

CODE OF BUSINESS CONDUCT AND ETHICS

Purpose

This Code of Business Ethics and Conduct (the "Code") has been adopted by the Board of Directors of US Shipping General Partner LLC, a Delaware limited partnership (the "General Partner") and general partner of U.S. Shipping Partners L.P. (the "Partnership" and, together with the General Partner and their respective subsidiaries and affiliated entities, the "Partnership Group"). This Code applies to the Partnership Group's employees, officers and directors, including its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. Although the Code provides only a brief description of the potential problems that may arise, a familiarity with the basic principles of the Code should assist employees, officers and directors in avoiding illegal or unethical behavior.

The purpose of this Code is to codify those standards that the Partnership believes are reasonably designed to deter wrong-doing and to promote, among other things, adherence to the following principles:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in reports and documents that the Partnership files with, or submits to, the Securities and Exchange Commission (the "SEC") and in other public communications made by the Partnership;
- Compliance with applicable governmental laws, rules and regulations;
- The prompt internal reporting of violations of this Code; and
- Accountability for adherence to this Code.

No provision of this Code, however, is intended to create any right in favor of any third party, including any security holder, officer, director or employee of the Partnership, in the event of a violation of any provision of this Code.

I. Compliance with Applicable Governmental Laws, Rules and Regulations

The Partnership's senior management should encourage and promote compliance by all employees, officers and directors of the Partnership Group with the laws, rules and regulations applicable to its business and operations.

All employees must respect and obey the laws of the jurisdictions in which the Partnership Group operates. Although not all employees are expected to know all the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

Regulatory Investigations, Inspections, and Inquiries

We are direct, honest, and truthful in our discussions with regulatory agency representatives and government officials. During investigations, inspections, and inquiries we work with U.S. Shipping Partners L.P.'s Law and Corporate Affairs advisers and cooperate by responding to appropriate requests for information.

Respect for the Environment

U.S. Shipping Partners L.P. respects the environment and protects our natural resources. We comply with applicable laws and regulations regarding the use and preservation of our land, air, and water.

II. Honest and Ethical Conduct and Ethical Handling of Conflicts of Interest

Employees, officers and directors should conduct themselves and their activities on behalf of the Partnership Group in an honest and ethical manner which complies with this Code.

Employees should report to their immediate supervisors all material facts relating to relationships or financial interests which give rise, directly or indirectly, to an actual or potential conflict of interest. A conflict of interest exists whenever an individual has an interest that interferes or conflicts in any way (or even appears to interfere or conflict) with the interests of the Partnership Group. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her work on behalf of any member of the Partnership Group objectively and efficiently.

Conflicts of interest also arise when an employee, officer or director, or member of his or her family, receives improper personal benefits as a result of his or her position in the Partnership Group. Conflicts of interest may not always be clear-cut, so if questions arise, employees should consult with their supervisors or follow the "Compliance Procedures" set forth in this Code. Directors and members of senior management should make similar reports to the Audit Committee and/or the Vice President -Chief Financial Officer.

In endeavoring to avoid any actual or potential conflicts of interest between their personal and professional relationships, employees, officers and directors should be aware of, and comply with, the following policies:

Holding a Significant Interest in Customers or Competitors

You (and your immediate family members; namely, spouses and family living in the same household) are prohibited from having any ownership interest in, or owning property with, any of the Partnership Group's customers or competitors (or their

respective officers or employees) unless the Partnership determines in advance that your interest will not conflict with your obligations to the Partnership Group. These restrictions do not apply to ownership of equity securities of a publicly-traded entity if such ownership is less than 1% of the outstanding equity securities of that entity.

Outside Work

The Partnership prohibits its employees, officers and directors from working for, or conducting any outside business with, its competitors unless the Partnership determines in advance that your participation will not harm the Partnership Group. To determine whether investments or activities create a conflict, employees are required to list (on the last page of this policy statement) outside business and ownership interests which relate to marine transportation.

