person or by proxy at any meeting at which there is a quorum shall be the act of the Managers, except as may be otherwise specifically required by statute, the

Articles of Organization or this Agreement. If a quorum is not present at any meeting of the Managers, the Managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. Upon attainment of representation by a quorum, subject to an adjournment of the meeting, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 4.7. **Officers**.

(a) Officers of the Company may be appointed by the Managers. The Managers may appoint a Chief Executive Officer, a President, one or more Vice Presidents, a Secretary, a Treasurer and any other Officer or assistant Officer as they deem appropriate. Any two or more offices may be held by the same person. Each Officer shall be appointed for such term and shall exercise such powers, perform such duties and have such authority as determined from time to time by the Managers.

(b) The following officers of the Company, if appointed, shall have such powers and duties, except as modified by the Managers, as generally pertain to their offices, respectively, as well as such powers and duties as from time to time shall be conferred by the Managers and by this Agreement:

(i) Chief Executive Officer. The chief executive officer shall be subject to the control of the Managers, and shall in general supervise and control all business and affairs of the Company. The chief executive officer may sign, with the secretary or any other proper officer of the Company thereunto authorized by the Managers, deeds, mortgages, bonds, contracts, and other obligations in the name of the Company, which the Managers have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Managers or by this Agreement to some other officer or agent of the Company, or shall be required by law to be otherwise signed and executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Managers from time to time.

(ii) President. In the absence of the chief executive officer, or in the event of his death or inability to act or refusal to act, the president shall perform the duties of the chief executive officer and when so acting shall have all of the powers of and be subject to all of the restrictions upon the chief executive officer. In general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the chief executive officer or the Managers from time to time.

(iii) Executive Vice Presidents. Executive vice presidents will perform the duties assigned to them by the Managers, and, in the order designated by the president, at the request of the president or in the absence of the president will perform as well the duties of the president's office. Each executive vice president will have power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, or other instruments authorized by the Managers.

(iv) Vice Presidents. Vice presidents will perform the duties assigned to them by the Managers, and at the request of the president, will perform as well the

duties of the president's office. Each vice president will have the power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, and other instruments authorized by the Managers.

(v) Secretary. The Secretary shall keep the minutes of all meetings of the Members and Managers and shall have general charge of such books and records of the Company as the Managers may direct, and in general shall perform all duties and exercises all powers incident to the office of Secretary and such other duties and powers as the Managers or the President may from time to time assign to or confer on the Secretary.

(vi) Treasurer. The treasurer will be the principal financial officer of the Company and will have charge of the corporate funds and securities and will keep a record of the property and indebtedness of the Company. He will, if required by the Managers, give bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Managers may require.

(vii) Other Officers. The Managers may appoint such other officers, agents, or employees as it may deem necessary for the conduct of the business of the Company. In addition, the Managers may authorize the president or some other officers to appoint such agents or employees as they deem necessary for the conduct of the business of the Company.

(c) The compensation of all Officers of the Company shall be fixed by the Managers.

(d) Each Officer of the Company shall hold office until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office. Any Officer appointed by the Managers may be removed either with or without cause by the Managers, but such removal shall be without prejudice to the contract rights, if any, of the individual so removed. If the office of any Officer becomes vacant for any reason, the vacancy may be filled by the Managers.

ARTICLE V

MEETINGS OF MEMBERS

Section 5.1. **Meetings**. Meetings of the Members, for any purpose or purposes, may be called by any Member or the Managers. Unless otherwise required by statute, notice of regular meetings of Members shall not be required.

Section 5.2. **Place of Meetings**. Meetings of Members for all purposes may be held at such time and place, within or without the State of Delaware, as determined by the Members.

Section 5.3. **Quorum**. At each meeting the holders of a Majority in Membership Interests issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall be requisite and shall constitute a quorum of the Members for the transaction of business except as otherwise provided by statute, the Certificate or this Agreement, but in no event shall a quorum

consist of the holders of less than one-third of the Membership Interests entitled to vote at such a meeting. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 5.4. **Voting by Members**. With respect to any matter other than a matter for which the affirmative vote of the holders of a specified portion of the Membership Interests entitled to vote is required by the Act, the affirmative vote of the holders of a Majority in Membership Interests entitled to vote represented in person or by proxy at a meeting of Members at which a quorum is present shall be the act of the Members, unless otherwise provided in the Certificate or this Agreement.

Section 5.5. **Voting Procedure**. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person, by proxy appointed by an instrument in writing subscribed by such Member, or by his duly authorized attorney-in-fact. No form of proxy or power of attorney bearing a date more than eleven (11) months prior to said meeting shall be valid, unless said instrument provides for a longer period. Each proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest.

Section 5.6. **Action Without Meeting; Telephone Meetings.**

(a) Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder or holders of Membership Interests having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all Membership Interests entitled to vote on the action were present and voted. Prompt notice shall be given to any Member of the approval of any decision requiring Member approval if such decision was approved without a meeting of the Members and such Member did not approve the decision in writing.

(b) Subject to applicable notice provisions and unless otherwise restricted by the Certificate, Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all individuals participating in the meeting can hear each other, and participation in such meeting shall constitute presence in person at such meeting, except where an individual's participation is for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE VI

LIMITATION OF LIABILITY; INDEMNIFICATION

Section 6.1. **Limitation of Liability.** The Members, Managers and any persons serving as officers of the Company and their respective shareholders, members, partners, officers, directors, agents, employees, and representatives shall not be liable, responsible, or accountable in damages or otherwise to the Company or the Members for any mistake of fact or judgment in operating the

business of the Company or for any act performed (or omitted to be performed) in good faith (including, without limitation, pursuant to advice of legal counsel) and within the scope of this Agreement, unless such actions or inactions shall have resulted from gross negligence, willful misconduct, or fraud.

Section 6.2. **Indemnification and Advance of Expenses.** The Company shall indemnify and/or advance expenses to a Person who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the Person (i) is or was a Member, Manager or Officer, or (ii) is or was serving at the request of the Company as a member, manager, officer, director, or employee or in a similar capacity of another Person to the fullest extent provided by, and in accordance with the procedures set forth in Section 145 of the Delaware General Corporation Law and any other applicable laws.

ARTICLE VII

DISTRIBUTIONS

Section 7.1. **Distributions of Cash Flow.** Except as provided in Section 7.3, Cash Flow shall be distributed to the Members in accordance with the Members' Membership Interests at such time as the Managers, in their sole discretion, may deem appropriate.

Section 7.2. **Limitations on Distributions.** The Company may not make a distribution to its Members to the extent that, immediately after giving effect to the distribution, all liabilities of the Company, other than any liabilities to Members in respect of distributions and liabilities for which the recourse of creditors is limited to specific property of the Company, exceed the fair value of the Company's assets, except that the fair value of property that is subject to a liability for which recourse of creditors is limited shall be included in the Company's assets only to the extent that the fair value of that property exceeds that liability.

Section 7.3. **Distributions Upon Liquidation of Company**. Upon liquidation of the Company, the assets of the Company shall be distributed no later than the later of ninety (90) days after the date of such liquidation or the end of the Company's taxable year in which the liquidation occurs and shall be applied in the following order of priority:

(a) First, to the payment of debts and liabilities of the Company (including debts owed to Members or former Members);

(b) Second, to set up any reserves which the Managers deem reasonably necessary for contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the business of the Company; and

(c) Finally, to the Members pro rata in accordance with their Membership Interest.

Section 7.4. **Payment of Costs and Expenses.** The Company shall be responsible for paying all costs and expenses of forming and continuing the Company, and conducting the business of the Company. If any such costs and expenses are or have been paid by a Member or any of his Affiliates, then such Member (or his Affiliates) shall be entitled to be reimbursed for such payment so long as such cost or expense was reasonably necessary and was reasonable in amount.

ARTICLE VIII

FISCAL MATTERS

Section 8.1. **Books and Records**. The Company shall keep full and accurate books and records of all of its transactions in accordance with both regulatory and generally accepted accounting principles, consistently applied.

Section 8.2. **Tax Returns**. The Members shall cause to be prepared and filed on or before the Company's applicable filing due date (including extensions), any required federal, state and local tax returns for the Company.

Section 8.3. **Bank Accounts**. The Members shall open and maintain a special bank account or accounts in a bank or savings and loan association, the deposits of which are insured by an agency of the United States government, in which shall be deposited all funds of the Company. There shall be no commingling of the property and assets of the Company with the property and assets of any other Person.

Section 8.4. **Tax Elections**. The Members shall be entitled to determine any election available to the Company for federal, state or local tax purposes.

ARTICLE IX

TRANSFERS AND ADMISSION OF NEW MEMBERS

Section 9.1. **Restriction on Transfers and Admission of New Members.**

(a) Subject to Sections 9.1(b) and 9.1(c), membership in the Company shall be restricted to the Initial Member, assignment in whole or in part of any Membership Interest is prohibited, and no new Members shall be admitted.

(b) Notwithstanding the provisions of Section 9.1(a), all or part of the Membership Interest of a Member may be Transferred by the Member if the Transfer is consented to by a Majority in Membership Interests.

(c) Notwithstanding the provisions of Section 9.1(a), any Person may be admitted as a new Member of the Company provided that such Person's admission into the Company is consented to by a Majority in Membership Interests.

Section 9.2. **Assumption by Transferee**. Any transferee to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(b) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said transferee shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such transferee shall be admitted as a substitute Member and shall succeed to all rights of his transferor.

Section 9.3. **Assumption by New Members**. Any new Member to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(c) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said new Member shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such new Member shall be admitted as a Member and shall succeed to all rights of a Member.

Section 9.4. **Cost of Transfers**. The transferee of any Membership Interest shall reimburse the Company for all costs incurred by the Company resulting from any Transfer.

Section 9.5. **Effect of Attempted Disposition in Violation of this Agreement**. Any attempted Transfer of any Membership Interest in breach of this Agreement shall be null and void and of no effect whatever.

ARTICLE X

RETIREMENT OR RESIGNATION OF MEMBER

Section 10.1. **Withdrawal**. A Member may retire or resign from the Company at any time.

Section 10.2. **Distributions on Withdrawal**. Except as otherwise provided by the Act, the Certificate or in Article XII of this Agreement, upon retirement or resignation of a Member, the retiring or resigning Member (the “Withdrawing Member”) shall be entitled to receive in cash or an undivided interest in property of the Company the fair market value of the Member’s Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by agreement between a Majority in Membership Interests and the Withdrawing Member. If such agreement cannot be reached between the parties, then such Member shall not withdraw from the Company.

ARTICLE XI

EXPULSION

Section 11.1. **Expulsion**. A Member may be expelled from the Company if the expulsion is consented to by at least sixty-seven percent (67%) of the total Membership Interests.

Section 11.2. **Distributions on Expulsion**. Except as otherwise provided by the Act, or in Article XI of this Agreement, upon expulsion, an expelled member shall be entitled to receive in cash or an undivided interest in the property of the Company the fair market value of the Member’s Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by a Majority in Membership Interests (excluding the interest of the expelled Member).

ARTICLE XII

DISSOLUTION

Section 12.1. **Dissolution**. The Company shall be dissolved as provided in the Act. On dissolution of the Company, the affairs of the Company shall be wound up and the assets of the Company shall be distributed as and to the extent provided by the Act.

ARTICLE XIII

MISCELLANEOUS

Section 13.1. **Amendments**. These Regulations may be amended, modified, terminated or waived only by written agreement among all Members.

Section 13.2. **Integration**. This agreement sets forth all understandings of the Members. All other agreements, oral or written, concerning the Company are merged into and superseded by this agreement.

Section 13.3. **Other Activities**. Any Member may engage or possess an interest in other business ventures of every nature and description, independently or with others, provided that such interest in other business ventures is disclosed to the other Members (unless otherwise prohibited by court order, government regulation or other law), and neither the Company nor any of the other Members shall have any right by virtue of this Agreement in and to such other ventures or to the income or property derived therefrom.

Section 13.4. **Partition**. No Member shall be entitled to a partition of any property or assets of the Company, notwithstanding any provision of law to the contrary. A Membership Interest is personal property.

Section 13.5. **Notices**. Any notice required or permitted to be delivered to any Member under the provisions of this Agreement shall be deemed delivered, whether actually received or not, when deposited in a United States Postal Service depository, postage prepaid, registered or certified, return receipt requested, and addressed to the Member at the address specified by written notice delivered to the Company.

Section 13.6. **Provisions Severable**. Every provision of this Agreement is intended to be severable and, if any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

Section 13.7. **Headings**. The headings of the various Sections are intended solely for convenience of reference, and shall not be deemed or construed to explain, modify or place any construction upon the provisions hereof.

Section 13.8. **Third Party Beneficiaries**. These Regulations shall be for the benefit of the undersigned parties and their permitted successors and assigns only, it being the intention of the parties that no one shall be deemed to be a third party beneficiary of this Agreement.

ARTICLE XIV

CERTIFICATE BY MEMBERS

The undersigned, being the sole Member of the Company, hereby agrees to and certifies that the foregoing Agreement is the Agreement of the Company, and that such Agreement has been duly adopted and are binding on the Company and its Members.

IN WITNESS WHEREOF, the undersigned have signed this certificate as of May 30, 2003.

MEMBER:

HORNBECK OFFSHORE SERVICES, INC.

By: /s/ Todd M. Hornbeck

Todd M. Hornbeck,
President

CERTIFICATE OF AMENDMENT

OF

HOS-IV, LLC

1. The name of the limited liability company is HOS-IV, LLC.

2. The Certificate of Formation of the limited liability company is hereby amended as follows:

2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Amendment of HOS-IV, LLC this 05 day of October 2004.

/s/ Todd M. Hornbeck

Todd M. Hornbeck,
Chief Executive Officer,
President and Sole Manager

EXHIBIT 3.14

CERTIFICATE OF FORMATION

OF

ENERGY SERVICES PUERTO RICO, LLC

The undersigned natural person of the age of eighteen (18) years or more, acting as organizer of Energy Services Puerto Rico, LLC, a Delaware limited liability company (the "***Company***"), under the Delaware Limited Liability Company Act (the "***Act***"), does hereby adopt the following Certificate of Formation for the Company.

ARTICLE I

The name of the Company is Energy Services Puerto Rico, LLC.

ARTICLE II

The period of duration for the Company is perpetual.

ARTICLE III

The street address of the initial registered office of the Company is 1209 Orange Street, Wilmington, Delaware, and the name of its initial registered agent at such address is The Corporation Trust Company.

ARTICLE IV

The management of the Limited Liability Company is hereby reserved to its managers (the "***Managers***"). The names and addresses of the initial Managers are as follows:

Name	**Address**
Christian G. Vaccari	414 North Causeway Blvd. Mandeville, Louisiana 70448
Todd M. Hornbeck	414 North Causeway Blvd. Mandeville, Louisiana 70448

ARTICLE V

The initial limited liability company agreement (the "***LLC Agreement"***) will be adopted by the Members.

ARTICLE VI

The membership interests of the Company will be subject to restrictions on their transferability as set out in the LLC Agreement of the Company, which LLC Agreement will be

kept with the records of the Company. The Company will provide a copy of the LLC Agreement without charge to any record holder of a membership interest upon written request addressed to the Company at its principal business office or its registered agent's address.

ARTICLE VII

This Certificate of Formation may be amended, modified, supplemented or restated in any manner permitted by applicable law and as provided in the LLC Agreement.

ARTICLE VIII

The name and address of the organizer is James O. Harp, Jr., 414 North Causeway Blvd., Mandeville, Louisiana 70448.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of December, 2001.

/s/ James O. Harp, Jr.

James O. Harp, Jr.

CERTIFICATE OF MERGER
OF
ENERGY SERVICES PUERTO RICO, INC.
INTO
ENERGY SERVICES PUERTO RICO, LLC

Pursuant to Sec. 18-209 of the Delaware Limited Liability Company Act, the undersigned surviving limited liability company submits the following Certificate of Merger for filing and certifies that:

1. The name and jurisdiction of formation or organization of each of the limited liability companies or other business entities which is to merger are:

Name	Jurisdiction
Energy Services Puerto Rico, Inc.	Louisiana
Energy Services Puerto Rico, LLC	Delaware

2. An agreement of merger has been approved and executed by each of the domestic limited liability companies or other business entities which is to merge.

3. The name of the surviving limited liability company is: Energy Services Puerto Rico, LLC

4. The merger shall become effective on the date when the Secretary of State of the Merged Corporation and the Surviving Limited Liability Company shall have issued a Certificate of Merger or other similar document.

5. The agreement of merger is on file at a place of business of the surviving limited liability company which is located at :

414 N. Causeway Boulevard
Mandeville, Louisiana 70448

6. A copy of the agreement of merger will be furnished by the surviving limited liability company, on request and without cost, to any member of any domestic limited liability company or any person holding an interest in any other business entity which is to merge.

IN WITNESS WHEREOF, this Certificate of Merger has been duly executed as of the 26th day of December, 2001, and is being filed in accordance with Sec. 18-209 of the Act by an authorized person of the surviving limited liability company in the merger.

ENERGY SERVICES PUERTO RICO, INC.

By: /s/ James O. Harp, Jr .

EXHIBIT 3.15

LIMITED LIABILITY COMPANY AGREEMENT

OF

ENERGY SERVICES PUERTO RICO, LLC

December 17, 2001

TABLE OF CONTENTS

LIMITED LIABILITY COMPANY AGREEMENT

OF

ENERGY SERVICES PUERTO RICO, LLC

This Limited Liability Company Agreement of Energy Services Puerto Rico, LLC is adopted as of the date set forth below by HORNBECK-LEEVAC Marine Services, Inc., a Delaware corporation, the sole member of Energy Services Puerto Rico, LLC, a Delaware limited liability company, as follows:

ARTICLE I

DEFINITIONS

Section 1.1. **Terms Defined.** When used in this Agreement, the following terms shall have the meanings set forth below:

"Act" shall mean the Delaware Limited Liability Company Act, as amended from time to time.

"Affiliate" shall mean a Person (i) which is directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Person in question, or (ii) in which the Person in question is a manager, officer, director or has a financial interest. The term "control," as used in the immediately preceding sentence, means, with respect to an entity that is a corporation, the right to exercise, directly or indirectly, more than 50% of the voting rights attributable to the shares of such corporation and, with respect to a Person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person.

"Agreement" shall mean this Limited Liability Company Agreement as amended from time to time.

"Capital Contribution" shall mean cash and the fair market value of any property other than cash (net of liabilities which the Company assumes or takes the property subject to) that is contributed to the capital of the Company by a Member.

"Cash Flow" shall mean, for the period in question, the amount by which the aggregate cash receipts of the Company from any source (including loans) exceed the sum of the cash expenditures of the Company plus a cash reserve in the amount determined by a Majority in Membership Interests to be sufficient to meet the working capital requirements of the Company.

"Certificate" shall mean the Certificate of Formation filed on behalf of the Company with the Secretary of State of the State of Delaware in accordance with all applicable statutes.

"Company" shall mean Energy Services Puerto Rico, LLC, the limited liability company created pursuant to the Certificate and governed by this Agreement.

"Initial Member" shall mean HORNBECK-LEEVAC Marine Services, Inc.

"Majority in Membership Interests" shall mean, at a properly called meeting at which a quorum of Members entitled to vote is present, Members owning more than 50% of the Membership Interests entitled to vote present at such meeting.

"Managers" shall mean those persons appointed as such pursuant to Article IV to manage and control the business affairs of the Company.

"Members" shall mean HORNBECK-LEEVAC Marine Services, Inc., any transferees of Membership Interests pursuant to Section 9.1(b) and any new Members admitted to the Company pursuant to Section 9.1(c).

"Membership Interest" shall mean a Member's percentage interest in the voting rights and distributions of the Company as described in Section 3.5 and as may be affected by the provisions hereunder.

"Officer" shall mean an individual appointed by a Majority in Membership Interests pursuant to Section 4.7.

"Person" shall mean an individual, partnership, joint venture, corporation, trust, limited liability company, estate or other entity or organization.

"Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, any appeal in such an action, suit or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding.

"Section" shall mean any section or subsection in this Agreement.

"Transfers" shall mean the sale, transfer, conveyance, assignment, pledge, hypothecation, mortgage or other encumbrance or disposition of all or any part of a Membership Interest.

Section 1.2. **Number and Gender.** Whenever the context requires, references in this Agreement to the singular number shall include the plural, and the plural number shall include the singular, and words denoting gender shall include the masculine, feminine and neuter.

ARTICLE II

GENERAL

Section 2.1. **Name.** The business of the Company shall be conducted under the name of the Company.

Section 2.2. **Principal Place of Business; Registered Office; Registered Agent.** The principal place of business of the Company shall be at such place as determined by the Managers from time to time. The registered office of the Company shall be at 1209 Orange Street, Wilmington, Delaware. The registered agent shall be The Corporation Trust Company.

Section 2.3. **Term.** The Company shall continue until terminated pursuant to Section 12.1.

Section 2.4. **Taxation as a Disregarded Entity**. Solely for federal income tax purposes, the Company shall be disregarded as an entity separate from its Member as long as the Company has a single Member. If necessary, the Member or appropriate officer is authorized and directed to make an election to that effect on behalf of the Company in accordance with the Code and regulations promulgated thereunder. In the event that the Company has more than one Member, due to the admission of additional Members or a transfer of the Initial Member's Membership Interest pursuant to Article VIII, and can no longer be classified as a disregarded entity for federal income tax purposes, the Company's new classification for federal income tax purposes shall be determined by the Majority in Membership Interests and the Members shall take any and all necessary and appropriate actions to effect such classification.

Section 2.5. **Purpose of the Company**. The purpose of the Company is to engage in any business activity that lawfully may be conducted by a limited liability company organized pursuant to the Act, including conducting business activities outside the State of Delaware.

ARTICLE III

CAPITAL CONTRIBUTIONS; LOANS; MEMBERSHIP INTERESTS

Section 3.1. **Initial Capital Contributions.** The Initial Member is the Person executing this Agreement as of the date hereof as a Member.

Section 3.2. **Additional Capital Contributions, Loans and Guaranties.** No Member shall have any obligation to make any additional Capital Contributions to the Company. Nor shall any Member be obligated to advance any funds, guarantee any loans or otherwise to incur personal liability with respect to any loan to the Company. However, nothing herein shall prohibit or limit the right of any Member to make additional Capital Contributions to the Company.

Section 3.3. **Member Loans.** A Member, or an Affiliate of a Member, may, but is not obligated to, loan or cause to be loaned to the Company such additional sums as the Managers deem appropriate or necessary for the conduct of the business of the Partnership. Loans made by a Member, or an Affiliate of a Member, shall be upon such terms and for such maturities as the Managers deem reasonable in view of all the facts and circumstances and the repayment of which may be designated in priority to distributions of Cash Flow.

Section 3.4. **Other Matters Relating to Capital Contributions**.

(a) Loans by any Member to the Company shall not be considered contributions to the capital of the Company.

(b) No Member shall be entitled to withdraw, or to obtain a return of, any part of his contribution to the capital of the Company, or to receive property or assets other than cash in return thereof, and no Member shall be liable to any other Member for a return of his contributions to the capital of the Company, except as provided in this Agreement.

(c) No Member shall be entitled to priority over any other Member, either with respect to a return of his contributions to the capital of the Company, or to allocations of taxable income, gains, losses or credits, or to distributions, except as provided in this Agreement.

(d) No interest shall be paid on any Member's Capital Contribution.

Section 3.5. **Membership Interests.** Each Member shall have a Membership Interest expressed as a percentage equal to the following:

Initial Member	100%

ARTICLE IV

MANAGEMENT BY MANAGERS

Section 4.1. **Management of the Company.** Except as otherwise expressly limited by statute, the Articles of Organization or the provisions of this Agreement, the Managers shall have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company, and to take all such actions as they deem necessary or appropriate to accomplish the purposes of the Company as set forth herein. By way of illustration and not limitation, the Managers shall have the power:

(a) to invest or otherwise participate in partnerships, corporations or other entities;

(b) to purchase or otherwise acquire, construct, deal in, sell, lease or otherwise dispose of full or fractional interests in oil and gas leases, real property, depreciable property or personal property of any kind and to buy or hold insurance of any kind;

(c) to provide or contract for services of any kind; to make, enter into, deliver or perform contracts, agreements and other undertakings; to contract for the services of accountants, attorneys, investment managers, appraisers, contractors, or other service providers and to delegate powers to any such person; to retain or employ employees;

(d) to lend money with or without security to any person, including any Member or an Affiliate of a Member, on any commercially reasonable terms;

(e) without limitation as to amount or terms, to borrow and raise moneys, to issue, accept, endorse and execute promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or nonnegotiable instruments and evidences of indebtedness, and to secure the payment of any such indebtedness and any interest in any such indebtedness by mortgage, pledge, transfer or assignment in trust of all or any part of the Company assets, whether owned at the time of any such transactions or acquired thereafter, and to sell, pledge or otherwise dispose of any such obligations of the Partnership;

(f) to guarantee any financial transaction of any kind with or without charging a fee therefor;

(g) to have and maintain one or more offices and to rent or acquire office space, engage personnel, purchase equipment and supplies and do anything else which may be appropriate in connection with the maintenance of offices;

(h) to pay any expenses related to any of the Company's businesses or affairs;

(i) to compromise claims against the Company;

(j) to establish bank accounts and other similar accounts for the Company; to make or delegate the authority to make withdrawals from such accounts by check or electronic transfer in the name of the Company; and

(k) to acquire real and personal property, arrange financing, enter contracts and complete any other arrangements on behalf of the Company, in the name of the Company or in the name of a nominee without having to disclose the existence of the Company.

The Managers shall use reasonable efforts to carry out the purposes of the Company. The Managers shall not be required to devote their full time and attention to the management of the business and affairs of the Company, and shall only be required to devote so much time and effort as may be reasonably necessary for that purpose. Except as otherwise expressly set forth in this Agreement, no Member, as such, shall have any authority, right, or power to bind the Company, or to manage, or to participate in the management of, the business and affairs of the Company.

Section 4.2. **Number.** The number of Managers shall be determined from time to time by resolution of a Majority in Membership Interests; provided that at all times the number of Managers shall be at least one (1) and no decrease shall have the effect of shortening the term of any incumbent Manager.

Section 4.3. **Qualifications, Election and Term.** Managers need not be residents of Delaware or Members of the Company. The persons constituting the Managers shall be elected by a Majority in Membership Interests. Each Manager, upon election as a Manager, shall hold office until his or her successor is elected and qualified, or until his earlier death, resignation, or removal.

Section 4.4. **Regular Meetings.** Regular meetings of the Managers may be held at such time and place as determined by the Managers. Unless otherwise required by statute, notice of regular meetings of the Managers shall not be required.

Section 4.5. **Special Meetings.** Special meetings of the Managers may be called by any Manager upon 24 hours' notice to each Manager, personally or by mail, telegram or facsimile. Except as may be otherwise expressly provided by statute, the Certificate or this Agreement, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice or waiver of notice of such meeting.

Section 4.6. **Quorum; Majority Vote.** Each Manager, in its capacity of Manager, shall be entitled to one vote in each action to be taken by the Managers. At all meetings of the Managers, the presence of a majority of the number of Managers fixed in accordance with this Agreement shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Managers present in person or by proxy at any meeting at which there is a quorum shall be the act of the Managers, except as may be otherwise specifically required by statute, the

Articles of Organization or this Agreement. If a quorum is not present at any meeting of the Managers, the Managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. Upon attainment of representation by a quorum, subject to an adjournment of the meeting, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 4.7. **Officers**.

(a) Officers of the Company may be appointed by the Managers. The Managers may appoint a Chief Executive Officer, a President, one or more Vice Presidents, a Secretary, a Treasurer and any other Officer or assistant Officer as they deem appropriate. Any two or more offices may be held by the same person. Each Officer shall be appointed for such term and shall exercise such powers, perform such duties and have such authority as determined from time to time by the Managers.

(b) The following officers of the Company, if appointed, shall have such powers and duties, except as modified by the Managers, as generally pertain to their offices, respectively, as well as such powers and duties as from time to time shall be conferred by the Managers and by this Agreement:

(i) Chief Executive Officer. The chief executive officer shall be subject to the control of the Managers, and shall in general supervise and control all business and affairs of the Company. The chief executive officer may sign, with the secretary or any other proper officer of the Company thereunto authorized by the Managers, deeds, mortgages, bonds, contracts, and other obligations in the name of the Company, which the Managers have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Managers or by this Agreement to some other officer or agent of the Company, or shall be required by law to be otherwise signed and executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Managers from time to time.

(ii) President. In the absence of the chief executive officer, or in the event of his death or inability to act or refusal to act, the president shall perform the duties of the chief executive officer and when so acting shall have all of the powers of and be subject to all of the restrictions upon the chief executive officer. In general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the chief executive officer or the Managers from time to time.

(iii) Executive Vice Presidents. Executive vice presidents will perform the duties assigned to them by the Managers, and, in the order designated by the president, at the request of the president or in the absence of the president will perform as well the duties of the president's office. Each executive vice president will have power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, or other instruments authorized by the Managers.

(iv) Vice Presidents. Vice presidents will perform the duties assigned to them by the Managers, and at the request of the president, will perform as well the

duties of the president's office. Each vice president will have the power also to execute and deliver in the name and on behalf of the Company, deeds, mortgages, leases, assignments, bonds, contracts, and other instruments authorized by the Managers.

(v) Secretary. The Secretary shall keep the minutes of all meetings of the Members and Managers and shall have general charge of such books and records of the Company as the Managers may direct, and in general shall perform all duties and exercises all powers incident to the office of Secretary and such other duties and powers as the Managers or the President may from time to time assign to or confer on the Secretary.

(vi) Treasurer. The treasurer will be the principal financial officer of the Company and will have charge of the corporate funds and securities and will keep a record of the property and indebtedness of the Company. He will, if required by the Managers, give bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Managers may require.

(vii) Other Officers. The Managers may appoint such other officers, agents, or employees as it may deem necessary for the conduct of the business of the Company. In addition, the Managers may authorize the president or some other officers to appoint such agents or employees as they deem necessary for the conduct of the business of the Company.

(c) The compensation of all Officers of the Company shall be fixed by the Managers.

(d) Each Officer of the Company shall hold office until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office. Any Officer appointed by the Managers may be removed either with or without cause by the Managers, but such removal shall be without prejudice to the contract rights, if any, of the individual so removed. If the office of any Officer becomes vacant for any reason, the vacancy may be filled by the Managers.

ARTICLE V

MEETINGS OF MEMBERS

Section 5.1. **Meetings**. Meetings of the Members, for any purpose or purposes, may be called by any Member or the Managers. Unless otherwise required by statute, notice of regular meetings of Members shall not be required.

Section 5.2. **Place of Meetings**. Meetings of Members for all purposes may be held at such time and place, within or without the State of Delaware, as determined by the Members.

Section 5.3. **Quorum**. At each meeting the holders of a Majority in Membership Interests issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall be requisite and shall constitute a quorum of the Members for the transaction of business except as otherwise provided by statute, the Certificate or this Agreement, but in no event shall a quorum

consist of the holders of less than one-third of the Membership Interests entitled to vote at such a meeting. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 5.4. **Voting by Members**. With respect to any matter other than a matter for which the affirmative vote of the holders of a specified portion of the Membership Interests entitled to vote is required by the Act, the affirmative vote of the holders of a Majority in Membership Interests entitled to vote represented in person or by proxy at a meeting of Members at which a quorum is present shall be the act of the Members, unless otherwise provided in the Certificate or this Agreement.

Section 5.5. **Voting Procedure**. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person, by proxy appointed by an instrument in writing subscribed by such Member, or by his duly authorized attorney-in-fact. No form of proxy or power of attorney bearing a date more than eleven (11) months prior to said meeting shall be valid, unless said instrument provides for a longer period. Each proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest.

Section 5.6. **Action Without Meeting; Telephone Meetings**.

(a) Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder or holders of Membership Interests having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all Membership Interests entitled to vote on the action were present and voted. Prompt notice shall be given to any Member of the approval of any decision requiring Member approval if such decision was approved without a meeting of the Members and such Member did not approve the decision in writing.

(b) Subject to applicable notice provisions and unless otherwise restricted by the Certificate, Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all individuals participating in the meeting can hear each other, and participation in such meeting shall constitute presence in person at such meeting, except where an individual's participation is for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE VI

LIMITATION OF LIABILITY; INDEMNIFICATION

Section 6.1. **Limitation of Liability.** The Members, Managers and any persons serving as officers of the Company and their respective shareholders, members, partners, officers, directors, agents, employees, and representatives shall not be liable, responsible, or accountable in damages or otherwise to the Company or the Members for any mistake of fact or judgment in operating the

business of the Company or for any act performed (or omitted to be performed) in good faith (including, without limitation, pursuant to advice of legal counsel) and within the scope of this Agreement, unless such actions or inactions shall have resulted from gross negligence, willful misconduct, or fraud.

Section 6.2. **Indemnification and Advance of Expenses.** The Company shall indemnify and/or advance expenses to a Person who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the Person (i) is or was a Member, Manager or Officer, or (ii) is or was serving at the request of the Company as a member, manager, officer, director, or employee or in a similar capacity of another Person to the fullest extent provided by, and in accordance with the procedures set forth in Section 145 of the Delaware General Corporation Law and any other applicable laws.

ARTICLE VII

DISTRIBUTIONS

Section 7.1. **Distributions of Cash Flow.** Except as provided in Section 7.3, Cash Flow shall be distributed to the Members in accordance with the Members' Membership Interests at such time as the Managers, in their sole discretion, may deem appropriate.

Section 7.2. **Limitations on Distributions.** The Company may not make a distribution to its Members to the extent that, immediately after giving effect to the distribution, all liabilities of the Company, other than any liabilities to Members in respect of distributions and liabilities for which the recourse of creditors is limited to specific property of the Company, exceed the fair value of the Company's assets, except that the fair value of property that is subject to a liability for which recourse of creditors is limited shall be included in the Company's assets only to the extent that the fair value of that property exceeds that liability.

Section 7.3. **Distributions Upon Liquidation of Company**. Upon liquidation of the Company, the assets of the Company shall be distributed no later than the later of ninety (90) days after the date of such liquidation or the end of the Company's taxable year in which the liquidation occurs and shall be applied in the following order of priority:

(a) First, to the payment of debts and liabilities of the Company (including debts owed to Members or former Members);

(b) Second, to set up any reserves which the Managers deem reasonably necessary for contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the business of the Company; and

(c) Finally, to the Members pro rata in accordance with their Membership Interest.

Section 7.4. **Payment of Costs and Expenses.** The Company shall be responsible for paying all costs and expenses of forming and continuing the Company, and conducting the business of the Company. If any such costs and expenses are or have been paid by a Member or any of his Affiliates, then such Member (or his Affiliates) shall be entitled to be reimbursed for such payment so long as such cost or expense was reasonably necessary and was reasonable in amount.

ARTICLE VIII

FISCAL MATTERS

Section 8.1. **Books and Records**. The Company shall keep full and accurate books and records of all of its transactions in accordance with both regulatory and generally accepted accounting principles, consistently applied.

Section 8.2. **Tax Returns**. The Members shall cause to be prepared and filed on or before the Company's applicable filing due date (including extensions), any required federal, state and local tax returns for the Company.

Section 8.3. **Bank Accounts**. The Members shall open and maintain a special bank account or accounts in a bank or savings and loan association, the deposits of which are insured by an agency of the United States government, in which shall be deposited all funds of the Company. There shall be no commingling of the property and assets of the Company with the property and assets of any other Person.

Section 8.4. **Tax Elections**. The Members shall be entitled to determine any election available to the Company for federal, state or local tax purposes.

ARTICLE IX

TRANSFERS AND ADMISSION OF NEW MEMBERS

Section 9.1. **Restriction on Transfers and Admission of New Members**.

(a) Subject to Sections 9.1(b) and 9.1(c), membership in the Company shall be restricted to the Initial Member, assignment in whole or in part of any Membership Interest is prohibited, and no new Members shall be admitted.

(b) Notwithstanding the provisions of Section 9.1(a), all or part of the Membership Interest of a Member may be Transferred by the Member if the Transfer is consented to by a Majority in Membership Interests.

(c) Notwithstanding the provisions of Section 9.1(a), any Person may be admitted as a new Member of the Company provided that such Person's admission into the Company is consented to by a Majority in Membership Interests.

Section 9.2. **Assumption by Transferee**. Any transferee to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(b) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said transferee shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such transferee shall be admitted as a substitute Member and shall succeed to all rights of his transferor.

Section 9.3. **Assumption by New Members**. Any new Member to whom all or any part of a Membership Interest may be Transferred in accordance with Section 9.1(c) shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until said new Member shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the Members, at which time, if the proper consents have been obtained, such new Member shall be admitted as a Member and shall succeed to all rights of a Member.

Section 9.4. **Cost of Transfers**. The transferee of any Membership Interest shall reimburse the Company for all costs incurred by the Company resulting from any Transfer.

Section 9.5. **Effect of Attempted Disposition in Violation of this Agreement**. Any attempted Transfer of any Membership Interest in breach of this Agreement shall be null and void and of no effect whatever.

ARTICLE X

RETIREMENT OR RESIGNATION OF MEMBER

Section 10.1. **Withdrawal**. A Member may retire or resign from the Company at any time.

Section 10.2. **Distributions on Withdrawal**. Except as otherwise provided by the Act, the Certificate or in Article XII of this Agreement, upon retirement or resignation of a Member, the retiring or resigning Member (the “Withdrawing Member”) shall be entitled to receive in cash or an undivided interest in property of the Company the fair market value of the Member’s Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by agreement between a Majority in Membership Interests and the Withdrawing Member. If such agreement cannot be reached between the parties, then such Member shall not withdraw from the Company.

