

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re : **Chapter 11**  
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U.S. SHIPPING PARTNERS L.P., et al., : **Case No. 09-12711 (RDD)**  
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Debtors. : **(Jointly Administered)**  
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**GENERAL NOTES PERTAINING TO SCHEDULES AND SOFAS**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

U.S. Shipping Partners L.P. (“*USSP*”) and its debtor affiliates, as debtors and debtors in possession (collectively, the “*Debtors*”),<sup>1</sup> respectfully represent:

With the assistance of their Bankruptcy Court-appointed advisors, the Debtors’ management prepared the Schedules of Assets and Liabilities (collectively, the “*Schedules*”) and the Statements of Financial Affairs (the “*SOFAs*” and together with the Schedules, the “*Schedules and SOFAs*”) pursuant to section 521 of the Bankruptcy Code and Rule 1007 of the Federal Rules of Bankruptcy Procedure. The Schedules and SOFAs are unaudited and do not purport to represent financial statements prepared in accordance with Generally Accepted Accounting Principles in the United States (“*GAAP*”), and they are they not intended to be fully reconciled to the financial statements.

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<sup>1</sup> The Debtors in these cases are USSP, US Shipping General Partner LLC, U.S. Shipping Finance Corp., U.S. Shipping Operating LLC, USS Chartering LLC, USS ATB 1 LLC, USS ATB 2 LLC, USS ATB 3 LLC, USS ATB 4 LLC, USS M/V Houston LLC, ITB Mobile LLC, USCS Chemical Pioneer Inc., ITB Groton LLC, ITB New York LLC, ITB Jacksonville LLC, ITB Baltimore LLC, USCS ATB LLC, USCS Sea Venture LLC, ITB Philadelphia LLC, USCS Chemical Chartering LLC, USCS Charleston Chartering LLC, USCS Charleston LLC, USS JV Manager Inc., USS Product Manager LLC, USS PC Holding Corp., USS Product Carriers LLC, and USS Vessel Management LLC. USSP is the indirect parent of USS Product Carriers LLC, the owner of a 40% interest in a joint venture, USS Products Investor LLC. US Shipping General Partner LLC is the direct parent of debtor USS Vessel Management LLC and non-debtor USS Transport LLC. Information regarding the Debtors’ business, their pre-arranged restructuring plan, and the background of these chapter 11 cases can be found in the Affidavit of Ronald L. O’Kelley Pursuant to Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York in Support of First-Day Motions and Applications, filed on April 29, 2009, the date the Debtors filed their petitions (the “*Commencement Date*”) under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”).

Although the Debtors' management has made every reasonable effort to ensure that the Schedules and SOFAs are accurate and complete based on information that was available to them at the time of preparation, subsequent information or discovery may result in material changes to these Schedules and SOFAs, and inadvertent errors or omissions may have occurred. The information provided herein, except as otherwise noted, is as of the close of business on April 30, 2009, which is the date that the Debtors closed their financial records. Subsequent receipt of information or an audit may result in material changes in financial data requiring amendment of the Schedules and SOFAs. Accordingly, the Schedules and SOFAs remain subject to further review and verification by the Debtors. The Debtors reserve their right to amend the Schedules and SOFAs from time-to-time as may be necessary or appropriate. These general notes regarding the Debtors' Schedules and SOFAs (the "**General Notes**") comprise an integral part of the Schedules and SOFAs filed by the Debtors and should be referenced in connection with any review of the Schedules and SOFAs. Nothing contained in the Schedules and SOFAs shall constitute a waiver of any rights or claims of the Debtors against any third party, or in or with respect to any aspect of these chapter 11 cases.

- 1 Joint Administration. Pursuant to an order entered April 30, 2009 [Docket No. 32], the Debtors' respective chapter 11 cases are jointly administered under the case name and caption set forth above. Notwithstanding the joint administration of the Debtors' cases, each Debtor has filed its own Schedules and SOFAs.
- 2 Information Subject to Confidentiality. There may be instances in the Schedules and SOFAs where the Debtors have deemed it necessary and appropriate to redact from the public record information such as names, addresses or amounts. Typically, the Debtors have used this approach because of an agreement between the Debtors and a third party, concerns of confidentiality or proprietary concerns, or concerns for the privacy of, or otherwise preserving the confidentiality of personally identifiable information with respect to, an individual.
- 3 Amendments. The Debtors reserve the right to amend and/or supplement the Schedules and SOFAs as necessary and/or appropriate.
- 4 Estimates and Assumptions. The preparation of the Schedules and SOFAs required the Debtors to make estimates and assumptions with respect to the reported amounts of assets and liabilities, the value of contingent assets and liabilities on the date of the Schedules and SOFAs and the reported amounts of revenues and expenses during the applicable reporting periods. Actual results could differ from those estimates.
- 5 Asset and Liability Presentation. Unless otherwise noted, each asset and liability of the Debtors is shown on the basis of the net book value of the asset or liability in the Debtors' accounting books and records, as of April 30, 2009, which is the date that the Debtors closed their financial records, and not on the basis of current market values of such interest in property and/or liabilities. As applicable, assets