The list should include investments and activities involving marine transportation companies, any of our customers or competitors. If your activities change, you are required to update that list and give it to your supervisor who will submit it to the department head for review. The Partnership will determine if such activities or investments are consistent with Partnership policies.

Political Activities and Contributions

U.S. Shipping Partners L.P. employees are encouraged to exercise their right to participate in political activities. Any decision to become involved is entirely personal and voluntary. Employees' personal political activities are done on their own time and with their own resources

Citizenship and Community Service

We have a strong and demonstrated commitment to the improvement of society as well as the communities we serve and in which we operate. We encourage the support of charitable, civic, educational, and cultural causes. Our contributions include cash, volunteer time and technical assistance.

III. Disclosure in SEC Filings and Other Public Communications

It is the Partnership's policy to make full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws, rules and regulations in all reports and documents that the Partnership files with, or submits to, the SEC and in all other public communications made by the Partnership. Depending on their position with the Partnership Group, an employee officer or director may be called upon to provide necessary information in furtherance of this policy. The Partnership expects employees, officers and directors to take this responsibility very seriously and to provide prompt, accurate and complete answers to inquiries related to the Partnership's public disclosure. If the Chief Executive Officer, the Chief Financial Officer, the Controller, any other person

acting as the Partnership's principal accounting officer or any persons performing similar functions (each a "Senior Financial Officer") becomes aware of material information that affects the disclosures made or to be made by the Partnership in its SEC filings or submissions or other public communications, he or she promptly should bring such information to the attention of the Partnership personnel responsible for preparing such disclosures.

The Senior Financial Officers should oversee the establishment and management of the Partnership's internal controls and disclosure controls and procedures to enable:

- The Partnership's consolidated financial statements and the notes thereto to present fairly, in all material respects, the financial position, results of operations and cash flows of the Partnership as of and for the period(s) indicated in conformity with accounting principles generally accepted in the United States; and
- The Senior Financial Officers to bring to the attention of the Audit Committee any information, of which they are aware, concerning (i) significant deficiencies in the design or operation of internal controls which could adversely affect the Partnership's ability to record, process, summarize and report financial data or (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Partnership's financial reporting, disclosures or internal controls.

IV. Competition and Fair Dealing

We are committed to business success through maintenance of high standards of responsibility and ethics and seek to outperform our competition fairly and honestly. Each employee, officer and director should endeavor to respect the rights of and deal fairly with the Partnership Group's customers, suppliers, competitors and employees. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

To ensure objectivity in dealing with the Partnership Group's customers, suppliers and competitors and to avoid the appearance of impropriety, employees and their immediate family members are not permitted to accept personal benefits, solicited or unsolicited, of any kind, including gifts, free services, discounts, loans, lavish entertainment or other special favors. We do not solicit gifts, entertainment, or favors of any value from persons or firms with which U.S. Shipping Partners L.P. actually or potentially does business. Nor do we act in a manner that would place any vendor or customer in a position where he/she may feel obligated to make a gift, provide entertainment, or provide personal favors in order to do business or continue to do business with U.S. Shipping Partners L.P. Each employee should advise his or her supervisor if any person affiliated with the Partnership Group repeatedly accepts such personal benefits.

Vendors

U.S. Shipping Partners L.P. vendors must adhere to the highest standards of ethical behavior and regulatory compliance and operate in the best interest of U.S. Shipping Partners L.P. Vendors are expected to provide high-quality services and products while maintaining flexibility and cost-effectiveness. All vendors are required to read and comply with the U.S. Shipping Partners L.P. Vendor Code of Conduct and, when appropriate, train their employees and representatives to ensure that they are aware of U.S. Shipping Partners L.P.'s expectations regarding their behavior. We do not engage in any unethical or illegal conduct with our vendors. We do not accept incentives such as kickbacks or bribes in return for conducting business with them.