ARTICLE XI

EXPULSION

Section 11.1. **Expulsion**. A Member may be expelled from the Company if the expulsion is consented to by at least sixty-seven percent (67%) of the total Membership Interests.

Section 11.2. **Distributions on Expulsion**. Except as otherwise provided by the Act, or in Article XI of this Agreement, upon expulsion, an expelled member shall be entitled to receive in cash or an undivided interest in the property of the Company the fair market value of the Member’s Membership Interest as of the date of withdrawal. For purposes hereof, the fair market value of a Membership Interest and the nature of the assets to be received will be determined by a Majority in Membership Interests (excluding the interest of the expelled Member).

ARTICLE XII

DISSOLUTION

Section 12.1. **Dissolution**. The Company shall be dissolved as provided in the Act. On dissolution of the Company, the affairs of the Company shall be wound up and the assets of the Company shall be distributed as and to the extent provided by the Act.

ARTICLE XIII

MISCELLANEOUS

Section 13.1. **Amendments**. These Regulations may be amended, modified, terminated or waived only by written agreement among all Members.

Section 13.2. **Integration**. This agreement sets forth all understandings of the Members. All other agreements, oral or written, concerning the Company are merged into and superseded by this agreement.

Section 13.3. **Other Activities**. Any Member may engage or possess an interest in other business ventures of every nature and description, independently or with others, provided that such interest in other business ventures is disclosed to the other Members (unless otherwise prohibited by court order, government regulation or other law), and neither the Company nor any of the other Members shall have any right by virtue of this Agreement in and to such other ventures or to the income or property derived therefrom.

Section 13.4. **Partition**. No Member shall be entitled to a partition of any property or assets of the Company, notwithstanding any provision of law to the contrary. A Membership Interest is personal property.

Section 13.5. **Notices**. Any notice required or permitted to be delivered to any Member under the provisions of this Agreement shall be deemed delivered, whether actually received or not, when deposited in a United States Postal Service depository, postage prepaid, registered or certified, return receipt requested, and addressed to the Member at the address specified by written notice delivered to the Company.

Section 13.6. **Provisions Severable**. Every provision of this Agreement is intended to be severable and, if any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

Section 13.7. **Headings**. The headings of the various Sections are intended solely for convenience of reference, and shall not be deemed or construed to explain, modify or place any construction upon the provisions hereof.

Section 13.8. **Third Party Beneficiaries**. These Regulations shall be for the benefit of the undersigned parties and their permitted successors and assigns only, it being the intention of the parties that no one shall be deemed to be a third party beneficiary of this Agreement.

ARTICLE XIV

CERTIFICATE BY MEMBERS

The undersigned, being the sole Member of the Company, hereby agrees to and certifies that the foregoing Agreement is the Agreement of the Company, and that such Agreement has been duly adopted and are binding on the Company and its Members.

IN WITNESS WHEREOF, the undersigned have signed this certificate as of December 17, 2001.

MEMBER:

HORNBECK-LEEVAC MARINE SERVICES, INC.

By: /s/ Todd M. Hornbeck

Todd M. Hornbeck, President

STATE OF LOUISIANAP '
'
PARISH OF TAMMANY '

This instrument was ACKNOWLEDGED before me on March 30, 2004, by Todd M. Hornbeck, President of HORNBECK-LEEVAC Marine Services, Inc., a Delaware corporation, on behalf of said corporation.

[S E A L]

/s/ Samuel A. Giberga

Notary Public - State of Louisiana

My Commission Expires:

For Life

Samuel A. Giberga
Printed Name of Notary Public

EXHIBIT 4.6

HORNBECK OFFSHORE SERVICES, INC.

AND

THE GUARANTORS PARTY HERETO

_____ % Senior Notes due _____

INDENTURE

Dated as of _____

WELLS FARGO BANK, NATIONAL ASSOCIATION

Trustee

CROSS REFERENCE TABLE*

TRUST INDENTURE ACT SECTION		INDENTURE SECTION
Section 310	(a)(1)	6.09
	(a)(2)	6.09
	(a)(3)	Not Applicable
	(a)(4)	Not Applicable
	(b)	6.08, 6.10
Section 311	(a)	6.13
	(b)	6.13
Section 312	(a)	7.01, 7.02
	(b)	7.02
	(c)	7.02
Section 313	(a)	7.03
	(b)	7.03
	(c)	7.03
	(d)	7.03
Section 314	(a)	7.04
	(a)(4)	1.01, 10.04
	(b)	Not Applicable
	(c)(1)	1.02
	(c)(2)	1.02
	(c)(3)	Not Applicable
	(d)	Not Applicable
	(e)	1.02
Section 315	(a)	6.01
	(b)	6.02
	(c)	6.01
	(d)	6.01
	(d)(1)	6.01
	(d)(2)	6.01
	(d)(3)	6.01
	(e)	5.14
Section 316	(a)(1)(A)	5.12
	(a)(1)(B)	5.02, 5.13
	(a)(2)	Not Applicable
	(b)	5.08
	(c)	1.04
Section 317	(a)(1)	5.03
	(a)(2)	5.04
	(b)	10.03
Section 318	(a)	1.07

* This Cross Reference Table is not part of the Indenture.

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INDENTURE, dated as of _____, 200__, among Hornbeck Offshore Services, Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company"), having its principal office at 103 Northpark Boulevard, Suite 300, Covington, Louisiana 70433, each of the Subsidiary Guarantors (as hereinafter defined) and Wells Fargo Bank, National Association, a national banking association, as Trustee (herein called the "Trustee").

RECITALS OF THE COMPANY AND THE SUBSIDIARY GUARANTORS

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its senior debentures, notes or other evidences of indebtedness (herein called the "Securities"), to be issued in one or more series as provided in this Indenture.

The Company and the Subsidiary Guarantors are members of the same consolidated group of companies. The Subsidiary Guarantors will derive direct and indirect economic benefit from the issuance of the Securities. Accordingly, each Subsidiary Guarantor has duly authorized the execution and delivery of this Indenture to provide for its full, unconditional and joint and several guarantee of the Securities to the extent provided in or pursuant this Indenture.

All things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually agreed, for the equal and proportionate benefit of all Holders of the Securities or of series thereof, as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS
OF GENERAL APPLICATION

Section 1.01 Definitions. For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP;

(4) unless the context otherwise requires, any reference to an "Article" or a "Section" refers to an Article or a Section, as the case may be, of this Indenture; and

(5) the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

“Act,” when used with respect to any Holder, has the meaning specified in Section 1.04.

“Affiliate” of any specified Person means an “affiliate of such Person, as such term is defined for purposes of Rule 144 under the Securities Act.

“Authenticating Agent” means any Person authorized by the Trustee pursuant to Section 6.14 to act on behalf of the Trustee to authenticate Securities of one or more series.

“Bankruptcy Law” means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

“Board of Directors” means (a) with respect to any corporation, the board of directors of such corporation, (b) with respect to any partnership, the general partner of such partnership, (c) with respect to any limited liability company, the managing member sole manager or board of managers of such limited liability company and (d) with respect to any other entity, the body having the power to direct the policies of such entity; provided, however, that when the context refers to actions or resolutions of the Board of Directors, then the term “Board of Directors” shall also mean any duly authorized committee of the Board of Directors authorized to act with respect to any particular matter to exercise the power of the Board of Directors.

“Board Resolution” means, with respect to the Company or a Subsidiary Guarantor, a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company or such Subsidiary Guarantor, as the case may be, to have been duly adopted by its Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

“Business Day”, when used with respect to any Place of Payment or any other particular location referred to in this Indenture or in the Securities of any series, means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment are authorized or obligated by law, regulation or executive order to close.

“Capital Lease Obligation” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be so required to be capitalized on the balance sheet in accordance with GAAP.

“Capital Stock” means with respect to any Person any and all shares, interests, participations, warrants, rights, options or other equivalents (however designated) of capital stock or any other equity interest of such Person, including, without limitation, with respect to a corporation, each class of common stock and preferred stock; with respect to a partnership, partnership interests (whether general or limited); with respect to

a limited liability company, membership interests; and any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of the assets of, such Person.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act, or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"Common Stock" means the common stock, $.01 par value per share, of the Company as the same exists at the date of execution and delivery of this Indenture or other Capital Stock of the Company into which such common stock is converted, reclassified or changed from time to time.

"Company" means the Person named as the "Company" in the first paragraph of this Indenture until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Company" shall mean such successor Person.

"Company Request" or "Company Order" means a written request or order signed in the name of the Company by the Designated Officers and delivered to the Trustee.

"Conversion Agent" means any Person authorized by the Company to convert any Securities on behalf of the Company.

"Corporate Trust Office" means the principal office of the Trustee at which at any particular time its corporate trust business shall be administered, such office being located on the date hereof at 213 Court Street, Suite 703, Middletown, Connecticut 06457, Attention: Corporate Trust Services, Telecopy No.: (860) 704-6219.

"Covenant Defeasance" has the meaning specified in Section 15.03.

"Custodian" means any receiver, custodian, trustee, assignee, liquidator, sequestrator or similar official under any Bankruptcy Law.

"Defaulted Interest" has the meaning specified in Section 3.07.

"Defeasance" has the meaning specified in Section 15.02.

"Depositary" means, with respect to the Securities of any series issuable in whole or in part in the form of one or more Global Securities, the Person designated as Depositary by the Company pursuant to Section 3.01. The Depository Trust Company shall be the initial Depositary, until a successor Depositary shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Depositary" shall mean or include each Person who is then a Depositary hereunder. If at any time there is more than one such Person, "Depositary" shall mean the Depositary with respect to the Securities of that series.

“Designated Officers” means any two Officers of the Company, at least one of whom must be its Chief Executive Officer, its President, its Chief Financial Officer or its Chief Accounting Officer.

“Disqualified Stock” means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures (excluding any maturity as a result of an optional redemption by the issuer thereof) or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is 91 days after the date on which the Securities mature or are redeemed or retired in full.

“Dollars” and “$” means lawful money of the United States of America.

“Domestic Subsidiary” means any Restricted Subsidiary of the Company other than a Foreign Subsidiary.

“Equity Interests” means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

“Event of Default” has the meaning specified in Section 5.01.

“Exchange Act” means the Securities Exchange Act of 1934 and any statute successor thereto, in each case as amended from time to time.

“Expiration Date” has the meaning specified in Section 1.04.

“Foreign Subsidiary” means any Restricted Subsidiary of the Company that was not formed under the laws of the United States or any state of the United States or the District of Columbia and that conducts substantially all of its operations outside the United States.

“GAAP” means such accounting principles as are generally accepted in the United States of America.

“Global Security” means a Security that evidences all or part of the Securities of any series and bears the legend set forth in Section 2.05 (or such legend as may be specified as contemplated by Section 3.01 for such Securities).

“Hedging Obligations” means, with respect to any Person, the obligations of such Person under (a) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements, (b) other agreements or arrangements designed to protect such Person against fluctuations in interest rates and (c) any foreign currency futures contract, option or similar agreement or arrangement designed to protect such Person against fluctuations in foreign currency rates, in each case to the extent such obligations are incurred in the ordinary course of business of such Person and not for speculative purposes.

"Holder" means a Person in whose name a Security is registered in the Security Register.

"Indebtedness" means, with respect to any Person, any indebtedness of such Person, whether or not contingent, in respect of (i) borrowed money including, without limitation, any guarantee thereof, or (ii) evidenced by bonds, debentures, notes or similar instruments or letters of credit (or reimbursement agreements in respect thereof) or bankers' acceptances or representing Capital Lease Obligations or the deferred and unpaid purchase price of any property or assets, or representing any Hedging Obligations, if and to the extent any of the foregoing indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP; *provided, however*, that any accrued expense or trade payable of such Person shall not constitute Indebtedness. The amount of any Indebtedness outstanding as of any date shall be (a) the accreted value thereof, in the case of any Indebtedness that does not require current payments of interest, and (b) the principal amount thereof, in the case of any other Indebtedness (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of such Person and its Restricted Subsidiaries thereunder).

"Indenture" means this instrument as originally executed and as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, including, for all purposes of this instrument and any such supplemental indenture, the provisions of the Trust Indenture Act that are deemed to be a part of and govern this instrument and any such supplemental indenture, respectively. The term "Indenture" shall also include the terms of particular series of Securities established as contemplated by Section 3.01.

"Interest," when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

"Interest Payment Date," when used with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

"Investment Company Act" means the Investment Company Act of 1940 and any statute successor thereto, in each case as amended from time to time.

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

"Non-Recourse Debt" means Indebtedness (a) as to which neither the Company nor any of its Restricted Subsidiaries (i) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or is otherwise directly or indirectly liable (as a guarantor or otherwise) or (ii) constitutes the lender, (b) no default with respect to which (including any rights the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon

notice, lapse of time or both) the holders of Indebtedness of the Company or any of its Restricted Subsidiaries to declare a default on such Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity and (c) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries.

"Notice of Default" means a written notice of the kind specified in Section 5.01(4).

"Officer" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, any Vice President, the Chief Financial Officer, the Chief Accounting Officer, the Treasurer, any Assistant Treasurer, the Controller, any Assistant Controller, the Secretary or any Assistant Secretary of such Person.

"Officers' Certificate" means a certificate signed and delivered to the Trustee by two Designated Officers. One of the officers signing an Officers' Certificate given pursuant to Section 10.04 shall be the principal executive, financial or accounting officer of the Company.

"Opinion of Counsel" means, as to the Company or a Subsidiary Guarantor, a written opinion of counsel, who may be an employee of or counsel for the Company or such Subsidiary Guarantor, as the case may be, and who shall be reasonably acceptable to the Trustee.

"Original Issue Discount Security" means any Security which provides for an amount (excluding any amounts attributable to accrued buy unpaid interest thereon) less than the principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 5.02.

"Outstanding," when used with respect to the Securities or Securities of any series, means, as of the date of determination, all such Securities theretofore authenticated and delivered under this Indenture, except:

(1) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(2) Securities or portions thereof, for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities; provided that, if such Securities or portions thereof are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor reasonably satisfactory to the Trustee has been made;

(3) Securities which have been paid as provided herein or in exchange for or in lieu of which other Securities have been authenticated and delivered

pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof reasonably satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

(4) Securities as to which Defeasance has been effected pursuant to Section 15.02; and

(5) Securities which have been paid pursuant to Section 3.06 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company; provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given, made or taken any request, demand, authorization, direction, notice, consent, waiver or other action hereunder, or whether sufficient funds are available for redemption or for any other purpose as of any date, (A) the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding shall be the amount of the principal thereof which would be due and payable as of such date upon acceleration of the Maturity thereof to such date pursuant to Section 5.02, (B) if, as of such date, the principal amount payable at the Stated Maturity of a Security is not determinable, the principal amount of such Security which shall be deemed to be Outstanding shall be the amount as specified or determined as contemplated by Section 3.01, (C) the principal amount of a Security denominated in one or more foreign currencies or currency units which shall be deemed to be Outstanding shall be the U.S. dollar equivalent, determined as of such date in the manner provided as contemplated by Section 3.01, of the principal amount of such Security (or, in the case of a Security described in clause (A) or (B) above, of the amount determined as provided in such clause), and (D) Securities owned by the Company, any Subsidiary Guarantor or any other obligor upon the Securities or any Affiliate of the Company, any Subsidiary Guarantor or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, waiver or other action, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Company, a Subsidiary Guarantor or any other obligor upon the Securities or any Affiliate of the Company, a Subsidiary Guarantor or of such other obligor.

"Paying Agent" means any Person authorized by the Company to pay the principal of or any premium or interest on any Securities on behalf of the Company. The Company may act as Paying Agent with respect to any Securities issued hereunder.

“Person” means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization, other entity or government or any agency or political subdivision thereof.

“Place of Payment,” when used with respect to the Securities of any series, means the place or places where the principal of and any premium and interest on the Securities of that series are payable as specified as contemplated by Section 3.01.

“Predecessor Security” of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 3.06 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security.

“Redemption Date,” when used with respect to any Security or any series to be redeemed, in whole or in part, means the date fixed for such redemption by or pursuant to this Indenture.

“Redemption Price,” when used with respect to any Security of any series to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture.

“Regular Record Date” for the interest payable on any Interest Payment Date on the Securities of any series means the date specified for that purpose as contemplated by Section 3.01.

“Restricted Subsidiary” of a Person means any Subsidiary of such Person that is not an Unrestricted Subsidiary.

“Securities” has the meaning stated in the first recital of this Indenture and more particularly means any Securities authenticated and delivered under this Indenture.

“Securities Act” means the Securities Act of 1933 and any statute successor thereto, in each case as amended from time to time.

“Security Register” and “Security Registrar” have the respective meanings specified in Section 3.05.

“Significant Subsidiary” means any Restricted Subsidiary of the Company that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the effective date of this Indenture.

“Special Record Date” for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 3.07.

“Stated Maturity,” when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified in such Security as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

"Subsidiary" means, with respect to any Person, (a) any corporation, association or other business entity of which more than 50% of the total Voting Stock is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof), (b) any partnership (i) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (ii) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof) and (c) any other Person whose results for financial reporting purposes are consolidated with those of such Person in accordance with GAAP.

"Subsidiary Guarantees" means the guarantees of each Subsidiary Guarantor as provided in Article Thirteen.

"Subsidiary Guarantors" means (i) the Restricted Subsidiaries listed in Schedule I hereto; (ii) any other Restricted Subsidiary of the Company that becomes a Subsidiary Guarantor in accordance with the provisions of this Indenture; (iii) the respective successors and assigns of such Restricted Subsidiaries**,** in each case until such Restricted Subsidiary shall be released and relieved of its obligations pursuant to the provisions of this Indenture.

"Trust Indenture Act" means the Trust Indenture Act of 1939 as in force at the date as of which this instrument was executed; provided, however, that in the event the Trust Indenture Act of 1939 is amended after such date, "Trust Indenture Act" means, to the extent required by any such amendment, the Trust Indenture Act of 1939 as so amended.

"Trustee" means the Person named as the "Trustee" in the first paragraph of this instrument until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean or include each Person who is then a Trustee hereunder, and if at any time there is more than one such Person, "Trustee" as used with respect to the Securities of any series shall mean the Trustee with respect to Securities of that series.

"Unrestricted Subsidiary" means any Subsidiary of the Company that is designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a Board Resolution and any Subsidiary of an Unrestricted Subsidiary. The Board of Directors may designate a Subsidiary as an Unrestricted Subsidiary only to the extent that such Subsidiary at the time of such designation (a) has no Indebtedness other than Non-Recourse Debt, (b) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (i) to subscribe for additional Equity Interests or (ii) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results, and (c) together with any other Unrestricted Subsidiary shall not, in the aggregate exceed the sum of the following: (A) 50% of the cumulative consolidated net income of the Company and its

consolidated subsidiaries for the period (taken as one accounting period) from January 1, 2004 to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such designation (or, if such consolidated net income for such period is a deficit, less 100% of such deficit), plus (B) 100% of the aggregate net cash proceeds, and the fair market value of any property other than cash, received by the Company since January 1, 2004 from the issue or sale of Equity Interests of the Company (other than Disqualified Stock) or of Disqualified Stock or debt securities of the Company that have been converted into, or exchanged for, such Equity Interests (other than any such Equity Interests, Disqualified Stock or convertible debt securities sold to a Restricted Subsidiary of the Company and other than Disqualified Stock or convertible debt securities that have been converted into, or exchanged for, Disqualified Stock); provided, however, that the amount in this clause (c)(B) shall exclude the amount of such net cash proceeds that are used to redeem, repurchase, retire, defease or otherwise acquire any subordinated Indebtedness of the Company or any Subsidiary Guarantor or any Equity Interests of the Company or any of its Restricted Subsidiaries plus (C) in the event that any Unrestricted Subsidiary is redesignated as a Restricted Subsidiary, the lesser of (1) an amount equal to the fair market value of the investments previously made by the Company and its Restricted Subsidiaries in such Subsidiary as of the date of redesignation and (2) the amount of such Investments plus (D) $20,000,000.. Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee the Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions. If, at any time, any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture.

"U.S. Government Obligation" has the meaning specified in Section 15.04.

"Vice President," when used with respect to the Company or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title "vice president."

"Voting Stock" of any Person means the Capital Stock of such Person which ordinarily has voting power for the election of directors (or persons performing similar functions) of such Person, whether at all times or only so long as no senior class of securities has such voting power by reason of any contingency.

Section 1.02 Compliance Certificates and Opinions. Upon any application or request by the Company or any Subsidiary Guarantor to the Trustee to take any action under any provision of this Indenture, the Company and/or such Subsidiary Guarantor, as appropriate, shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished. Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

Section 1.03 Form of Documents Delivered to Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an Officer of the Company or a Subsidiary Guarantor may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such Officer knows, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an Officer or Officers of the Company or such Subsidiary Guarantor stating that the information with respect to such factual matters is in the possession of the Company or such Subsidiary Guarantor, unless such counsel knows, that the certificate or opinion or representations with respect to such matters are erroneous. Any certificate, statement or opinion of an Officer of the Company or of counsel may be based, insofar as it relates to accounting matters, upon a certificate, report or opinion of or representations by an accountant or firm of accountants in the employ of the Company, unless such Officer of Counsel, as the case may be, actually knows that the certificate, report or opinion or representations with respect to the accounting matters upon which his or her certificate, statement or opinion is based such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 1.04 Acts of Holders; Record Dates. (1) Whenever in this Indenture it is provided that the Holders of a specified percentage in aggregate principal amount of the

Securities of any or all series may take action (including the making of any demand or request, the giving of any direction, notice, consent or waiver or the taking of any other action) the fact that at the time of taking any such action the Holders of such specified percentage have joined therein may be evidenced (a) by any instrument or any number of instruments of substantially similar tenor executed by Holders in person or by agent or proxy appointed in writing, (b) by the record of the Holders voting in favor thereof at any meeting of Holders duly called and held in accordance with procedures approved by the Trustee, (c) by a combination of such instrument or instruments and any such record of such a meeting of Holders or (d) in the case of Securities evidenced by a Global Security, by any electronic transmission or other message, whether or not in written format, that complies with the Depositary's applicable procedures. Such evidence (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the relevant Holders. Proof of execution of any such instrument or of a writing appointing any such agent or proxy shall be sufficient for any purpose of this Indenture and (subject to Section 6.01) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section.

(2) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner that the Trustee deems sufficient.

(3) The record ownership of Securities shall be proved by the Security Register.

(4) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee or the Company in reliance thereon, whether or not notation of such action is made upon such Security.

(5) The Company may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to give, make or take any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given, made or taken by Holders of Securities of such series, provided that the Company may not set a record date for, and the provisions of this paragraph shall not apply with respect to, the giving or making of any notice, declaration, request or direction referred to in the next paragraph. If any record date is set pursuant to this paragraph, the Holders of Outstanding Securities of the relevant series on such record date, and no other Holders, shall be entitled to take the relevant action, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Company from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall

automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Company, at its own expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Trustee in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06. The Trustee may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to join in the giving or making of (i) any Notice of Default, (ii) any declaration of acceleration referred to in Section 5.02, (iii) any request to institute proceedings referred to in Section 5.07(2) or (iv) any direction referred to in Section 5.12, in each case with respect to Securities of such series. If any record date is set pursuant to this paragraph, the Holders of Outstanding Securities of such series on such record date, and no other Holders, shall be entitled to join in such notice, declaration, request or direction, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Trustee from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Trustee, at the Company's expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Company in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06.

(6) With respect to any record date set pursuant to this Section, the party hereto which sets such record dates may designate any day as the "Expiration Date" and from time to time may change the Expiration Date to any earlier or later day; provided that no such change shall be effective unless notice of the proposed new Expiration Date is given to the other party hereto in writing, and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06, on or prior to the existing Expiration Date. If an Expiration Date is not designated with respect to any record date set pursuant to this Section, the party hereto which set such record date shall be deemed to have initially designated the 180th day after such record date as the Expiration Date with respect thereto, subject to its right to change the Expiration Date as provided in this paragraph. Notwithstanding the foregoing, no Expiration Date shall be later than the 180th day after the applicable record date.

(7) Without limiting the foregoing, a Holder entitled hereunder to take any action hereunder with regard to any particular Security may do so with regard to all or any part of the principal amount of such Security or by one or more duly appointed agents each of which may do so pursuant to such appointment with regard to all or any part of such principal amount.

Section 1.05 Notices, Etc., to Trustee and the Company. Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with:

(1) the Trustee by any Holder or by the Company or any Subsidiary Guarantor shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing in the English language to or with the Trustee at its Corporate Trust Office, Attention: Corporate Trust Department; or

(2) the Company or any Subsidiary Guarantor by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing in the English language and mailed, first-class postage prepaid, in the case of the Company addressed to it at the address of its principal office specified in the first paragraph of this instrument, Attention: Chief Financial Officer, or at any other address previously furnished in writing to the Trustee by the Company and, in the case of any Subsidiary Guarantor, to it at the address of the Company's principal office specified in the first paragraph of this instrument, Attention: Chief Financial Officer, or at any other address previously furnished in writing to the Trustee by such Subsidiary Guarantor.

Section 1.06 Notice to Holders; Waiver. Where this Indenture or any Security provides for notice to Holders of any event, such notice shall be deemed sufficiently given (unless otherwise herein or in such Security expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at his address as it appears in the Security Register, not later than the latest date (if any), and not earlier than the earliest date (if any), prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders or the validity of the proceedings to which such notice relates. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

Section 1.07 Conflict with Trust Indenture Act. If any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act which is required under such Act to be a part of and govern this Indenture, such required provision shall control. If any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act which may be so modified or excluded, such latter provision of the Trust Indenture Act shall be deemed to apply to this Indenture as so modified or shall be excluded, as the case may be.

Section 1.08 Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.09 Successors and Assigns. All covenants and agreements in this Indenture by the Company and any Subsidiary Guarantor shall bind its respective successors and assigns, whether so expressed or not.

Section 1.10 Separability Clause. In case any provision in this Indenture, the Securities or the Subsidiary Guarantees shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1.11 Benefits of Indenture. Nothing in this Indenture, the Securities or the Subsidiary Guarantees, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 1.12 Governing Law. This Indenture, the Securities and the Subsidiary Guarantees shall be governed by and construed in accordance with the law of the State of New York without regard to its principles of conflicts of law.

Section 1.13 Legal Holidays. In any case where any Interest Payment Date, sinking fund payment**,** Redemption Date, purchase date or Stated Maturity or Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or of the Securities (other than a provision in the Securities of any series which specifically states that such provision shall apply in lieu of this Section) payment of interest or principal (and premium and any other amounts, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day or on such other day as may be set out in the Officers' Certificate pursuant to Section 3.01 or in any supplemental indenture with respect to the Securities at such Place of Payment with the same force and effect as if made on the Interest Payment Date, Redemption Date, provided that no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date, Redemption Date, sinking fund payment date, Stated Maturity or Maturity, as the case may be, if payment is made on such next succeeding Business Day or other day set out in such Officers' Certificate or in any supplemental indenture with respect to the Securities.

Section 1.14 No Recourse Against Others. A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Securities or this Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. Each Securityholder, by accepting a Security, waives and releases all such liability. Such waivers and releases are part of the consideration for the issuance of the Securities.

ARTICLE 2

SECURITY FORMS

Section 2.01 Forms Generally. The Securities of each series and, if applicable, the Subsidiary Guarantees to be endorsed thereon shall be in substantially the form set forth in this Article, or in such other form as shall be established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or Depositary therefor or as may, consistently herewith, be determined by the Officers

executing such Securities or Subsidiary Guarantees, as the case may be, as evidenced by their execution thereof. If the form of Securities of any series is established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Company Order contemplated by Section 3.03 for the authentication and delivery of such Securities.

The definitive Securities shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the Officers executing such Securities, as evidenced by their execution of such Securities.

Section 2.02 Form of Face of Security. [Insert any legend required by the Internal Revenue Code and the regulations thereunder.]

HORNBECK OFFSHORE SERVICES, INC.

_____

No. _____ $ _____

Hornbeck Offshore Services, Inc., a corporation duly organized and existing under the laws of Delaware (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the principal sum of _____ Dollars on _____ [if the Security is to bear interest prior to Maturity, insert —, and to pay interest thereon from _____ or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on _____ and _____ in each year [if other than semi-annual payments, insert frequency of payments and payment dates], commencing _____, at [if the Security is to bear interest at a fixed rate, insert the rate of _____% per annum], [if the Security is to bear interest at a variable or floating rate and if determined with reference to an index, refer to description of index below], until the principal hereof is paid or made available for payment, provided that any principal and premium, and any such installment of interest, which is overdue shall bear interest at the rate of _____% per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment, and such interest shall be payable on demand. The interest so payable, and promptly paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the _____ or _____ (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so promptly paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the

requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

[If the Securities are floating or adjustable rate securities with respect to which the principal of or any premium, other amounts or interest may be determined with reference to an index, insert the text of the floating or adjustable rate provisions.]

[If the Security is not to bear interest prior to Maturity, insert — .] The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal of this Security and any overdue premium on this Security shall bear interest at the rate of ____% per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment. Interest on any overdue principal or premium shall be payable on demand. Any such interest on overdue principal or premium which is not paid on demand shall bear interest at the rate of ____% per annum (to the extent that the payment of such interest on interest shall be legally enforceable), from the date of such demand until the amount so demanded is paid or made available for payment. Interest on any overdue interest shall be payable on demand.]

Payment of the principal of (and premium, if any) and [if applicable, insert — any such] interest on this Security will be made at the office or agency of the Company maintained for that purpose in _____, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register.

[If applicable, insert — So long as all of the Securities of this series are represented by Securities in global form, the principal of, premium and other amounts, if any, and interest, if any, on this global Security shall be paid in same day funds to the Depositary, or to such name or entity as is requested by an authorized representative of the Depositary. If at any time the Securities of this series are no longer represented by global Securities and are issued in definitive certificated form, then the principal of, premium and other amounts, if any, and interest, if any, on each certificated Security at Maturity shall be paid in same day funds to the Holder upon surrender of such certificated Security at the Corporate Trust Office of the Trustee, or at such other place or places as may be designated in or pursuant to the Indenture, provided that such certificated Security is surrendered to the Trustee, or at such other place or places as may be designated in or pursuant to the Indenture, provided that such certificated Security is surrendered to the trustee, acting as Paying Agent, in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Payments of interest with respect to such certificated Securities other than at Maturity may, at the option of the Company, be made by check mailed to the address of the Person entitled thereto as it appears on the Security Register on the relevant Regular or Special Record Date or by wire transfer in same day funds to such account as may have been appropriately designated to the Paying Agent by such Person in writing not later than such relevant Regular or Special Record Date.]

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

HORNBECK OFFSHORE SERVICES, INC.

By: _____

Dated: _____

Attest: By:

Section 2.03 Form of Reverse of Security. This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of _____, 200__ (herein called the "Indenture", which term shall have the meaning assigned to it in such instrument), among the Company, the Subsidiary Guarantors named therein and _____, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture and any applicable supplemental indentures for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Subsidiary Guarantors, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof [if applicable, insert —, limited in aggregate principal amount to $_____].

[If applicable, insert — The Securities of this series are subject to redemption upon not less than 30 days' notice by mail, [if applicable, insert — (1) on _____ in any year commencing with the year _____ and ending with the year ____ through operation of the sinking fund for this series at a Redemption Price equal to 100% of the principal amount, and (2)] at any time [if applicable, insert — on or after _____, 20__], as a whole or in part, at the election of the Company, at the following Redemption Prices (expressed as percentages of the principal amount): If redeemed [if applicable, insert — on or before _____, ____%, and if redeemed] during the 12-month period beginning _____ of the years indicated,

Year

Redemption
Price

Year

Redemption
Price

and thereafter at a Redemption Price equal to _____% of the principal amount, together in the case of any such redemption [if applicable, insert — (whether through operation of the sinking fund or otherwise)] with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.] [If applicable, insert — The Securities of this series are subject to redemption upon not less than 30 days' notice by mail, (1) on _____ in any year commencing with the year ____ and ending with the year ____ through operation of the sinking fund for this series at the Redemption Prices for redemption through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below, and (2) at any time [if applicable, insert — on or after _____], as a whole or in part, at the election of the Company, at the Redemption Prices for redemption otherwise than through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below: If redeemed during the 12-month period beginning _____ of the years indicated,

Year

Redemption Price
For Redemption
Through Operation
of the Sinking Fund

Redemption Price For
Redemption Otherwise
Than Through Operation
of the Sinking Fund

and thereafter at a Redemption Price equal to _____% of the principal amount, together in the case of any such redemption (whether through operation of the sinking fund or otherwise) with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.]

[If applicable, insert — Notwithstanding the foregoing, the Company may not, prior to _____, redeem any Securities of this series as contemplated by [if applicable, insert — clause (2) of] the preceding paragraph as a part of, or in anticipation of, any refunding operation by the application, directly or indirectly, of moneys borrowed having an interest cost to the Company (calculated in accordance with generally accepted financial practice) of less than ____% per annum.]

[If applicable, insert — The sinking fund for this series provides for the redemption on in each year beginning with the year ____ and ending with the year ____ of [if applicable,

insert — not less than $_____ ("mandatory sinking fund") and not more than] $_____ aggregate principal amount of Securities of this series. Securities of this series acquired or redeemed by the Company otherwise than through [if applicable, insert — mandatory] sinking fund payments may be credited against subsequent [if applicable, insert — mandatory] sinking fund payments otherwise required to be made [if applicable, insert —, in the inverse order in which they become due].]

[If the Security is subject to redemption of any kind, insert — In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.] [If the Security is subject to conversion, insert—Subject to the provisions of the Indenture, each Holder has the right to convert the principal amount of this Security into fully paid and nonassessable shares of Common Stock of the Company at the initial conversion price per share of Common Stock of $_____ (or $_____ in principal amount of securities for each such share of Common Stock), or at the adjusted conversion price then in effect, if adjustment has been made as provided in the Indenture, upon surrender of the Security to the Conversion Agent, together with a fully executed notice in substantially the form attached hereto and, if required by the Indenture, an amount equal to accrued interest payable on this Security.]

[If applicable, insert — As provided in the Indenture and subject to certain limitations therein set forth, the obligations of the Company under this Security are guaranteed pursuant to the Subsidiary Guarantees endorsed hereon. The Indenture provides that a Subsidiary Guarantor shall be released from its Subsidiary Guarantee upon compliance with certain conditions.]

[If applicable, insert — The Indenture contains provisions for Defeasance at any time of [the entire indebtedness of this Security] [or] [certain restrictive covenants and Events of Default with respect to this Security] [, in each case] upon compliance with certain conditions set forth in the Indenture.]

[If the Security is not an Original Issue Discount Security, insert — If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.]

[If the Security is an Original Issue Discount Security, insert — If an Event of Default with respect to Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture. Such amount shall be equal to — insert formula for determining the amount. Upon payment (i) of the amount of principal so declared due and payable and (ii) of interest on any overdue principal, premium and interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company's obligations in respect of the payment of the principal of and premium and interest, if any, on the Securities of this series shall terminate.]

This Security is subject to satisfaction and discharge as provided in the Indenture [If applicable, insert – and the supplemental indenture].

The Indenture may be modified by the Company and the Trustee with respect to this Security without consent of any Holder with respect to certain matters as described in the Indenture. In addition, the Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of and any premium and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of $_____ and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under this Security or the Indenture or for any claim based on, in respect of or by reason of, such obligations or their creation. Each Holder, by accepting a Security, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of this Security.

[IF APPLICABLE, INSERT—Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures ("CUSIP"), the Company has caused CUSIP numbers to be printed on the Securities of this series as a convenience to the Holders of the Securities of this series. No representation is made as to the correctness or accuracy of such numbers as printed on the Securities of this series and reliance may be placed only on the other identification numbers printed hereon.]

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

ASSIGNMENT FORM

To assign this Security, fill in the form below: (I) or (we) assign and transfer this Security to

_____

_____

(Insert assignee's Social Security or Tax I.D. number)

_____

_____

(Print or type Assignee's name, address and zip code) and irrevocably appoint _____ agent to transfer this Security on the books of the Company. The agent may substitute another to act for him.

Dated: _____ Your Signature: _____

(Sign exactly as your name appears on the other side of this security)

Signature Guaranty: _____

[Signatures must be guaranteed by an "Eligible Guarantor Institution" meeting the requirements of the transfer agent, which requirements will include membership or participation in stamp or such other "Signature Guarantee Program" as may be determined by the transfer agent in addition to, or in substitution for, stamp, all in accordance with the exchange act.]

Social Security Number or
Taxpayer Identification Number: _____

Section 2.04 Form of Subsidiary Guarantee.

SUBSIDIARY GUARANTEE

For value received, each of the Subsidiary Guarantors named (or deemed herein to be named) below hereby jointly and severally fully and unconditionally guarantees to the Holder of the Security upon which this Subsidiary Guarantee is endorsed, and to the Trustee on behalf of such Holder, the due and prompt payment of the principal of (and premium, if any) and interest on such Security when and as the same shall become due and payable, whether at the Stated Maturity, by acceleration, call for redemption or otherwise, according to the terms thereof and of the Indenture referred to therein and to cover all the rights of the Trustee under Section 6.07. In case of the failure of the Company promptly to make any such payment, each of the Subsidiary Guarantors hereby jointly and severally agrees to cause such payment to be made promptly when and as the same shall become due and payable, whether at the Stated Maturity or by acceleration, call for redemption or otherwise, and as if such payment were made by the Company.