that have been fully depreciated or were expensed for accounting purposes have no net book value. The Debtors reserve their right to amend or adjust the value of each asset or liability set forth herein.

- 6 Prepetition Claims Paid Postpetition. As part of the “first day” orders, the Debtors were authorized to pay, in their own discretion, certain outstanding, prepetition claims, including, but not limited to, wages and benefits, workers’ compensation claims, and insurance claims. Any such prepetition claims that have been or will be paid postpetition pursuant to authority granted by the Bankruptcy Court have been excluded from the Schedules and SOFAs. The inadvertent inclusion of any such amounts shall not be deemed to obligate the Debtors to pay such amounts again. Further, the Debtors may continue to pay prepetition claims in accordance with the authority granted by the Bankruptcy Court. The balances listed in the Schedules and SOFAs are as of June 5, 2009, and any such subsequent payments shall reduce (or eliminate) the amounts owed to such claimants.
- 7 Prepetition v. Postpetition. The Debtors have sought to allocate liabilities between the prepetition and postpetition periods based on the information and research that was conducted in connection with the preparation of the Schedules and SOFAs. As additional information becomes available and further research is conducted, the allocation of liabilities between prepetition and postpetition periods may change. The Debtors also reserve the right to change the allocation of liability to the extent additional information becomes available.
- 8 Causes of Action. Despite reasonable efforts, the Debtors might not have identified and/or set forth all of their causes of action against third parties as assets in their Schedules and SOFAs. The Debtors reserve any and all of their rights with respect to any causes of action they may have, and neither these General Notes nor the Schedules and SOFAs shall be deemed a waiver of any such causes of action.
- 9 Claims Description. Any failure to designate a claim on the Debtors’ Schedules and/or SOFAs as “disputed,” “contingent” or “unliquidated” does not constitute an admission by the Debtors that such claim is not “disputed,” “contingent” or “unliquidated.” The Debtors reserve the right to dispute, or to assert offsets or defenses to, any claim reflected on its Schedules and SOFAs as to amount, liability, priority, secured or unsecured status, or classification, or to otherwise designate any claim as “disputed,” “contingent” or “unliquidated” by filing and serving an appropriate amendment. The Debtors reserve the right to amend their Schedules and/or SOFAs as necessary and/or appropriate.
- 10 Property and Equipment. Owned property and equipment are listed as net book value. Nothing in the Schedules or SOFAs (including, without limitation, the failure to list leased property or equipment as owned property or equipment) is or shall be construed as an admission as to the determination of legal status of any

lease (including whether any lease is a true lease or financing arrangement), and the Debtors reserve all their rights with respect to such issues.

- 11 Insiders. In the circumstance where the Schedules and SOFAs require information regarding insiders and/or officers and directors, the Debtors have attempted to include therein each of the Debtors' (a) "directors" (or persons in similar positions) and (b) employees that may be, or may have been during the relevant period, "officers," as such term is defined by applicable law. The listing of a party as an insider is not intended to be, nor should it be, construed as a legal characterization of such party as an insider and does not act as an admission of any fact, claim, right, or defense, and all such rights, claims, and defenses are hereby expressly reserved. Employees have been included in this disclosure for informational purposes only and should not be deemed to be "insiders" in terms of control of the Debtors, management responsibilities or functions, decision-making or corporate authority and/or as otherwise defined by applicable law, including, without limitation, the federal securities laws, or with respect to any theories of liability or for any other purpose.

The Debtors have redacted certain employee personal information, including addresses. Unredacted versions of the Schedules and SOFAs will be provided upon the execution of an appropriate confidentiality agreement.