V. Partnership Opportunities

Employees, officers and directors are prohibited from taking for themselves personally opportunities that are discovered through the use of Partnership Group property, information, or position without the consent of the Partnership. No employee, officer or director may use Partnership Group property, information or position for improper personal gain, and no employee, office or director may compete with the Partnership Group directly or indirectly. Employees, officers and directors owe a duty to the Partnership Group to advance its legitimate business interests when the opportunity to do so arises.

VI. Protection and Proper Use of Partnership Group Assets

All employees, officers and directors should protect the Partnership's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Partnership Group's profitability. All Partnership Group assets should be used for legitimate business purposes.

VII. Confidentiality

Employees, officers and directors will learn, work with, and be entrusted with, confidential information relating to the Partnership Group's operations and its customers and must maintain the confidentiality of confidential information entrusted to them. In rare instances disclosure of confidential information may be authorized by your supervisor or the Partnership's legal counsel or required by laws, regulations or legal proceedings. You should consult your supervisor or the Partnership's legal counsel to determine whether disclosure is legally required. Confidential information includes all non-public information that might be useful to competitors, or harmful to the Partnership Group or its customers, if disclosed. Specific examples of information that is confidential include financial information, costs, business projections and any information that is marked confidential. Keeping this information confidential is necessary to ensure our success. Because this information has substantial value to the Partnership Group, all employees, officers and directors must exercise care not to disclose any confidential

information even inadvertently (for example, through conversation in elevators or restaurants), to any unauthorized person in or outside the Partnership Group. Employees must ask their supervisors if they are not sure what is considered confidential information.

VIII. Insider Trading

Employees, officers and directors who have access to non-public information regarding the Partnership Group or any other entity are not permitted to use or share that information for purposes of trading securities of the Partnership or such other entity or for any other purpose except the conduct of the Partnership Group's business. To use nonpublic information for personal financial benefit or to "tip" others who might make an Investment decision on the basis of this information is unethical and illegal.

IX. Record Keeping

The Partnership requires honest and accurate recording and reporting of information in order to make responsible business decisions. For example, only the true and actual number of hours worked can be reported. Business expenses incurred by employees must be authorized and must be documented and recorded accurately. An employee's supervisor should be consulted if the employee is not sure whether a certain expense is legitimate.

All of the Partnership Group's books, records, accounts and financial statements will be maintained in reasonable detail, will appropriately reflect the Partnership Group's transactions and will conform both to applicable legal requirements and to the Partnership Group's system of internal controls. Unrecorded funds or assets shall not be maintained. Business records and communications often become public. Consequently, employees should avoid exaggeration, derogatory remarks, guesswork and inappropriate characterizations of people and companies that could be misunderstood. This applies as well to email. Records should always be retained or destroyed according to the Partnership Group's established record retention policies.

X. Compliance Procedures

All of us must work to ensure prompt and consistent action against violations of this Code. However, since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and on the alternatives you have. Use your judgment and

common sense; if something seems unethical or improper, it probably is.

- Clarify your responsibility and role. In many situations, there is shared information and responsibility. Are your colleagues informed? It may help to get others involved to discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and he or she will appreciate being brought into the process. Remember that it is your supervisor's responsibility to help solve problems.
- Utilize the Partnership's "open door" policy. In the rare case where it may not be appropriate to discuss an issue with your supervisor, or where you do not feel comfortable approaching your supervisor with your question, remember that the Partnership maintains an "open door" policy so that you may discuss the issue locally with your office manager or Human Resources manager. If that is not appropriate or satisfactory, the Partnership's "open door" policy allows you to continue to raise the matter to higher levels of management, including ultimately the Chief Executive Officer and the Board.