Each of the Subsidiary Guarantors hereby jointly and severally agrees that its obligations hereunder shall be absolute and unconditional, irrespective of, and shall be unaffected by, the validity, regularity or enforceability of such Security or the Indenture, the absence of any action to enforce the same or any release, amendment, waiver or indulgence granted to the Company or any other guarantor, or any consent to departure from any requirement of any other guarantee of all or of any of the Securities of this series, or any other circumstances which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor; provided, however, that, notwithstanding the foregoing, no such release, amendment, waiver or indulgence shall, without the consent of such Subsidiary Guarantor, increase the principal amount of such Security, or increase the interest rate thereon, or alter the Stated Maturity thereof. Each of the Subsidiary Guarantors hereby waives the benefits of diligence, presentment, demand of payment, any requirement that the Trustee or any of the Holders protect, secure, perfect or insure any security interest in or other lien on any property subject thereto or exhaust any right or take any action against the Company or any other Person or any collateral, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Security or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Subsidiary Guarantee will not be discharged except by complete performance of the obligations contained in such Security and in this Subsidiary Guarantee. Each Subsidiary Guarantor agrees that if, after the occurrence and during the continuance of an Event of Default with respect to Securities of this

series, the Trustee or any of the Holders are prevented by applicable law from exercising their respective rights to accelerate the maturity of the Securities of this series, to collect interest on the Securities of this series, or to enforce or exercise any other right or remedy with respect to the Securities of this series, such Subsidiary Guarantor agrees to pay to the Trustee for the account of the Holders, upon demand therefor, the amount that would otherwise have been due and payable had such rights and remedies been permitted to be exercised by the Trustee or any of the Holders.

No reference herein to the Indenture and no provision of this Subsidiary Guarantee or of the Indenture shall alter or impair the Subsidiary Guarantee of any Subsidiary Guarantor, which is absolute and unconditional, of the due and prompt payment of the principal (and premium, if any) and interest on the Security upon which this Subsidiary Guarantee is endorsed.

Each Subsidiary Guarantor shall be subrogated to all rights of the Holder of this Security against the Company in respect of any amounts paid by such Subsidiary Guarantor on account of this Security pursuant to the provisions of its Subsidiary Guarantee or the Indenture; provided, however, that such Subsidiary Guarantor shall not be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until the principal of (and premium, if any) and interest on this Security and all other Securities of this series issued under the Indenture shall have been paid in full.

This Subsidiary Guarantee shall remain in full force and effect and continue to be effective should any petition be filed by or against the Company for liquidation or reorganization, should the Company become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any part of the Company's assets, and shall, to the fullest extent permitted by law, continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Securities of this series is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any Holder of the Securities of this series, whether as a "voidable preference," "fraudulent transfer," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Securities of this series shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

The Subsidiary Guarantors or any particular Subsidiary Guarantor shall be released from this Subsidiary Guarantee upon the terms and subject to certain conditions provided in the Indenture.

By delivery to the Trustee of a supplement to the Indenture referred to in the Security upon which this Subsidiary Guarantee is endorsed in accordance with the terms of the Indenture, each Person that becomes a Subsidiary Guarantor after the date of first issuance of the Securities of this series will be deemed to have executed and delivered this Subsidiary Guarantee for the benefit of the Holder of the Security upon which this Subsidiary Guarantee is endorsed with the same effect as if such Subsidiary Guarantor was named below and has executed and delivered this Subsidiary Guarantee.

All terms used in this Subsidiary Guarantee which are defined in the Indenture shall have the meanings assigned to them in such Indenture.

This Subsidiary Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Security upon which this Subsidiary Guarantee is endorsed shall have been executed by the Trustee under the Indenture by manual signature.

Reference is made to the Indenture for further provisions with respect to this Subsidiary Guarantee.

This Subsidiary Guarantee shall be governed by and construed in accordance with the laws of the State of New York without regard to conflict of law principles.

IN WITNESS WHEREOF, each of the Subsidiary Guarantors has caused this Subsidiary Guarantee to be duly executed.

[Insert Names of Subsidiary Guarantors]

By: _____

Attest:

By: _____

Title: _____

Section 2.05 Form of Legend for Global Securities. Unless otherwise specified as contemplated by Section 3.01 for the Securities evidenced thereby, every Global Security authenticated and delivered hereunder shall bear a legend in substantially the following form:

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

Section 2.06 Form of Trustee's Certificate of Authentication. The Trustee's certificate of authentication shall be in substantially the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: _____

Authorized Officer

Section 2.07 Form of Conversion Notice. Each convertible Security shall have attached thereto, or set forth on the reverse of the Security, a notice of conversion in substantially the following form:

Conversion Notice

To: Hornbeck Offshore Services, Inc.

The undersigned owner of this Security hereby: (i) irrevocably exercises the option to convert this Security, or the portion hereof below designated, for shares of Common Stock of Hornbeck Offshore Services, Inc. in accordance with the terms of the Indenture referred to in this Security and (ii) directs that such shares of Common Stock deliverable upon the conversion, together with any check in payment for fractional shares and any Security(ies) representing any unconverted principal amount hereof, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If shares are to be delivered registered in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. Any amount required to be paid by the undersigned on account of interest accompanies this Security.

Dated: _____ _____

Signature

Fill in for registration of shares if to be delivered, and of Securities if to be issued, otherwise than to and in the name of the registered holder.

_____

(Name)

_____

Social Security or other
Taxpayer Identification Number

_____

(Please print name and address)

Principal amount to be converted: (if less than all) $_____.

Signature Guarantee*

* Participant in a recognized Signature Guarantee Medallion Program (or other signature acceptable to the Trustee).

ARTICLE 3

THE SECURITIES

Section 3.01 Amount Unlimited; Issuable in Series. The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued from time to time in one or more series. Prior to the issuance of Securities of any series, there shall be established in or pursuant to a Board Resolution and, subject to Section 3.03, set forth, or determined in the manner provided, in an Officers' Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series,

(1) the title of the Securities of the series (which shall distinguish the Securities of the series from Securities of any other series);

(2) whether the Securities of the series will or will not have the benefit of the Subsidiary Guarantees of the Subsidiary Guarantors;

(3) the purchase price, denomination and any limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 3.04, 3.05, 3.06, 9.06 or 11.07 and except for any Securities which, pursuant to Section 3.03, are deemed never to have been authenticated and delivered hereunder);

(4) the Person to whom any interest on a Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest;

(5) the date or dates on which the principal of any Securities of the series is payable;

(6) the rate or rates at which any Securities of the series shall bear interest, if any, or the method of calculating such rate or rates of interest, the method of payment of interest (in particular, whether the interest will be paid in kind or otherwise), the date or dates from which any such interest shall accrue or the method by which such date or dates shall be determined, the Interest Payment Dates on which any such interest shall be payable and the Regular Record Date for any such interest payable on any Interest Payment Date;

(7) the place or places where the principal of and any premium and interest on any Securities of the series shall be payable;

(8) the place or places where the Securities may be exchanged or transferred and notices and demands to or upon the Company in respect of the Securities and this Indenture may be served;

(9) the period or periods within which, the price or prices at which and the terms and conditions upon which any Securities of the series may be redeemed, in whole or in part, at the option of the Company and, if other than as provided in Section 11.03, the manner in which the particular Securities of such series (if less than all Securities of such series are to be redeemed) are to be selected for redemption;

(10) the obligation, if any, of the Company to redeem or purchase any Securities of the series in whole or in part pursuant to any sinking fund or analogous provisions or upon the happening of a specified event, passage of time, or at the option of the Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which any Securities of the series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;

(11) if other than denominations of $1,000 and any integral multiple thereof, the denominations in which any Securities of the series shall be issuable;

(12) if the amount of payments of principal of or any premium or interest on any Securities of the series may be determined with reference to an index or pursuant to a formula or other method, the manner in which such amounts shall be determined;

(13) if other than the currency of the United States of America, the currency, currencies or currency units in which the principal of or any premium or interest on any Securities of the series shall be payable and the manner of determining the equivalent thereof in the currency of the United States of America for any purpose, including for purposes of the definition of “Outstanding” in Section 1.01;

(14) if the principal of or any premium or interest on any Securities of the series is to be payable, at the election of the Company or the Holder thereof, in one or more currencies or currency units other than that or those in which such Securities are stated to be payable, the currency, currencies or currency units in which the principal of or any premium or interest on such Securities as to which such election is made shall be payable, the periods within which and the terms and conditions upon which such election is to be made and the amount so payable (or the manner in which such amount shall be determined);

(15) if other than the entire principal amount thereof, the portion of the principal amount of any Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 5.02 or the method by which such portion shall be determined;

(16) any modifications of or additions to the Events of Default or the covenants of the Company set forth herein with respect to Securities of the series; and whether and the conditions under which the Holders of the Securities of the series may waive any such Event of Default or compliance with any such covenant relating to the Securities of such series;

(17) if the principal amount payable at the Stated Maturity of any Securities of the series will not be determinable as of any one or more dates prior to the Stated Maturity, the amount which shall be deemed to be the principal amount of such Securities as of any such date for any purpose thereunder or hereunder, including the principal amount thereof which shall be due and payable upon any Maturity other than the Stated Maturity or which shall be deemed to be Outstanding as of any date prior to the Stated Maturity (or, in any such case, the manner in which such amount deemed to be the principal amount shall be determined);

(18) if applicable, that the Securities of the series, in whole or any specified part, shall be defeasible pursuant to Section 15.02 or Section 15.03 or both such Sections and, if other than by a Board Resolution, the manner in which any election by the Company to defease such Securities shall be evidenced;

(19) if applicable, that any Securities of the series shall be issuable in whole or in part in the form of one or more Global Securities and, in such case, the respective Depositaries for such Global Securities, the form of any legend or legends which shall be borne by any such Global Security in addition to or in lieu of that set forth in Section 2.05 and any circumstances in addition to or in lieu of those set forth in clause (2) of the last paragraph of Section 3.05 in which any such Global Security may be exchanged in whole or in part for Securities registered, and any transfer of such Global Security in whole or in part may be registered, in the name or names of Persons other than the Depositary for such Global Security or a nominee thereof;

(20) any addition to or change in the Events of Default which applies to any Securities of the series and any change in the right of the Trustee or the requisite Holders of such Securities to declare the principal amount thereof due and payable pursuant to Section 502;

(21) any addition to or change in the covenants set forth in Article Ten which applies to Securities of the series;

(22) whether the Securities of the series will be convertible into Common Stock (or cash in lieu thereof) and, if so, the terms and conditions upon which such conversion will be effected;

(23) whether the Securities of the series will be secured, and if so, in what manner;

(24) any other terms of the series (which terms shall not be inconsistent with the provisions of this Indenture, except as permitted by Section 9.01(5));

(25) any agents for the series, including trustees, depositories, authenticating, conversion, calculation or paying agents, transfer agents or registrars; and

(26) any other terms of the series, including any terms which may be required by or advisable under the laws of the United States of America or regulations thereunder or advisable (as determined by the Company) in connection with the marketing of Securities of the series.

All Securities of any one series shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to the Board Resolution referred to above and (subject to Section 3.03) set forth, or determined in the manner provided, in the Officers' Certificate referred to above or in any such indenture supplemental hereto. All Securities of any one series need not be issued at the same time and, unless otherwise provided, a series may be reopened, without the consent of the Holders, for issuances of additional Securities of such series.

If any of the terms of the Securities of any series are established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the terms of the series.

The Securities of each series shall have the benefit of the Subsidiary Guarantees unless the Company elects otherwise upon the establishment of a series pursuant to this Section 3.01.

Section 3.02 Denominations. The Securities of each series shall be issuable only in registered form without coupons and only in such denominations as shall be specified as contemplated by Section 3.01. In the absence of any such specified denomination with respect to the Securities of any series, the Securities of such series shall be issuable in denominations of $1,000 and any integral multiple thereof.

Section 3.03 Execution, Authentication, Delivery and Dating. The Securities shall be executed on behalf of the Company by its President, Chief Executive Officer, its Chief Financial Officer or its Chief Operating Officer. The Securities shall be attested by the Company's Secretary, one of its Assistant Secretaries, its Treasurer or one of its Assistant Treasurers. The signature of any of these officers on the Securities may be manual or facsimile. Typographical and other minor errors or defects in any such reproduction of the seal or any such signature shall not affect the validity or enforceability of any Security that has been duly authenticated and delivered by the Trustee.

Securities bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series executed by the Company and, if applicable,

having endorsed thereon the Subsidiary Guarantees executed as provided in Section 13.03 by the Subsidiary Guarantors to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order shall authenticate and make such Securities available for delivery. If the form or terms of the Securities of the series have been established by or pursuant to one or more Board Resolutions as permitted by Sections 2.01 and 3.01, in authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Section 6.01) shall be fully protected in relying upon, an Opinion of Counsel stating (subject to customary assumptions, conditions and exceptions)

(1) if the form of such Securities has been established by or pursuant to Board Resolution as permitted by Section 2.01, that such form has been established in conformity with the provisions of this Indenture;

(2) if the terms of such Securities have been established by or pursuant to Board Resolution as permitted by Section 3.01, that such terms have been established in conformity with the provisions of this Indenture; and

(3) that such Securities, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, and, if applicable, the Subsidiary Guarantees endorsed thereon will constitute valid and legally binding obligations of the Subsidiary Guarantors, enforceable in accordance with their terms, except to the extent enforceability may be limited by applicable bankruptcy, insolvency, fraudulent transfer, fraudulent conveyance, reorganization, moratorium and similar laws of general applicability relating to or affecting the enforcement of creditors' rights and by the effect of general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity.

If such form or terms have been so established, the Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

Notwithstanding the provisions of Section 3.01 and of the immediately preceding paragraph, if all Securities of a series are not to be originally issued at one time, it shall not be necessary to deliver the Board Resolution and the Officers' Certificate otherwise required pursuant to Section 3.01 or the Company Order and Opinion of Counsel otherwise required pursuant to the second preceding paragraph at or prior to the authentication of each Security of such series if such documents are delivered at or prior to the time of authentication upon original issuance of the first Security of such series to be issued. If the Company shall establish pursuant to Section 3.01 that the Securities of a series are to be issued in whole or in part in the form of one or more global Securities, then the Company shall execute and the Trustee shall, in accordance with this Section and the Company Order with respect to the authentication and delivery of such series, authenticate and deliver one or more Securities of such series in global

form that (i) shall be in an aggregate amount equal to the aggregate principal amount of the Outstanding Securities of such series to be represented by such Security or Securities in global form, (ii) shall be registered in the name of the Depositary for such Security or Securities in global form or its nominee, and (iii) shall be made available for delivery by the Trustee to such Depositary or pursuant to such Depositary's instruction.

If all the Securities of any one series are not to be issued at one time and if a Board Resolution relating to such Securities shall so permit, the Company Order may set forth procedures acceptable to the Trustee for the issuance of such Securities, including, without limitation, procedures with respect to interest rate, Stated Maturity, date of issuance and date from which interest, if any, shall accrue.

Each Security shall be dated the date of its authentication.

No Security or Subsidiary Guarantee shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein executed by the Trustee or an Authenticating Agent by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture. Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 3.09, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall not be entitled to the benefits of this Indenture.

In case any Securities shall have been authenticated, but not delivered, by the Trustee or the Authenticating Agent for such series then in office, any successor by merger, conversion or consolidation to such Trustee, or any successor Authenticating Agent, as the case may be, may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee or successor Authenticating Agent had itself authenticated such Securities. Each Depositary designated pursuant to Section 3.01 for a Security in global form must, at the time of its designation and at all times while it serves as Depositary, be a clearing agency registered under the Exchange Act and any other applicable statute or regulation.

Section 3.04 Temporary Securities. Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order the Trustee shall authenticate and make available for delivery, temporary Securities of such series which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities and, if applicable, having endorsed thereon the Subsidiary Guarantees in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities and, if applicable, Subsidiary Guarantees may determine, as evidenced by their execution of such Securities and Subsidiary Guarantees.

In the case of Securities of any series, such temporary Securities may be in global form, representing all or a portion of the Outstanding Securities of such series.

If temporary Securities of any series are issued, the Company will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company in a Place of Payment for that series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series, the Company shall execute and the Trustee shall authenticate and make available for delivery in exchange therefore one or more definitive Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount and, if applicable, having endorsed thereon Subsidiary Guarantees executed by the Subsidiary Guarantors. Until so exchanged, the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series and tenor.

Section 3.05 Registration, Registration of Transfer and Exchange. The Company shall cause to be kept at the Corporate Trust Office of the Trustee or in any office or agency to be maintained by the Company in accordance with Section 10.02 in a Place of Payment a register (the register maintained in such office and in any other office or agency of the Company in a Place of Payment being herein sometimes collectively referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Securities and of transfers of Securities. The Trustee is hereby appointed "Security Registrar" for the purpose of registering Securities and transfers of Securities as herein provided.

Upon surrender for registration of transfer of any Security of a series at the office or agency of the Company in a Place of Payment for that series, the Company shall execute, if applicable the Subsidiary Guarantors shall execute the Subsidiary Guarantees endorsed thereon and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount.

At the option of the Holder, Securities of any series may be exchanged for other Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount, upon surrender of the Securities to be exchanged at such office or agency. Whenever any Securities are so surrendered for exchange, the Company shall execute, if applicable the Subsidiary Guarantors shall execute the Subsidiary Guarantees endorsed thereon and the Trustee shall authenticate and make available for delivery, the Securities which the Holder making the exchange is entitled to receive.

All Securities and, if applicable, the Subsidiary Guarantees endorsed thereon issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company and, if applicable, the respective Subsidiary Guarantors, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities and Subsidiaries Guarantees surrendered upon such registration of transfer or exchange.

Every Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed, by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 3.04, 9.06, 11.07 or otherwise not involving any transfer.

If the Securities of any series (or of any series and specified tenor) are to be redeemed in part, the Company shall not be required (A) to issue, register the transfer of or exchange any Securities of that series (or of that series and specified tenor, as the case may be) during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of any such Securities selected for redemption under Section 11.03 and ending at the close of business on the day of such mailing, or (B) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part. The provisions of clauses (1), (2), (3) and (4) below shall apply only to Global Securities:

(1) Each Global Security authenticated under this Indenture shall be registered in the name of the Depositary designated for such Global Security or a nominee thereof and delivered to such Depositary or a nominee thereof or custodian therefore, and each such Global Security shall constitute a single Security for all purposes of this Indenture.

(2) Notwithstanding any other provision in this Indenture, no Global Security may be exchanged in whole or in part for Securities registered, and no transfer of a Global Security in whole or in part may be registered, in the name of any Person other than the Depositary for such Global Security or a nominee thereof unless (A) such Depositary (i) has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or (ii) has ceased to be a clearing agency registered under the Exchange Act, and in either case the Company fails to appoint a successor Depositary within 90 days, (B) there shall have occurred and be continuing an Event of Default with respect to such Global Security and the Depositary shall have notified the Trustee of its decision to exchange such Global Security for Securities in certificated form or (C) there shall exist such circumstances, if any, in addition to or in lieu of the foregoing as have been specified for this purpose as contemplated by Section 3.01.

(3) Subject to clause (2) above, any exchange of a Global Security for other Securities may be made in whole or in part, and all Securities issued in exchange for a Global Security or any portion thereof shall be registered in such names as the Depositary for such Global Security shall direct.

(4) Every Security authenticated and delivered upon registration of transfer of, or in exchange for or in lieu of, a Global Security or any portion thereof, whether pursuant to this Section, Section 3.04, 3.06, 9.06 or 11.07 or otherwise, shall be authenticated and delivered in the form of, and shall be, a Global Security, unless such Security is registered in the name of a Person other than the Depositary for such Global Security or a nominee thereof.

Section 3.06 Mutilated, Destroyed, Lost and Stolen Securities. If any mutilated Security is surrendered to the Trustee, the Company shall execute, if applicable the Subsidiary Guarantors shall execute the Subsidiary Guarantees endorsed thereon and the Trustee shall authenticate and deliver in exchange therefore a new Security of the same series and of like tenor and principal amount and bearing a number not contemporaneously outstanding. If required by the Trustee and the Company, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Security is replaced.

If there shall be delivered to the Company and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless from any loss that any of them may suffer if a Security is replaced, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a bona fide purchaser, the Company shall execute, if applicable the Subsidiary Guarantors shall execute the Subsidiary Guarantees endorsed thereon and the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security, a new Security of the same series and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable or is to be converted, the Company in its discretion may, instead of issuing a new Security, pay or authorize the conversion of such Security (without surrender thereof save in the case of a mutilated Security).

Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series issued pursuant to this Section in lieu of any destroyed, lost or stolen Security, and, if applicable, the Subsidiary Guarantees endorsed thereon, shall constitute an original additional contractual obligation of the Company and, if applicable, the respective Subsidiary Guarantors, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement, payment or conversion of mutilated, destroyed, lost or stolen Securities.

Section 3.07 Payment of Interest; Interest Rights Preserved. Except as otherwise provided as contemplated by Section 3.01 with respect to any series of Securities, interest on any Security which is payable, and is promptly paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest.

Any interest on any Security of any series which is payable, but is not promptly paid or duly provided for, on any Interest Payment Date (herein called “Defaulted Interest”) shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security of such series and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements reasonably satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as provided in this clause. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be given to each Holder of Securities of such series in the manner set forth in Section 1.06, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (2).

(2) The Company may make payment of any Defaulted Interest on the Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause (2), such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

Section 3.08 Persons Deemed Owners. Prior to due presentment of a Security for registration of transfer, the Company, the Subsidiary Guarantors, the Trustee and any agent of the Company, the Subsidiary Guarantors, or the Trustee may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of and any premium and (subject to Section 3.07) any interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and none of the Company, any Subsidiary Guarantor, the Trustee or any agent of the Company, any Subsidiary Guarantor, or the Trustee shall be affected by notice to the contrary.

None of the Company, the Trustee or any agent of the Company or the Trustee shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interest of a Security in global form, or for maintaining, supervising or reviewing any records relating to such beneficial ownership interest. Notwithstanding the foregoing, with respect to any Security in global form, nothing herein shall prevent the Company or the Trustee or any agent of the Company or the Trustee, from giving effect to any written certification, proxy or other authorization furnished by any Depositary (or its nominee), as a Holder, with respect to such Security in global form or impair, as between such Depositary and owners of beneficial interests in such Security in global form, the operation of customary practices governing the exercise of the right of such Depositary (or its nominee) as holder of such Security in global form.

Section 3.09 Cancellation. All Securities surrendered for payment, redemption, purchase, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold, and all Securities so delivered shall be promptly cancelled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. A copy of all cancelled Securities shall be delivered to the Company.

Section 3.10 Computation of Interest. Except as otherwise specified as contemplated by Section 3.01 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 3.11 CUSIP Number. The Company in issuing Securities of any series may use a “CUSIP” number, and if so, the Trustee may use the CUSIP number in notices of redemption or exchange as a convenience to Holders of such series; provided, that any such notice may state that no representation is made as to the correctness or accuracy of the CUSIP number printed on the notice or on the Securities of such series, and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee of any change in the CUSIP number of any series of Securities.

Section 3.12 Wire Transfers. Notwithstanding any other provision to the contrary in this Indenture, the Company may make any payment of moneys required to be deposited with the Trustee on account of principal of, or premium, if any, or interest on the Securities (whether pursuant to optional or mandatory redemption payments, interest payments or otherwise) by wire transfer of immediately available funds to an account designated by the Trustee on or before the date and time such moneys are to be paid to the Holders of the Securities in accordance with the terms hereof.

ARTICLE 4

SATISFACTION AND DISCHARGE

Section 4.01 Satisfaction and Discharge of Indenture. This Indenture shall upon Company Request cease to be of further effect with respect to the Securities of any series, and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

(1) Either

(A) all Securities of such series theretofore authenticated and delivered (other than (i) Securities of such series which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 3.06 and (ii) Securities of such series for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 10.03) have been delivered to the Trustee for cancellation; or

(B) all such Securities of such series not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company or, if applicable, a Subsidiary Guarantor, in the case of (i), (ii) or (iii) above, has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose money in an amount sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal and any premium and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Company or a Subsidiary Guarantor has paid or caused to be paid all other sums payable hereunder by the Company and has delivered irrevocable instructions to the Trustee to apply the deposited amounts to the payment of such Securities at Stated Maturity or redemption, as applicable: the Subsidiary Guarantors with respect to the Securities of such series; and

(3) no Default or Event of Default with respect to this Indenture or the Securities shall have occurred on the date of deposit and such deposit will not result in a breach or violation of, or constitute a default under, any other instruments to which the Company is a party or to which it is bound; and

(4) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for herein relating to the satisfaction and discharge of this Indenture with respect to the Securities of such series have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 6.07, any surviving rights of conversion, the obligations of the Trustee to any Authenticating Agent under Section 6.14 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 4.02 and the last paragraph of Section 10.03 shall survive.

Section 4.02 Application of Trust Money. Subject to the provisions of the last paragraph of Section 10.03, all money deposited with the Trustee pursuant to Section 4.01 shall be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal and any premium and interest for whose payment such money has been deposited with the Trustee.

Section 4.03 Reinstatement. If the Trustee or Paying Agent is unable to apply any cash in accordance with this Article 4 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Securities shall be revived and reinstated as though no deposit had occurred pursuant to Article 4 until such time as the Trustee or Paying Agent is permitted to apply all such cash in accordance with Article 4; provided, however, that if the Company has made any payment of interest on, premium and other amounts, if any, principal or other amounts, if any, of any Securities because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Securities to receive such payment from the money held by the Trustee or Paying Agent.

Section 4.04 Application to a Specific Series of Securities. The Company may elect to satisfy and discharge its obligations with respect to a specific series of Securities under this Indenture by complying with the terms of Article 4. If the Company makes such election, (a) the terms of Sections 4.01, 4.02 and 4.03 shall apply only to the specific series of Securities and the terms of this Indenture as it relates to such series of Securities and (b) the other Securities issued hereunder and this Indenture as it relates to such other Securities shall remain in full force and effect.

ARTICLE 5

REMEDIES

Section 5.01 Events of Default. Except as otherwise specified as contemplated by Section 3.01 for Securities of a series, "Event of Default," wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of any interest upon any Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of or any premium on any Security of that series at its Maturity; or

(3) default in the deposit of any sinking fund payment for five days after it becomes due by the terms of a Security of that series; or

(4) default in the performance in any material respect, or breach of any covenant or warranty in any material respect of the Company or, if the Subsidiary Guarantors have issued Subsidiary Guarantees with respect to the Securities of such series, any Subsidiary Guarantor in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has expressly been included in this Indenture solely for the benefit of series of Securities other than that series), and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(5) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company, any Significant Subsidiary or, if the Subsidiary Guarantors have issued Subsidiary Guarantees with respect to the Securities of such series, any Subsidiary Guarantor in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company, any Significant Subsidiary or any such Subsidiary Guarantor a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company, any Significant Subsidiary or any such Subsidiary Guarantor under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee,

trustee, sequestrator or other similar official of the Company, any Significant Subsidiary or any such Subsidiary Guarantor or of any substantial part of its or their property, or ordering the winding up or liquidation of its or their affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(6) the commencement by the Company, any Significant Subsidiary or, if the Subsidiary Guarantors have issued Subsidiary Guarantees with respect to the Securities of such series, any Subsidiary Guarantor of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it or them to the entry of a decree or order for relief in respect of the Company, any Significant Subsidiary or any such Subsidiary Guarantor in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it or them, or the filing by it or them of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it or them to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company, any Significant Subsidiary or any such Subsidiary Guarantor or of any substantial part of its or their property, or the making by it or them of an assignment for the benefit of creditors, or the admission by it or them in writing of its or their inability to pay its or their debts generally as they become due, or the taking of corporate action by the Company, any Significant Subsidiary or any such Subsidiary Guarantor in furtherance of any such action; or

(7) in the event the Subsidiary Guarantors have issued Subsidiary Guarantees with respect to the Securities of such series, the Subsidiary Guarantee of any Subsidiary Guarantor is held by a final non-appealable order or judgment of a court of competent jurisdiction to be unenforceable or invalid or ceases for any reason to be in full force and effect (other than in accordance with the terms of this Indenture) or any Subsidiary Guarantor or any Person acting on behalf of any Subsidiary Guarantor denies or disaffirms such Subsidiary Guarantor's obligations under its Subsidiary Guarantee (other than by reason of a release of such Subsidiary Guarantor from its Subsidiary Guarantee in accordance with the terms of this Indenture); or

(8) any other Event of Default provided in any indentures supplemental to this Indenture with respect to Securities of that series.

Section 5.02 Acceleration of Maturity; Rescission and Annulment. If an Event of Default (other than an Event of Default with respect to the Company specified in Section 5.01(5) or 5.01(6)) with respect to Securities of any series at the time Outstanding occurs and is continuing, then in every such case the Trustee by notice in writing to the Company or the Holders of not less than 25% in principal amount of the Outstanding Securities of that series then Outstanding by notice in writing to the Company and the Trustee may declare the principal amount of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified

by the terms thereof) to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable. If an Event of Default with respect to the Company specified in Section 5.01(5) or 5.01(6) with respect to Securities of any series at the time Outstanding occurs, the principal amount of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified by the terms thereof) shall automatically, and without any declaration or other action on the part of the Trustee or any Holder, become immediately due and payable.

Upon payment of all such principal and interest, all of the Company's obligations under the Securities of that series shall terminate and upon payment of the Securities of all series this Indenture shall terminate in either case, except those obligations under Section 6.07.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter provided in this Article, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company or, if applicable, any Subsidiary Guarantor has paid or deposited with the Trustee a sum sufficient to pay

(A) all overdue interest on all Securities of that series,

(B) the principal of (and premium, if any, on) any Securities of that series which have become due otherwise than by such declaration of acceleration and any interest thereon at the rate or rates prescribed therefor in such Securities,

(C) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates prescribed therefor in such Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which has become due solely by such declaration of acceleration, have been cured or waived as provided in Section 5.13.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Section 5.03 Collection of Indebtedness and Suits for Enforcement by Trustee. The Company covenants that if:

(1) default is made in the payment of any interest on any Security of any series when such interest becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security of any series at the Maturity thereof or upon redemption, or

(3) default is made in the payment of any sinking or analogous obligation when the same becomes due by the terms of the Securities of any series, and any such default continues for any period of grace provided with respect to the Securities of such series,

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities, the whole amount then due and payable on such Securities for principal and any premium and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal and premium and on any overdue interest, at the rate or rates prescribed therefor in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 5.04 Trustee May File Proofs of Claim. In case of any judicial proceeding relative to the Company, any Subsidiary Guarantor or any other obligor on the Securities, or the property or creditors of the Company, any Subsidiary Guarantor or any other obligor on the Securities, the Trustee shall be entitled and empowered, by intervention in such proceeding or otherwise, to take any and all actions authorized under the Trust Indenture Act in order to have claims of the Holders and the Trustee allowed in any such proceeding. In particular, the Trustee shall be authorized to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 6.07.

No provision of this Indenture shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement,

adjustment or composition affecting the Securities or any Subsidiary Guarantee or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding; provided, however, that the Trustee may, on behalf of the Holders, vote for the election of a trustee in bankruptcy or similar official and be a member of a creditors' or other similar committee.

Section 5.05 Trustee May Enforce Claims Without Possession of Securities. All rights of action and claims under this Indenture or the Securities or any Subsidiary Guarantee may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

Section 5.06 Application of Money Collected. Any money collected by the Trustee pursuant to this Article in respect of the Securities of any series shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal or any premium or interest, upon presentation of the Securities in respect of which moneys have been collected and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee under Section 6.07 applicable to the Securities of such series;

SECOND: To the payment of the amounts then due and unpaid for principal of and any premium and interest on the Securities of such series in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal and any premium and interest, respectively; and

THIRD: The balance, if any, to the Company.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 5.06. At least ten (10) days before such record date, the Trustee shall mail to each Holder and the Company a notice that states the record date, the payment date and the amount to be paid.

Section 5.07 Limitation on Suits. No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of not less than 25% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of security or indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series; it being understood and intended that no one or more of such Holders of Securities of any series shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Holders of Securities of the affected series.

Section 5.08 Unconditional Right of Holders to Receive Principal, Premium and Interest. Notwithstanding any other provision in this Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of and any premium and (subject to Section 3.07) interest on such Security on the respective Stated Maturity or Maturities expressed in such Security (or, in the case of redemption, on the Redemption Date) and, if applicable, to convert such Security in accordance with its terms, and to institute suit for the enforcement of any such right, and such rights shall not be impaired without the consent of such Holder.

Section 5.09 Restoration of Rights and Remedies. If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Subsidiary Guarantors, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

Section 5.10 Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 3.06, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.11 Delay or Omission Not Waiver. No delay or omission of the Trustee or of any Holder of any Securities to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 5.12 Control by Holders. The Holders of a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series, provided that

(1) such direction shall not be in conflict with any rule of law or with this Indenture or any supplemental indenture relating to such Securities; and

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Section 5.13 Waiver of Past Defaults. The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default

(1) in the payment of the principal of or any premium or interest on any Security of such series (including any Security which is required to have been redeemed by the Company pursuant a redemption notice issued by the Company made pursuant to the terms of this Indenture), or

(2) in respect of a covenant or provision hereof which under Article 9 cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture and the Securities of such series; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 5.14 Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and may assess costs against any such party litigant, in the manner and to the extent provided in the Trust Indenture Act; provided, however, that neither this Section nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Company or any Subsidiary Guarantor.

Section 5.15 Waiver of Usury, Stay or Extension Laws. Each of the Company and the Subsidiary Guarantors covenants (to the extent that it may lawfully do so) that it will not at any

time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any usury, stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and each of the Company and the Subsidiary Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE 6

THE TRUSTEE

Section 6.01 Certain Duties and Responsibilities. The duties and responsibilities of the Trustee shall be as expressly set forth in this Indenture and as provided by the Trust Indenture Act. Notwithstanding the foregoing, no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 6.02 Notice of Defaults. Within 90 days after the occurrence of any Default or Event of Default with respect to the Securities of any series, the Trustee shall give to all Holders of Securities of such series, as their names and addresses appear in the Security Register, notice of such Default or Event of Default known to the Trustee, unless such Default or Event of Default shall have been cured or waived; provided, however, that, except in the case of a Default or Event of Default in the payment of the principal of or premium, other amounts, if any, or interest on any Security of such series, or in the deposit of any sinking fund payment with respect to Securities of that series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or responsible officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the Holders of Securities of such series.

Section 6.03 Certain Rights of Trustee. Subject to the provisions of Section 6.01:

(1) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

(2) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order, and any resolution of the Board of Directors of the Company shall be sufficiently evidenced by a Board Resolution;

(3) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

(4) the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(5) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(6) prior to the occurrence of an Event of Default with respect to the Securities of any series and after the curing or waiving of all such Events of Default which may have occurred, the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, or other paper or document, or the books and records of the Company, unless requested in writing to do so by the Holders of a majority in principal amount of the Outstanding Securities of any series; provided, however, that if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is not, in the opinion of the Trustee, reasonably assured to the Trustee by the security afforded to it by the terms of this Indenture, the Trustee may require reasonable indemnity against such costs, expenses or liabilities as a condition to so proceeding; the reasonable expense of every such investigation shall be paid by the Company or, if paid by the Trustee, shall be repaid by the Company upon demand; and

(7) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(8) the Trustee shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk of liability is not reasonably assured to it; and

(9) except with respect to Section 10.01, the Trustee shall have no duty to inquire as to the performance of the Company with respect to the covenants contained in Article 10. In addition, the Trustee shall not be deemed to have knowledge of an Event of Default except (i) any Default or Event of Default occurring pursuant to Sections 10.01, 5.01(1) or 5.01(2) or (ii) any Default or Event of Default of which the Trustee shall have received written notification or obtained actual knowledge.

Section 6.04 Not Responsible for Recitals or Issuance of Securities. The recitals contained herein and in the Securities and the Subsidiary Guarantees, except the Trustee's certificates of authentication, shall be taken as the statements of the Company or the Subsidiary Guarantors, as the case may be, and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities or the Subsidiary Guarantees endorsed thereon, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Securities and perform its obligations hereunder, and that the statements made by it or to be made by it in a Statement of Eligibility and Qualification on Form T-1 supplied to the Company are true and accurate. Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Company of Securities or the proceeds thereof.

Section 6.05 May Hold Securities. The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Company or any Subsidiary Guarantor, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 6.08 and 6.13, may otherwise deal with the Company and any Subsidiary Guarantor with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

Section 6.06 Money Held in Trust. Money held by the Trustee in trust hereunder (including amounts held by the Trustee as Paying Agent) need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company or any Subsidiary Guarantor, as the case may be.

Section 6.07 Compensation and Reimbursement. The Company and each Subsidiary Guarantor jointly and severally agree:

(1) to pay to the Trustee from time to time reasonable compensation as negotiated between the Company and the Trustee for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(3) to indemnify the Trustee for, and to hold it harmless against, any loss, liability, damage, claim or expense, including taxes (other than taxes based upon or determined or measured by the income of the Trustee), incurred without negligence or

bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

Section 6.08 Conflicting Interests. If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture. To the extent permitted by such Act, the Trustee shall not be deemed to have a conflicting interest by virtue of being a trustee under this Indenture with respect to Securities of more than one series.