- 12 Categories or Labels Used in Schedules and SOFAs. Information requested by the Schedules and SOFAs requires the Debtors to make judgments regarding the appropriate category in which information should be presented or how certain parties, claims or other data should be labeled. The Debtors' decisions regarding the category or label to use is based on the best information available as of the filing of these Schedules and SOFAs and within the time constraints imposed by the Bankruptcy Code and Federal Rules of Bankruptcy Procedure. The Debtors reserve the right to modify, change or delete any information in the Schedules and SOFAs by amendment, including to the extent some information currently presented should be moved to a different category or labeled in a different way.

- 13 Schedule B2. The amounts listed in Schedule B2 are as of the Commencement Date. Two accounts with KeyBanc Capital Markets Inc. (account numbers xxx-xxxx4-206 and xxx-xxxx5-206) are in the name of USSP, but the balances are recorded in the general ledger of USS Chartering LLC. As a result, the information for both accounts has been listed under both USSP and USS Chartering LLC. Both accounts, however, were closed following the Commencement Date.

- 14 Schedule B16. The amounts listed in Schedule B16 are as of the Commencement Date. In the ordinary course of business, prior to the Commencement Date, the Debtors used a centralized cash management system (the "**Cash Management System**") to collect, transfer, and distribute funds generated by the Debtors' operations and to accurately record such collections, transfers, and disbursements

as they were made. A description of the Cash Management System is set forth in the Debtors' motion for authorization to, among other things, continue using its Cash Management System, dated April 29, 2009 [Docket No. 8].

The Debtors have listed all outstanding accounts receivable on Schedule B16 without discounting for bad or uncollectable accounts.

- 15 Schedule B35. Certain prepaid port charges are included as personal property on Schedule B35 for certain of the Debtors. The prepaid port charges are used to cover expenses incurred during a particular voyage. The amounts listed on Schedule B35 are approximated as of the Commencement Date, however, such prepayments were subsequently applied to charges incurred during the particular on-going voyage. Therefore, the prepayments as an asset have been reduced or eliminated.
- 16 Schedule D—Creditors Holding Secured Claims. Although the Debtors may have scheduled claims of various creditors as secured claims, the Debtors reserve all rights to dispute or challenge the secured nature of any such creditor's claim or the characterization of the structure of any such transaction or any document or instrument related to such creditor's claim. The descriptions provided in Section D are intended only to be a summary. Without limiting the foregoing, the inclusion on Schedule D of creditors that have asserted mechanic's and other similar liens is not intended to be an acknowledgement of the validity, extent, or priority of any such liens, and the Debtors reserve their right to challenge such liens and the underlying claims on any ground whatsoever. Reference to the applicable agreements and other related relevant documents is necessary for a complete description of the collateral and the nature, extent and priority of any liens. In certain instances, a Debtor may be a co-obligor, co-mortgagor or guarantor with respect to scheduled claims of other Debtors, and no claim set forth on Schedule D of any Debtor is intended to acknowledge claims of creditors that are otherwise satisfied or discharged by other entities. Nothing in the General Notes or the Schedules and SOFAs shall be deemed a modification or interpretation of the terms of such agreements.

Except as specifically stated herein, real property lessors, utility companies and other parties which may hold security deposits have not been listed on Schedule D. The Debtors have not included on Schedule D all parties that may believe their claims are secured through setoff rights, deposits posted by, or on behalf of, the Debtors, or inchoate statutory lien rights. Any such creditors may, however, be listed on Schedule F. While reasonable efforts have been made to determine the date upon which claims listed in Schedule D was incurred or arose, fixing that date would be unduly burdensome and cost prohibitive, and, therefore, the Debtors do not list a date for each claim listed on Schedule D.

- 17 Schedule E—Creditors Holding Unsecured Priority Claims. As part of the "first day" orders, the Debtors were authorized to pay, in their own discretion, certain

outstanding, prepetition claims, including, but not limited to, wages and benefits, workers' compensation claims, and insurance claims. Any such prepetition claims that have been or will be paid postpetition pursuant to the authority granted by the Bankruptcy Court have been excluded from the Schedules and SOFAs. The inadvertent inclusion of any such amounts shall not be deemed to obligate the Debtors to pay such amounts again. Further, the Debtors may continue to pay prepetition claims in accordance with the authority granted by the Bankruptcy Court. The balances listed in the Schedules and SOFAs are as of June 5, 2009, and any such subsequent payments shall reduce (or eliminate) the amounts owed to such claimants.