XI. Reporting Illegal or Unethical Behavior and Code Violations

It is the policy of the Partnership to comply with all applicable legal and regulatory requirements, including those relating to accounting, internal accounting controls and auditing matters, and to require its employees to do likewise. Every employee has the responsibility to assist the Partnership in meeting these legal and regulatory requirements. Any employee of the Partnership Group who becomes aware of any information concerning any conduct which he or she reasonably believes to constitute an accounting, auditing or internal control irregularity or impropriety or to be in violation of United States federal securities laws, laws regarding mail, wire or bank fraud, the rules and regulations of the SEC, any provision of law relating to fraud against security holders, the commission or possible commission of a federal offense, violations of the Partnership Group's accounting practices or internal controls, or other concerns regarding questionable accounting or auditing matters, is required to promptly report such information pursuant to the procedure adopted by the Audit Committee of the Partnership General Partner's Board of Directors.

Employees are encouraged to talk to supervisors or other appropriate personnel about observed illegal or unethical behavior or violations of this Code or if they are in doubt about the best course of action in a particular situation. Employees additionally are expected to cooperate in internal investigations of misconduct. **The Partnership prohibits retaliation against any employee who makes a good faith complaint regarding a violation or possible violation of this Code or participates in the Partnership's investigation thereof.**

Senior Financial Officers and directors should report to the Audit Committee (and any other appropriate committee) of the Board any known or suspected violation of this Code by any Senior Financial Officer.

Whistleblower Hotline

At U.S. Shipping Partners L.P. we believe that one of our most important duties is to provide the best possible workplace for all employees. Every employee shares in the responsibility for promoting a positive environment and safe, secure and ethical workplace. To help, we have installed a new phone and internet-based reporting system called EthicsPoint, to enhance communication and empower you to promote safety, security and ethical behavior. EthicsPoint manages the reporting system and they ensure that it is completely confidential.

To file a report on the EthicsPoint system you may go to www.ethicspoint.com. Click on "File a new report" then enter the company name, U.S. Shipping Partners L.P., and follow the prompts. Alternatively you may report through the toll-free EthicsPoint number dedicated to U.S. Shipping Partners L.P. which is (866) 294-9357.

XII. Prohibition Against Discrimination, Harassment and/or Retaliation

The Partnership policy prohibits discrimination, harassment and/or retaliation against any employee who in good faith provides any information or otherwise assists in any investigation or proceeding regarding any matters of legal or regulatory concern. Any employee who believes that he or she has been the subject of any such prohibited discrimination, harassment and/or retaliation is strongly encouraged to report immediately the facts thereof to such employee's supervisor or manager, to Human Resources directly, or to the Partnership's Vice President – Chief Financial Officer. As appropriate, the allegations of discrimination, harassment and/or retaliation will be investigated in as confidential manner as possible, subject to the need to conduct a full and impartial investigation, remedy any violations of the Partnership's policies or monitor compliance with the Partnership's policies. **The Partnership prohibits retaliation against any employee who makes a good faith complaint regarding a violation or possible violation of this Code or participates in the Partnership's investigation thereof.**

In the event that an investigation establishes that an employee has engaged in conduct or action constituting discrimination, harassment and/or retaliation in violation of this policy, the Partnership will take appropriate corrective action up to and including termination of employment.

XIII. Finance Code of Conduct

Finance's mission includes promotion of professional conduct in the practice of financial management worldwide. U.S. Shipping Partners L.P.'s Chief Executive

Officer (CEO), Chief Financial Officer (CFO), Corporate Controller, and other employees of the finance organization hold an important and elevated role in corporate governance in that they are uniquely capable and empowered to ensure that all stakeholders' interests are appropriately balanced, protected, and preserved. This Finance Code of Professional Conduct embodies principles which we are expected to adhere to and advocate. These principles of ethical business conduct encompass rules regarding both individual and peer responsibilities, as well as responsibilities to U.S. Shipping Partners L.P. employees, the public, and other stakeholders. The CEO, CFO, and Finance organization employees are expected to abide by this Code as well as all applicable U.S. Shipping Partners L.P. business conduct standards and policies or guidelines in U.S. Shipping Partners L.P.'s employee handbook relating to areas covered by the Code. Any violations of the U.S. Shipping Partners L.P. Finance Code of Professional Conduct may result in disciplinary action, up to and including termination of employment.