Section 6.09 Corporate Trustee Required; Eligibility. There shall at all times be one (and only one) Trustee hereunder with respect to the Securities of each series, which may be Trustee hereunder for Securities of one or more other series. Each Trustee shall be a Person that is eligible pursuant to the Trust Indenture Act to act as such, and has a combined capital and surplus of at least $100,000,000. If any such Person publishes reports of condition at least annually, pursuant to law or to the requirements of its supervising or examining authority, then for the purposes of this Section and to the extent permitted by the Trust Indenture Act, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. Neither the Company nor any Person directly or indirectly controlling, controlled by, or under common control with the Company may serve as Trustee. If at any time the Trustee with respect to the Securities of any series shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 6.10 Resignation and Removal; Appointment of Successor. No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 6.11.

The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 6.11 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, delivered to the Trustee and to the Company.

If at any time:

(1) the Trustee shall fail to comply with Section 6.08 after written request therefor by the Company or by any Holder who has been a bona fide Holder of a Security of such series of Securities for at least six months, or

(2) the Trustee shall cease to be eligible under Section 6.09 and shall fail to resign after written request therefor by the Company or by any such Holder of a Security who has been a bona fide Holder of a Security of such series of Securities for at least six months; or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, (A) the Company by a Board Resolution may remove the Trustee with respect to all Securities, or (B) subject to Section 5.14, any Holder who has been a bona fide Holder of a Security of such series of Securities for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 6.11. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, upon its acceptance of such appointment in accordance with the applicable requirements of Section 6.11, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company with respect to such Securities. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders and accepted appointment in the manner required by Section 6.11, any Holder who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series to all Holders of Securities of such series in the manner provided in Section 1.06. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

Section 6.11 Acceptance of Appointment by Successor. In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company, the Subsidiary Guarantors and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee,

without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the Subsidiary Guarantors, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

Upon request of any such successor Trustee, the Company and the Subsidiary Guarantors shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in the first or second preceding paragraph, as the case may be.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 6.12 Merger, Conversion, Consolidation or Succession to Business. Any Person into which the Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any Person succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such Person shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any

further act on the part of any of the parties hereto. As soon as practicable, the successor Trustee shall give notice of its succession to the Company and the Holders of the Securities then Outstanding in the manner provided in Section 1.06. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation or otherwise as permitted hereunder to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

Section 6.13 Preferential Collection of Claims Against Company and Subsidiary Guarantors. If and when the Trustee shall be or become a creditor of the Company, any Subsidiary Guarantor or any other obligor upon the Securities, the Trustee shall be subject to the provisions of the Trust Indenture Act regarding the collection of claims against the Company, such Subsidiary Guarantor or any such other obligor.

Section 6.14 Appointment of Authenticating Agent. The Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of and subject to the direction of the Trustee to authenticate Securities of such series issued upon original issue and upon exchange, registration of transfer, conversion or partial redemption thereof or pursuant to Section 3.06, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a Person organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than $100,000,000 and subject to supervision or examination by federal or state authority. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any Person into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any Person succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such Person shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Company. The Trustee may at any time terminate the agency of an

Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall give notice of such appointment in the manner provided in Section 1.06 to all Holders of Securities of the series with respect to which such Authenticating Agent will serve. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Trustee agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services under this Section, and the Trustee shall be entitled to be reimbursed for such payments, subject to the provisions of Section 6.07.

If an appointment with respect to one or more series of Securities is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternate certificate of authentication in the following form:

Form of Authenticating Agent's
Certificate of Authentication

Dated: _____

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

_____
As Trustee

By: _____
As Authenticating Agent

By: _____
Authorized Officer

Section 6.15 Compliance With Tax Laws. The Trustee hereby agrees to comply with all U.S. Federal income tax information reporting and withholding requirements applicable to it with respect to payments of premium, (if any) and interest on the Securities of any series, whether acting as Trustee, Security Registrar, Paying Agent or otherwise with respect to the Securities of any series.

ARTICLE 7

HOLDERS' LISTS AND REPORTS BY TRUSTEE AND COMPANY

Section 7.01 Company to Furnish Trustee Names and Addresses of Holders. The Company will furnish or cause to be furnished to the Trustee with respect to the Securities of each series:

(1) not more than 10 days after each record date with respect to the payment of interest, if any of the Securities of a series, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of Securities of such series as of such record date, and

(2) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished; excluding from any such list names and addresses received by the Trustee in its capacity as Security Registrar.

Section 7.02 Preservation of Information; Communications to Holders. The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders contained in the most recent list furnished to the Trustee as provided in Section 7.01 and the names and addresses of Holders received by the Trustee in its capacity as Security Registrar. The Trustee may destroy any list furnished to it as provided in Section 7.01 upon receipt of a new list so furnished.

The rights of Holders to communicate with other Holders with respect to their rights under this Indenture or under the Securities, and the corresponding rights and privileges of the Trustee, shall be as provided by the Trust Indenture Act.

Every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company, the Subsidiary Guarantors nor the Trustee nor any agent of any of them shall be held accountable by reason of any disclosure of information as to names and addresses of Holders made pursuant to the Trust Indenture Act.

Section 7.03 Reports by Trustee. The Trustee shall transmit to Holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act within 60 days after each May 15 beginning with the May 15 following the issuance of the Securities.

A copy of each such report shall, at the time of such transmission to Holders of Securities of a series, be filed by the Trustee with each stock exchange or inter-dealer quotation system upon which any Securities are listed, with the Commission and with the Company and with the Subsidiary Guarantors. The Company will notify the Trustee when any Securities are listed on any stock exchange or any inter-dealer quotation system.

Section 7.04 Reports by Company and Subsidiary Guarantors. The Company and each of the Subsidiary Guarantors shall file with the Trustee and the Commission, and transmit to

Holders, such information, documents and other reports, and such summaries thereof, as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant to such Act; provided that any such information, documents or reports required to be filed with the Commission pursuant to Section 13 or 15(d) of the Exchange Act shall be filed with the Trustee within 15 days after the same is so required to be filed with the Commission (unless the Company files such documents with the Commission via EDGAR, in which case the Company is not required to transmit such information, documents or reports to the Trustee or the holders of the Notes). If the Company has designated any of its Subsidiaries as Unrestricted Subsidiaries, then the quarterly and annual financial information required by this Section 7.04 shall include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in Management's Discussion and Analysis of Financial Condition and Results of Operations, of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company.

ARTICLE 8

CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

Section 8.01 Company May Consolidate, Etc., Only on Certain Terms. The Company shall not, in a single transaction or a series of related transactions, consolidate or merge with or into any other Person or permit any other Person to consolidate or merge with or into the Company or, directly or indirectly, transfer, convey, sell, lease or otherwise dispose of all or substantially all of its assets as an entirety or substantially as an entirety to any Person or group of affiliated Persons, in one transaction or a series of related transactions, unless:

(1) in a transaction in which the Company does not survive or in which the Company transfers, conveys, sells, leases or otherwise disposes of all or substantially all of its assets, the successor entity (for purposes of this Article 8, a "Successor Company") shall be a corporation, partnership, trust or other entity organized and validly existing under the laws of the United States of America, any state thereof or the District of Columbia, and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and prompt payment of the principal of and any premium and interest on all the Securities and the performance or observance of every covenant of this Indenture on the part of the Company to be performed or observed;

(2) immediately after giving pro forma effect to such transaction and treating any indebtedness which becomes an obligation of the Company or any Subsidiary as a result of such transaction as having been incurred by the Company or such Subsidiary at the time of such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing;

(3) if, as a result of any such consolidation or merger or such transfer, conveyance, sale, lease or other disposition, assets of the Company would become subject to a mortgage, pledge, lien, security interest or other encumbrance which would

not be permitted by this Indenture, the Company or the Successor Company, as the case may be, shall take such steps as shall be necessary effectively to secure the Securities equally and ratably with (or prior to) all indebtedness secured thereby;

(4) any other conditions provided pursuant to Section 3.01 with respect to the Securities of a series are satisfied; and

(5) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, transfer, conveyance, sale, lease or other disposition and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

Section 8.02 Subsidiary Guarantors May Consolidate, Etc., Only on Certain Terms. Except in a transaction resulting in the release of a Subsidiary Guarantor in accordance with the terms of this Indenture, each Subsidiary Guarantor shall not, and the Company shall not permit any Subsidiary Guarantor to, in a single or a series of related transactions, consolidate or merge with or into any Person (other than the Company or another Subsidiary Guarantor) or permit any Person (other than another Subsidiary Guarantor) to consolidate or merge with or into such Subsidiary Guarantor or, directly or indirectly, transfer, convey, sell, lease or otherwise dispose of all or substantially all of its assets unless, in each case:

(1) in a transaction in which such Subsidiary Guarantor does not survive or in which all or substantially all of the assets of such Subsidiary Guarantor are transferred, conveyed, sold, leased or otherwise disposed of, the successor entity (the "Successor Subsidiary Guarantor") shall be a corporation, partnership, trust or other entity organized and validly existing under the laws of the United States of America, any state thereof or the District of Columbia, and shall expressly assume by operation of law or by an indenture supplemental hereto executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and prompt payment of all obligations of such Subsidiary Guarantor under its Subsidiary Guarantee and this Indenture and the performance of every covenant of this Indenture on the part of such Subsidiary Guarantor to be performed or observed; and

(2) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, transfer, conveyance, sale, lease or other disposition and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

Section 8.03 Successor Substituted. Upon any consolidation of the Company with, or merger of the Company with or into, any other Person or any transfer, conveyance, sale, lease or other disposition of all or substantially all of the assets of the Company in accordance with Section 8.01, the Successor Company shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such

successor Company had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Securities.

Upon any consolidation of a Subsidiary Guarantor with, or merger of such Subsidiary Guarantor into, any other Person or any transfer, conveyance, sale, lease or other disposition of all or substantially all of the assets of such Subsidiary Guarantor in accordance with Section 8.02, the Successor Subsidiary Guarantor shall succeed to, and be substituted for, and may exercise every right and power of, such Subsidiary Guarantor under this Indenture with the same effect as if such Successor Subsidiary Guarantor had been named as a Subsidiary Guarantor herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture, the Securities and its Subsidiary Guarantee.

ARTICLE 9

SUPPLEMENTAL INDENTURES

Section 9.01 Supplemental Indentures Without Consent of Holders. Without the consent of any Holders, the Company, when authorized by a Board Resolution, the Subsidiary Guarantors, when authorized by their respective Board Resolutions, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form reasonably satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Person to the Company or any Subsidiary Guarantor and the assumption by any such successor of the covenants of the Company or any Subsidiary Guarantor herein and in the Securities or Subsidiary Guarantees, as the case may be; or

(2) to add to the covenants of the Company for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company; or

(3) to add any additional Events of Default for the benefit of the Holders of all or any series of Securities (and if such additional Events of Default are to be for the benefit of less than all series of Securities, stating that such additional Events of Default are expressly being included solely for the benefit of such series); or

(4) to add to or change any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the issuance of Securities in bearer form, registrable or not registrable as to principal, and with or without interest coupons, or to permit or facilitate the issuance of Securities in uncertificated form; or

(5) to add to, change or eliminate any of the provisions of this Indenture in respect of one or more series of Securities, provided that any such addition, change or elimination (A) shall neither (i) apply to any Security of any series created prior to the execution of such supplemental indenture and entitled to the benefit of such

provision nor (ii) modify the rights of the Holder of any such Security with respect to such provision or (B) shall become effective only when there is no such Security Outstanding; or

(6) to secure the Securities of one or more series; or

(7) to establish the form or terms of Securities of any series as permitted by Sections 2.01 and 3.01; or

(8) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 6.11; or

(9) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein; or

(10) to make any other provisions with respect to matters or questions arising under this Indenture, provided that such action pursuant to this clause (10) shall not adversely affect the interests of the Holders of Securities of any series in any material respect; or

(11) to add new Subsidiary Guarantors with respect to any or all of the Securities.

(12) to modify, eliminate or add to the provisions of this Indenture to such extent as shall be necessary to effect or maintain the qualification of this Indenture under the Trust Indenture Act, or under any similar federal statute hereafter enacted.

Upon request of the Company, accompanied by a Board Resolution authorizing the execution of any such supplemental indenture, and upon receipt by the Trustee of the documents described in (and subject to the last sentence of) Section 9.03, the Trustee shall join with the Company in the execution of any supplemental indenture authorized or permitted by the terms of this Indenture.

Section 9.02 Supplemental Indentures With Consent of Holders. With the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected by such supplemental indenture, by Act of said Holders delivered to the Company, the Subsidiary Guarantors and the Trustee, the Company, when authorized by a Board Resolution, the Subsidiary Guarantors, when authorized by their respective Board Resolutions and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security affected thereby:

(1) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Security or any other Security which would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 5.02, or change any Place of Payment where, or the coin or currency in which, any Security or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of (a) any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date) or (b) any conversion right with respect to any Security, or modify the provisions of this Indenture with respect to the conversion of the Securities, in a manner adverse to the Holders, or release any Subsidiary Guarantee other than as provided in this Indenture; or

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture; or

(3) modify any of the provisions of this Section, Section 5.13 or Section 10.06, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby; provided, however, that this clause shall not be deemed to require the consent of any Holder with respect to changes in the references to “the Trustee” and concomitant changes in this Section 5.13 and Section 10.06, or the deletion of this proviso, in accordance with the requirements of Sections 6.11 and 9.01(8); or

(4) modify any conversion ratio or otherwise impair conversion rights with respect to such Outstanding Securities, if any, except as expressly permitted by the terms of such Outstanding Securities; or

(5) modify any redemption provisions applicable to such Outstanding Securities; or

(6) directly or indirectly release any of the collateral or securities interest or guarantee in respect of such Outstanding Securities, except as expressly permitted by the terms of such Outstanding Securities; or

(7) directly or indirectly release any guarantee in respect of such Outstanding Securities, except as expressly permitted by the terms of such Outstanding Securities; or

(8) change any obligations to pay additional amounts provided in the terms of such Outstanding Securities.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular

series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Section 9.03 Execution of Supplemental Indentures. The Trustee shall sign any supplemental indenture authorized pursuant to this Article, subject to the last sentence of this Section 9.03. In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 6.01) shall be fully protected in relying upon an Officers' Certificate and an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 9.04 Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 9.05 Conformity with Trust Indenture Act. Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act.

Section 9.06 Reference in Securities to Supplemental Indentures. Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company, if applicable the Subsidiary Guarantees may be endorsed thereon and such new Securities may be authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

ARTICLE 10

COVENANTS

Section 10.01 Payment of Principal, Premium and Interest. The Company covenants and agrees for the benefit of each series of Securities that it will duly and promptly pay the principal of and any premium and interest on the Securities of that series in accordance with the terms of the Securities and this Indenture. Principal, premium, if any, and interest shall be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 11:00 A.M., New York City time, on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due.

Section 10.02 Maintenance of Office or Agency. The Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment or, if applicable, for conversion, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company or any Subsidiary Guarantor in respect of the Securities of that series or any Subsidiary Guarantee and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company and each Subsidiary Guarantor hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 10.03 Money for Securities Payments to Be Held in Trust. If the Company or any Subsidiary Guarantor shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of or any premium or interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal and any premium and interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure so to act. Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, prior to 11:00 A.M., New York City time, on each due date of the principal of or any premium or interest on any Securities of that series, deposit with a Paying Agent a sum sufficient to pay such amount, such sum to be held as provided by the Trust Indenture Act, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act. The Company will cause each Paying Agent for any series of Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will (1) comply with the provisions of the Trust Indenture Act applicable to it as a Paying Agent and (2) during the continuance of any default by the Company, the Subsidiary Guarantors, if applicable, or any other obligor upon the Securities of that series in the making of any payment in respect of the Securities of that series, upon the written request of the Trustee, forthwith pay to the Trustee all sums held in trust by such Paying Agent for payment in respect of the Securities of that series. The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by

the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money. Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of or any premium or interest on any Security of any series and remaining unclaimed for two years after such principal, premium or interest has become due and payable shall be paid to the Company on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in The City of New York, New York, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 10.04 Statement by Officers as to Default. The Company and the Subsidiary Guarantors will deliver to the Trustee, within 90 days after the end of each fiscal year of the Company ending after the date hereof, an Officers' Certificate, stating whether or not to the best knowledge of the signers thereof the Company or any Subsidiary Guarantor, as the case may be, is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and, if the Company or any Subsidiary Guarantor shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

The Company and each Subsidiary Guarantor shall deliver to the Trustee, as soon as possible and in any event within five days after the Company or such Subsidiary Guarantor becomes aware or should reasonably become aware of the occurrence of an Event of Default or an event which, with notice or the lapse of time or both, would constitute an Event of Default, an Officers' Certificate setting forth the details of such Event of Default or default, and the action which the Company or such Subsidiary Guarantor proposes to take with respect thereto.

Section 10.05 Existence. Subject to Article 8, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect the existence, rights (charter and statutory) and franchises of the Company; provided, however, that the Company shall not be required to preserve any such right or franchise if the Board of Directors of the Company shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and that the loss thereof is not disadvantageous in any material respect to the Holders.

Section 10.06 Waiver of Certain Covenants. Except as otherwise specified as contemplated by Section 3.01 for Securities of such series, the Company may, with respect to the Securities of any series, omit in any particular instance to comply with any term, provision or condition set forth in any of Sections 10.05 or in any covenant provided pursuant to Section 3.01(21), 9.01(2) or 9.01(7) for the benefit of the Holders of such series if before the time for such compliance the Holders of at least a majority in principal amount of the Outstanding

Securities of such series shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition, but no such waiver shall extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

ARTICLE 11

REDEMPTION OF SECURITIES

Section 11.01 Applicability of Article. Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 3.01 for such Securities) in accordance with this Article; provided, however, that is any provision of any such form of Security shall conflict with any provision of this Article, the provision of such form of Security shall govern.

Section 11.02 Election to Redeem; Notice to Trustee. The election of the Company to redeem any Securities shall be evidenced by a Board Resolution or in another manner specified as contemplated by Section 3.01 for such Securities. In case of any redemption at the election of the Company of less than all the Securities of any series (including any such redemption affecting only a single Security), the Company shall, at least five Business Days prior to giving notice of such redemption (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date, of the principal amount of Securities of such series to be redeemed and, if applicable, of the tenor of the Securities to be redeemed. In the case of any redemption of Securities prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officers' Certificate evidencing compliance with such restriction.

Section 11.03 Selection by Trustee of Securities to Be Redeemed. If less than all the Securities of any series are to be redeemed (unless all the Securities of such series and of a specified tenor are to be redeemed or unless such redemption affects only a single Security), the particular Securities to be redeemed shall be selected by the Trustee, from the Outstanding Securities of such series not previously called for redemption, (i) in compliance with the requirements of the principal national securities exchange on which such Securities are listed, if such Securities are listed on any national securities exchange, and (ii) if such Securities are not so listed, on a pro rata basis, by lot or by such other method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of a portion of the principal amount of any Security of such series, provided that the unredeemed portion of the principal amount of any Security shall be in an authorized denomination (which shall not be less than the minimum authorized denomination) for such Security. If less than all the Securities of such series and of a specified tenor are to be redeemed (unless such redemption affects only a single Security), the particular Securities to be redeemed shall be selected by the Trustee, from the Outstanding Securities of such series and specified tenor not previously called for redemption in accordance with the preceding sentence.

The Trustee shall promptly notify the Company in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

The provisions of the two preceding paragraphs shall not apply with respect to any redemption affecting only a single Security, whether such Security is to be redeemed in whole or in part. In the case of any such redemption in part, the unredeemed portion of the principal amount of the Security shall be in an authorized denomination (which shall not be less than the minimum authorized denomination) for such Security. For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities which has been or is to be redeemed. If any Security selected for partial redemption is surrendered for conversion after such selection, the unconverted portion of such Security shall be deemed (so far as may be) to be the portion selected for redemption. Upon any redemption of less than all the Securities of a series, for purposes of selection for redemption the Company and the Trustee may treat as Outstanding any Securities surrendered for conversion during the period of 15 days next preceding the mailing of a notice of redemption, and need not treat as Outstanding any Security authenticated and delivered during such period in exchange for the unconverted portion of any Security converted in part during such period.

Section 11.04 Notice of Redemption. Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the Redemption Date, to each Holder of Securities to be redeemed, at his address appearing in the Security Register; provided, however, notice of redemption may be given more than 60 days prior to the Redemption Date if the notice is issued in connection with a satisfaction and discharge pursuant to Article 4.

All notices of redemption shall state:

(1) the Redemption Date,

(2) the Redemption Price, if then determinable and otherwise the method of its determination,

(3) if less than all the Outstanding Securities of any series consisting of more than a single Security are to be redeemed, the identification (and, in the case of partial redemption of any such Securities, the principal amounts) of the particular Securities to be redeemed and, if less than all the Outstanding Securities of any series consisting of a single Security are to be redeemed, the principal amount of the particular Security to be redeemed,

(4) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed and, if applicable, that interest or original issue discount thereon will cease to accrue or accrete on and after said date,

(5) the place or places where each such Security is to be surrendered for payment of the Redemption Price,

(6) that the redemption is for a sinking fund, if such is the case, and

(7) if applicable, the conversion price then in effect and the date on which the right to convert such Securities to be redeemed will expire.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, the Trustee shall give the notice of redemption in the Company's name and at the Company's expense, which notice in either event shall be irrevocable; *provided, however,* that, in the case of such a notice to be given by the Trustee, the Company shall have delivered to the Trustee at least 35 days (unless a shorter period is acceptable to the Trustee) prior to the proposed redemption date an Officers' Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.. If any Security called for redemption is converted pursuant hereto, any money deposited with the Trustee or any Paying Agent or so segregated and held in trust for the redemption of such Security shall be paid to the Company upon delivery of a Company Request to the Trustee or such Paying Agent, or, if then held by the Company, shall be discharged from such trust.

Section 11.05 Deposit of Redemption Price. Prior to 11:00 A.M., New York City time, on any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 10.03) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities which are to be redeemed on that date.

Section 11.06 Securities Payable on Redemption Date. Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price, together with accrued interest to the Redemption Date; provided, however, that, unless otherwise specified as contemplated by Section 3.01, installments of interest whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 3.07.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal and any premium shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

Section 11.07 Securities Redeemed in Part. Any Security which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, if applicable the Subsidiary Guarantors shall execute the Subsidiary Guarantee endorsed thereon, and the Trustee shall authenticate and deliver to the

Holder of such Security without service charge, a new Security or Securities of the same series and of like tenor, of any authorized denomination as requested by such Holder, and having the same terms and conditions and in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered.

ARTICLE 12

SINKING FUNDS

Section 12.01 Applicability of Article. The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of any series except as otherwise specified as contemplated by Section 3.01 for such Securities. The minimum amount of any sinking fund payment provided for by the terms of any Securities is herein referred to as a "mandatory sinking fund payment", and any payment in excess of such minimum amount provided for by the terms of such Securities is herein referred to as an "optional sinking fund payment." If provided for by the terms of any Securities, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 12.02. Each sinking fund payment shall be applied to the redemption of Securities as provided for by the terms of such Securities.

Section 12.02 Satisfaction of Sinking Fund Payments with Securities. The Company (1) may deliver Outstanding Securities of a series (other than any previously called for redemption) and (2) may apply as a credit Securities of a series which have been (x) converted or (y) redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to any Securities of such series required to be made pursuant to the terms of such Securities as and to the extent provided for by the terms of such Securities; provided, however, that the Securities to be so credited have not been previously so credited. The Securities to be so credited shall be received and credited for such purpose by the Trustee at the Redemption Price, as specified in the Securities so to be redeemed, for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

Section 12.03 Redemption of Securities for Sinking Fund. Not less than 35 days prior to each sinking fund payment date for any Securities, the Company will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing sinking fund payment for such Securities pursuant to the terms of such Securities, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities pursuant to Section 12.02 and will also deliver to the Trustee any Securities to be so delivered. Not less than 32 days prior to each such sinking fund payment date, the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 11.03 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 11.04. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 11.06 and 11.07.

ARTICLE 13

SUBSIDIARY GUARANTEES

Section 13.01 Applicability of Article. Unless the Company elects to issue any series of Securities without the benefit of the Subsidiary Guarantees, which election shall be evidenced in or pursuant to the Board Resolution or supplemental indenture establishing such series of Securities pursuant to Section 3.01, the provisions of this Article shall be applicable to each series of Securities except as otherwise specified in or pursuant to the Board Resolution or supplemental indenture establishing such series pursuant to Section 3.01.

Section 13.02 Subsidiary Guarantees. Subject to Section 13.01, each Subsidiary Guarantor hereby, jointly and severally, fully and unconditionally guarantees to each Holder of a Security authenticated and delivered by the Trustee, the due and prompt payment of the principal of (and premium, if any) and interest on such Security when and as the same shall become due and payable, whether at the Stated Maturity, by acceleration, call for redemption or otherwise, in accordance with the terms of such Security and of this Indenture, and each Subsidiary Guarantor similarly guarantees to the Trustee the payment of all amounts owing to the Trustee in accordance with the terms of this Indenture applicable to series of Securities guaranteed by such Subsidiary Guarantor. In case of the failure of the Company promptly to make any such payment, each Subsidiary Guarantor hereby, jointly and severally, agrees to cause such payment to be made promptly when and as the same shall become due and payable, whether at the Stated Maturity or by acceleration, call for redemption or otherwise, and as if such payment were made by the Company.

Each of the Subsidiary Guarantors hereby jointly and severally agrees that its obligations hereunder shall be absolute, unconditional, irrespective of, and shall be unaffected by, the validity, regularity or enforceability of such Security or this Indenture, the absence of any action to enforce the same or any release, amendment, waiver or indulgence granted to the Company or any guarantor or any consent to departure from any requirement of any other guarantee of all or any of the Securities of such series or any other circumstances which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor; provided, however, that, notwithstanding the foregoing, no such release, amendment, waiver or indulgence shall, without the consent of such Subsidiary Guarantor, increase the principal amount of such Security, or increase the interest rate thereon, or alter the Stated Maturity thereof. Each of the Subsidiary Guarantors hereby waives the benefits of diligence, presentment, demand for payment, any requirement that the Trustee or any of the Holders protect, secure, perfect or insure any security interest in or other lien on any property subject thereto or exhaust any right or take any action against the Company or any other Person or any collateral, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Security or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Subsidiary Guarantee will not be discharged in respect of such Security except by complete performance of the obligations contained in such Security and in such Subsidiary Guarantee. Each Subsidiary Guarantor agrees that if, after the occurrence and during the continuance of an Event of Default, the Trustee or any

of the Holders are prevented by applicable law from exercising their respective rights to accelerate the maturity of the Securities of a series, to collect interest on the Securities of a series, or to enforce or exercise any other right or remedy with respect to the Securities of a series, such Subsidiary Guarantor agrees to pay to the Trustee for the account of the Holders, upon demand therefore, the amount that would otherwise have been due and payable had such rights and remedies been permitted to be exercised by the Trustee or any of the Holders.

Each Subsidiary Guarantor shall be subrogated to all rights of the Holders of the Securities upon which its Subsidiary Guarantee is endorsed against the Company in respect of any amounts paid by such Subsidiary Guarantor on account of such Security pursuant to the provisions of its Subsidiary Guarantee or this Indenture; provided, however, that no Subsidiary Guarantor shall be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until the principal of (and premium, if any) and interest on all Securities of the relevant series issued hereunder shall have been paid in full.

Each Subsidiary Guarantor that makes or is required to make any payment in respect of its Subsidiary Guarantee shall be entitled to seek contribution from the other Subsidiary Guarantors to the extent permitted by applicable law; provided, however, that no Subsidiary Guarantor shall be entitled to enforce or receive any payments arising out of, or based upon, such right of contribution until the principal of (and premium, if any) and interest on all Securities of the relevant series issued hereunder shall have been paid in full.

Each Subsidiary Guarantee shall remain in full force and effect and continue to be effective should any petition be filed by or against the Company for liquidation or reorganization, should the Company become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any part of the Company's assets, and shall, to the fullest extent permitted by law, continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Securities of a series, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any Holder of the Securities, whether as a "voidable preference," "fraudulent transfer," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Securities shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

Section 13.03 Execution and Delivery of Subsidiary Guarantees. The Subsidiary Guarantees to be endorsed on the Securities shall include the terms of the Subsidiary Guarantee set forth in Section 13.02 and any other terms that may be set forth in the form established pursuant to Section 2.04. Subject to Section 13.01, each of the Subsidiary Guarantors hereby agrees to execute its Subsidiary Guarantee, in a form established pursuant to Section 2.04, to be endorsed on each Security authenticated and delivered by the Trustee.

The Subsidiary Guarantee shall be executed on behalf of each respective Subsidiary Guarantor by any one of such Subsidiary Guarantor's Chief Executive Officer, President, Chief Financial Officer or Chief Operating Officer. The signature of any or all of these persons on the Subsidiary Guarantee may be manual or facsimile. A Subsidiary Guarantee bearing the manual or facsimile signature of individuals who were at any time the proper officers of a Subsidiary

Guarantor shall bind such Subsidiary Guarantor, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of the Security on which such Subsidiary Guarantee is endorsed or did not hold such offices at the date of such Subsidiary Guarantee.

The delivery of any Security by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Subsidiary Guarantee endorsed thereon on behalf of the Subsidiary Guarantors and shall bind each Subsidiary Guarantor notwithstanding the fact that Subsidiary Guarantee does not bear the signature of such Subsidiary Guarantor. Each of the Subsidiary Guarantors hereby jointly and severally agrees that, except in circumstances contemplated in Section 13.01 wherein the Company elects to issue a series of Securities without the benefit of Subsidiary Guarantees, its Subsidiary Guarantee set forth in Section 13.02 and in the form of Subsidiary Guarantee established pursuant to Section 2.04 shall remain in full force and effect notwithstanding any failure to endorse a Subsidiary Guarantee on any Security that was intended to include the benefit of Subsidiary Guarantees.

Section 13.04 Release of Subsidiary Guarantors. Unless otherwise specified pursuant to Section 3.01 with respect to a series of Securities, each Subsidiary Guarantee will remain in effect with respect to the respective Subsidiary Guarantor until the entire principal of, premium, if any, and interest on the Securities to which such Subsidiary Guarantee relates shall have been paid in full or otherwise satisfied and discharged in accordance with the provisions of such Securities and this Indenture and all amounts owing to the Trustee hereunder have been paid; provided, however, that if (i) such Subsidiary Guarantor ceases to be a Subsidiary in compliance with the applicable provisions of this Indenture, (ii) either Defeasance or Covenant Defeasance occurs with respect to such Securities pursuant to Article 15, (iii) all or substantially all of the assets of such Subsidiary Guarantor or all of the Capital Stock of such Subsidiary Guarantor is sold (including by sale, merger, consolidation or otherwise) by the Company or any Subsidiary in a transaction complying with the requirements of this Indenture, or (iv) the Company designates a Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with the definition of “Unrestricted Subsidiary” in Section 1.01 then, in each case of (i), (ii), (iii) or (iv) upon delivery by the Company of an Officers’ Certificate and an Opinion of Counsel stating that all conditions precedent herein provided for relating to the release of such Subsidiary Guarantor from its obligations under its Subsidiary Guarantee and this Article 13 have been complied with, such Subsidiary Guarantor shall be released and discharged of its obligations under its Subsidiary Guarantee and under this Indenture without any action on the part of the Trustee or any Holder, and the Trustee shall execute any documents reasonably required in order to acknowledge the release of such Subsidiary Guarantor from its obligations under its Subsidiary Guarantee endorsed on the Securities of such series and under this Indenture.

Section 13.05 Additional Subsidiary Guarantors. Unless otherwise specified pursuant to Section 3.01 with respect to a series of Securities, if the Company or any of its Restricted Subsidiaries shall, after the effective date of this Indenture, acquire or create another Significant Subsidiary or if any other Restricted Subsidiary shall become a Significant Subsidiary, then such Significant Subsidiary shall become a Subsidiary Guarantor as follows; provided however, that this requirement shall not apply to a Significant Subsidiary that is also a Foreign Subsidiary. The Company shall cause any such Significant Subsidiary to execute and deliver to the Trustee (a) a supplemental indenture, in form and substance satisfactory to the Trustee, which subjects such

Person to the provisions (including the representations and warranties) of this Indenture as a Subsidiary Guarantor and (b) an Opinion of Counsel and an Officers' Certificate to the effect that such supplemental indenture has been duly authorized and executed by such Person and such supplemental indenture and such Person's obligations under its Subsidiary Guarantee and this Indenture constitute the legal, valid, binding and enforceable obligations of such Person (subject to such customary exceptions concerning creditors' rights and equitable principles as may be acceptable to the Trustee in its discretion).

Section 13.06 Limitation on Liability. Any term or provision of this Indenture to the contrary notwithstanding, the maximum amount of the Subsidiary Guarantee of any Subsidiary Guarantor shall not exceed the maximum amount that can be hereby guaranteed by such Subsidiary Guarantor without rendering such Subsidiary Guarantee voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

ARTICLE 14

[INTENTIONALLY OMITTED]

ARTICLE 15

DEFEASANCE AND COVENANT DEFEASANCE

Section 15.01 Company's Option to Effect Defeasance or Covenant Defeasance. The Company may elect, at its option at any time, to have Section 15.02 or Section 15.03 applied to any Securities or any series of Securities, as the case may be, designated pursuant to Section 3.01 as being defeasible pursuant to such Section 15.02 or 15.03, in accordance with any applicable requirements provided pursuant to Section 3.01 and upon compliance with the applicable conditions set forth below in this Article. Any such election shall be evidenced in or pursuant to a Board Resolution or in another manner specified as contemplated by Section 3.01 for such Securities.

Section 15.02 Defeasance and Discharge. Upon the Company's exercise of its option (if any) to have this Section applied to any Securities or any series of Securities, as the case may be, the Company shall be deemed to have been discharged from its obligations, and each Subsidiary Guarantor shall be deemed to have been discharged from its obligations with respect to its Subsidiary Guarantees of such Securities, as provided in this Section on and after the date the conditions set forth in Section 15.04 are satisfied (herein called "Defeasance"). For this purpose, such Defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by such Securities and to have satisfied all its other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), subject to the following which shall survive until otherwise terminated or discharged hereunder: (1) the rights of Holders of such Securities to receive, solely from the trust fund described in Section 15.04 and as more fully set forth in such Section, payments in respect of the principal of

and any premium and interest on such Securities when payments are due, or, if applicable, to convert such Securities in accordance with their terms, (2) the Company's and each Subsidiary Guarantor's obligations with respect to such Securities under Sections 3.04, 3.05, 3.06, 10.02 and 10.03, and, if applicable, their obligations with respect to the conversion of such Securities, (3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (4) this Article. Subject to compliance with this Article, the Company may exercise its option (if any) to have this Section applied to any Securities notwithstanding the prior exercise of its option (if any) to have Section 15.03 applied to such Securities.

Section 15.03 Covenant Defeasance. Upon the Company's exercise of its option (if any) to have this Section applied to any Securities or any series of Securities, as the case may be, (1) the Company shall be released from its obligations under Section 8.01(3), Sections 10.05, and any covenants provided pursuant to Section 3.01(21), 9.01(2) or 9.01(7) for the benefit of the Holders of such Securities, and (2) the occurrence of any event specified in Sections 5.01(4) (with respect to any of Section 8.01(3), and any such covenants provided pursuant to Section 3.01(21), 9.01(2) or 9.01(7)), 5.01(7) and 5.01(8) shall be deemed not to be or result in an Event of Default and (3) the provisions of Article 13 shall cease to be effective, in each case with respect to such Securities and Subsidiary Guarantees as provided in this Section on and after the date the applicable conditions set forth in Section 15.04 are satisfied (herein called "Covenant Defeasance"). For this purpose, such Covenant Defeasance means that, with respect to such Securities, the Company and the Subsidiary Guarantors, as applicable, may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such specified Section (to the extent so specified in the case of Section 5.01(4)) or Article 13 whether directly or indirectly by reason of any reference elsewhere herein to any such Section or Article or by reason of any reference in any such Section or Article to any other provision herein or in any other document, and such omission to comply shall not constitute an Event of Default under this Indenture or any such supplemental indenture with respect to Outstanding Securities of such series, and but the remainder of this Indenture and such Securities shall be unaffected thereby.

Section 15.04 Conditions to Defeasance or Covenant Defeasance. The following shall be the conditions to the application of Section 15.02 or Section 15.03 to any Securities or any series of Securities, as the case may be:

(1) The Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee which satisfies the requirements contemplated by Section 6.09 and agrees to comply with the provisions of this Article applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Securities, (A) money in an amount, or (B) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount, or (C) a combination thereof, in each case sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or any such other qualifying trustee) to pay and discharge, the principal of and any premium and interest on such Securities on the respective Stated Maturities, in accordance with the terms of this Indenture and such Securities. As used

herein, “U.S. Government Obligation” means (x) any security which is (i) a direct obligation of the United States of America for the payment of which the full faith and credit of the United States of America is pledged or (ii) an obligation of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case (i) or (ii), is not callable or redeemable at the option of the issuer thereof, and (y) any depositary receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act) as custodian with respect to any U.S. Government Obligation which is specified in clause (x) above and held by such bank for the account of the holder of such depositary receipt, or with respect to any specific payment of principal of or interest on any U.S. Government Obligation which is so specified and held, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of principal or interest evidenced by such depositary receipt.

(2) In the event of an election to have Section 15.02 apply to any Securities or any series of Securities, as the case may be, the Company shall have delivered to the Trustee an Opinion of Counsel stating that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the date of this instrument, there has been a change in the applicable Federal income tax law, in either case (A) or (B) to the effect that, and based thereon such opinion shall confirm that, the Holders of such Securities will not recognize gain or loss for Federal income tax purposes as a result of the deposit, Defeasance and discharge to be effected with respect to such Securities and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit, Defeasance and discharge were not to occur.