The listing of any claim on Schedule E does not constitute an admission by the Debtors that such claim is entitled to priority under section 507 of the Bankruptcy Code. The Debtors reserve the right to dispute the priority status of any claim on any basis. While reasonable efforts have been made to determine the date upon which claims listed in Schedule E was incurred or arose, fixing that date would be unduly burdensome and cost prohibitive, and, therefore, the Debtors do not list a date for each claim listed on Schedule E.

- 18 Schedule F—Creditors Holding Unsecured Nonpriority Claims. The liabilities identified in Schedule F are derived from the Debtors' books and records, which may or may not, in fact, be completely accurate, but they do represent a reasonable attempt by the Debtors to set forth their unsecured obligations. Accordingly, the actual amount of claims against the Debtors may vary from the represented liabilities. Parties in interest should not accept that the listed liabilities necessarily reflect the correct amount of any unsecured creditor's allowed claims or the correct amount of all unsecured claims. Similarly, parties in interest should not anticipate that recoveries in these cases will reflect the relationship of aggregate asset values and aggregate liabilities set forth in the Schedules and SOFAs. Parties in interest should consult their own professionals and/or advisors with respect to pursuing a claim. Although the Debtors and their professionals have generated financials the Debtors believe to be reasonable, actual liabilities (and assets) may deviate from the Schedules and SOFAs due to certain events that occur throughout the duration of these chapter 11 cases.

The claims listed on Schedule F arose or were incurred on various dates. In certain instances, the date on which a claim arose may be unknown or subject to dispute. While reasonable efforts have been made to determine the date upon which claims listed in Schedule F was incurred or arose, fixing that date would be unduly burdensome and cost prohibitive and, therefore, the Debtors do not list a date for each claim listed on Schedule F.

Schedule G—Executory Contracts. While every effort has been made to ensure the accuracy of Schedule G, inadvertent errors or omissions may have occurred. Listing a contract or agreement on Schedule G does not constitute an admission that such contract or agreement is an executory contract or unexpired lease or that

such contract or agreement was in effect on the Commencement Date or is valid or enforceable. The Debtors hereby reserve all of their rights to dispute the validity, status, or enforceability of any contracts, agreements, or leases set forth in Schedule G and to amend or supplement such Schedule as necessary. Certain of the leases and contracts listed on Schedule G may contain certain renewal options, guarantees of payment, options to purchase, rights of first refusal and other miscellaneous rights. Such rights, powers, duties and obligations are not set forth separately on Schedule G. In addition, the Debtors may have entered into various other types of agreements in the ordinary course of their business, such as easements, right of way, subordination, nondisturbance agreements, supplemental agreements, amendments/letter agreements, title agreements and confidentiality agreements. Such documents may not be set forth in Schedule G.

The Debtors reserve all rights to dispute or challenge the characterization of the structure of any transaction or any document or instrument related to a creditor's claim, including, but not limited to, whether any lease is a true lease or financing arrangement.

The Debtors may be party to certain agreements that have expired by their terms, but all parties continue to operate under the agreement. Out of an abundance of caution, the Debtors have listed such agreements on Schedule G. The Debtors' inclusion of such contracts or agreements on Schedule G is not an admission that such contract or agreement is an executory contract or unexpired lease.

Omission of a contract or agreement from Schedule G does not constitute an admission that such omitted contract or agreement is not an executory contract or unexpired lease. The Debtors' rights under the Bankruptcy Code with respect to any such omitted contracts or agreements are not impaired by the omission.

In some cases, the same supplier or provider may appear multiple times in Schedule G. Multiple listings, if any, may reflect distinct agreements between the applicable Debtor and such supplier or provider.

The listing of any contract on Schedule G does not constitute an admission by the Debtors as to the validity of any such contract. The Debtors reserve the right to dispute the effectiveness of any such contract listed on Schedule G or to amend Schedule G at any time to remove any contract.

The Debtors have redacted certain proprietary customer personal information, including addresses. Unredacted versions of the Schedules and SOFAs will be provided upon the execution of an appropriate confidentiality agreement.

Schedule H. The Debtors may have co-debtors or co-obligors under their various leases, contracts and/or other agreements. They have made an attempt to list all of the material co-obligations on Schedule H, but any omissions of co-debtors or co-obligors on Schedule H or elsewhere in the Debtors' Schedules does not

constitute an admission that such omitted co-debtors or co-obligors are not obligated or liable under the relevant debt. The Debtors' rights under the Bankruptcy Code and non-bankruptcy law with respect to any such omitted co-debtors or co-obligors are not impaired by the omission.