- Act with honesty and integrity, avoiding actual or apparent conflicts of interest in their personal and professional relationships.
- Provide stakeholders with information that is accurate, complete, objective, fair, relevant, timely, and understandable, including information in our filings with and other submissions to the U.S. Securities and Exchange Commission and other public bodies.
- Comply with rules and regulations of federal, state, provincial, and local governments, and of other appropriate private and public regulatory agencies.
- Act in good faith, responsibly, with due care, competence, and diligence, without misrepresenting material facts or allowing one's independent judgment to be subordinated.
- Respect the confidentiality of information acquired in the course of one's work except when authorized or otherwise legally obligated to disclose.
- Not use confidential information acquired in the course of one's work for personal advantage.
- Share knowledge and maintain professional skills important and relevant to stakeholders' needs.
- Proactively promote and be an example of ethical behavior as a responsible partner among peers, in the work environment and the community.
- Exercise responsible use, control, and stewardship over all U.S. Shipping Partners L.P. assets and resources that are employed by or entrusted to us.
- Not coerce, manipulate, mislead, or unduly influence any authorized audit or interfere with any auditor engaged in the performance of an internal or independent audit of U.S. Shipping Partners L.P.'s system of internal controls, financial statements, or accounting books and records.

If you have a concern about a questionable accounting or auditing matter and wish to

submit the concern confidentially or anonymously, you may do so by filing a report at www.ethicspoint.com or by calling the toll-free Whistleblower 24-hour hotline dedicated to U.S. Shipping Partners L.P. which is (866) 294-9357.

U.S. Shipping Partners L.P. will handle all inquiries discreetly and make every effort to maintain, within the limits allowed by law, the confidentiality of anyone requesting guidance or reporting questionable behavior and/or a compliance concern.

It is U.S. Shipping Partners L.P.'s intention that this Code of Professional Conduct be its written code of ethics under Section 406 of the Sarbanes-Oxley Act of 2002 complying with the standards set forth in Securities and Exchange Commission Regulation S-K Item 406.

XIV. Our Responsibilities

All U.S. Shipping Partners L.P. employees are accountable and responsible for understanding and complying with the Standards of Business Conduct, applicable laws, regulations, and U.S. Shipping Partners L.P. policies that are related to their jobs. In fulfilling these responsibilities each employee must:

Read, understand, and comply with the Standards of Business Conduct and all U.S. Shipping Partners L.P. policies that are related to his/her job.

- Participate in training and educational programs/events required for his/her job.
- Obtain guidance for resolving a business practice or compliance concern if he/she is uncertain about how to proceed in a situation.
- Report possible violations of the Standards of Business Conduct, policies, applicable laws, and regulatory requirements.
- Cooperate fully in any investigation.
- Make a commitment to conduct U.S. Shipping Partners L.P.'s business with integrity and in compliance with applicable laws and regulatory requirements.

XV. Consequences for Non-Adherence to Code Provisions

Each employee, officer and director shall be personally responsible and accountable for his or her adherence to the provisions of this Code. The Partnership may impose such sanctions, including dismissal for cause, for violations of this Code as it shall determine, under the circumstances, to be in the best interests of the Partnership and its partners.

Note as to scope and waivers of this Code:

This Code applies to all employees, officers and directors of the Partnership Group. It also is intended to constitute the code of ethics for the Partnership's senior financial

officers pursuant to Item 406 of Regulation S-K of the SEC. Any waiver of this Code for the Partnership's executive officers or directors may be made only by the Board of Directors of the General Partner, or the Conflicts Committee thereof, and will be promptly disclosed to the holders of membership interest in U.S. Shipping Partners L.P. as required by law and/or the regulations of the New York Stock Exchange, Inc.