(3) In the event of an election to have Section 15.03 apply to any Securities or any series of Securities, as the case may be, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of such Securities will not recognize gain or loss for Federal income tax purposes as a result of the deposit and Covenant Defeasance to be effected with respect to such Securities and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit and Covenant Defeasance were not to occur.

(4) The Company shall have delivered to the Trustee an Officers’ Certificate to the effect that neither such Securities nor any other Securities of the same series, if then listed on any securities exchange, will be delisted as a result of such deposit.

(5) No event which is, or after notice or lapse of time or both would become, an Event of Default with respect to such Securities or any other Securities shall have occurred and be continuing at the time of such deposit or, with regard to any such event specified in Sections 5.01(5) and (6), at any time on or prior to the 121st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until after such 121st day).

(6) Such Defeasance or Covenant Defeasance shall not cause the Trustee to have a conflicting interest within the meaning of the Trust Indenture Act (assuming all Securities are in default within the meaning of such Act).

(7) Such Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company or any Subsidiary is a party or by which it is bound.

(8) The Company shall have delivered to the Trustee an Opinion of Counsel to the effect that such deposit shall not cause either the Trustee or the trust so created to be subject to the Investment Company Act of 1940.

(9) The Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent with respect to such Defeasance or Covenant Defeasance have been complied with.

Section 15.05 Deposited Money and U.S. Government Obligations to Be Held in Trust; Miscellaneous Provisions. Subject to the provisions of the last paragraph of Section 10.03, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee or other qualifying trustee (solely for purposes of this Section and Section 15.06, the Trustee and any such other trustee are referred to collectively as the "Trustee") pursuant to Section 15.04 in respect of any Securities shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any such Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Holders of such Securities, of all sums due and to become due thereon in respect of principal and any premium and interest, but money so held in trust need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Government Obligations deposited pursuant to Section 15.04 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of Outstanding Securities.

Anything in this Article to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or U.S. Government Obligations held by it as provided in Section 15.04 with respect to any Securities which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect the Defeasance or Covenant Defeasance, as the case may be, with respect to such Securities.

Section 15.06 Reinstatement. If the Trustee or the Paying Agent is unable to apply any money or U.S. Government Obligations, as the case may be, in accordance with this Article with respect to any Securities by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the obligations

under this Indenture and such Securities from which the Company has been discharged or released pursuant to Section 15.02 or 15.03 shall be revived and reinstated as though no deposit had occurred pursuant to this Article with respect to such Securities, until such time as the Trustee or Paying Agent is permitted to apply all money held in trust pursuant to Section 15.05 with respect to such Securities in accordance with this Article; provided, however, that if the Company makes any payment of principal of or any premium or interest on any such Security following such reinstatement of its obligations, the Company shall be subrogated to the rights (if any) of the Holders of such Securities to receive such payment from the money so held in trust.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, all as of the day and year first above written.

ISSUER:

HORNBECK OFFSHORE SERVICES, INC.

By: _____

Name: _____

Title: _____

SUBSIDIARY GUARANTORS:

[INSERT SUBSIDIARY GUARANTORS]

By: _____

Name: _____

Title: _____

TRUSTEE:

_____

as Trustee

By: _____

Name: _____

Title: _____

SCHEDULE I

SUBSIDIARY GUARANTORS
SUBSIDIARY STATE OF ORGANIZATION

[Insert Subsidiary Guarantors]

EXHIBIT 4.8

HORNBECK OFFSHORE SERVICES, INC.

AND

THE GUARANTORS PARTY HERETO

____% Subordinated Notes due _____

INDENTURE

Dated as of _____

WELLS FARGO BANK, NATIONAL ASSOCIATION

Trustee

CROSS REFERENCE TABLE*

TRUST INDENTURE ACT SECTION		INDENTURE SECTION
Section 310	(a)(1)	6.09
	(a)(2)	6.09
	(a)(3)	Not Applicable
	(a)(4)	Not Applicable
	(b)	6.08, 6.10
Section 311	(a)	6.13
	(b)	6.13
Section 312	(a)	7.01, 7.02
	(b)	7.02
	(c)	7.02
Section 313	(a)	7.03
	(b)	7.03
	(c)	7.03
	(d)	7.03
Section 314	(a)	7.04
	(a)(4)	1.01, 10.04
	(b)	Not Applicable
	(c)(1)	1.02
	(c)(2)	1.02
	(c)(3)	Not Applicable
	(d)	Not Applicable
	(e)	1.02
Section 315	(a)	6.01
	(b)	6.02
	(c)	6.01
	(d)	6.01
	(d)(1)	6.01
	(d)(2)	6.01
	(d)(3)	6.01
	(e)	5.14
Section 316	(a)(1)(A)	5.12
	(a)(1)(B)	5.02, 5.13
	(a)(2)	Not Applicable
	(b)	5.08
	(c)	1.04
Section 317	(a)(1)	5.03
	(a)(2)	5.04
	(b)	10.03
Section 318	(a)	1.07

* This Cross Reference Table is not part of the Indenture.

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INDENTURE, dated as of _____, 200_, among Hornbeck Offshore Services, Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company"), having its principal office at 103 Northpark Boulevard, Suite 300, Covington, Louisiana 70433, each of the Subsidiary Guarantors (as hereinafter defined) and Wells Fargo Bank, National Association, a national banking association, as Trustee (herein called the "Trustee").

RECITALS OF THE COMPANY AND THE SUBSIDIARY GUARANTORS

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its subordinated debentures, notes or other evidences of indebtedness (herein called the "Securities"), to be issued in one or more series as provided in this Indenture.

The Company and the Subsidiary Guarantors are members of the same consolidated group of companies. The Subsidiary Guarantors will derive direct and indirect economic benefit from the issuance of the Securities. Accordingly, each Subsidiary Guarantor has duly authorized the execution and delivery of this Indenture to provide for its full, unconditional and joint and several guarantee of the Securities to the extent provided in or pursuant this Indenture.

All things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually agreed, for the equal and proportionate benefit of all Holders of the Securities or of series thereof, as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS
OF GENERAL APPLICATION

Section 1.01 Definitions. For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP;

(4) unless the context otherwise requires, any reference to an “Article” or a “Section” refers to an Article or a Section, as the case may be, of this Indenture; and

(5) the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

“Act,” when used with respect to any Holder, has the meaning specified in Section 1.04.

“Affiliate” of any specified Person means an “affiliate of such Person, as such term is defined for purposes of Rule 144 under the Securities Act.

“Authenticating Agent” means any Person authorized by the Trustee pursuant to Section 6.14 to act on behalf of the Trustee to authenticate Securities of one or more series.

“Bankruptcy Law” means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

“Board of Directors” means (a) with respect to any corporation, the board of directors of such corporation, (b) with respect to any partnership, the general partner of such partnership, (c) with respect to any limited liability company, the managing member sole manager or board of managers of such limited liability company and (d) with respect to any other entity, the body having the power to direct the policies of such entity; provided, however, that when the context refers to actions or resolutions of the Board of Directors, then the term “Board of Directors” shall also mean any duly authorized committee of the Board of Directors authorized to act with respect to any particular matter to exercise the power of the Board of Directors.

“Board Resolution” means, with respect to the Company or a Subsidiary Guarantor, a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company or such Subsidiary Guarantor, as the case may be, to have been duly adopted by its Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

“Business Day”, when used with respect to any Place of Payment or any other particular location referred to in this Indenture or in the Securities of any series, means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment are authorized or obligated by law, regulation or executive order to close.

“Capital Lease Obligation” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be so required to be capitalized on the balance sheet in accordance with GAAP.

“Capital Stock” means with respect to any Person any and all shares, interests, participations, warrants, rights, options or other equivalents (however designated) of capital stock or any other equity interest of such Person, including, without limitation, with respect to a corporation, each class of common stock and preferred stock; with respect to a partnership, partnership interests (whether general or limited); with respect to a limited liability company, membership interests; and any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of the assets of, such Person.

“Commission” means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act, or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

“Common Stock” means the common stock, $.01 par value per share, of the Company as the same exists at the date of execution and delivery of this Indenture or other Capital Stock of the Company into which such common stock is converted, reclassified or changed from time to time.

“Company” means the Person named as the “Company” in the first paragraph of this Indenture until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Company” shall mean such successor Person.

“Company Request” or “Company Order” means a written request or order signed in the name of the Company by the Designated Officers and delivered to the Trustee.

“Conversion Agent” means any Person authorized by the Company to convert any Securities on behalf of the Company.

“Corporate Trust Office” means the principal office of the Trustee at which at any particular time its corporate trust business shall be administered, such office being located on the date hereof at 213 Court Street, Suite 703, Middletown, Connecticut 06457, Attention: Corporate Trust Services, Telecopy No.: (860) 704-6219.

“Covenant Defeasance” has the meaning specified in Section 15.03.

“Custodian” means any receiver, custodian, trustee, assignee, liquidator, sequestrator or similar official under any Bankruptcy Law.

“Defaulted Interest” has the meaning specified in Section 3.07.

“Defeasance” has the meaning specified in Section 15.02.

“Depositary” means, with respect to the Securities of any series issuable in whole or in part in the form of one or more Global Securities, the Person designated as Depositary by the Company pursuant to Section 3.01. The Depository Trust Company shall be the initial Depositary, until a successor Depositary shall have become such

pursuant to the applicable provisions of this Indenture, and thereafter "Depositary" shall mean or include each Person who is then a Depositary hereunder. If at any time there is more than one such Person, "Depositary" shall mean the Depositary with respect to the Securities of that series.

"Designated Officers" means any two Officers of the Company, at least one of whom must be its Chief Executive Officer, its President, its Chief Financial Officer or its Chief Accounting Officer.

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures (excluding any maturity as a result of an optional redemption by the issuer thereof) or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is 91 days after the date on which the Securities mature or are redeemed or retired in full.

"Dollars" and "$" means lawful money of the United States of America.

"Domestic Subsidiary" means any Restricted Subsidiary of the Company other than a Foreign Subsidiary.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Event of Default" has the meaning specified in Section 5.01.

"Exchange Act" means the Securities Exchange Act of 1934 and any statute successor thereto, in each case as amended from time to time.

"Expiration Date" has the meaning specified in Section 1.04.

"Foreign Subsidiary" means any Restricted Subsidiary of the Company that was not formed under the laws of the United States or any state of the United States or the District of Columbia and that conducts substantially all of its operations outside the United States.

"GAAP" means such accounting principles as are generally accepted in the United States of America.

"Global Security" means a Security that evidences all or part of the Securities of any series and bears the legend set forth in Section 2.05 (or such legend as may be specified as contemplated by Section 3.01 for such Securities).

"Hedging Obligations" means, with respect to any Person, the obligations of such Person under (a) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements, (b) other agreements or arrangements designed to protect such

Person against fluctuations in interest rates and (c) any foreign currency futures contract, option or similar agreement or arrangement designed to protect such Person against fluctuations in foreign currency rates, in each case to the extent such obligations are incurred in the ordinary course of business of such Person and not for speculative purposes.

"Holder" means a Person in whose name a Security is registered in the Security Register.

"Indebtedness" means, with respect to any Person, any indebtedness of such Person, whether or not contingent, in respect of (i) borrowed money including, without limitation, any guarantee thereof, or (ii) evidenced by bonds, debentures, notes or similar instruments or letters of credit (or reimbursement agreements in respect thereof) or bankers' acceptances or representing Capital Lease Obligations or the deferred and unpaid purchase price of any property or assets, or representing any Hedging Obligations, if and to the extent any of the foregoing indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP; *provided, however*, that any accrued expense or trade payable of such Person shall not constitute Indebtedness. The amount of any Indebtedness outstanding as of any date shall be (a) the accreted value thereof, in the case of any Indebtedness that does not require current payments of interest, and (b) the principal amount thereof, in the case of any other Indebtedness (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of such Person and its Restricted Subsidiaries thereunder).

"Indenture" means this instrument as originally executed and as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, including, for all purposes of this instrument and any such supplemental indenture, the provisions of the Trust Indenture Act that are deemed to be a part of and govern this instrument and any such supplemental indenture, respectively. The term "Indenture" shall also include the terms of particular series of Securities established as contemplated by Section 3.01.

"Interest," when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

"Interest Payment Date," when used with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

"Investment Company Act" means the Investment Company Act of 1940 and any statute successor thereto, in each case as amended from time to time.

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

"Non-Recourse Debt" means Indebtedness (a) as to which neither the Company nor any of its Restricted Subsidiaries (i) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or is otherwise directly or indirectly liable (as a guarantor or otherwise) or (ii) constitutes the lender, (b) no default with respect to which (including any rights the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon notice, lapse of time or both) the holders of Indebtedness of the Company or any of its Restricted Subsidiaries to declare a default on such Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity and (c) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries.

"Notice of Default" means a written notice of the kind specified in Section 5.01(4).

"Officer" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, any Vice President, the Chief Financial Officer, the Chief Accounting Officer, the Treasurer, any Assistant Treasurer, the Controller, any Assistant Controller, the Secretary or any Assistant Secretary of such Person.

"Officers' Certificate" means a certificate signed and delivered to the Trustee by two Designated Officers. One of the officers signing an Officers' Certificate given pursuant to Section 10.04 shall be the principal executive, financial or accounting officer of the Company.

"Opinion of Counsel" means, as to the Company or a Subsidiary Guarantor, a written opinion of counsel, who may be an employee of or counsel for the Company or such Subsidiary Guarantor, as the case may be, and who shall be reasonably acceptable to the Trustee.

"Original Issue Discount Security" means any Security which provides for an amount (excluding any amounts attributable to accrued buy unpaid interest thereon) less than the principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 5.02.

"Outstanding," when used with respect to the Securities or Securities of any series, means, as of the date of determination, all such Securities theretofore authenticated and delivered under this Indenture, except:

(1) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(2) Securities or portions thereof, for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities; provided that, if such Securities or portions thereof are

to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor reasonably satisfactory to the Trustee has been made;

(3) Securities which have been paid as provided herein or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof reasonably satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

(4) Securities as to which Defeasance has been effected pursuant to Section 15.02; and

(5) Securities which have been paid pursuant to Section 3.06 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company; provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given, made or taken any request, demand, authorization, direction, notice, consent, waiver or other action hereunder, or whether sufficient funds are available for redemption or for any other purpose as of any date, (A) the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding shall be the amount of the principal thereof which would be due and payable as of such date upon acceleration of the Maturity thereof to such date pursuant to Section 5.02, (B) if, as of such date, the principal amount payable at the Stated Maturity of a Security is not determinable, the principal amount of such Security which shall be deemed to be Outstanding shall be the amount as specified or determined as contemplated by Section 3.01, (C) the principal amount of a Security denominated in one or more foreign currencies or currency units which shall be deemed to be Outstanding shall be the U.S. dollar equivalent, determined as of such date in the manner provided as contemplated by Section 3.01, of the principal amount of such Security (or, in the case of a Security described in clause (A) or (B) above, of the amount determined as provided in such clause), and (D) Securities owned by the Company, any Subsidiary Guarantor or any other obligor upon the Securities or any Affiliate of the Company, any Subsidiary Guarantor or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, waiver or other action, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee’s right so to act with respect to such Securities and that the pledgee is not the Company, a Subsidiary Guarantor or any other obligor upon the Securities or any Affiliate of the Company, a Subsidiary Guarantor or of such other obligor.

“Paying Agent” means any Person authorized by the Company to pay the principal of or any premium or interest on any Securities on behalf of the Company. The Company may act as Paying Agent with respect to any Securities issued hereunder.

“Person” means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization, other entity or government or any agency or political subdivision thereof.

“Place of Payment,” when used with respect to the Securities of any series, means the place or places where the principal of and any premium and interest on the Securities of that series are payable as specified as contemplated by Section 3.01.

“Predecessor Security” of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 3.06 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security.

“Proceeding” has the meaning specified in Section 16.02.

“Redemption Date,” when used with respect to any Security or any series to be redeemed, in whole or in part, means the date fixed for such redemption by or pursuant to this Indenture.

“Redemption Price,” when used with respect to any Security of any series to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture.

“Regular Record Date” for the interest payable on any Interest Payment Date on the Securities of any series means the date specified for that purpose as contemplated by Section 3.01.

“Restricted Subsidiary” of a Person means any Subsidiary of such Person that is not an Unrestricted Subsidiary.

“Securities” has the meaning stated in the first recital of this Indenture and more particularly means any Securities authenticated and delivered under this Indenture.

“Securities Act” means the Securities Act of 1933 and any statute successor thereto, in each case as amended from time to time.

“Securities Payment” has the meaning specified in Section 16.02.

“Security Register” and “Security Registrar” have the respective meanings specified in Section 3.05.

“Senior Debt” means the principal of and premium, if any and interest on the following, whether outstanding at the date of execution of this Indenture or thereafter incurred or created:

(1) indebtedness of the Company for money borrowed, or evidenced by a note or similar instrument or written agreement given in connection with the acquisition of any businesses, properties or assets, including securities,

(2) indebtedness of the Company to banks or financial institutions evidenced by notes or other written obligations,

(3) indebtedness of the Company evidenced by notes, debentures, bonds or other securities issued under the provisions of an indenture or similar instrument,

(4) indebtedness of others of the kinds described in the preceding clauses (a), (b) and (c) that the Company has assumed, guaranteed or otherwise assured the payment thereof, directly or indirectly, and

deferrals, renewals, extensions and refundings of, or bonds, debentures, notes or other evidences of indebtedness issued in exchange for, the indebtedness described in the preceding clauses (a) through (d) whether or not there is any notice to or consent of the holders of Securities; provided, however that Senior Debt shall not include (i) indebtedness and advances among the Company and its direct and indirect Subsidiaries; (ii) any particular indebtedness, deferral, renewal, extension or refunding, if it is expressly stated in the governing terms, or in the assumption or guarantee, thereof that the indebtedness involved is not Senior Debt; and (iii) any indebtedness, guarantee or obligation of the Company that is expressly subordinate or junior in right of payment to any other indebtedness, guarantee or obligation of the Company, including, without limitation, any of the Securities. This definition may be modified or superseded in a manner as contemplated by Section 3.01.

“Significant Subsidiary” means any Restricted Subsidiary of the Company that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the effective date of this Indenture.

“Special Record Date” for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 3.07.

“Stated Maturity,” when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified in such Security as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

“Subsidiary” means, with respect to any Person, (a) any corporation, association or other business entity of which more than 50% of the total Voting Stock is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other

Subsidiaries of that Person (or a combination thereof), (b) any partnership (i) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (ii) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof) and (c) any other Person whose results for financial reporting purposes are consolidated with those of such Person in accordance with GAAP

"Subsidiary Guarantees" means the guarantees of each Subsidiary Guarantor as provided in Article Thirteen.

"Subsidiary Guarantors" means (i) the Restricted Subsidiaries listed in Schedule I hereto; (ii) any other Restricted Subsidiary of the Company that becomes a Subsidiary Guarantor in accordance with the provisions of this Indenture; (iii) the respective successors and assigns of such Restricted Subsidiaries**,** in each case until such Restricted Subsidiary shall be released and relieved of its obligations pursuant to the provisions of this Indenture.

"Trust Indenture Act" means the Trust Indenture Act of 1939 as in force at the date as of which this instrument was executed; provided, however, that in the event the Trust Indenture Act of 1939 is amended after such date, "Trust Indenture Act" means, to the extent required by any such amendment, the Trust Indenture Act of 1939 as so amended.

"Trustee" means the Person named as the "Trustee" in the first paragraph of this instrument until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean or include each Person who is then a Trustee hereunder, and if at any time there is more than one such Person, "Trustee" as used with respect to the Securities of any series shall mean the Trustee with respect to Securities of that series.

"Unrestricted Subsidiary" means any Subsidiary of the Company that is designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a Board Resolution and any Subsidiary of an Unrestricted Subsidiary. The Board of Directors may designate a Subsidiary as an Unrestricted Subsidiary only to the extent that such Subsidiary at the time of such designation (a) has no Indebtedness other than Non-Recourse Debt, (b) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (i) to subscribe for additional Equity Interests or (ii) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results, and (c) together with any other Unrestricted Subsidiary shall not, in the aggregate exceed the sum of the following: (A) 50% of the cumulative consolidated net income of the Company and its consolidated subsidiaries for the period (taken as one accounting period) from January 1, 2004 to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such designation (or, if such consolidated net income for such period is a deficit, less 100% of such deficit), plus (B) 100% of the aggregate net cash proceeds, and the fair market value of any property other than cash, received by the Company since January 1, 2004 from the issue or sale of Equity Interests

of the Company (other than Disqualified Stock) or of Disqualified Stock or debt securities of the Company that have been converted into, or exchanged for, such Equity Interests (other than any such Equity Interests, Disqualified Stock or convertible debt securities sold to a Restricted Subsidiary of the Company and other than Disqualified Stock or convertible debt securities that have been converted into, or exchanged for, Disqualified Stock); provided, however, that the amount in this clause (c)(B) shall exclude the amount of such net cash proceeds that are used to redeem, repurchase, retire, defease or otherwise acquire any subordinated Indebtedness of the Company or any Subsidiary Guarantor or any Equity Interests of the Company or any of its Restricted Subsidiaries plus (C) in the event that any Unrestricted Subsidiary is redesignated as a Restricted Subsidiary, the lesser of (1) an amount equal to the fair market value of the investments previously made by the Company and its Restricted Subsidiaries in such Subsidiary as of the date of redesignation and (2) the amount of such Investments plus (D) $20,000,000.. Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee the Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions. If, at any time, any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture.

"U.S. Government Obligation" has the meaning specified in Section 15.04.

"Vice President," when used with respect to the Company or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title "vice president."

"Voting Stock" of any Person means the Capital Stock of such Person which ordinarily has voting power for the election of directors (or persons performing similar functions) of such Person, whether at all times or only so long as no senior class of securities has such voting power by reason of any contingency.

Section 1.02 Compliance Certificates and Opinions. Upon any application or request by the Company or any Subsidiary Guarantor to the Trustee to take any action under any provision of this Indenture, the Company and/or such Subsidiary Guarantor, as appropriate, shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished. Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

Section 1.03 Form of Documents Delivered to Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an Officer of the Company or a Subsidiary Guarantor may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such Officer knows, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an Officer or Officers of the Company or such Subsidiary Guarantor stating that the information with respect to such factual matters is in the possession of the Company or such Subsidiary Guarantor, unless such counsel knows, that the certificate or opinion or representations with respect to such matters are erroneous. Any certificate, statement or opinion of an Officer of the Company or of counsel may be based, insofar as it relates to accounting matters, upon a certificate, report or opinion of or representations by an accountant or firm of accountants in the employ of the Company, unless such Officer of Counsel, as the case may be, actually knows that the certificate, report or opinion or representations with respect to the accounting matters upon which his or her certificate, statement or opinion is based such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 1.04 Acts of Holders; Record Dates. (1) Whenever in this Indenture it is provided that the Holders of a specified percentage in aggregate principal amount of the Securities of any or all series may take action (including the making of any demand or request, the giving of any direction, notice, consent or waiver or the taking of any other action) the fact that at the time of taking any such action the Holders of such specified percentage have joined therein may be evidenced (a) by any instrument or any number of instruments of substantially similar tenor executed by Holders in person or by agent or proxy appointed in writing, (b) by the

record of the Holders voting in favor thereof at any meeting of Holders duly called and held in accordance with procedures approved by the Trustee, (c) by a combination of such instrument or instruments and any such record of such a meeting of Holders or (d) in the case of Securities evidenced by a Global Security, by any electronic transmission or other message, whether or not in written format, that complies with the Depositary's applicable procedures. Such evidence (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the relevant Holders. Proof of execution of any such instrument or of a writing appointing any such agent or proxy shall be sufficient for any purpose of this Indenture and (subject to Section 6.01) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section.

(2) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner that the Trustee deems sufficient.

(3) The record ownership of Securities shall be proved by the Security Register.

(4) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee or the Company in reliance thereon, whether or not notation of such action is made upon such Security.

(5) The Company may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to give, make or take any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given, made or taken by Holders of Securities of such series, provided that the Company may not set a record date for, and the provisions of this paragraph shall not apply with respect to, the giving or making of any notice, declaration, request or direction referred to in the next paragraph. If any record date is set pursuant to this paragraph, the Holders of Outstanding Securities of the relevant series on such record date, and no other Holders, shall be entitled to take the relevant action, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Company from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Company, at its own expense, shall cause notice of such record date, the proposed action by Holders and the

applicable Expiration Date to be given to the Trustee in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06. The Trustee may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to join in the giving or making of (i) any Notice of Default, (ii) any declaration of acceleration referred to in Section 5.02, (iii) any request to institute proceedings referred to in Section 5.07(2) or (iv) any direction referred to in Section 5.12, in each case with respect to Securities of such series. If any record date is set pursuant to this paragraph, the Holders of Outstanding Securities of such series on such record date, and no other Holders, shall be entitled to join in such notice, declaration, request or direction, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Trustee from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Trustee, at the Company's expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Company in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06.

(6) With respect to any record date set pursuant to this Section, the party hereto which sets such record dates may designate any day as the "Expiration Date" and from time to time may change the Expiration Date to any earlier or later day; provided that no such change shall be effective unless notice of the proposed new Expiration Date is given to the other party hereto in writing, and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06, on or prior to the existing Expiration Date. If an Expiration Date is not designated with respect to any record date set pursuant to this Section, the party hereto which set such record date shall be deemed to have initially designated the 180th day after such record date as the Expiration Date with respect thereto, subject to its right to change the Expiration Date as provided in this paragraph. Notwithstanding the foregoing, no Expiration Date shall be later than the 180th day after the applicable record date.

(7) Without limiting the foregoing, a Holder entitled hereunder to take any action hereunder with regard to any particular Security may do so with regard to all or any part of the principal amount of such Security or by one or more duly appointed agents each of which may do so pursuant to such appointment with regard to all or any part of such principal amount.

Section 1.05 Notices, Etc., to Trustee and the Company. Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with:

(1) the Trustee by any Holder or by the Company or any Subsidiary Guarantor shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing in the English language to or with the Trustee at its Corporate Trust Office, Attention: Corporate Trust Department; or

(2) the Company or any Subsidiary Guarantor by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing in the English language and mailed, first-class postage prepaid, in the case of the Company addressed to it at the address of its principal office specified in the first paragraph of this instrument, Attention: Chief Financial Officer, or at any other address previously furnished in writing to the Trustee by the Company and, in the case of any Subsidiary Guarantor, to it at the address of the Company's principal office specified in the first paragraph of this instrument, Attention: Chief Financial Officer, or at any other address previously furnished in writing to the Trustee by such Subsidiary Guarantor.

Section 1.06 Notice to Holders; Waiver. Where this Indenture or any Security provides for notice to Holders of any event, such notice shall be deemed sufficiently given (unless otherwise herein or in such Security expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at his address as it appears in the Security Register, not later than the latest date (if any), and not earlier than the earliest date (if any), prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders or the validity of the proceedings to which such notice relates. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

Section 1.07 Conflict with Trust Indenture Act. If any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act which is required under such Act to be a part of and govern this Indenture, such required provision shall control. If any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act which may be so modified or excluded, such latter provision of the Trust Indenture Act shall be deemed to apply to this Indenture as so modified or shall be excluded, as the case may be.

Section 1.08 Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.09 Successors and Assigns. All covenants and agreements in this Indenture by the Company and any Subsidiary Guarantor shall bind its respective successors and assigns, whether so expressed or not.

Section 1.10 Separability Clause. In case any provision in this Indenture, the Securities or the Subsidiary Guarantees shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1.11 Benefits of Indenture. Nothing in this Indenture, the Securities or the Subsidiary Guarantees, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, the Holders and, to the extent specifically set forth herein, the holders of Senior Debt, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 1.12 Governing Law. This Indenture, the Securities and the Subsidiary Guarantees shall be governed by and construed in accordance with the law of the State of New York without regard to its principles of conflicts of law.

Section 1.13 Legal Holidays. In any case where any Interest Payment Date, sinking fund payment, Redemption Date, purchase date or Stated Maturity or Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or of the Securities (other than a provision in the Securities of any series which specifically states that such provision shall apply in lieu of this Section) payment of interest or principal (and premium and any other amounts, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day or on such other day as may be set out in the Officers' Certificate pursuant to Section 3.01 or in any supplemental indenture with respect to the Securities at such Place of Payment with the same force and effect as if made on the Interest Payment Date, Redemption Date, provided that no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date, Redemption Date, sinking fund payment date, Stated Maturity or Maturity, as the case may be, if payment is made on such next succeeding Business Day or other day set out in such Officers' Certificate or in any supplemental indenture with respect to the Securities.

Section 1.14 No Recourse Against Others. A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Securities or this Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. Each Securityholder, by accepting a Security, waives and releases all such liability. Such waivers and releases are part of the consideration for the issuance of the Securities.

ARTICLE 2

SECURITY FORMS

Section 2.01 Forms Generally. The Securities of each series and, if applicable, the Subsidiary Guarantees to be endorsed thereon shall be in substantially the form set forth in this Article, or in such other form as shall be established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or Depositary therefor or as may, consistently herewith, be determined by the Officers executing such Securities or Subsidiary Guarantees, as the case may be, as evidenced by their execution thereof. If the form of Securities of any series is established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the

Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Company Order contemplated by Section 3.03 for the authentication and delivery of such Securities.

The definitive Securities shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the Officers executing such Securities, as evidenced by their execution of such Securities.

Section 2.02 Form of Face of Security. [Insert any legend required by the Internal Revenue Code and the regulations thereunder.]

HORNBECK OFFSHORE SERVICES, INC.

_____

No. _____ $ _____

Hornbeck Offshore Services, Inc., a corporation duly organized and existing under the laws of Delaware (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the principal sum of _____ Dollars on _____ [if the Security is to bear interest prior to Maturity, insert —, and to pay interest thereon from _____or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on _____ and _____ in each year [if other than semi-annual payments, insert frequency of payments and payment dates], commencing _____, at [if the Security is to bear interest at a fixed rate, insert the rate of ____% per annum], [if the Security is to bear interest at a variable or floating rate and if determined with reference to an index, refer to description of index below], until the principal hereof is paid or made available for payment, provided that any principal and premium, and any such installment of interest, which is overdue shall bear interest at the rate of ____% per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment, and such interest shall be payable on demand. The interest so payable, and promptly paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the _____ or _____ (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so promptly paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

[If the Securities are floating or adjustable rate securities with respect to which the principal of or any premium, other amounts or interest may be determined with reference to an index, insert the text of the floating or adjustable rate provisions.]

[If the Security is not to bear interest prior to Maturity, insert — .] The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal of this Security and any overdue premium on this Security shall bear interest at the rate of ____% per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment. Interest on any overdue principal or premium shall be payable on demand. Any such interest on overdue principal or premium which is not paid on demand shall bear interest at the rate of ____% per annum (to the extent that the payment of such interest on interest shall be legally enforceable), from the date of such demand until the amount so demanded is paid or made available for payment. Interest on any overdue interest shall be payable on demand.]

Payment of the principal of (and premium, if any) and [if applicable, insert — any such] interest on this Security will be made at the office or agency of the Company maintained for that purpose in _____, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register.

[If applicable, insert — So long as all of the Securities of this series are represented by Securities in global form, the principal of, premium and other amounts, if any, and interest, if any, on this global Security shall be paid in same day funds to the Depositary, or to such name or entity as is requested by an authorized representative of the Depositary. If at any time the Securities of this series are no longer represented by global Securities and are issued in definitive certificated form, then the principal of, premium and other amounts, if any, and interest, if any, on each certificated Security at Maturity shall be paid in same day funds to the Holder upon surrender of such certificated Security at the Corporate Trust Office of the Trustee, or at such other place or places as may be designated in or pursuant to the Indenture, provided that such certificated Security is surrendered to the Trustee, or at such other place or places as may be designated in or pursuant to the Indenture, provided that such certificated Security is surrendered to the trustee, acting as Paying Agent, in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Payments of interest with respect to such certificated Securities other than at Maturity may, at the option of the Company, be made by check mailed to the address of the Person entitled thereto as it appears on the Security Register on the relevant Regular or Special Record Date or by wire transfer in same day funds to such account as may have been appropriately designated to the Paying Agent by such Person in writing not later than such relevant Regular or Special Record Date.]

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

HORNBECK OFFSHORE SERVICES, INC.

By: _____

Dated: _____

Attest: By:

Section 2.03 Form of Reverse of Security. This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of _____, 200_ (herein called the "Indenture", which term shall have the meaning assigned to it in such instrument), among the Company, the Subsidiary Guarantors named therein and _____, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture and any applicable supplemental indentures for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Subsidiary Guarantors, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof [if applicable, insert —, limited in aggregate principal amount to $_____].

[If applicable, insert — The Securities of this series are subject to redemption upon not less than 30 days' notice by mail, [if applicable, insert — (1) on _____ in any year commencing with the year _____ and ending with the year _____ through operation of the sinking fund for this series at a Redemption Price equal to 100% of the principal amount, and (2)] at any time [if applicable, insert — on or after _____, 20__], as a whole or in part, at the election of the Company, at the following Redemption Prices (expressed as percentages of the principal amount): If redeemed [if applicable, insert — on or before _____, %, and if redeemed] during the 12-month period beginning _____ of the years indicated,

Year	Redemption Price	Year	Redemption Price

and thereafter at a Redemption Price equal to ____% of the principal amount, together in the case of any such redemption [if applicable, insert — (whether through operation of the sinking fund or otherwise)] with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.] [If applicable, insert — The Securities of this series are subject to redemption upon not less than 30 days' notice by mail, (1) on _____ in any year commencing with the year _____ and ending with the year _____ through operation of the sinking fund for this series at the Redemption Prices for redemption through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below, and (2) at any time [if applicable, insert — on or after _____], as a whole or in part, at the election of the Company, at the Redemption Prices for redemption otherwise than through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below: If redeemed during the 12-month period beginning _____ of the years indicated,

Year	Redemption Price For Redemption Through Operation of the Sinking Fund	Redemption Price For Redemption Otherwise Than Through Operation of the Sinking Fund

and thereafter at a Redemption Price equal to ____% of the principal amount, together in the case of any such redemption (whether through operation of the sinking fund or otherwise) with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.]

[If applicable, insert — Notwithstanding the foregoing, the Company may not, prior to _____, redeem any Securities of this series as contemplated by [if applicable, insert — clause (2) of] the preceding paragraph as a part of, or in anticipation of, any refunding operation by the application, directly or indirectly, of moneys borrowed having an interest cost to the Company (calculated in accordance with generally accepted financial practice) of less than ____% per annum.]

[If applicable, insert — The sinking fund for this series provides for the redemption on in each year beginning with the year _____ and ending with the year _____ of [if applicable, insert — not less than $_____ ("mandatory sinking fund") and not more than] $_____ aggregate principal amount of Securities of this series. Securities of this series acquired or redeemed by the Company otherwise than through [if applicable, insert — mandatory] sinking

fund payments may be credited against subsequent [if applicable, insert — mandatory] sinking fund payments otherwise required to be made [if applicable, insert —, in the inverse order in which they become due].]

[If the Security is subject to redemption of any kind, insert — In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.] [If the Security is subject to conversion, insert—Subject to the provisions of the Indenture, each Holder has the right to convert the principal amount of this Security into fully paid and nonassessable shares of Common Stock of the Company at the initial conversion price per share of Common Stock of $_____ (or $_____ in principal amount of securities for each such share of Common Stock), or at the adjusted conversion price then in effect, if adjustment has been made as provided in the Indenture, upon surrender of the Security to the Conversion Agent, together with a fully executed notice in substantially the form attached hereto and, if required by the Indenture, an amount equal to accrued interest payable on this Security.]

[If applicable, insert — As provided in the Indenture and subject to certain limitations therein set forth, the obligations of the Company under this Security are guaranteed pursuant to the Subsidiary Guarantees endorsed hereon. The Indenture provides that a Subsidiary Guarantor shall be released from its Subsidiary Guarantee upon compliance with certain conditions.]

[If applicable, insert — The Indenture contains provisions for Defeasance at any time of [the entire indebtedness of this Security] [or] [certain restrictive covenants and Events of Default with respect to this Security] [, in each case] upon compliance with certain conditions set forth in the Indenture.]

[If the Security is not an Original Issue Discount Security, insert — If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.]

[If the Security is an Original Issue Discount Security, insert — If an Event of Default with respect to Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture. Such amount shall be equal to — insert formula for determining the amount. Upon payment (i) of the amount of principal so declared due and payable and (ii) of interest on any overdue principal, premium and interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company's obligations in respect of the payment of the principal of and premium and interest, if any, on the Securities of this series shall terminate.]

This Security is subject to satisfaction and discharge as provided in the Indenture [If applicable, insert – and the supplemental indenture]. This security is subject to subordination as provided in the Indenture [If applicable, insert – and the supplemental indenture.]

The Indenture may be modified by the Company and the Trustee with respect to this Security without consent of any Holder with respect to certain matters as described in the Indenture. In addition, the Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of and any premium and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of $_____ and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under this Security or the Indenture or for any claim based on, in respect of or by reason of, such obligations or their creation. Each Holder, by accepting a Security, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of this Security.

[IF APPLICABLE, INSERT—Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures ("CUSIP"), the Company has caused CUSIP numbers to be printed on the Securities of this series as a convenience to the Holders of the Securities of this series. No representation is made as to the correctness or accuracy of such numbers as printed on the Securities of this series and reliance may be placed only on the other identification numbers printed hereon.]