- 19 SOFA 3b. In the list of payments under question 3b, the Debtors have not included payments for wages, compensation, or expenses made to employees, contract employees or temporary employees in the ordinary course of business. The Debtors have paid employees, contract employees and temporary employees pursuant to a motion approved by the Bankruptcy Court for all prepetition wages, compensation, or expenses owed and thus believe they are not creditors. To the extent an employee, contract employee or temporary employee is a creditor notwithstanding the first-day motion, that employee, contract employee or temporary employee may be entitled to priority treatment, but only in accordance with section 507 of the Bankruptcy Code.
- 20 SOFA 3c. All payments to officers and directors were expensed by USS Vessel Management LLC, but paid directly through US Shipping General Partner LLC. Therefore, such payments are listed under US Shipping General Partner LLC.
- 21 SOFA 10a. The assets of ITB Jacksonville LLC were sold to Tubbs Marine & Energy Limited and Fineshade Energy Limited for the aggregate amount of \$5,789,221.12. The Debtors are unable to determine the exact amount paid by each buyer. Payment for the sale of the assets of ITB Groton LLC was guaranteed by Tubbs Marine & Energy Limited and Fineshade Energy Limited.
- The net proceeds from the sales of the ITB Jacksonville LLC and the ITB Groton LLC, \$3,474,592.33 and \$2,217,341.18, respectively, were paid directly to Canadian Imperial Bank of Commerce and applied against the principal balance of the Term Loan and the Delayed Draw Term Loan.
- 22 SOFA 19d. At the end of each of their fiscal quarters, fiscal years, and upon the occurrence of significant events, the Debtors prepared and filed with the Securities Exchange Commission (the "**SEC**") Form 8-K Special Reports, Form 10-Q Quarterly Reports, and Form 10-K Annual Reports (collectively, the "**SEC Filings**"). The SEC Filings contain financial information relating to the Debtors. Because the SEC Filings are public record, the Debtors do not maintain records of the parties who requested or obtained copies of any of the SEC Filings from the SEC or the Debtors.
- 23 Specific Notes. These General Notes are in addition to the specific notes set forth in the individual Schedules and SOFAs. Disclosure of information in one Schedule, SOFA, exhibit, or continuation sheet even if incorrectly placed, shall be deemed to be disclosed in the correct Schedule, SOFA, exhibit or continuation sheet.

- 24 Totals. All totals that are included in the Schedules represent totals of the liquidated amounts for the individual schedule for which they are listed.
- 25 Unliquidated Claim Amounts. Claim amounts that could not be fairly quantified by the Debtors are scheduled as “unliquidated.”
- 26 General Reservation of Rights. The Debtors specifically reserve the right to amend, modify, supply, correct, change or alter any part of their Schedules and SOFAs as and to the extent necessary as they deem appropriate.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re: USS PC Holding Corp.

Case No. 09-12739

**STATEMENT OF FINANCIAL AFFAIRS**

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs.

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19 - 25. If the answer to an applicable question is "None," mark the box labeled "None." If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

**DEFINITIONS**

"In business." A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within the two years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or person in control of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed.

"Insider." The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any person in control of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; any managing agent of the debtor. 11 U.S.C. § 101.

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**1. Income from employment or operation of business**

None  State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the two years immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT      SOURCE

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**2. Income other than from employment or operation of business**

None  State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the two years immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT      SOURCE

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**3. Payments to creditors**

None  a. Individual or joint debtor(s) with primary consumer debts: List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within 90 days immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF CREDITOR</u>	<u>DATES OF PAYMENTS</u>	<u>AMOUNT PAID</u>	<u>AMOUNT STILL OWING</u>
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None  b. Debtor whose debts are not primary consumer debts: List each payment or other transfer to any creditor made within 90 days immediately preceding the commencement of the case if the aggregate value of all property that constitutes or is affected by such transfer is not less than \$5,475. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF CREDITOR</u>	<u>DATES OF PAYMENTS/ TRANSFERS</u>	<u>AMOUNT PAID OR VALUE OF TRANSFERS</u>	<u>AMOUNT STILL OWING</u>
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None  c. All debtors: List all payments made within one year immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR</u>	<u>DATES OF PAYMENT</u>	<u>AMOUNT PAID</u>	<u>AMOUNT STILL OWING</u>
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**4. Suits and administrative proceedings, executions, garnishments and attachments**

None  a. List all suits and administrative proceedings to which the debtor is or was a party within one year immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>CAPTION OF SUIT AND CASE NUMBER</u>	<u>NATURE OF PROCEEDING</u>	<u>COURT OR AGENCY AND LOCATION</u>	<u>STATUS OR DISPOSITION</u>
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None  b. Describe all property that has been attached, garnished or seized under any legal or equitable process within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF PERSON FOR WHOSE BENEFIT PROPERTY WAS SEIZED</u>	<u>DATE OF SEIZURE</u>	<u>DESCRIPTION AND VALUE OF PROPERTY</u>
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**5. Repossessions, foreclosures and returns**

None  List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF CREDITOR OR SELLER</u>	<u>DATE OF REPOSSESSION, FORCLOSURE SALE, TRANSFER OR RETURN</u>	<u>DESCRIPTION AND VALUE OF PROPERTY</u>
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**6. Assignments and receiverships**

None  a. Describe any assignment of property for the benefit of creditors made within 120 days immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF ASSIGNEE</u>	<u>DATE OF ASSIGNMENT</u>	<u>TERMS OF ASSIGNMENT OR SETTLEMENT</u>
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- None  b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF CUSTODIAN</u>	<u>NAME AND LOCATION OF COURT CASE TITLE &amp; NUMBER</u>	<u>DATE OF ORDER</u>	<u>DESCRIPTION AND VALUE OF PROPERTY</u>
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**7. Gifts**

- None  List all gifts or charitable contributions made within one year immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF PERSON OR ORGANIZATION</u>	<u>RELATIONSHIP TO DEBTOR, IF ANY</u>	<u>DATE OF GIFT</u>	<u>DESCRIPTION AND VALUE OF GIFT</u>
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**8. Losses**

- None  List all losses from fire, theft, other casualty or gambling within one year immediately preceding the commencement of this case or since the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>DESCRIPTION AND VALUE OF PROPERTY</u>	<u>DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS</u>	<u>DATE OF LOSS</u>
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**9. Payments related to debt counseling or bankruptcy**

- None  List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of a petition in bankruptcy within one year immediately preceding the commencement of this case.

<u>NAME AND ADDRESS OF PAYEE</u>	<u>DATE OF PAYMENT, NAME OF PAYER IF OTHER THAN DEBTOR</u>	<u>AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY</u>
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**10. Other transfers**

- None  a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within two years immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF TRANSFEREE, RELATIONSHIP TO DEBTOR</u>	<u>DATE</u>	<u>DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED</u>
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- None  b. List all other property transferred by the debtor within ten years immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

<u>NAME OF TRUST OR OTHER DEVICE</u>	<u>DATE(S) OR TRANSFER(S)</u>	<u>AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY OR DEBTOR'S INTEREST IN PROPERTY</u>
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**11. Closed financial accounts**

None  List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within one year immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF INSTITUTION</u>	<u>TYPE OF ACCOUNT, LAST FOUR DIGITS OF ACCOUNT NUMBER, AND AMOUNT OF FINAL BALANCE</u>	<u>AMOUNT AND DATE OF SALE OR CLOSING</u>
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**12. Safe deposit boxes**

None  List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF BANK OR OTHER DEPOSITORY</u>	<u>NAMES AND ADDRESSES OF THOSE WITH ACCESS TO BOX OR DEPOSITORY</u>	<u>DESCRIPTION OF CONTENTS</u>	<u>DATE OF TRANSFER OR SURRENDER, IF ANY</u>
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**13. Setoffs**

None  List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within 90 days preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

<u>NAME AND ADDRESS OF CREDITOR</u>	<u>DATE OF SETOFF</u>	<u>AMOUNT OF SETOFF</u>
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**14. Property held for another person**

None  List all property owned by another person that the debtor holds or controls.

<u>NAME AND ADDRESS OF OWNER</u>	<u>DESCRIPTION AND VALUE OF PROPERTY</u>	<u>LOCATION OF PROPERTY</u>
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**15. Prior address of debtor**

None  If the debtor has moved within the three years immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

<u>ADDRESS</u>	<u>NAME USED</u>	<u>DATES OF OCCUPANCY</u>
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**16. Spouses and Former Spouses**

None  If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight-year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

NAME

**17. Environmental Information**

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law.