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

ASSIGNMENT FORM

To assign this Security, fill in the form below: (I) or (we) assign and transfer this Security to

_____

_____
(Insert assignee's Social Security or Tax I.D. number)

_____

_____
(Print or type Assignee's name, address and zip code) and irrevocably appoint _____ agent to transfer this Security on the books of the Company. The agent may substitute another to act for him.

Dated: _____ Your Signature: _____

(Sign exactly as your name appears on the other side of this security)

Signature Guaranty: _____

[Signatures must be guaranteed by an "Eligible Guarantor Institution" meeting the requirements of the transfer agent, which requirements will include membership or participation in stamp or such other "Signature Guarantee Program" as may be determined by the transfer agent in addition to, or in substitution for, stamp, all in accordance with the exchange act.]

Social Security Number or
Taxpayer Identification Number: _____

Section 2.04 Form of Subsidiary Guarantee.

SUBSIDIARY GUARANTEE

For value received, each of the Subsidiary Guarantors named (or deemed herein to be named) below hereby jointly and severally fully and unconditionally guarantees to the Holder of the Security upon which this Subsidiary Guarantee is endorsed, and to the Trustee on behalf of such Holder, the due and prompt payment of the principal of (and premium, if any) and interest on such Security when and as the same shall become due and payable, whether at the Stated Maturity, by acceleration, call for redemption or otherwise, according to the terms thereof and of the Indenture referred to therein and to cover all the rights of the Trustee under Section 6.07. In case of the failure of the Company promptly to make any such payment, each of the Subsidiary Guarantors hereby jointly and severally agrees to cause such payment to be made promptly when and as the same shall become due and payable, whether at the Stated Maturity or by acceleration, call for redemption or otherwise, and as if such payment were made by the Company.

Each of the Subsidiary Guarantors hereby jointly and severally agrees that its obligations hereunder shall be absolute and unconditional, irrespective of, and shall be unaffected by, the validity, regularity or enforceability of such Security or the Indenture, the absence of any action to enforce the same or any release, amendment, waiver or indulgence granted to the Company or any other guarantor, or any consent to departure from any requirement of any other guarantee of all or of any of the Securities of this series, or any other circumstances which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor; provided, however, that, notwithstanding the foregoing, no such release, amendment, waiver or indulgence shall, without the consent of such Subsidiary Guarantor, increase the principal amount of such Security, or increase the interest rate thereon, or alter the Stated Maturity thereof. Each of the Subsidiary Guarantors hereby waives the benefits of diligence, presentment, demand of payment, any requirement that the Trustee or any of the Holders protect, secure, perfect or insure any security interest in or other lien on any property subject thereto or exhaust any right or take any action against the Company or any other Person or any collateral, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Security or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Subsidiary Guarantee will not be discharged except by complete performance of the obligations contained in such Security and in this Subsidiary Guarantee. Each Subsidiary Guarantor agrees that if, after the occurrence and during the continuance of an Event of Default with respect to Securities of this

series, the Trustee or any of the Holders are prevented by applicable law from exercising their respective rights to accelerate the maturity of the Securities of this series, to collect interest on the Securities of this series, or to enforce or exercise any other right or remedy with respect to the Securities of this series, such Subsidiary Guarantor agrees to pay to the Trustee for the account of the Holders, upon demand therefor, the amount that would otherwise have been due and payable had such rights and remedies been permitted to be exercised by the Trustee or any of the Holders.

No reference herein to the Indenture and no provision of this Subsidiary Guarantee or of the Indenture shall alter or impair the Subsidiary Guarantee of any Subsidiary Guarantor, which is absolute and unconditional, of the due and prompt payment of the principal (and premium, if any) and interest on the Security upon which this Subsidiary Guarantee is endorsed.

Each Subsidiary Guarantor shall be subrogated to all rights of the Holder of this Security against the Company in respect of any amounts paid by such Subsidiary Guarantor on account of this Security pursuant to the provisions of its Subsidiary Guarantee or the Indenture; provided, however, that such Subsidiary Guarantor shall not be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until the principal of (and premium, if any) and interest on this Security and all other Securities of this series issued under the Indenture shall have been paid in full.

This Subsidiary Guarantee shall remain in full force and effect and continue to be effective should any petition be filed by or against the Company for liquidation or reorganization, should the Company become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any part of the Company's assets, and shall, to the fullest extent permitted by law, continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Securities of this series is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any Holder of the Securities of this series, whether as a "voidable preference," "fraudulent transfer," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Securities of this series shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

The Subsidiary Guarantors or any particular Subsidiary Guarantor shall be released from this Subsidiary Guarantee upon the terms and subject to certain conditions provided in the Indenture.

By delivery to the Trustee of a supplement to the Indenture referred to in the Security upon which this Subsidiary Guarantee is endorsed in accordance with the terms of the Indenture, each Person that becomes a Subsidiary Guarantor after the date of first issuance of the Securities of this series will be deemed to have executed and delivered this Subsidiary Guarantee for the benefit of the Holder of the Security upon which this Subsidiary Guarantee is endorsed with the same effect as if such Subsidiary Guarantor was named below and has executed and delivered this Subsidiary Guarantee.

All terms used in this Subsidiary Guarantee which are defined in the Indenture shall have the meanings assigned to them in such Indenture.

This Subsidiary Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Security upon which this Subsidiary Guarantee is endorsed shall have been executed by the Trustee under the Indenture by manual signature.

Reference is made to the Indenture for further provisions with respect to this Subsidiary Guarantee.

This Subsidiary Guarantee shall be governed by and construed in accordance with the laws of the State of New York without regard to conflict of law principles.

IN WITNESS WHEREOF, each of the Subsidiary Guarantors has caused this Subsidiary Guarantee to be duly executed.

[Insert Names of Subsidiary Guarantors]

By: _____

Attest:

By: _____

Title: _____

Section 2.05 Form of Legend for Global Securities. Unless otherwise specified as contemplated by Section 3.01 for the Securities evidenced thereby, every Global Security authenticated and delivered hereunder shall bear a legend in substantially the following form:

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

Section 2.06 Form of Trustee's Certificate of Authentication. The Trustee's certificate of authentication shall be in substantially the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: _____

Authorized Officer

Section 2.07 Form of Conversion Notice. Each convertible Security shall have attached thereto, or set forth on the reverse of the Security, a notice of conversion in substantially the following form:

Conversion Notice

To: Hornbeck Offshore Services, Inc.

The undersigned owner of this Security hereby: (i) irrevocably exercises the option to convert this Security, or the portion hereof below designated, for shares of Common Stock of Hornbeck Offshore Services, Inc. in accordance with the terms of the Indenture referred to in this Security and (ii) directs that such shares of Common Stock deliverable upon the conversion, together with any check in payment for fractional shares and any Security(ies) representing any unconverted principal amount hereof, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If shares are to be delivered registered in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. Any amount required to be paid by the undersigned on account of interest accompanies this Security.

Dated: _____ _____

Signature

Fill in for registration of shares if to be delivered, and of Securities if to be issued, otherwise than to and in the name of the registered holder.

_____

(Name)

_____

Social Security or other
Taxpayer Identification Number

_____

(Please print name and address)

Principal amount to be converted: (if less than all) $_____.

Signature Guarantee*

* Participant in a recognized Signature Guarantee Medallion Program (or other signature acceptable to the Trustee).

ARTICLE 3

THE SECURITIES

Section 3.01 Amount Unlimited; Issuable in Series. The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued from time to time in one or more series. Prior to the issuance of Securities of any series, there shall be established in or pursuant to a Board Resolution and, subject to Section 3.03, set forth, or determined in the manner provided, in an Officers' Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series,

(1) the title of the Securities of the series (which shall distinguish the Securities of the series from Securities of any other series);

(2) whether the Securities of the series will or will not have the benefit of the Subsidiary Guarantees of the Subsidiary Guarantors;

(3) the purchase price, denomination and any limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 3.04, 3.05, 3.06, 9.06 or 11.07 and except for any Securities which, pursuant to Section 3.03, are deemed never to have been authenticated and delivered hereunder);

(4) the Person to whom any interest on a Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest;

(5) the date or dates on which the principal of any Securities of the series is payable;

(6) the rate or rates at which any Securities of the series shall bear interest, if any, or the method of calculating such rate or rates of interest, the method of payment of interest (in particular, whether the interest will be paid in kind or otherwise), the date or dates from which any such interest shall accrue or the method by which such date or dates shall be determined, the Interest Payment Dates on which any such interest shall be payable and the Regular Record Date for any such interest payable on any Interest Payment Date;

(7) the place or places where the principal of and any premium and interest on any Securities of the series shall be payable;

(8) the place or places where the Securities may be exchanged or transferred and notices and demands to or upon the Company in respect of the Securities and this Indenture may be served;

(9) the period or periods within which, the price or prices at which and the terms and conditions upon which any Securities of the series may be redeemed, in whole or in part, at the option of the Company and, if other than as provided in Section 11.03, the manner in which the particular Securities of such series (if less than all Securities of such series are to be redeemed) are to be selected for redemption;

(10) the obligation, if any, of the Company to redeem or purchase any Securities of the series in whole or in part pursuant to any sinking fund or analogous provisions or upon the happening of a specified event, passage of time, or at the option of the Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which any Securities of the series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;

(11) if other than denominations of $1,000 and any integral multiple thereof, the denominations in which any Securities of the series shall be issuable;

(12) if the amount of payments of principal of or any premium or interest on any Securities of the series may be determined with reference to an index or pursuant to a formula or other method, the manner in which such amounts shall be determined;

(13) if other than the currency of the United States of America, the currency, currencies or currency units in which the principal of or any premium or interest on any Securities of the series shall be payable and the manner of determining the equivalent thereof in the currency of the United States of America for any purpose, including for purposes of the definition of “Outstanding” in Section 1.01;

(14) if the principal of or any premium or interest on any Securities of the series is to be payable, at the election of the Company or the Holder thereof, in one or more currencies or currency units other than that or those in which such Securities are stated to be payable, the currency, currencies or currency units in which the principal of or any premium or interest on such Securities as to which such election is made shall be payable, the periods within which and the terms and conditions upon which such election is to be made and the amount so payable (or the manner in which such amount shall be determined);

(15) if other than the entire principal amount thereof, the portion of the principal amount of any Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 5.02 or the method by which such portion shall be determined;

(16) any modifications of or additions to the Events of Default or the covenants of the Company set forth herein with respect to Securities of the series; and whether and the conditions under which the Holders of the Securities of the series may waive any such Event of Default or compliance with any such covenant relating to the Securities of such series;

(17) if the principal amount payable at the Stated Maturity of any Securities of the series will not be determinable as of any one or more dates prior to the Stated Maturity, the amount which shall be deemed to be the principal amount of such Securities as of any such date for any purpose thereunder or hereunder, including the principal amount thereof which shall be due and payable upon any Maturity other than the Stated Maturity or which shall be deemed to be Outstanding as of any date prior to the Stated Maturity (or, in any such case, the manner in which such amount deemed to be the principal amount shall be determined);

(18) if applicable, that the Securities of the series, in whole or any specified part, shall be defeasible pursuant to Section 15.02 or Section 15.03 or both such Sections and, if other than by a Board Resolution, the manner in which any election by the Company to defease such Securities shall be evidenced;

(19) if applicable, that any Securities of the series shall be issuable in whole or in part in the form of one or more Global Securities and, in such case, the respective Depositaries for such Global Securities, the form of any legend or legends which shall be borne by any such Global Security in addition to or in lieu of that set forth in Section 2.05 and any circumstances in addition to or in lieu of those set forth in clause (2) of the last paragraph of Section 3.05 in which any such Global Security may be exchanged in whole or in part for Securities registered, and any transfer of such Global Security in whole or in part may be registered, in the name or names of Persons other than the Depositary for such Global Security or a nominee thereof;

(20) any addition to or change in the Events of Default which applies to any Securities of the series and any change in the right of the Trustee or the requisite Holders of such Securities to declare the principal amount thereof due and payable pursuant to Section 502;

(21) any addition to or change in the covenants set forth in Article Ten which applies to Securities of the series;

(22) whether the Securities of the series will be convertible into Common Stock (or cash in lieu thereof) and, if so, the terms and conditions upon which such conversion will be effected;

(23) whether the Securities of the series will be secured, and if so, in what manner;

(24) any other terms of the series (which terms shall not be inconsistent with the provisions of this Indenture, except as permitted by Section 9.01(5)); and

(25) any agents for the series, including trustees, depositories, authenticating, conversion, calculation or paying agents, transfer agents or registrars;

(26) the subordination of the Securities of such series to other Indebtedness of the Company, including without limitation, the Securities of any other series, and

(27) any other terms of the series, including any terms which may be required by or advisable under the laws of the United States of America or regulations thereunder or advisable (as determined by the Company) in connection with the marketing of Securities of the series.

All Securities of any one series shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to the Board Resolution referred to above and (subject to Section 3.03) set forth, or determined in the manner provided, in the Officers' Certificate referred to above or in any such indenture supplemental hereto. All Securities of any one series need not be issued at the same time and, unless otherwise provided, a series may be reopened, without the consent of the Holders, for issuances of additional Securities of such series.

If any of the terms of the Securities of any series are established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the terms of the series.

The Securities of each series shall have the benefit of the Subsidiary Guarantees unless the Company elects otherwise upon the establishment of a series pursuant to this Section 3.01.

Section 3.02 Denominations. The Securities of each series shall be issuable only in registered form without coupons and only in such denominations as shall be specified as contemplated by Section 3.01. In the absence of any such specified denomination with respect to the Securities of any series, the Securities of such series shall be issuable in denominations of $1,000 and any integral multiple thereof.

Section 3.03 Execution, Authentication, Delivery and Dating. The Securities shall be executed on behalf of the Company by its President, Chief Executive Officer, its Chief Financial Officer or its Chief Operating Officer. The Securities shall be attested by the Company's

Secretary, one of its Assistant Secretaries, its Treasurer or one of its Assistant Treasurers. The signature of any of these officers on the Securities may be manual or facsimile. Typographical and other minor errors or defects in any such reproduction of the seal or any such signature shall not affect the validity or enforceability of any Security that has been duly authenticated and delivered by the Trustee.

Securities bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series executed by the Company and, if applicable, having endorsed thereon the Subsidiary Guarantees executed as provided in Section 13.03 by the Subsidiary Guarantors to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order shall authenticate and make such Securities available for delivery. If the form or terms of the Securities of the series have been established by or pursuant to one or more Board Resolutions as permitted by Sections 2.01 and 3.01, in authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Section 6.01) shall be fully protected in relying upon, an Opinion of Counsel stating (subject to customary assumptions, conditions and exceptions)

(1) if the form of such Securities has been established by or pursuant to Board Resolution as permitted by Section 2.01, that such form has been established in conformity with the provisions of this Indenture;

(2) if the terms of such Securities have been established by or pursuant to Board Resolution as permitted by Section 3.01, that such terms have been established in conformity with the provisions of this Indenture; and

(3) that such Securities, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, and, if applicable, the Subsidiary Guarantees endorsed thereon will constitute valid and legally binding obligations of the Subsidiary Guarantors, enforceable in accordance with their terms, except to the extent enforceability may be limited by applicable bankruptcy, insolvency, fraudulent transfer, fraudulent conveyance, reorganization, moratorium and similar laws of general applicability relating to or affecting the enforcement of creditors' rights and by the effect of general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity.

If such form or terms have been so established, the Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

Notwithstanding the provisions of Section 3.01 and of the immediately preceding paragraph, if all Securities of a series are not to be originally issued at one time, it shall not be necessary to deliver the Board Resolution and the Officers' Certificate otherwise required pursuant to Section 3.01 or the Company Order and Opinion of Counsel otherwise required pursuant to the second preceding paragraph at or prior to the authentication of each Security of such series if such documents are delivered at or prior to the time of authentication upon original issuance of the first Security of such series to be issued. If the Company shall establish pursuant to Section 3.01 that the Securities of a series are to be issued in whole or in part in the form of one or more global Securities, then the Company shall execute and the Trustee shall, in accordance with this Section and the Company Order with respect to the authentication and delivery of such series, authenticate and deliver one or more Securities of such series in global form that (i) shall be in an aggregate amount equal to the aggregate principal amount of the Outstanding Securities of such series to be represented by such Security or Securities in global form, (ii) shall be registered in the name of the Depositary for such Security or Securities in global form or its nominee, and (iii) shall be made available for delivery by the Trustee to such Depositary or pursuant to such Depositary's instruction.

If all the Securities of any one series are not to be issued at one time and if a Board Resolution relating to such Securities shall so permit, the Company Order may set forth procedures acceptable to the Trustee for the issuance of such Securities, including, without limitation, procedures with respect to interest rate, Stated Maturity, date of issuance and date from which interest, if any, shall accrue.

Each Security shall be dated the date of its authentication.

No Security or Subsidiary Guarantee shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein executed by the Trustee or an Authenticating Agent by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture. Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 3.09, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall not be entitled to the benefits of this Indenture.

In case any Securities shall have been authenticated, but not delivered, by the Trustee or the Authenticating Agent for such series then in office, any successor by merger, conversion or consolidation to such Trustee, or any successor Authenticating Agent, as the case may be, may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee or successor Authenticating Agent had itself authenticated such Securities. Each Depositary designated pursuant to Section 3.01 for a Security in global form must, at the time of its designation and at all times while it serves as Depositary, be a clearing agency registered under the Exchange Act and any other applicable statute or regulation.

Section 3.04 Temporary Securities. Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order the Trustee shall authenticate and make available for delivery, temporary Securities of such series which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities and, if applicable, having endorsed thereon the Subsidiary Guarantees in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities and, if applicable, Subsidiary Guarantees may determine, as evidenced by their execution of such Securities and Subsidiary Guarantees.

In the case of Securities of any series, such temporary Securities may be in global form, representing all or a portion of the Outstanding Securities of such series.

If temporary Securities of any series are issued, the Company will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company in a Place of Payment for that series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series, the Company shall execute and the Trustee shall authenticate and make available for delivery in exchange therefore one or more definitive Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount and, if applicable, having endorsed thereon Subsidiary Guarantees executed by the Subsidiary Guarantors. Until so exchanged, the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series and tenor.

Section 3.05 Registration, Registration of Transfer and Exchange. The Company shall cause to be kept at the Corporate Trust Office of the Trustee or in any office or agency to be maintained by the Company in accordance with Section 10.02 in a Place of Payment a register (the register maintained in such office and in any other office or agency of the Company in a Place of Payment being herein sometimes collectively referred to as the “Security Register”) in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Securities and of transfers of Securities. The Trustee is hereby appointed “Security Registrar” for the purpose of registering Securities and transfers of Securities as herein provided.

Upon surrender for registration of transfer of any Security of a series at the office or agency of the Company in a Place of Payment for that series, the Company shall execute, if applicable the Subsidiary Guarantors shall execute the Subsidiary Guarantees endorsed thereon and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount.

At the option of the Holder, Securities of any series may be exchanged for other Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount, upon surrender of the Securities to be exchanged at such office or agency. Whenever any Securities are so surrendered for exchange, the Company shall execute, if applicable the Subsidiary Guarantors shall execute the Subsidiary Guarantees endorsed thereon and the Trustee shall authenticate and make available for delivery, the Securities which the Holder making the exchange is entitled to receive.

All Securities and, if applicable, the Subsidiary Guarantees endorsed thereon issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company and, if applicable, the respective Subsidiary Guarantors, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities and Subsidiaries Guarantees surrendered upon such registration of transfer or exchange.

Every Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed, by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 3.04, 9.06, 11.07 or otherwise not involving any transfer.

If the Securities of any series (or of any series and specified tenor) are to be redeemed in part, the Company shall not be required (A) to issue, register the transfer of or exchange any Securities of that series (or of that series and specified tenor, as the case may be) during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of any such Securities selected for redemption under Section 11.03 and ending at the close of business on the day of such mailing, or (B) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part. The provisions of clauses (1), (2), (3) and (4) below shall apply only to Global Securities:

(1) Each Global Security authenticated under this Indenture shall be registered in the name of the Depositary designated for such Global Security or a nominee thereof and delivered to such Depositary or a nominee thereof or custodian therefore, and each such Global Security shall constitute a single Security for all purposes of this Indenture.

(2) Notwithstanding any other provision in this Indenture, no Global Security may be exchanged in whole or in part for Securities registered, and no transfer of a Global Security in whole or in part may be registered, in the name of any Person other than the Depositary for such Global Security or a nominee thereof unless (A) such Depositary (i) has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or (ii) has

ceased to be a clearing agency registered under the Exchange Act, and in either case the Company fails to appoint a successor Depositary within 90 days, (B) there shall have occurred and be continuing an Event of Default with respect to such Global Security and the Depositary shall have notified the Trustee of its decision to exchange such Global Security for Securities in certificated form or (C) there shall exist such circumstances, if any, in addition to or in lieu of the foregoing as have been specified for this purpose as contemplated by Section 3.01.

(3) Subject to clause (2) above, any exchange of a Global Security for other Securities may be made in whole or in part, and all Securities issued in exchange for a Global Security or any portion thereof shall be registered in such names as the Depositary for such Global Security shall direct.

(4) Every Security authenticated and delivered upon registration of transfer of, or in exchange for or in lieu of, a Global Security or any portion thereof, whether pursuant to this Section, Section 3.04, 3.06, 9.06 or 11.07 or otherwise, shall be authenticated and delivered in the form of, and shall be, a Global Security, unless such Security is registered in the name of a Person other than the Depositary for such Global Security or a nominee thereof.

Section 3.06 Mutilated, Destroyed, Lost and Stolen Securities. If any mutilated Security is surrendered to the Trustee, the Company shall execute, if applicable the Subsidiary Guarantors shall execute the Subsidiary Guarantees endorsed thereon and the Trustee shall authenticate and deliver in exchange therefore a new Security of the same series and of like tenor and principal amount and bearing a number not contemporaneously outstanding. If required by the Trustee and the Company, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Security is replaced.

If there shall be delivered to the Company and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless from any loss that any of them may suffer if a Security is replaced, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a bona fide purchaser, the Company shall execute, if applicable the Subsidiary Guarantors shall execute the Subsidiary Guarantees endorsed thereon and the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security, a new Security of the same series and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable or is to be converted, the Company in its discretion may, instead of issuing a new Security, pay or authorize the conversion of such Security (without surrender thereof save in the case of a mutilated Security).

Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series issued pursuant to this Section in lieu of any destroyed, lost or stolen Security, and, if applicable, the Subsidiary Guarantees endorsed thereon, shall constitute an original additional contractual obligation of the Company and, if applicable, the respective Subsidiary Guarantors, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement, payment or conversion of mutilated, destroyed, lost or stolen Securities.

Section 3.07 Payment of Interest; Interest Rights Preserved. Except as otherwise provided as contemplated by Section 3.01 with respect to any series of Securities, interest on any Security which is payable, and is promptly paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest.

Any interest on any Security of any series which is payable, but is not promptly paid or duly provided for, on any Interest Payment Date (herein called “Defaulted Interest”) shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security of such series and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements reasonably satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as provided in this clause. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be given to each

Holder of Securities of such series in the manner set forth in Section 1.06, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (2).

(2) The Company may make payment of any Defaulted Interest on the Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause (2), such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

Section 3.08 Persons Deemed Owners. Prior to due presentment of a Security for registration of transfer, the Company, the Subsidiary Guarantors, the Trustee and any agent of the Company, the Subsidiary Guarantors, or the Trustee may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of and any premium and (subject to Section 3.07) any interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and none of the Company, any Subsidiary Guarantor, the Trustee or any agent of the Company, any Subsidiary Guarantor, or the Trustee shall be affected by notice to the contrary.

None of the Company, the Trustee or any agent of the Company or the Trustee shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interest of a Security in global form, or for maintaining, supervising or reviewing any records relating to such beneficial ownership interest. Notwithstanding the foregoing, with respect to any Security in global form, nothing herein shall prevent the Company or the Trustee or any agent of the Company or the Trustee, from giving effect to any written certification, proxy or other authorization furnished by any Depositary (or its nominee), as a Holder, with respect to such Security in global form or impair, as between such Depositary and owners of beneficial interests in such Security in global form, the operation of customary practices governing the exercise of the right of such Depositary (or its nominee) as holder of such Security in global form.

Section 3.09 Cancellation. All Securities surrendered for payment, redemption, purchase, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for

delivery to the Trustee) for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold, and all Securities so delivered shall be promptly cancelled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. A copy of all cancelled Securities shall be delivered to the Company.

Section 3.10 Computation of Interest. Except as otherwise specified as contemplated by Section 3.01 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 3.11 CUSIP Number. The Company in issuing Securities of any series may use a “CUSIP” number, and if so, the Trustee may use the CUSIP number in notices of redemption or exchange as a convenience to Holders of such series; provided, that any such notice may state that no representation is made as to the correctness or accuracy of the CUSIP number printed on the notice or on the Securities of such series, and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee of any change in the CUSIP number of any series of Securities.

Section 3.12 Wire Transfers. Notwithstanding any other provision to the contrary in this Indenture, the Company may make any payment of moneys required to be deposited with the Trustee on account of principal of, or premium, if any, or interest on the Securities (whether pursuant to optional or mandatory redemption payments, interest payments or otherwise) by wire transfer of immediately available funds to an account designated by the Trustee on or before the date and time such moneys are to be paid to the Holders of the Securities in accordance with the terms hereof.

ARTICLE 4

SATISFACTION AND DISCHARGE

Section 4.01 Satisfaction and Discharge of Indenture. This Indenture shall upon Company Request cease to be of further effect with respect to the Securities of any series, and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

(1) Either

(A) all Securities of such series theretofore authenticated and delivered (other than (i) Securities of such series which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 3.06 and (ii) Securities of such series for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 10.03) have been delivered to the Trustee for cancellation; or

(B) all such Securities of such series not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company or, if applicable, a Subsidiary Guarantor, in the case of (i), (ii) or (iii) above, has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose money in an amount sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal and any premium and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be; and

(2) the Company or a Subsidiary Guarantor has paid or caused to be paid all other sums payable hereunder by the Company and has delivered irrevocable instructions to the Trustee to apply the deposited amounts to the payment of such Securities at Stated Maturity or redemption, as applicable: the Subsidiary Guarantors with respect to the Securities of such series; and

(3) no Default or Event of Default with respect to this Indenture or the Securities shall have occurred on the date of deposit and such deposit will not result in a breach or violation of, or constitute a default under, any other instruments to which the Company is a party or to which it is bound; and

(4) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for herein relating to the satisfaction and discharge of this Indenture with respect to the Securities of such series have been complied with; and

(5) no event or condition shall exist on the date of such deposit that, pursuant to the provisions of Section 16.02 or 16.03, would prevent the Company from making payments of the principal of or interest on the Securities of such series on the date of such deposit.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 6.07, any surviving rights of conversion, the obligations of the Trustee to any Authenticating Agent under Section 6.14 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 4.02 and the last paragraph of Section 10.03 shall survive.

Section 4.02 Application of Trust Money. Subject to the provisions of the last paragraph of Section 10.03, all money deposited with the Trustee pursuant to Section 4.01 shall

be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal and any premium and interest for whose payment such money has been deposited with the Trustee.

Section 4.03 Reinstatement. If the Trustee or Paying Agent is unable to apply any cash in accordance with this Article 4 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Securities shall be revived and reinstated as though no deposit had occurred pursuant to Article 4 until such time as the Trustee or Paying Agent is permitted to apply all such cash in accordance with Article 4; provided, however, that if the Company has made any payment of interest on, premium and other amounts, if any, principal or other amounts, if any, of any Securities because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Securities to receive such payment from the money held by the Trustee or Paying Agent.

Section 4.04 Application to a Specific Series of Securities. The Company may elect to satisfy and discharge its obligations with respect to a specific series of Securities under this Indenture by complying with the terms of Article 4. If the Company makes such election, (a) the terms of Sections 4.01, 4.02 and 4.03 shall apply only to the specific series of Securities and the terms of this Indenture as it relates to such series of Securities and (b) the other Securities issued hereunder and this Indenture as it relates to such other Securities shall remain in full force and effect.

ARTICLE 5

REMEDIES

Section 5.01 Events of Default. Except as otherwise specified as contemplated by Section 3.01 for Securities of a series, "Event of Default," wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by reason of Article 16 hereof or by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of any interest upon any Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of or any premium on any Security of that series at its Maturity; or

(3) default in the deposit of any sinking fund payment for five days after it becomes due by the terms of a Security of that series; or

(4) default in the performance in any material respect, or breach of any covenant or warranty in any material respect of the Company or, if the Subsidiary

Guarantors have issued Subsidiary Guarantees with respect to the Securities of such series, any Subsidiary Guarantor in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has expressly been included in this Indenture solely for the benefit of series of Securities other than that series), and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(5) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company, any Significant Subsidiary or, if the Subsidiary Guarantors have issued Subsidiary Guarantees with respect to the Securities of such series, any Subsidiary Guarantor in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company, any Significant Subsidiary or any such Subsidiary Guarantor a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company, any Significant Subsidiary or any such Subsidiary Guarantor under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company, any Significant Subsidiary or any such Subsidiary Guarantor or of any substantial part of its or their property, or ordering the winding up or liquidation of its or their affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(6) the commencement by the Company, any Significant Subsidiary or, if the Subsidiary Guarantors have issued Subsidiary Guarantees with respect to the Securities of such series, any Subsidiary Guarantor of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it or them to the entry of a decree or order for relief in respect of the Company, any Significant Subsidiary or any such Subsidiary Guarantor in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it or them, or the filing by it or them of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it or them to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company, any Significant Subsidiary or any such Subsidiary Guarantor or of any substantial part of its or their property, or the making by it or them of an assignment for the benefit of creditors, or the

admission by it or them in writing of its or their inability to pay its or their debts generally as they become due, or the taking of corporate action by the Company, any Significant Subsidiary or any such Subsidiary Guarantor in furtherance of any such action; or

(7) in the event the Subsidiary Guarantors have issued Subsidiary Guarantees with respect to the Securities of such series, the Subsidiary Guarantee of any Subsidiary Guarantor is held by a final non-appealable order or judgment of a court of competent jurisdiction to be unenforceable or invalid or ceases for any reason to be in full force and effect (other than in accordance with the terms of this Indenture) or any Subsidiary Guarantor or any Person acting on behalf of any Subsidiary Guarantor denies or disaffirms such Subsidiary Guarantor's obligations under its Subsidiary Guarantee (other than by reason of a release of such Subsidiary Guarantor from its Subsidiary Guarantee in accordance with the terms of this Indenture); or

(8) any other Event of Default provided in any indentures supplemental to this Indenture with respect to Securities of that series.

Section 5.02 Acceleration of Maturity; Rescission and Annulment. If an Event of Default (other than an Event of Default with respect to the Company specified in Section 5.01(5) or 5.01(6)) with respect to Securities of any series at the time Outstanding occurs and is continuing, then in every such case the Trustee by notice in writing to the Company or the Holders of not less than 25% in principal amount of the Outstanding Securities of that series then Outstanding by notice in writing to the Company and the Trustee may declare the principal amount of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified by the terms thereof) to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable. If an Event of Default with respect to the Company specified in Section 5.01(5) or 5.01(6) with respect to Securities of any series at the time Outstanding occurs, the principal amount of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified by the terms thereof) shall automatically, and without any declaration or other action on the part of the Trustee or any Holder, become immediately due and payable.

Upon payment of all such principal and interest, all of the Company's obligations under the Securities of that series shall terminate and upon payment of the Securities of all series this Indenture shall terminate in either case, except those obligations under Section 6.07.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter provided in this Article, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company or, if applicable, any Subsidiary Guarantor has paid or deposited with the Trustee a sum sufficient to pay

(A) all overdue interest on all Securities of that series,

(B) the principal of (and premium, if any, on) any Securities of that series which have become due otherwise than by such declaration of acceleration and any interest thereon at the rate or rates prescribed therefor in such Securities,

(C) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates prescribed therefor in such Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which has become due solely by such declaration of acceleration, have been cured or waived as provided in Section 5.13.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Section 5.03 Collection of Indebtedness and Suits for Enforcement by Trustee. The Company covenants that if:

(1) default is made in the payment of any interest on any Security of any series when such interest becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security of any series at the Maturity thereof or upon redemption, or

(3) default is made in the payment of any sinking or analogous obligation when the same becomes due by the terms of the Securities of any series, and any such default continues for any period of grace provided with respect to the Securities of such series,

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities, the whole amount then due and payable on such Securities for principal and any premium and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal and premium and on any overdue interest, at the rate or rates prescribed therefor in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 5.04 Trustee May File Proofs of Claim. In case of any judicial proceeding relative to the Company, any Subsidiary Guarantor or any other obligor on the Securities, or the property or creditors of the Company, any Subsidiary Guarantor or any other obligor on the Securities, the Trustee shall be entitled and empowered, by intervention in such proceeding or otherwise, to take any and all actions authorized under the Trust Indenture Act in order to have claims of the Holders and the Trustee allowed in any such proceeding. In particular, the Trustee shall be authorized to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 6.07.

No provision of this Indenture shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or any Subsidiary Guarantee or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding; provided, however, that the Trustee may, on behalf of the Holders, vote for the election of a trustee in bankruptcy or similar official and be a member of a creditors' or other similar committee.

Section 5.05 Trustee May Enforce Claims Without Possession of Securities. All rights of action and claims under this Indenture or the Securities or any Subsidiary Guarantee may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

Section 5.06 Application of Money Collected. Any money collected by the Trustee pursuant to this Article in respect of the Securities of any series shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal or any premium or interest, upon presentation of the Securities in respect of which moneys have been collected and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee under Section 6.07 applicable to the Securities of such series;

SECOND: To the payment of the amounts then due and unpaid for principal of and any premium and interest on the Securities of such series in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal and any premium and interest, respectively; and

THIRD: The balance, if any, to the Company.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 5.06. At least ten (10) days before such record date, the Trustee shall mail to each Holder and the Company a notice that states the record date, the payment date and the amount to be paid.

Section 5.07 Limitation on Suits. No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of not less than 25% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of security or indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series; it being understood and intended that no one or more of such Holders of Securities of any series shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Holders of Securities of the affected series.

Section 5.08 Unconditional Right of Holders to Receive Principal, Premium and Interest. Notwithstanding any other provision in this Indenture, but subject to Article 16, the

Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of and any premium and (subject to Section 3.07) interest on such Security on the respective Stated Maturity or Maturities expressed in such Security (or, in the case of redemption, on the Redemption Date) and, if applicable, to convert such Security in accordance with its terms, and to institute suit for the enforcement of any such right, and such rights shall not be impaired without the consent of such Holder.

Section 5.09 Restoration of Rights and Remedies. If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Subsidiary Guarantors, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

Section 5.10 Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 3.06, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.11 Delay or Omission Not Waiver. No delay or omission of the Trustee or of any Holder of any Securities to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 5.12 Control by Holders. The Holders of a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series, provided that

(1) such direction shall not be in conflict with any rule of law or with this Indenture or any supplemental indenture relating to such Securities; and

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Section 5.13 Waiver of Past Defaults. The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default

(1) in the payment of the principal of or any premium or interest on any Security of such series (including any Security which is required to have been redeemed by the Company pursuant a redemption notice issued by the Company made pursuant to the terms of this Indenture), or

(2) in respect of a covenant or provision hereof which under Article 9 cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture and the Securities of such series; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 5.14 Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and may assess costs against any such party litigant, in the manner and to the extent provided in the Trust Indenture Act; provided, however, that neither this Section nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Company or any Subsidiary Guarantor.

Section 5.15 Waiver of Usury, Stay or Extension Laws. Each of the Company and the Subsidiary Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any usury, stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and each of the Company and the Subsidiary Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE 6

THE TRUSTEE

Section 6.01 Certain Duties and Responsibilities. The duties and responsibilities of the Trustee shall be as expressly set forth in this Indenture and as provided by the Trust Indenture Act. Notwithstanding the foregoing, no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 6.02 Notice of Defaults. Within 90 days after the occurrence of any Default or Event of Default with respect to the Securities of any series, the Trustee shall give to all Holders of Securities of such series, as their names and addresses appear in the Security Register, notice of such Default or Event of Default known to the Trustee, unless such Default or Event of Default shall have been cured or waived; provided, however, that, except in the case of a Default or Event of Default in the payment of the principal of or premium, other amounts, if any, or interest on any Security of such series, or in the deposit of any sinking fund payment with respect to Securities of that series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or responsible officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the Holders of Securities of such series.

Section 6.03 Certain Rights of Trustee. Subject to the provisions of Section 6.01:

(1) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

(2) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order, and any resolution of the Board of Directors of the Company shall be sufficiently evidenced by a Board Resolution;

(3) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

(4) the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(5) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(6) prior to the occurrence of an Event of Default with respect to the Securities of any series and after the curing or waiving of all such Events of Default which may have occurred, the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate,

statement, instrument, opinion, report, notice, request, direction, consent, order, approval, or other paper or document, or the books and records of the Company, unless requested in writing to do so by the Holders of a majority in principal amount of the Outstanding Securities of any series; provided, however, that if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is not, in the opinion of the Trustee, reasonably assured to the Trustee by the security afforded to it by the terms of this Indenture, the Trustee may require reasonable indemnity against such costs, expenses or liabilities as a condition to so proceeding; the reasonable expense of every such investigation shall be paid by the Company or, if paid by the Trustee, shall be repaid by the Company upon demand; and

(7) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(8) the Trustee shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk of liability is not reasonably assured to it; and

(9) except with respect to Section 10.01, the Trustee shall have no duty to inquire as to the performance of the Company with respect to the covenants contained in Article 10. In addition, the Trustee shall not be deemed to have knowledge of an Event of Default except (i) any Default or Event of Default occurring pursuant to Sections 10.01, 5.01(1) or 5.01(2) or (ii) any Default or Event of Default of which the Trustee shall have received written notification or obtained actual knowledge.