- None  a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law:

<u>SITE NAME AND ADDRESS</u>	<u>NAME AND ADDRESS OF GOVERNMENT UNIT</u>	<u>DATE OF NOTICE</u>	<u>ENVIRONMENTAL LAW</u>
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- None  b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

<u>SITE NAME AND ADDRESS</u>	<u>NAME AND ADDRESS OF GOVERNMENT UNIT</u>	<u>DATE OF NOTICE</u>	<u>ENVIRONMENTAL LAW</u>
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- None  c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

<u>NAME AND ADDRESS OF GOVERNMENT UNIT</u>	<u>DOCKET NUMBER</u>	<u>STATUS OR DISPOSITION</u>
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**18. Nature, location and name of business**

- None  a. If the debtor is an individual, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partnership, sole proprietorship, or was a self-employed professional within the six years immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within the two years immediately preceding the commencement of this case. If the debtor is a partnership, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within the six years immediately preceding the commencement of this case. If the debtor is a corporation, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within the six years immediately preceding the commencement of this case.

<u>NAME</u>	<u>LAST FOUR DIGITS OF SOCIAL SECURITY OR INDIVIDUAL TAXPAYER ID NO. (ITIN)/ COMPLETE EIN</u>	<u>ADDRESS</u>	<u>NATURE OF BUSINESS</u>	<u>BEGINNING AND ENDING DATES</u>
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- None  b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

<u>NAME</u>	<u>ADDRESS</u>
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The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within the six years immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or otherwise self-employed.

(An individual or joint debtor should complete this portion of the statement only if the debtor is or has been in business, as defined above, within the six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)

**19. Books, records and financial statements**

None  a. List all bookkeepers and accountants who within the two years immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

<u>NAME AND ADDRESS</u>	<u>DATE SERVICES RENDERED</u>
ALBERT BERGERON REDACTED	9/13/2002 - 12/31/2008
ANTHONY GUZZO REDACTED	10/04/2006 - 7/7/2008
DENNIS FIORE C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837	4/27/2009 - CURRENT
ERICA NAIDRICH REDACTED	3/21/2005 - 1/15/2007
MICHELE HOUSTON C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837	5/18/2006 - CURRENT
PATTY PRIMOST C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837	3/26/2006 - CURRENT
SUE MERRILL REDACTED	5/15/2006 - 8/15/2008
TRICIA HENDERSON REDACTED	10/04/2004 - 2/05/2007
VICTORIA GUSCIORA C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837	4/9/2007 - CURRENT

None  b. List all firms or individuals who within the two years immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

<u>NAME</u>	<u>ADDRESS</u>	<u>DATE SERVICES RENDERED</u>
AMPER, POLITZINER & MATTIA	2015 LINCOLN HIGHWAY, P.O. BOX 988 EDISON, NJ 08818	QUARTERLY & YEAR END AUDIT 2007-2009
PRICEWATERHOUSECOOPERS LLP	P.O. BOX 7247-8001 PHILADELPHIA, PA 19170-8001	QUARTERLY & YEAR END AUDIT 2007-2009

None  c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

<u>NAME</u>	<u>ADDRESS</u>
DENNIS FIORE, VICE PRESIDENT & CHIEF FINANCIAL OFFICER	C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837

- None  d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued within the two years immediately preceding the commencement of this case by the debtor.

NAME AND ADDRESS

DATE ISSUED

THE DEBTORS PREPARE CONSOLIDATED FINANCIAL STATEMENTS, AND U.S. SHIPPING PARTNERS L.P. IS A PUBLICLY-TRADED PARTNERSHIP. THEREFORE, THE DEBTORS' FINANCIAL STATEMENTS ARE PUBLICLY AVAILABLE. THE DEBTORS ALSO PROVIDED THEIR FINANCIAL STATEMENTS TO CERTAIN PARTIES IN THE TWO YEARS PRIOR TO THE PETITION DATE PURSUANT TO CONFIDENTIALITY AGREEMENTS.

**20. Inventories**

- None  a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

<u>DATE OF INVENTORY</u>	<u>INVENTORY SUPERVISOR</u>	<u>DOLLAR AMOUNT OF INVENTORY</u> (Specific cost, market or other basis)
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- None  b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.

<u>DATE OF INVENTORY</u>	<u>NAME AND ADDRESSES OF</u> <u>CUSTODIAN OF INVENTORY RECORDS</u>
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**21. Current Partners, Officers, Directors and Shareholders**

- None  a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

<u>NAME AND ADDRESS</u>	<u>NATURE OF INTEREST</u>	<u>PERCENTAGE OF INTEREST</u>
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- None  b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

<u>NAME AND ADDRESS</u>	<u>TITLE</u>	<u>NATURE AND PERCENTAGE OF STOCK OWNERSHIP</u>
RONALD O'KELLEY C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837	CHIEF EXECUTIVE OFFICER, PRESIDENT AND DIRECTOR	N/A
JOSEPH GEHEGAN C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837	CHIEF OPERATING OFFICER AND DIRECTOR	N/A
DENNIS FIORE C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837	VICE PRESIDENT & CHIEF FINANCIAL OFFICER	N/A
JEFF MILLER C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837	VICE PRESIDENT OF CHARTERING	N/A
JAN ZIOBRO C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837	VICE PRESIDENT OF NEW CONSTRUCTION	N/A
BRYAN GANZ 730 EASTERN AVENUE MALDEN, MA 02148	DIRECTOR	N/A

GERRY LUTERMAN REDACTED	DIRECTOR	N/A
WILLIAM KEARNS C/O W.M. KEARNS & CO., INC. 310 SOUTH STREET MORRISTOWN, NJ 07960	DIRECTOR	N/A
U.S. SHIPPING OPERATING LLC C/O US SHIPPING LLC 399 THORNALL STREET EDISON, NJ 08837	STOCKHOLDER	100%

**22. Former partners, officers, directors and shareholders**

None  a. If the debtor is a partnership, list each member who withdrew from the partnership within one year immediately preceding the commencement of this case.

<u>NAME</u>	<u>ADDRESS</u>	<u>DATE OF WITHDRAWAL</u>
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None  b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within one year immediately preceding the commencement of this case.

<u>NAME AND ADDRESS</u>	<u>TITLE</u>	<u>DATE OF TERMINATION</u>
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ALBERT BERGERON REDACTED	CHIEF FINANCIAL OFFICER, SECRETARY AND TREASURER	12/2008
ANTHONY GUZZO REDACTED	CHIEF ACCOUNTING OFFICER	7/2008
DOUG NEWHOUSE STERLING INVESTMENT PARTNERS, L.P. 285 RIVERSIDE AVENUE, 3/F WESTPORT, CT 06880-4806	DIRECTOR	10/23/2008
M. WILLIAM MACEY JR. STERLING INVESTMENT PARTNERS, L.P. 285 RIVERSIDE AVENUE, 3/F WESTPORT, CT 06880-4806	DIRECTOR	10/23/2008
PAUL GRIDLEY 10 EAST 53RD STREET 24TH FLOOR NEW YORK, NY 10022	CHIEF EXECUTIVE OFFICER AND DIRECTOR	8/2008

**23. Withdrawals from a partnership or distributions by a corporation**

None  If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during one year immediately preceding the commencement of this case.

<u>NAME &amp; ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR</u>	<u>DATE AND PURPOSE OF WITHDRAWAL</u>	<u>AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY</u>
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**24. Tax Consolidation Group**

None  If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within the six-year period immediately preceding the commencement of the case.

<u>NAME OF PARENT CORPORATION</u>	<u>TAXPAYER IDENTIFICATION NUMBER (EIN)</u>
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**25. Pension Funds**

None  If the debtor is not an individual, list the name and federal taxpayer identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within the six-year period immediately preceding the commencement of the case.

NAME OF PENSION FUND

TAXPAYER IDENTIFICATION NUMBER (EIN)

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[If completed by an individual or individual and spouse]

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct.

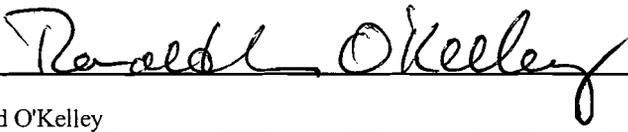
Date \_\_\_\_\_ Signature \_\_\_\_\_  
of Debtor

Date \_\_\_\_\_ Signature \_\_\_\_\_  
of Joint Debtor

\*\*\*\*\*

[If completed on behalf of a partnership or corporation]

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information, and belief.

Date 6/5/2009 Signature 

Ronald O'Kelley  
[Print or type name of individual signing on behalf of debtor.]

Chief Executive Officer and President  
[Indicate position or relationship to debtor]

*[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]*