Section 6.04 Not Responsible for Recitals or Issuance of Securities. The recitals contained herein and in the Securities and the Subsidiary Guarantees, except the Trustee's certificates of authentication, shall be taken as the statements of the Company or the Subsidiary Guarantors, as the case may be, and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities or the Subsidiary Guarantees endorsed thereon, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Securities and perform its obligations hereunder, and that the statements made by it or to be made by it in a Statement of Eligibility and Qualification on Form T-1 supplied to the Company are true and accurate. Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Company of Securities or the proceeds thereof.

Section 6.05 May Hold Securities. The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Company or any Subsidiary Guarantor, in

its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 6.08 and 6.13, may otherwise deal with the Company and any Subsidiary Guarantor with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

Section 6.06 Money Held in Trust. Money held by the Trustee in trust hereunder (including amounts held by the Trustee as Paying Agent) need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company or any Subsidiary Guarantor, as the case may be.

Section 6.07 Compensation and Reimbursement. The Company and each Subsidiary Guarantor jointly and severally agree:

(1) to pay to the Trustee from time to time reasonable compensation as negotiated between the Company and the Trustee for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(3) to indemnify the Trustee for, and to hold it harmless against, any loss, liability, damage, claim or expense, including taxes (other than taxes based upon or determined or measured by the income of the Trustee), incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

Section 6.08 Conflicting Interests. If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture. To the extent permitted by such Act, the Trustee shall not be deemed to have a conflicting interest by virtue of being a trustee under this Indenture with respect to Securities of more than one series.

Section 6.09 Corporate Trustee Required; Eligibility. There shall at all times be one (and only one) Trustee hereunder with respect to the Securities of each series, which may be Trustee hereunder for Securities of one or more other series. Each Trustee shall be a Person that is eligible pursuant to the Trust Indenture Act to act as such, and has a combined capital and surplus of at least $100,000,000. If any such Person publishes reports of condition at least annually, pursuant to law or to the requirements of its supervising or examining authority, then

for the purposes of this Section and to the extent permitted by the Trust Indenture Act, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. Neither the Company nor any Person directly or indirectly controlling, controlled by, or under common control with the Company may serve as Trustee. If at any time the Trustee with respect to the Securities of any series shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 6.10 Resignation and Removal; Appointment of Successor. No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 6.11.

The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 6.11 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, delivered to the Trustee and to the Company.

If at any time:

(1) the Trustee shall fail to comply with Section 6.08 after written request therefor by the Company or by any Holder who has been a bona fide Holder of a Security of such series of Securities for at least six months, or

(2) the Trustee shall cease to be eligible under Section 6.09 and shall fail to resign after written request therefor by the Company or by any such Holder of a Security who has been a bona fide Holder of a Security of such series of Securities for at least six months; or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, (A) the Company by a Board Resolution may remove the Trustee with respect to all Securities, or (B) subject to Section 5.14, any Holder who has been a bona fide Holder of a Security of such series of Securities for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more

series, the Company, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 6.11. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, upon its acceptance of such appointment in accordance with the applicable requirements of Section 6.11, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company with respect to such Securities. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders and accepted appointment in the manner required by Section 6.11, any Holder who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series to all Holders of Securities of such series in the manner provided in Section 1.06. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

Section 6.11 Acceptance of Appointment by Successor. In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company, the Subsidiary Guarantors and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the Subsidiary Guarantors, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to

be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

Upon request of any such successor Trustee, the Company and the Subsidiary Guarantors shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in the first or second preceding paragraph, as the case may be.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 6.12 Merger, Conversion, Consolidation or Succession to Business. Any Person into which the Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any Person succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such Person shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. As soon as practicable, the successor Trustee shall give notice of its succession to the Company and the Holders of the Securities then Outstanding in the manner provided in Section 1.06. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation or otherwise as permitted hereunder to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

Section 6.13 Preferential Collection of Claims Against Company and Subsidiary Guarantors. If and when the Trustee shall be or become a creditor of the Company, any Subsidiary Guarantor or any other obligor upon the Securities, the Trustee shall be subject to the provisions of the Trust Indenture Act regarding the collection of claims against the Company, such Subsidiary Guarantor or any such other obligor.

Section 6.14 Appointment of Authenticating Agent. The Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of and subject to the direction of the Trustee to authenticate Securities of such series issued upon original issue and upon exchange, registration of transfer, conversion

or partial redemption thereof or pursuant to Section 3.06, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a Person organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than $100,000,000 and subject to supervision or examination by federal or state authority. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any Person into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any Person succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such Person shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall give notice of such appointment in the manner provided in Section 1.06 to all Holders of Securities of the series with respect to which such Authenticating Agent will serve. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Trustee agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services under this Section, and the Trustee shall be entitled to be reimbursed for such payments, subject to the provisions of Section 6.07.

If an appointment with respect to one or more series of Securities is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternate certificate of authentication in the following form:

Form of Authenticating Agent's Certificate of Authentication

Dated: _____

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

_____

As Trustee

By: _____

As Authenticating Agent

By: _____

Authorized Officer

Section 6.15 Compliance With Tax Laws. The Trustee hereby agrees to comply with all U.S. Federal income tax information reporting and withholding requirements applicable to it with respect to payments of premium, (if any) and interest on the Securities of any series, whether acting as Trustee, Security Registrar, Paying Agent or otherwise with respect to the Securities of any series.

ARTICLE 7

HOLDERS' LISTS AND REPORTS BY TRUSTEE AND COMPANY

Section 7.01 Company to Furnish Trustee Names and Addresses of Holders. The Company will furnish or cause to be furnished to the Trustee with respect to the Securities of each series:

(1) not more than 10 days after each record date with respect to the payment of interest, if any of the Securities of a series, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of Securities of such series as of such record date, and

(2) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished; excluding from any such list names and addresses received by the Trustee in its capacity as Security Registrar.

Section 7.02 Preservation of Information; Communications to Holders. The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of

Holders contained in the most recent list furnished to the Trustee as provided in Section 7.01 and the names and addresses of Holders received by the Trustee in its capacity as Security Registrar. The Trustee may destroy any list furnished to it as provided in Section 7.01 upon receipt of a new list so furnished.

The rights of Holders to communicate with other Holders with respect to their rights under this Indenture or under the Securities, and the corresponding rights and privileges of the Trustee, shall be as provided by the Trust Indenture Act.

Every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company, the Subsidiary Guarantors nor the Trustee nor any agent of any of them shall be held accountable by reason of any disclosure of information as to names and addresses of Holders made pursuant to the Trust Indenture Act.

Section 7.03 Reports by Trustee. The Trustee shall transmit to Holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act within 60 days after each May 15 beginning with the May 15 following the issuance of the Securities.

A copy of each such report shall, at the time of such transmission to Holders of Securities of a series, be filed by the Trustee with each stock exchange or inter-dealer quotation system upon which any Securities are listed, with the Commission and with the Company and with the Subsidiary Guarantors. The Company will notify the Trustee when any Securities are listed on any stock exchange or any inter-dealer quotation system.

Section 7.04 Reports by Company and Subsidiary Guarantors. The Company and each of the Subsidiary Guarantors shall file with the Trustee and the Commission, and transmit to Holders, such information, documents and other reports, and such summaries thereof, as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant to such Act; provided that any such information, documents or reports required to be filed with the Commission pursuant to Section 13 or 15(d) of the Exchange Act shall be filed with the Trustee within 15 days after the same is so required to be filed with the Commission (unless the Company files such documents with the Commission via EDGAR, in which case the Company is not required to transmit such information, documents or reports to the Trustee or the holders of the Notes). If the Company has designated any of its Subsidiaries as Unrestricted Subsidiaries, then the quarterly and annual financial information required by this Section 7.04 shall include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in Management's Discussion and Analysis of Financial Condition and Results of Operations, of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company.

ARTICLE 8

CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

Section 8.01 Company May Consolidate, Etc., Only on Certain Terms. The Company shall not, in a single transaction or a series of related transactions, consolidate or merge with or into any other Person or permit any other Person to consolidate or merge with or into the Company or, directly or indirectly, transfer, convey, sell, lease or otherwise dispose of all or substantially all of its assets as an entirety or substantially as an entirety to any Person or group of affiliated Persons, in one transaction or a series of related transactions, unless:

(1) in a transaction in which the Company does not survive or in which the Company transfers, conveys, sells, leases or otherwise disposes of all or substantially all of its assets, the successor entity (for purposes of this Article 8, a "Successor Company") shall be a corporation, partnership, trust or other entity organized and validly existing under the laws of the United States of America, any state thereof or the District of Columbia, and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and prompt payment of the principal of and any premium and interest on all the Securities and the performance or observance of every covenant of this Indenture on the part of the Company to be performed or observed;

(2) immediately after giving pro forma effect to such transaction and treating any indebtedness which becomes an obligation of the Company or any Subsidiary as a result of such transaction as having been incurred by the Company or such Subsidiary at the time of such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing;

(3) if, as a result of any such consolidation or merger or such transfer, conveyance, sale, lease or other disposition, assets of the Company would become subject to a mortgage, pledge, lien, security interest or other encumbrance which would not be permitted by this Indenture, the Company or the Successor Company, as the case may be, shall take such steps as shall be necessary effectively to secure the Securities equally and ratably with (or prior to) all indebtedness secured thereby;

(4) any other conditions provided pursuant to Section 3.01 with respect to the Securities of a series are satisfied; and

(5) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, transfer, conveyance, sale, lease or other disposition and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

Section 8.02 Subsidiary Guarantors May Consolidate, Etc., Only on Certain Terms. Except in a transaction resulting in the release of a Subsidiary Guarantor in accordance with the terms of this Indenture, each Subsidiary Guarantor shall not, and the Company shall not permit any Subsidiary Guarantor to, in a single or a series of related transactions, consolidate or merge with or into any Person (other than the Company or another Subsidiary Guarantor) or permit any Person (other than another Subsidiary Guarantor) to consolidate or merge with or into such Subsidiary Guarantor or, directly or indirectly, transfer, convey, sell, lease or otherwise dispose of all or substantially all of its assets unless, in each case:

(1) in a transaction in which such Subsidiary Guarantor does not survive or in which all or substantially all of the assets of such Subsidiary Guarantor are transferred, conveyed, sold, leased or otherwise disposed of, the successor entity (the "Successor Subsidiary Guarantor") shall be a corporation, partnership, trust or other entity organized and validly existing under the laws of the United States of America, any state thereof or the District of Columbia, and shall expressly assume by operation of law or by an indenture supplemental hereto executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and prompt payment of all obligations of such Subsidiary Guarantor under its Subsidiary Guarantee and this Indenture and the performance of every covenant of this Indenture on the part of such Subsidiary Guarantor to be performed or observed; and

(2) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, transfer, conveyance, sale, lease or other disposition and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

Section 8.03 Successor Substituted. Upon any consolidation of the Company with, or merger of the Company with or into, any other Person or any transfer, conveyance, sale, lease or other disposition of all or substantially all of the assets of the Company in accordance with Section 8.01, the Successor Company shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor Company had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Securities.

Upon any consolidation of a Subsidiary Guarantor with, or merger of such Subsidiary Guarantor into, any other Person or any transfer, conveyance, sale, lease or other disposition of all or substantially all of the assets of such Subsidiary Guarantor in accordance with Section 8.02, the Successor Subsidiary Guarantor shall succeed to, and be substituted for, and may exercise every right and power of, such Subsidiary Guarantor under this Indenture with the same effect as if such Successor Subsidiary Guarantor had been named as a Subsidiary Guarantor herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture, the Securities and its Subsidiary Guarantee.

ARTICLE 9

SUPPLEMENTAL INDENTURES

Section 9.01 Supplemental Indentures Without Consent of Holders. Without the consent of any Holders, the Company, when authorized by a Board Resolution, the Subsidiary Guarantors, when authorized by their respective Board Resolutions, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form reasonably satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Person to the Company or any Subsidiary Guarantor and the assumption by any such successor of the covenants of the Company or any Subsidiary Guarantor herein and in the Securities or Subsidiary Guarantees, as the case may be; or

(2) to add to the covenants of the Company for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company; or

(3) to add any additional Events of Default for the benefit of the Holders of all or any series of Securities (and if such additional Events of Default are to be for the benefit of less than all series of Securities, stating that such additional Events of Default are expressly being included solely for the benefit of such series); or

(4) to add to or change any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the issuance of Securities in bearer form, registrable or not registrable as to principal, and with or without interest coupons, or to permit or facilitate the issuance of Securities in uncertificated form; or

(5) to add to, change or eliminate any of the provisions of this Indenture in respect of one or more series of Securities, provided that any such addition, change or elimination (A) shall neither (i) apply to any Security of any series created prior to the execution of such supplemental indenture and entitled to the benefit of such provision nor (ii) modify the rights of the Holder of any such Security with respect to such provision or (B) shall become effective only when there is no such Security Outstanding; or

(6) to secure the Securities of one or more series; or

(7) to establish the form or terms of Securities of any series as permitted by Sections 2.01 and 3.01; or

(8) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more

series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 6.11; or

(9) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein; or

(10) to make any other provisions with respect to matters or questions arising under this Indenture, provided that such action pursuant to this clause (10) shall not adversely affect the interests of the Holders of Securities of any series in any material respect; or

(11) to add new Subsidiary Guarantors with respect to any or all of the Securities.

(12) to modify, eliminate or add to the provisions of this Indenture to such extent as shall be necessary to effect or maintain the qualification of this Indenture under the Trust Indenture Act, or under any similar federal statute hereafter enacted.

Upon request of the Company, accompanied by a Board Resolution authorizing the execution of any such supplemental indenture, and upon receipt by the Trustee of the documents described in (and subject to the last sentence of) Section 9.03, the Trustee shall join with the Company in the execution of any supplemental indenture authorized or permitted by the terms of this Indenture.

Section 9.02 Supplemental Indentures With Consent of Holders. With the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected by such supplemental indenture, by Act of said Holders delivered to the Company, the Subsidiary Guarantors and the Trustee, the Company, when authorized by a Board Resolution, the Subsidiary Guarantors, when authorized by their respective Board Resolutions and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security affected thereby:

(1) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Security or any other Security which would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 5.02, or change any Place of Payment where, or the coin or currency in which, any Security or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of (a) any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date)

or (b) any conversion right with respect to any Security, or modify the provisions of this Indenture with respect to the conversion of the Securities, in a manner adverse to the Holders, or release any Subsidiary Guarantee other than as provided in this Indenture; or

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture; or

(3) modify any of the provisions of this Section, Section 5.13 or Section 10.06, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby; provided, however, that this clause shall not be deemed to require the consent of any Holder with respect to changes in the references to "the Trustee" and concomitant changes in this Section 5.13 and Section 10.06, or the deletion of this proviso, in accordance with the requirements of Sections 6.11 and 9.01(8); or

(4) modify any conversion ratio or otherwise impair conversion rights with respect to such Outstanding Securities, if any, except as expressly permitted by the terms of such Outstanding Securities; or

(5) modify any redemption provisions applicable to such Outstanding Securities; or

(6) directly or indirectly release any of the collateral or securities interest or guarantee in respect of such Outstanding Securities, except as expressly permitted by the terms of such Outstanding Securities; or

(7) directly or indirectly release any guarantee in respect of such Outstanding Securities, except as expressly permitted by the terms of such Outstanding Securities; or

(8) change any obligations to pay additional amounts provided in the terms of such Outstanding Securities.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Section 9.03 Execution of Supplemental Indentures. The Trustee shall sign any supplemental indenture authorized pursuant to this Article, subject to the last sentence of this Section 9.03. In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 6.01) shall be fully protected in relying upon an Officers' Certificate and an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 9.04 Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 9.05 Conformity with Trust Indenture Act. Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act.

Section 9.06 Reference in Securities to Supplemental Indentures. Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company, if applicable the Subsidiary Guarantees may be endorsed thereon and such new Securities may be authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

Section 9.07 Subordination Unimpaired. This Indenture may not be amended to alter the subordination of any of the Outstanding Securities without the written consent of each holder of Senior Debt then outstanding that would be adversely affected thereby.

ARTICLE 10

COVENANTS

Section 10.01 Payment of Principal, Premium and Interest. The Company covenants and agrees for the benefit of each series of Securities that it will duly and promptly pay the principal of and any premium and interest on the Securities of that series in accordance with the terms of the Securities and this Indenture. Principal, premium, if any, and interest shall be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 11:00 A.M., New York City time, on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due.

Section 10.02 Maintenance of Office or Agency. The Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment or, if applicable, for conversion, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company or any Subsidiary Guarantor in respect of the Securities of that series or any Subsidiary Guarantee and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company and each Subsidiary Guarantor hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 10.03 Money for Securities Payments to Be Held in Trust. If the Company or any Subsidiary Guarantor shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of or any premium or interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal and any premium and interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure so to act. Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, prior to 11:00 A.M., New York City time, on each due date of the principal of or any premium or interest on any Securities of that series, deposit with a Paying Agent a sum sufficient to pay such amount, such sum to be held as provided by the Trust Indenture Act, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act. The Company will cause each Paying Agent for any series of Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will (1) comply with the provisions of the Trust Indenture Act applicable to it as a Paying Agent and (2) during the continuance of any default by the Company, the Subsidiary Guarantors, if applicable, or any other obligor upon the Securities of that series in the making of any payment in respect of the Securities of that series, upon the written request of the Trustee, forthwith pay to the Trustee all sums held in trust by such Paying Agent for payment in respect of the Securities of that series. The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money. Any money

deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of or any premium or interest on any Security of any series and remaining unclaimed for two years after such principal, premium or interest has become due and payable shall be paid to the Company on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in The City of New York, New York, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 10.04 Statement by Officers as to Default. The Company and the Subsidiary Guarantors will deliver to the Trustee, within 90 days after the end of each fiscal year of the Company ending after the date hereof, an Officers' Certificate, stating whether or not to the best knowledge of the signers thereof the Company or any Subsidiary Guarantor, as the case may be, is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and, if the Company or any Subsidiary Guarantor shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

The Company and each Subsidiary Guarantor shall deliver to the Trustee, as soon as possible and in any event within five days after the Company or such Subsidiary Guarantor becomes aware or should reasonably become aware of the occurrence of an Event of Default or an event which, with notice or the lapse of time or both, would constitute an Event of Default, an Officers' Certificate setting forth the details of such Event of Default or default, and the action which the Company or such Subsidiary Guarantor proposes to take with respect thereto.

Section 10.05 Existence. Subject to Article 8, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect the existence, rights (charter and statutory) and franchises of the Company; provided, however, that the Company shall not be required to preserve any such right or franchise if the Board of Directors of the Company shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and that the loss thereof is not disadvantageous in any material respect to the Holders.

Section 10.06 Waiver of Certain Covenants. Except as otherwise specified as contemplated by Section 3.01 for Securities of such series, the Company may, with respect to the Securities of any series, omit in any particular instance to comply with any term, provision or condition set forth in any of Sections 10.05 or in any covenant provided pursuant to Section 3.01(21), 9.01(2) or 9.01(7) for the benefit of the Holders of such series if before the time for such compliance the Holders of at least a majority in principal amount of the Outstanding Securities of such series shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition, but no such waiver shall extend to or affect such term, provision or condition except to the extent so

expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

ARTICLE 11

REDEMPTION OF SECURITIES

Section 11.01 Applicability of Article. Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 3.01 for such Securities) in accordance with this Article; provided, however, that is any provision of any such form of Security shall conflict with any provision of this Article, the provision of such form of Security shall govern.

Section 11.02 Election to Redeem; Notice to Trustee. The election of the Company to redeem any Securities shall be evidenced by a Board Resolution or in another manner specified as contemplated by Section 3.01 for such Securities. In case of any redemption at the election of the Company of less than all the Securities of any series (including any such redemption affecting only a single Security), the Company shall, at least five Business Days prior to giving notice of such redemption (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date, of the principal amount of Securities of such series to be redeemed and, if applicable, of the tenor of the Securities to be redeemed. In the case of any redemption of Securities prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officers' Certificate evidencing compliance with such restriction.

Section 11.03 Selection by Trustee of Securities to Be Redeemed. If less than all the Securities of any series are to be redeemed (unless all the Securities of such series and of a specified tenor are to be redeemed or unless such redemption affects only a single Security), the particular Securities to be redeemed shall be selected by the Trustee, from the Outstanding Securities of such series not previously called for redemption, (i) in compliance with the requirements of the principal national securities exchange on which such Securities are listed, if such Securities are listed on any national securities exchange, and (ii) if such Securities are not so listed, on a pro rata basis, by lot or by such other method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of a portion of the principal amount of any Security of such series, provided that the unredeemed portion of the principal amount of any Security shall be in an authorized denomination (which shall not be less than the minimum authorized denomination) for such Security. If less than all the Securities of such series and of a specified tenor are to be redeemed (unless such redemption affects only a single Security), the particular Securities to be redeemed shall be selected by the Trustee, from the Outstanding Securities of such series and specified tenor not previously called for redemption in accordance with the preceding sentence.

The Trustee shall promptly notify the Company in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

The provisions of the two preceding paragraphs shall not apply with respect to any redemption affecting only a single Security, whether such Security is to be redeemed in whole or in part. In the case of any such redemption in part, the unredeemed portion of the principal amount of the Security shall be in an authorized denomination (which shall not be less than the minimum authorized denomination) for such Security. For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities which has been or is to be redeemed. If any Security selected for partial redemption is surrendered for conversion after such selection, the unconverted portion of such Security shall be deemed (so far as may be) to be the portion selected for redemption. Upon any redemption of less than all the Securities of a series, for purposes of selection for redemption the Company and the Trustee may treat as Outstanding any Securities surrendered for conversion during the period of 15 days next preceding the mailing of a notice of redemption, and need not treat as Outstanding any Security authenticated and delivered during such period in exchange for the unconverted portion of any Security converted in part during such period.

Section 11.04 Notice of Redemption. Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the Redemption Date, to each Holder of Securities to be redeemed, at his address appearing in the Security Register; provided, however, notice of redemption may be given more than 60 days prior to the Redemption Date if the notice is issued in connection with a satisfaction and discharge pursuant to Article 4.

All notices of redemption shall state:

(1) the Redemption Date,

(2) the Redemption Price, if then determinable and otherwise the method of its determination,

(3) if less than all the Outstanding Securities of any series consisting of more than a single Security are to be redeemed, the identification (and, in the case of partial redemption of any such Securities, the principal amounts) of the particular Securities to be redeemed and, if less than all the Outstanding Securities of any series consisting of a single Security are to be redeemed, the principal amount of the particular Security to be redeemed,

(4) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed and, if applicable, that interest or original issue discount thereon will cease to accrue or accrete on and after said date,

(5) the place or places where each such Security is to be surrendered for payment of the Redemption Price,

(6) that the redemption is for a sinking fund, if such is the case, and

(7) if applicable, the conversion price then in effect and the date on which the right to convert such Securities to be redeemed will expire.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, the Trustee shall give the notice of redemption in the Company's name and at the Company's expense, which notice in either event shall be irrevocable; *provided, however,* that, in the case of such a notice to be given by the Trustee, the Company shall have delivered to the Trustee at least 35 days (unless a shorter period is acceptable to the Trustee) prior to the proposed redemption date an Officers' Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph. If any Security called for redemption is converted pursuant hereto, any money deposited with the Trustee or any Paying Agent or so segregated and held in trust for the redemption of such Security shall be paid to the Company upon delivery of a Company Request to the Trustee or such Paying Agent, or, if then held by the Company, shall be discharged from such trust.

Section 11.05 Deposit of Redemption Price. Prior to 11:00 A.M., New York City time, on any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 10.03) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities which are to be redeemed on that date.

Section 11.06 Securities Payable on Redemption Date. Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price, together with accrued interest to the Redemption Date; provided, however, that, unless otherwise specified as contemplated by Section 3.01, installments of interest whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 3.07.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal and any premium shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

Section 11.07 Securities Redeemed in Part. Any Security which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, if applicable the Subsidiary Guarantors shall execute the Subsidiary Guarantee endorsed thereon, and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities of the same series and of like tenor, of any authorized denomination as requested by such Holder, and having the same terms and conditions and in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered.

ARTICLE 12

SINKING FUNDS

Section 12.01 Applicability of Article. The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of any series except as otherwise specified as contemplated by Section 3.01 for such Securities. The minimum amount of any sinking fund payment provided for by the terms of any Securities is herein referred to as a “mandatory sinking fund payment”, and any payment in excess of such minimum amount provided for by the terms of such Securities is herein referred to as an “optional sinking fund payment.” If provided for by the terms of any Securities, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 12.02. Each sinking fund payment shall be applied to the redemption of Securities as provided for by the terms of such Securities.

Section 12.02 Satisfaction of Sinking Fund Payments with Securities. The Company (1) may deliver Outstanding Securities of a series (other than any previously called for redemption) and (2) may apply as a credit Securities of a series which have been (x) converted or (y) redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to any Securities of such series required to be made pursuant to the terms of such Securities as and to the extent provided for by the terms of such Securities; provided, however, that the Securities to be so credited have not been previously so credited. The Securities to be so credited shall be received and credited for such purpose by the Trustee at the Redemption Price, as specified in the Securities so to be redeemed, for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

Section 12.03 Redemption of Securities for Sinking Fund. Not less than 35 days prior to each sinking fund payment date for any Securities, the Company will deliver to the Trustee an Officers’ Certificate specifying the amount of the next ensuing sinking fund payment for such Securities pursuant to the terms of such Securities, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities pursuant to Section 12.02 and will also deliver to the Trustee any Securities to be so delivered. Not less than 32 days prior to each such sinking fund payment date, the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 11.03 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 11.04. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 11.06 and 11.07.

ARTICLE 13

SUBSIDIARY GUARANTEES

Section 13.01 Applicability of Article. Unless the Company elects to issue any series of Securities without the benefit of the Subsidiary Guarantees, which election shall be evidenced in or pursuant to the Board Resolution or supplemental indenture establishing such series of Securities pursuant to Section 3.01, the provisions of this Article shall be applicable to each series of Securities except as otherwise specified in or pursuant to the Board Resolution or supplemental indenture establishing such series pursuant to Section 3.01.

Section 13.02 Subsidiary Guarantees. Subject to Section 13.01, each Subsidiary Guarantor hereby, jointly and severally, fully and unconditionally guarantees to each Holder of a Security authenticated and delivered by the Trustee, the due and prompt payment of the principal of (and premium, if any) and interest on such Security when and as the same shall become due and payable, whether at the Stated Maturity, by acceleration, call for redemption or otherwise, in accordance with the terms of such Security and of this Indenture, and each Subsidiary Guarantor similarly guarantees to the Trustee the payment of all amounts owing to the Trustee in accordance with the terms of this Indenture applicable to series of Securities guaranteed by such Subsidiary Guarantor. In case of the failure of the Company promptly to make any such payment, each Subsidiary Guarantor hereby, jointly and severally, agrees to cause such payment to be made promptly when and as the same shall become due and payable, whether at the Stated Maturity or by acceleration, call for redemption or otherwise, and as if such payment were made by the Company.

Each of the Subsidiary Guarantors hereby jointly and severally agrees that its obligations hereunder shall be absolute, unconditional, irrespective of, and shall be unaffected by, the validity, regularity or enforceability of such Security or this Indenture, the absence of any action to enforce the same or any release, amendment, waiver or indulgence granted to the Company or any guarantor or any consent to departure from any requirement of any other guarantee of all or any of the Securities of such series or any other circumstances which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor; provided, however, that, notwithstanding the foregoing, no such release, amendment, waiver or indulgence shall, without the consent of such Subsidiary Guarantor, increase the principal amount of such Security, or increase the interest rate thereon, or alter the Stated Maturity thereof. Each of the Subsidiary Guarantors hereby waives the benefits of diligence, presentment, demand for payment, any requirement that the Trustee or any of the Holders protect, secure, perfect or insure any security interest in or other lien on any property subject thereto or exhaust any right or take any action against the Company or any other Person or any collateral, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Security or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Subsidiary Guarantee will not be discharged in respect of such Security except by complete performance of the obligations contained in such Security and in such Subsidiary Guarantee. Each Subsidiary Guarantor agrees that if, after the occurrence and during the continuance of an Event of Default, the Trustee or any of the Holders are prevented by applicable law from exercising their respective rights to accelerate the maturity of the Securities of a series, to collect interest on the Securities of a

series, or to enforce or exercise any other right or remedy with respect to the Securities of a series, such Subsidiary Guarantor agrees to pay to the Trustee for the account of the Holders, upon demand therefore, the amount that would otherwise have been due and payable had such rights and remedies been permitted to be exercised by the Trustee or any of the Holders.

Each Subsidiary Guarantor shall be subrogated to all rights of the Holders of the Securities upon which its Subsidiary Guarantee is endorsed against the Company in respect of any amounts paid by such Subsidiary Guarantor on account of such Security pursuant to the provisions of its Subsidiary Guarantee or this Indenture; provided, however, that no Subsidiary Guarantor shall be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until the principal of (and premium, if any) and interest on all Securities of the relevant series issued hereunder shall have been paid in full.

Each Subsidiary Guarantor that makes or is required to make any payment in respect of its Subsidiary Guarantee shall be entitled to seek contribution from the other Subsidiary Guarantors to the extent permitted by applicable law; provided, however, that no Subsidiary Guarantor shall be entitled to enforce or receive any payments arising out of, or based upon, such right of contribution until the principal of (and premium, if any) and interest on all Securities of the relevant series issued hereunder shall have been paid in full.

Each Subsidiary Guarantee shall remain in full force and effect and continue to be effective should any petition be filed by or against the Company for liquidation or reorganization, should the Company become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any part of the Company's assets, and shall, to the fullest extent permitted by law, continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Securities of a series, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any Holder of the Securities, whether as a "voidable preference," "fraudulent transfer," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Securities shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

Section 13.03 Execution and Delivery of Subsidiary Guarantees. The Subsidiary Guarantees to be endorsed on the Securities shall include the terms of the Subsidiary Guarantee set forth in Section 13.02 and any other terms that may be set forth in the form established pursuant to Section 2.04. Subject to Section 13.01, each of the Subsidiary Guarantors hereby agrees to execute its Subsidiary Guarantee, in a form established pursuant to Section 2.04, to be endorsed on each Security authenticated and delivered by the Trustee.

The Subsidiary Guarantee shall be executed on behalf of each respective Subsidiary Guarantor by any one of such Subsidiary Guarantor's Chief Executive Officer, President, Chief Financial Officer or Chief Operating Officer. The signature of any or all of these persons on the Subsidiary Guarantee may be manual or facsimile. A Subsidiary Guarantee bearing the manual or facsimile signature of individuals who were at any time the proper officers of a Subsidiary Guarantor shall bind such Subsidiary Guarantor, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of the Security on which such Subsidiary Guarantee is endorsed or did not hold such offices at the date of such Subsidiary Guarantee.

The delivery of any Security by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Subsidiary Guarantee endorsed thereon on behalf of the Subsidiary Guarantors and shall bind each Subsidiary Guarantor notwithstanding the fact that Subsidiary Guarantee does not bear the signature of such Subsidiary Guarantor. Each of the Subsidiary Guarantors hereby jointly and severally agrees that, except in circumstances contemplated in Section 13.01 wherein the Company elects to issue a series of Securities without the benefit of Subsidiary Guarantees, its Subsidiary Guarantee set forth in Section 13.02 and in the form of Subsidiary Guarantee established pursuant to Section 2.04 shall remain in full force and effect notwithstanding any failure to endorse a Subsidiary Guarantee on any Security that was intended to include the benefit of Subsidiary Guarantees.

Section 13.04 Release of Subsidiary Guarantors. Unless otherwise specified pursuant to Section 3.01 with respect to a series of Securities, each Subsidiary Guarantee will remain in effect with respect to the respective Subsidiary Guarantor until the entire principal of, premium, if any, and interest on the Securities to which such Subsidiary Guarantee relates shall have been paid in full or otherwise satisfied and discharged in accordance with the provisions of such Securities and this Indenture and all amounts owing to the Trustee hereunder have been paid; provided, however, that if (i) such Subsidiary Guarantor ceases to be a Subsidiary in compliance with the applicable provisions of this Indenture, (ii) either Defeasance or Covenant Defeasance occurs with respect to such Securities pursuant to Article 15, (iii) all or substantially all of the assets of such Subsidiary Guarantor or all of the Capital Stock of such Subsidiary Guarantor is sold (including by sale, merger, consolidation or otherwise) by the Company or any Subsidiary in a transaction complying with the requirements of this Indenture, or (iv) the Company designates a Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with the definition of “Unrestricted Subsidiary” in Section 1.01 then, in each case of (i), (ii), (iii) or (iv) upon delivery by the Company of an Officers’ Certificate and an Opinion of Counsel stating that all conditions precedent herein provided for relating to the release of such Subsidiary Guarantor from its obligations under its Subsidiary Guarantee and this Article 13 have been complied with, such Subsidiary Guarantor shall be released and discharged of its obligations under its Subsidiary Guarantee and under this Indenture without any action on the part of the Trustee or any Holder, and the Trustee shall execute any documents reasonably required in order to acknowledge the release of such Subsidiary Guarantor from its obligations under its Subsidiary Guarantee endorsed on the Securities of such series and under this Indenture.

Section 13.05 Additional Subsidiary Guarantors. Unless otherwise specified pursuant to Section 3.01 with respect to a series of Securities, if the Company or any of its Restricted Subsidiaries shall, after the effective date of this Indenture, acquire or create another Significant Subsidiary or if any other Restricted Subsidiary shall become a Significant Subsidiary, then such Significant Subsidiary shall become a Subsidiary Guarantor as follows; provided however, that this requirement shall not apply to a Significant Subsidiary that is also a Foreign Subsidiary. The Company shall cause any such Significant Subsidiary to execute and deliver to the Trustee (a) a supplemental indenture, in form and substance satisfactory to the Trustee, which subjects such Person to the provisions (including the representations and warranties) of this Indenture as a Subsidiary Guarantor and (b) an Opinion of Counsel and an Officers’ Certificate to the effect that

such supplemental indenture has been duly authorized and executed by such Person and such supplemental indenture and such Person's obligations under its Subsidiary Guarantee and this Indenture constitute the legal, valid, binding and enforceable obligations of such Person (subject to such customary exceptions concerning creditors' rights and equitable principles as may be acceptable to the Trustee in its discretion).

Section 13.06 Limitation on Liability. Any term or provision of this Indenture to the contrary notwithstanding, the maximum amount of the Subsidiary Guarantee of any Subsidiary Guarantor shall not exceed the maximum amount that can be hereby guaranteed by such Subsidiary Guarantor without rendering such Subsidiary Guarantee voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

ARTICLE 14

[INTENTIONALLY OMITTED]

ARTICLE 15

DEFEASANCE AND COVENANT DEFEASANCE

Section 15.01 Company's Option to Effect Defeasance or Covenant Defeasance. The Company may elect, at its option at any time, to have Section 15.02 or Section 15.03 applied to any Securities or any series of Securities, as the case may be, designated pursuant to Section 3.01 as being defeasible pursuant to such Section 15.02 or 15.03, in accordance with any applicable requirements provided pursuant to Section 3.01 and upon compliance with the applicable conditions set forth below in this Article. Any such election shall be evidenced in or pursuant to a Board Resolution or in another manner specified as contemplated by Section 3.01 for such Securities.

Section 15.02 Defeasance and Discharge. Upon the Company's exercise of its option (if any) to have this Section applied to any Securities or any series of Securities, as the case may be, the Company shall be deemed to have been discharged from its obligations, and each Subsidiary Guarantor shall be deemed to have been discharged from its obligations with respect to its Subsidiary Guarantees of such Securities, as provided in this Section on and after the date the conditions set forth in Section 15.04 are satisfied (herein called "Defeasance"). For this purpose, such Defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by such Securities and to have satisfied all its other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), subject to the following which shall survive until otherwise terminated or discharged hereunder: (1) the rights of Holders of such Securities to receive, solely from the trust fund described in Section 15.04 and as more fully set forth in such Section, payments in respect of the principal of and any premium and interest on such Securities when payments are due, or, if applicable, to convert such Securities in accordance with their terms, (2) the Company's and each Subsidiary

Guarantor's obligations with respect to such Securities under Sections 3.04, 3.05, 3.06, 10.02 and 10.03, and, if applicable, their obligations with respect to the conversion of such Securities, (3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (4) this Article. Subject to compliance with this Article, the Company may exercise its option (if any) to have this Section applied to any Securities notwithstanding the prior exercise of its option (if any) to have Section 15.03 applied to such Securities.

Section 15.03 Covenant Defeasance. Upon the Company's exercise of its option (if any) to have this Section applied to any Securities or any series of Securities, as the case may be, (1) the Company shall be released from its obligations under Section 8.01(3), Sections 10.05, and any covenants provided pursuant to Section 3.01(21), 9.01(2) or 9.01(7) for the benefit of the Holders of such Securities, and (2) the occurrence of any event specified in Sections 5.01(4) (with respect to any of Section 8.01(3), and any such covenants provided pursuant to Section 3.01(21), 9.01(2) or 9.01(7)), 5.01(7) and 5.01(8) shall be deemed not to be or result in an Event of Default and (3) the provisions of Article 13 shall cease to be effective, in each case with respect to such Securities and Subsidiary Guarantees as provided in this Section on and after the date the applicable conditions set forth in Section 15.04 are satisfied (herein called "Covenant Defeasance"). For this purpose, such Covenant Defeasance means that, with respect to such Securities, the Company and the Subsidiary Guarantors, as applicable, may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such specified Section (to the extent so specified in the case of Section 5.01(4)) or Article 13 whether directly or indirectly by reason of any reference elsewhere herein to any such Section or Article or by reason of any reference in any such Section or Article to any other provision herein or in any other document, and such omission to comply shall not constitute an Event of Default under this Indenture or any such supplemental indenture with respect to Outstanding Securities of such series, and but the remainder of this Indenture and such Securities shall be unaffected thereby.

Section 15.04 Conditions to Defeasance or Covenant Defeasance. The following shall be the conditions to the application of Section 15.02 or Section 15.03 to any Securities or any series of Securities, as the case may be:

(1) The Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee which satisfies the requirements contemplated by Section 6.09 and agrees to comply with the provisions of this Article applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Securities, (A) money in an amount, or (B) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount, or (C) a combination thereof, in each case sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or any such other qualifying trustee) to pay and discharge, the principal of and any premium and interest on such Securities on the respective Stated Maturities, in accordance with the terms of this Indenture and such Securities. As used herein, "U.S. Government Obligation" means (x) any

security which is (i) a direct obligation of the United States of America for the payment of which the full faith and credit of the United States of America is pledged or (ii) an obligation of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case (i) or (ii), is not callable or redeemable at the option of the issuer thereof, and (y) any depositary receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act) as custodian with respect to any U.S. Government Obligation which is specified in clause (x) above and held by such bank for the account of the holder of such depositary receipt, or with respect to any specific payment of principal of or interest on any U.S. Government Obligation which is so specified and held, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of principal or interest evidenced by such depositary receipt.

(2) In the event of an election to have Section 15.02 apply to any Securities or any series of Securities, as the case may be, the Company shall have delivered to the Trustee an Opinion of Counsel stating that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the date of this instrument, there has been a change in the applicable Federal income tax law, in either case (A) or (B) to the effect that, and based thereon such opinion shall confirm that, the Holders of such Securities will not recognize gain or loss for Federal income tax purposes as a result of the deposit, Defeasance and discharge to be effected with respect to such Securities and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit, Defeasance and discharge were not to occur.

(3) In the event of an election to have Section 15.03 apply to any Securities or any series of Securities, as the case may be, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of such Securities will not recognize gain or loss for Federal income tax purposes as a result of the deposit and Covenant Defeasance to be effected with respect to such Securities and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit and Covenant Defeasance were not to occur.

(4) The Company shall have delivered to the Trustee an Officers' Certificate to the effect that neither such Securities nor any other Securities of the same series, if then listed on any securities exchange, will be delisted as a result of such deposit.

(5) No event which is, or after notice or lapse of time or both would become, an Event of Default with respect to such Securities or any other Securities shall have occurred and be continuing at the time of such deposit or,

with regard to any such event specified in Sections 5.01(5) and (6), at any time on or prior to the 121st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until after such 121st day).

(6) Such Defeasance or Covenant Defeasance shall not cause the Trustee to have a conflicting interest within the meaning of the Trust Indenture Act (assuming all Securities are in default within the meaning of such Act).

(7) Such Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company or any Subsidiary is a party or by which it is bound.

(8) The Company shall have delivered to the Trustee an Opinion of Counsel to the effect that such deposit shall not cause either the Trustee or the trust so created to be subject to the Investment Company Act of 1940.

(9) The Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent with respect to such Defeasance or Covenant Defeasance have been complied with.

Section 15.05 Deposited Money and U.S. Government Obligations to Be Held in Trust; Miscellaneous Provisions. Subject to the provisions of the last paragraph of Section 10.03, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee or other qualifying trustee (solely for purposes of this Section and Section 15.06, the Trustee and any such other trustee are referred to collectively as the "Trustee") pursuant to Section 15.04 in respect of any Securities shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any such Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Holders of such Securities, of all sums due and to become due thereon in respect of principal and any premium and interest, but money so held in trust need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Government Obligations deposited pursuant to Section 15.04 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of Outstanding Securities.

Anything in this Article to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or U.S. Government Obligations held by it as provided in Section 15.04 with respect to any Securities which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect the Defeasance or Covenant Defeasance, as the case may be, with respect to such Securities.

Section 15.06 Reinstatement. If the Trustee or the Paying Agent is unable to apply any money or U.S. Government Obligations, as the case may be, in accordance with this Article with respect to any Securities by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the obligations under this Indenture and such Securities from which the Company has been discharged or released pursuant to Section 15.02 or 15.03 shall be revived and reinstated as though no deposit had occurred pursuant to this Article with respect to such Securities, until such time as the Trustee or Paying Agent is permitted to apply all money held in trust pursuant to Section 15.05 with respect to such Securities in accordance with this Article; provided, however, that if the Company makes any payment of principal of or any premium or interest on any such Security following such reinstatement of its obligations, the Company shall be subrogated to the rights (if any) of the Holders of such Securities to receive such payment from the money so held in trust.

ARTICLE 16

SUBORDINATION

Section 16.01 Securities Subordinated to Senior Debt. Except as otherwise specified or contemplated by Section 3.01 or the other provisions of this Indenture, the Company covenants and agrees, and each Holder of a Security, by his acceptance thereof, likewise covenants and agrees, that, to the extent and in the manner hereinafter set forth in this Article 16, the payment of the principal of and premium and other amounts, if any, and interest on each and all of the Securities is hereby expressly made subordinate and subject in right of payment to the prior payment in full of all Senior Debt. The terms of this Article 16 may be modified or amended for any series of Securities as contemplated by Section 3.01.

Section 16.02 Payment Over of Proceeds upon Dissolution, Etc. In the event of (a) any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding in connection therewith, relative to the Company or to its creditors or to its assets, or (b) any liquidation, dissolution or other winding up of the Company, whether voluntary or involuntary and whether or not involving insolvency or bankruptcy, or (c) any assignment for the benefit of creditors or any other marshalling of assets and liabilities of the Company, then and in any such event specified in (a), (b) or (c) above (each such event, if any, a “Proceeding”) the holders of Senior Debt shall be entitled to receive payment in full of all amounts due or to become due on or in respect of all Senior Debt, or provision shall be made for such payment in cash or cash equivalents or otherwise in a manner satisfactory to the holders of Senior Debt, before the holders of the Securities are entitled to receive any payment or distribution of any kind or character, whether in cash, property or securities, on account of principal of or premium and other amounts, if any, or interest on the Securities or on account of any purchase or other acquisition of Securities by the Company, or any Subsidiary of the Company (all such payments, distributions, purchases and acquisitions herein referred to, individually and collectively, as a “Securities Payment”), and to that end the holders of all Senior Debt shall be entitled to receive, for application to the payment thereof, any Securities Payment which may be payable or deliverable in respect of the Securities in any such Proceeding.

In the event that, notwithstanding the foregoing provisions of this Section, the Trustee or the holder of any Security shall have received any Securities Payment before all Senior Debt is paid

in full or payment thereof provided for in cash or cash equivalents or otherwise in a manner satisfactory to the holders of Senior Debt, and if such fact shall, at or prior to the time of such Securities Payment, have been made known to the Trustee or, as the case may be, such holder, then and in such event such Securities Payment shall be paid over or delivered forthwith to the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee, agent or other Person making payment or distribution of assets of the Company for application to the payment of all Senior Debt remaining unpaid, to the extent necessary to pay all Senior Debt in full, after giving effect to any concurrent payment or distribution to or for the holders of Senior Debt.

For purposes of this Article only, the words “any payment or distribution of any kind or character, whether in cash, property or securities” shall not be deemed to include a payment or distribution of stock or securities of the Company provided for by a plan of reorganization or readjustment authorized by an order or decree of a court of competent jurisdiction in a reorganization proceeding under any applicable bankruptcy law or of any other corporation provided for by such plan of reorganization or readjustment which stock or securities are subordinated in right of payment to all then outstanding Senior Debt to substantially the same extent as the Securities are so subordinated as provided in this Article. The consolidation of the Company with, or the merger of the Company into, another Person or the liquidation or dissolution of the Company following the conveyance, transfer, sale or lease of all or substantially all of its properties and assets to another Person upon the terms and conditions set forth in Article 8 shall not be deemed a Proceeding for the purposes of this Section if the Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance, transfer, sale or lease such properties and assets, as the case may be, shall, as a part of such consolidation, merger, conveyance, transfer, sale or lease, comply with the conditions set forth in Article 8.

Section 16.03 Payment of Senior Debt before Payment of Securities. In the event that any series of Securities are declared due and payable before their Stated Maturity, then and in such event the holders of the Senior Debt outstanding at the time such series of Securities so becomes due and payable shall be entitled to receive payment in full of all amounts due or to become due on or in respect of all Senior Debt, or provision shall be made for such payment in cash or cash equivalents or otherwise in a manner satisfactory to the holders of such Senior Debt, before the holders of the Securities of such series are entitled to receive any Securities Payment.

In the event and during the continuation of any default in the payment of principal or of premium or other amounts, if any, or interest on any Senior Debt beyond any applicable grace period with respect thereto, or in the event that any event of default with respect to any Senior Debt shall have occurred and be continuing permitting the holders of such Senior Debt (or a trustee, or other representative on behalf of the holders thereof) to declare such Senior Debt due and payable prior to the date on which it would otherwise have become due and payable, unless and until such event of default shall have been cured or waived or shall have ceased to exist and any such acceleration shall have been rescinded or annulled, or in the event any judicial proceeding shall be pending with respect to any such default in payment or event of default, then no Securities Payment shall be made.

In the event that, notwithstanding the foregoing, the Company shall make any Securities Payment to the Trustee or any holder prohibited by the foregoing provisions of this Section, and

if such fact shall, at or prior to the time of such Securities Payment, have been made known to the Trustee or, as the case may be, such holder, then and in such event such Securities Payment shall be paid over and delivered forthwith to the Company.

The provisions of this Section shall not apply to any Securities Payment with respect to which Section 16.02 would be applicable.

Section 16.04 Payment Permitted if No Default. Nothing contained in this Article or elsewhere in this Indenture or in any of the Securities shall prevent (a) the Company, at any time except during the pendency of any Proceeding referred to in Section 16.02 or under the conditions described in Section 16.03, from making Securities Payments, or (b) the application by the Trustee of any money deposited with it hereunder to Securities Payments or the retention of such Securities Payment by the holders, if at the time of such application by the Trustee, it did not have actual knowledge that such Securities Payment would have been prohibited by the provisions of this Article.

Section 16.05 Subrogation to Rights of Holders of Senior Debt. Subject to the payment in full of all amounts due or to become due on or in respect of Senior Debt, or the provision for such payment in cash or cash equivalents or otherwise in a manner satisfactory to the holders of Senior Debt, the holders of the Securities shall be subrogated to the rights of the holders of such Senior Debt to receive payments and distributions of cash, property and securities applicable to the Senior Debt until the principal of and premium and other amounts, if any, and interest on the Securities shall be paid in full. For purposes of such subrogation, no payments or distributions to the holders of the Senior Debt of any cash, property or securities to which the holders of the Securities or the Trustee would be entitled except for the provisions of this Article, and no payments over pursuant to the provisions of this Article to the holders of Senior Debt by holders of the Securities or the Trustee, shall, as among the Company, its creditors other than holders of Senior Debt and the holders of the Securities, be deemed to be a payment or distribution by the Company to or on account of the Senior Debt.

Section 16.06 Provisions Solely to Define Relative Rights. The provisions of this Article are and are intended solely for the purpose of defining the relative rights of the holders of the Securities on the one hand and the holders of Senior Debt on the other hand. Nothing contained in this Article or elsewhere in this Indenture or in the Securities is intended to or shall (a) impair, as among the Company, its creditors other than holders of Senior Debt and the holders of the Securities, the obligation of the Company, which is absolute and unconditional (and which, subject to the rights under this Article of the holders of Senior Debt, is intended to rank equally with all other general obligations of the Company), to pay to the holders of the Securities the principal of and premium and other amounts, if any, and interest on the Securities as and when the same shall become due and payable in accordance with their terms; or (b) affect the relative rights against the Company of the holders of the Securities and creditors of the Company other than the holders of Senior Debt; or (c) prevent the Trustee or the holder of any Security from exercising all remedies otherwise permitted by applicable law upon default under this Indenture, subject to the rights, if any, under this Article of the holders of Senior Debt to receive cash, property and securities otherwise payable or deliverable to the Trustee or such holder.

Section 16.07 Trustee to Effectuate Subordination. Each holder of a Security by his acceptance thereof authorizes and directs the Trustee on his behalf to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article and appoints the Trustee his attorney-in-fact for any and all such purposes.

Section 16.08 No Waiver of Subordination Provisions. No right of any present or future holder of any Senior Debt to enforce subordination as herein provided shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Company or by any act or failure to act, in good faith, by any such holder, or by any noncompliance by the Company with the terms, provisions and covenants of this Indenture, regardless of any knowledge thereof any such holder may have or be otherwise charged with. Without in any way limiting the generality of the foregoing paragraph, the holders of Senior Debt may, at any time and from time to time, without the consent of or notice to the Trustee or the Holders of the Securities, without incurring responsibility to the holders of the Securities and without impairing or releasing the subordination provided in this Article or the obligations hereunder of the holders of the Securities to the holders of Senior Debt, do any one or more of the following: (i) change the manner, place or terms of payment or extend the time of payment of, or renew or alter, Senior Debt, or otherwise amend or supplement in any manner Senior Debt or any instrument evidencing the same or any agreement under which Senior Debt is outstanding; (ii) sell, exchange, release or otherwise deal with any property pledged, mortgaged or otherwise securing Senior Debt; (iii) release any Person liable in any manner for the collection of Senior Debt; and (iv) exercise or refrain from exercising any rights against the Company and any other Person.

Section 16.09 Notice to Trustee. The Company shall give prompt written notice to the Trustee of any fact known to the Company which would prohibit the making of any payment to or by the Trustee in respect of the Securities. Notwithstanding the provisions of this Article or any other provision of this Indenture, the Trustee shall not be charged with knowledge of the existence of any facts which would prohibit the making of any payment to or by the Trustee in respect of the Securities, unless and until a Responsible Officer of the Trustee shall have received written notice thereof from the Company or a holder of Senior Debt or from any trustee therefor or representative thereof; and, prior to the receipt of any such written notice, the Trustee shall be entitled in all respects to assume that no such facts exist; provided, however, that if the Trustee shall not have received the notice provided for in this Section at least one full Business Day prior to the date upon which by the terms hereof any money may become payable for any purpose (including, without limitation, the payment of the principal of and premium and other amounts, if any, or interest on any Security), then, anything herein contained to the contrary notwithstanding, the Trustee shall have full power and authority to receive such money and to apply the same to the purpose for which such money was received and shall not be affected by any notice to the contrary which may be received by it within one full Business Day prior to such date.

Subject to the provisions of Section 6.01, the Trustee shall be entitled to rely on the delivery to it of a written notice by a Person representing himself to be a holder of Senior Debt (or a trustee therefor or representative thereof) to establish that such notice has been given by a holder of Senior Debt (or a trustee therefor or representative thereof). In the event that the Trustee determines in good faith that further evidence is required with respect to the right of any Person as a holder of Senior Debt to participate in any payment or distribution pursuant to this Article,

the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of Senior Debt held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article, and if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the rights of such Person to receive such payment.

Section 16.10 Reliance on Judicial Order or Certificate of Liquidating Agent. Upon any payment or distribution of assets of the Company referred to in this Article, the Trustee, subject to the provisions of Section 6.01, and the holders of the Securities shall be entitled to rely upon any order or decree entered by any court of competent jurisdiction in which such Proceeding is pending, or a certificate of the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee for the benefit of creditors, agent or other Person making such payment or distribution, delivered to the Trustee or to the holders of Securities, for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of the Senior Debt and other indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article.

Section 16.11 Trustee Not Fiduciary for Holders of Senior Debt. The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Debt and shall not be liable to any such holders if it shall in good faith mistakenly pay over or distribute to holders of Securities or to the Company or to any other Person cash, property or securities to which any holders of Senior Debt shall be entitled by virtue of this Article or otherwise. The Trustee shall not be charged with knowledge of the existence of Senior Debt or of any facts that would prohibit any payment hereunder unless a Responsible Officer of the Trustee shall have received notice to that effect at the address of the Trustee set forth in Section 1.05. With respect to the holders of Senior Debt, the Trustee undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in this Article and no implied covenants or obligations with respect to holders of Senior Debt shall be read into this Indenture against the Trustee.

Section 16.12 Rights of Trustee as Holder of Senior Debt; Preservation of Trustee's Rights. The Trustee in its individual capacity shall be entitled to all the rights set forth in this Article with respect to any Senior Debt which may at any time be held by it, to the same extent as any other holder of Senior Debt, and nothing in this Indenture shall deprive the Trustee of any of its rights as such holder.

Nothing in this Article shall apply to claims of, or payments to, the Trustee under or pursuant to Section 6.07.

Section 16.13 Article Applicable to Paying Agents. In case at any time any paying agent other than the Trustee shall have been appointed by the Company and be then acting hereunder, the term "Trustee" as used in this Article shall in such case (unless the context otherwise requires) be construed as extending to and including such paying agent within its meaning as fully for all intents and purposes as if such paying agent were named in this Article in addition to or in place of the Trustee; provided, however, that Sections 16.09 and 16.12 shall not apply to the Company or any Affiliate of the Company if it or such Affiliate acts as Paying Agent.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, all as of the day and year first above written.

ISSUER:

HORNBECK OFFSHORE SERVICES, INC.

By: _____

Name: _____

Title: _____

SUBSIDIARY GUARANTORS:

[INSERT SUBSIDIARY GUARANTORS]

By: _____

Name: _____

Title: _____

TRUSTEE:

as Trustee

By: _____

Name: _____

Title: _____

SCHEDULE I

SUBSIDIARY GUARANTORS
SUBSIDIARY STATE OF ORGANIZATION

[Insert Subsidiary Guarantors]

Exhibit 5

[Logo of Winstead appears here]

August 31, 2005

Hornbeck Offshore Services, Inc.
103 Northpark Blvd., Suite 300
Covington, LA 70447

Ladies and Gentlemen:

We have acted as counsel for Hornbeck Offshore Services, Inc. a Delaware corporation (the "Company"), in conjunction with the preparation of a Registration Statement on Form S-3 (the "Registration Statement"), including the prospectuses constituting a part thereof (the "Prospectuses"), to be filed by the Company with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Securities Act"), relating to the issuance and sale by the Company from time to time of up to $350,000,000 aggregate amount of: (i) unsecured debt securities of the Company, which may be either senior or subordinated and may include additional 6.125% Senior Notes due 2014 of the Company (the "Debt Securities") and which may be fully and unconditionally guaranteed (the "Guarantees") by certain of the Company's domestic subsidiaries (the "Subsidiary Guarantors"); (ii) shares of the Company's common stock, $.01 par value (the "Common Stock"); (iii) shares of the Company's preferred stock, $.01 par value (the "Preferred Stock"); and (iv) warrants to purchase securities of the Company (the "Warrants", together with the Debt Securities, the Guarantees, the Common Stock, the Preferred Stock and the Warrants, the "Securities"). Each Prospectus provides that it will be supplemented by one or more supplements to such Prospectus (each, a "Prospectus Supplement").

As counsel to the Company in connection with the proposed issuance and sale of the Securities, we have examined: (i) the Registration Statement, including the Prospectuses, and the exhibits (including those incorporated by reference), each constituting a part of the Registration Statement; (ii) the Company's Second Restated Certificate of Incorporation and Fourth Restated By-laws, each as amended to date; (iii) the Indenture, dated November 23, 2004, among the Company, the Guarantors listed therein and Wells Fargo Bank, National Association, as trustee (the "2004 Indenture"); (iv) the form of indenture for senior Debt Securities included as an exhibit to the Registration Statement (the "Senior Indenture"); (v) the form of indenture for subordinated Debt Securities included as an exhibit to the Registration Statement (the "Subordinated Indenture" and, together with the 2004 Indenture and the Senior Indenture, the "Indentures"); and (vi) such other proceedings, documents and records as we have deemed necessary to enable us to render this opinion.

In our examination of the above-referenced documents, we have assumed the genuineness of all signatures, the authenticity of all documents, certificates and instruments submitted to us as originals and the conformity with the originals of all documents submitted to us as copies. We have also assumed that (i) the Registration Statement, and any amendments thereto (including post-effective amendments), will have become effective and will comply with

all applicable laws; (ii) a Prospectus Supplement, if required, will have been prepared and filed with the SEC describing the Securities offered thereby; (iii) all Securities will be issued and sold in compliance with applicable federal and state securities laws and in the manner stated in the Registration Statement and any applicable Prospectus Supplement; (iv) the Senior Indenture and the Subordinated Indenture, together with any supplemental indenture relating to a series of Debt Securities to be issued under any of the Indentures, will each be duly authorized, executed and delivered by the parties thereto in substantially the form reviewed by us; (v) a definitive purchase, underwriting or similar agreement with respect to any Securities offered will have been duly authorized and validly executed and delivered by the Company and the other parties thereto; (vi) any Securities issuable upon conversion, exchange or exercise of any Security being offered will have been duly authorized, created and, if appropriate, reserved for issuance upon such conversion, exchange or exercise; and (vii) with respect to shares of Common Stock or Preferred Stock offered, there will be sufficient shares of Common Stock or Preferred Stock authorized under the Company's Second Restated Certificate of Incorporation and not otherwise reserved for issuance.

Based upon the foregoing, we are of the opinion that:

1. The Company is validly existing as a corporation under the laws of the State of Delaware. Each Subsidiary Guarantor is validly existing as a limited liability company under the laws of the State of Delaware.

2. All requisite action necessary to make any Debt Securities and any Guarantees valid, legal and binding obligations of the Company and the Subsidiary Guarantors, respectively, subject to (i) bankruptcy, insolvency, reorganization, fraudulent transfer, fraudulent conveyance, moratorium and other similar laws of general application affecting the rights and remedies of creditors and (ii) general principles of equity, regardless of whether applied in a proceeding in equity or at law, shall have been taken when:

a. The Company's Board of Directors, or a committee thereof or one or more officers of the Company, in each case duly authorized by the Board of Directors, shall have taken action to establish the terms of such Debt Securities and to authorize the issuance and sale of such Debt Securities;

b. The Managers of each Subsidiary Guarantor, or a committee thereof or one or more officers of such Subsidiary Guarantor, in each case duly authorized by the Managers, shall have taken action to establish the terms of the Guarantees and to authorize the issuance and sale of such Guarantees;

c. The terms of such Debt Securities and, if applicable, Guarantees and of their issuance and sale have been established in conformity with the applicable Indenture so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company or any Subsidiary Guarantor and so

as to comply with any requirements or restrictions imposed by any court or governmental entity having jurisdiction over the Company or a Subsidiary Guarantor;

d. Such Debt Securities and, if applicable, Guarantees, shall have been duly executed, authenticated and delivered in accordance with the terms and provisions of the applicable Indenture; and

e. Such Debt Securities and, if applicable, such Guarantees, shall have been issued and sold for the consideration contemplated by, and otherwise in conformity with, the Registration Statement, as supplemented by a Prospectus Supplement with respect to such issuance and sale, and the acts, proceedings and documents referred to above.

3. All requisite action necessary to make any shares of Common Stock validly issued, fully paid and nonassessable will have been taken when:

a. The Company's Board of Directors, or a committee thereof duly authorized by the Board of Directors, shall have adopted appropriate resolutions to authorize the issuance and sale of the Common Stock; and

b. Such shares of Common Stock shall have been issued and sold for the consideration contemplated by, and otherwise in conformity with, the Registration Statement, as supplemented by a Prospectus Supplement with respect to such issuance and sale, and the acts, proceedings and documents referred to above.

4. All requisite action necessary to make any shares of Preferred Stock validly issued, fully paid and nonassessable will have been taken when:

a. The Company's Board of Directors, or a committee thereof duly authorized by the Board of Directors, shall have adopted appropriate resolutions to establish the powers, designations, preferences and relative, participating, optional or other rights, if any, or the qualifications, limitations or restrictions, if any, and other terms of such shares of Preferred Stock as set forth in or contemplated by the Registration Statement, the exhibits thereto and any Prospectus Supplement relating to the Preferred Stock, and to authorize the issuance and sale of such shares of Preferred Stock;

b. A Certificate of Designations with respect to the powers, designations, preferences and relative, participating, optional or other rights, if any, or the qualifications, limitations or restrictions, if any, and other terms of such shares of Preferred Stock shall have been filed with the Secretary of State of the State of Delaware in the form and manner required by law; and

c. Such shares of Preferred Stock shall have been issued and sold for the consideration contemplated by, and otherwise in conformity with, the Registration

Statement, as supplemented by a Prospectus Supplement with respect to such issuance and sale, and the acts, proceedings and documents referred to above.

5. All requisite action necessary to make any Warrants valid, legal and binding obligations of the Company, subject to (i) bankruptcy, insolvency, reorganization, fraudulent transfer, fraudulent conveyance, moratorium and other similar laws of general application affecting the rights and remedies of creditors and (ii) general principles of equity, regardless of whether applied in a proceeding in equity or at law, shall have been taken when:

a. The Company's Board of Directors, or a committee thereof or one or more officers of the Company, in each case duly authorized by the Board of Directors, shall have taken action to approve and establish the terms and form of the Warrants and the documents, including any warrant agreements, evidencing and used in connection with the issuance and sale of the Warrants, and to authorize the issuance and sale of such Warrants;

b. The terms of such Warrants and of their issuance and sale have been established so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirements or restrictions imposed by any court or governmental entity having jurisdiction over the Company;

c. Any such warrant agreements shall have been duly executed and delivered;

d. Such Warrants shall have been duly executed and delivered in accordance with the terms and provisions of the applicable warrant agreement; and

e. Such Warrants shall have been issued and sold for the consideration contemplated by, and otherwise in conformity with, the Registration Statement, as supplemented by a Prospectus Supplement with respect to such issuance and sale, and the acts, proceedings and documents referred to above.

Except as otherwise stated below, the opinions expressed herein are based upon, and limited to, the laws of the states of Texas and New York and of the United States and the Delaware General Corporation Law. The reference and limitation to "Delaware General Corporation Law" includes the statutory provisions and all applicable provisions of the Delaware Constitution and reported judicial decisions interpreting these laws. We do not undertake to provide any opinion as to any matter or to advise any person with respect to any events or changes occurring subsequent to the date of this letter.

The opinions expressed in this letter are provided as legal opinions only and not as any guarantees or warranties of the matters discussed herein, and such opinions are strictly limited to the matters stated herein, and no other opinions may be implied therefrom.

We hereby consent to the reference to our firm under the caption “Legal Matters” in the Prospectus which is filed as part of the Registration Statement, and to the filing of this opinion as an exhibit to the Registration Statement. In giving this consent, we do not admit that we are “experts” within the meaning of Section 11 of the Securities Act or within the category of persons whose consent is required by Section 7 of the Securities Act.

Very truly yours,

/s/ Winstead Sechrest & Minick P.C.
WINSTEAD SECHREST & MINICK P.C.

Exhibit 12

Computation of Ratio of Earnings to Fixed Charges (in thousands)

	For the Year Ended				For the Six Months Ended	
	December 31, 2001	December 31, 2002	December 31, 2003	December 31, 2004	June 30, 2004	June 30, 2005
Total Interest Cost						
Interest Expense	$ 16,646	$ 16,207	$ 18,523	$ 17,698	$ 9,801	$ 5,438
Capitalized Interest	3,075	3,867	2,734	3,004	911	2,110
Total Interest Cost (fixed charges)	19,721	20,074	21,257	20,702	10,712	7,548
Pre-tax Income	12,756	18,786	18,048	(3,803)	6,768	20,576
Interest Expense	16,646	16,207	18,523	17,698	9,801	5,438
Earnings	29,402	34,993	36,571	13,895	16,569	26,014
Ratio of earnings to fixed charges	1.49	1.74	1.72	0.67	1.55	3.45

If the Company adjusts its earnings to exclude the impact of loss on the early extinguishment of debt in the amount of $3,029, $22,443 and $1,698 for the 2001, 2004 and 2005 periods reflected above, the ratio of earnings to fixed charges, as so adjusted, would be 1.64x and 1.76x for the years ended December 31, 2001 and 2004, respectively, and 1.55x and 3.67x for the six-month periods ended June 30, 2004 and 2005, respectively.

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” in the Registration Statement (Form S-3) and related Prospectuses’ of Hornbeck Offshore Services, Inc. for the registration of warrants, debt and/or equity securities, or any combination thereof, as the case may be, not to exceed $350,000,000 and to the incorporation by reference therein of our report dated February 18, 2005, with respect to the consolidated financial statements of Hornbeck Offshore Services, Inc. included in its Annual Report (Form 10-K, as amended) for the year ended December 31, 2004, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP
Ernst & Young LLP

New Orleans, Louisiana
August 31, 2005

EXHIBIT 25.2

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

☒ CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b) (2)

WELLS FARGO BANK, NATIONAL ASSOCIATION

(Exact name of trustee as specified in its charter)

A National Banking Association (Jurisdiction of incorporation or organization if not a U.S. national bank)	**94-1347393** (I.R.S. Employer Identification No.)
101 North Phillips Avenue **Sioux Falls, South Dakota** (Address of principal executive offices)	**57104** (Zip code)

Wells Fargo & Company
Law Department, Trust Section
MAC N9305-175
Sixth Street and Marquette Avenue, 17th Floor
Minneapolis, Minnesota 55479
(612) 667-4608
(Name, address and telephone number of agent for service)

HORNBECK OFFSHORE SERVICES, INC.

(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**72-1375844** (I.R.S. Employer Identification No.)
103 Northpark Boulevard, Suite 300 **Covington, Louisiana** (Address of principal executive offices)	**70433** (Zip code)

Senior Debt
(Title of the indenture securities)

Item 1. General Information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Comptroller of the Currency
Treasury Department
Washington, D.C.

Federal Deposit Insurance Corporation
Washington, D.C.

Federal Reserve Bank of San Francisco
San Francisco, California 94120

(b) Whether it is authorized to exercise corporate trust powers.

The trustee is authorized to exercise corporate trust powers.

Item 2. Affiliations with Obligor. If the obligor is an affiliate of the trustee, describe each such affiliation.

None with respect to the trustee.

No responses are included for Items 3-14 of this Form T-1 because the obligor is not in default as provided under Item 13.

Item 15. Foreign Trustee. Not applicable.

Item 16. List of Exhibits. List below all exhibits filed as a part of this Statement of Eligibility.

Exhibit 1.	A copy of the Articles of Association of the trustee now in effect.*
Exhibit 2.	A copy of the Comptroller of the Currency Certificate of Corporate Existence and Fiduciary Powers for Wells Fargo Bank, National Association, dated February 4, 2004.**
Exhibit 3.	See Exhibit 2
Exhibit 4.	Copy of By-laws of the trustee as now in effect.***
Exhibit 5.	Not applicable.
Exhibit 6.	The consent of the trustee required by Section 321(b) of the Act.
Exhibit 7.	A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.
Exhibit 8.	Not applicable.
Exhibit 9.	Not applicable.

* Incorporated by reference to the exhibit of the same number to the trustee's Form T-1 filed as exhibit 25 to the Form T-3 dated March 3, 2004 of Trans-Lux Corporation file number 022-28721.

** Incorporated by reference to the exhibit of the same number to the trustee's Form T-1 filed as exhibit 25 to the Form T-3 dated March 3, 2004 of Trans-Lux Corporation file number 022-28721.

*** Incorporated by reference to the exhibit of the same number to the trustee's Form T-1 filed as exhibit 25 to the Form T-3 dated March 3, 2004 of Trans-Lux Corporation file number 022-28721.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, Wells Fargo Bank, National Association, a national banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Middletown and State of Connecticut on the 18th day of August 2005.

WELLS FARGO BANK, NATIONAL ASSOCIATION

/s/ Joseph P. O'Donnell
Joseph P. O'Donnell
Vice President

EXHIBIT 6

August 18, 2005

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

In accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, the undersigned hereby consents that reports of examination of the undersigned made by Federal, State, Territorial, or District authorities authorized to make such examination may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

/s/ Joseph P. O'Donnell
Joseph P. O'Donnell
Vice President

Exhibit 7

Consolidated Report of Condition of

Wells Fargo Bank National Association
of 101 North Phillips Avenue, Sioux Falls, SD 57104
And Foreign and Domestic Subsidiaries,
at the close of business June 30, 2005, filed in accordance with 12 U.S.C. §161 for National Banks.

		Dollar Amounts In Millions
ASSETS		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		$ 13,712
Interest-bearing balances		1,968
Securities:		
Held-to-maturity securities		0
Available-for-sale securities		24,158
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold in domestic offices		1,518
Securities purchased under agreements to resell		905
Loans and lease financing receivables:		
Loans and leases held for sale		32,024
Loans and leases, net of unearned income	249,760	
LESS: Allowance for loan and lease losses	2,336	
Loans and leases, net of unearned income and allowance		247,424
Trading Assets		6,313
Premises and fixed assets (including capitalized leases)		3,676
Other real estate owned		125
Investments in unconsolidated subsidiaries and associated companies		330
Customers' liability to this bank on acceptances outstanding		94
Intangible assets		
Goodwill		8,613
Other intangible assets		9,109
Other assets		14,151
Total assets		$ 364,120
LIABILITIES		
Deposits:		
In domestic offices		$ 255,501
Noninterest-bearing	81,024	
Interest-bearing	174,477	
In foreign offices, Edge and Agreement subsidiaries, and IBFs		28,344
Noninterest-bearing	3	
Interest-bearing	28,341	
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased in domestic offices		9,370
Securities sold under agreements to repurchase		3,423

	Dollar Amounts In Millions
Trading liabilities	4,966
Other borrowed money	
(includes mortgage indebtedness and obligations under capitalized leases)	10,763
Bank's liability on acceptances executed and outstanding	94
Subordinated notes and debentures	7,038
Other liabilities	10,508
Total liabilities	$330,007
Minority interest in consolidated subsidiaries	64
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	520
Surplus (exclude all surplus related to preferred stock)	24,521
Retained earnings	8,517
Accumulated other comprehensive income	491
Other equity capital components	0
Total equity capital	34,049
Total liabilities, minority interest, and equity capital	$364,120

I, Karen B. Martin, Vice President of the above-named bank do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true to the best of my knowledge and belief.

Karen B. Martin
Vice President

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

Howard Atkins
Carrie Tolstedt Directors
Pat Callahan

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

☒ CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b) (2)

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(Exact name of trustee as specified in its charter)

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Wells Fargo & Company
Law Department, Trust Section
MAC N9305-175
Sixth Street and Marquette Avenue, 17th Floor
Minneapolis, Minnesota 55479
(612) 667-4608
(Name, address and telephone number of agent for service)

HORNBECK OFFSHORE SERVICES, INC.

(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**72-1375844** (I.R.S. Employer Identification No.)
103 Northpark Boulevard, Suite 300 **Covington, Louisiana** (Address of principal executive offices)	**70433** (Zip code)

Subordinated Debt
(Title of the indenture securities)

Item 1. General Information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Comptroller of the Currency
Treasury Department
Washington, D.C.

Federal Deposit Insurance Corporation
Washington, D.C.

Federal Reserve Bank of San Francisco
San Francisco, California 94120

(b) Whether it is authorized to exercise corporate trust powers.

The trustee is authorized to exercise corporate trust powers.

Item 2. Affiliations with Obligor. If the obligor is an affiliate of the trustee, describe each such affiliation.

None with respect to the trustee.

No responses are included for Items 3-14 of this Form T-1 because the obligor is not in default as provided under Item 13.

Item 15. Foreign Trustee. Not applicable.

Item 16. List of Exhibits. List below all exhibits filed as a part of this Statement of Eligibility.

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Exhibit 3.	See Exhibit 2
Exhibit 4.	Copy of By-laws of the trustee as now in effect.***
Exhibit 5.	Not applicable.
Exhibit 6.	The consent of the trustee required by Section 321(b) of the Act.
Exhibit 7.	A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.
Exhibit 8.	Not applicable.
Exhibit 9.	Not applicable.

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SIGNATURE

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WELLS FARGO BANK, NATIONAL ASSOCIATION

/s/ Joseph P. O'Donnell
Joseph P. O'Donnell
Vice President

EXHIBIT 6

August 18, 2005

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

In accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, the undersigned hereby consents that reports of examination of the undersigned made by Federal, State, Territorial, or District authorities authorized to make such examination may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

/s/ Joseph P. O'Donnell
Joseph P. O'Donnell
Vice President

Exhibit 7

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Interest-bearing	28,341	
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Federal funds purchased in domestic offices		9,370
Securities sold under agreements to repurchase		3,423

	Dollar Amounts In Millions
Trading liabilities	4,966
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(includes mortgage indebtedness and obligations under capitalized leases)	10,763
Bank's liability on acceptances executed and outstanding	94
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Common stock	520
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Retained earnings	8,517
Accumulated other comprehensive income	491
Other equity capital components	0
Total equity capital	34,049
Total liabilities, minority interest, and equity capital	$364,120

I, Karen B. Martin, Vice President of the above-named bank do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true to the best of my knowledge and belief.

Karen B. Martin
Vice President

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

Howard Atkins
CarrieTolstedt Directors
Pat Callahan