



## ***BUSINESS ETHICS POLICY***

Copyright  
Maritrans Inc.

## I. **Background - Administration**

The reputation and integrity of Maritrans Inc., its subsidiaries and its affiliates (the “Company”) is a valuable asset that is vital to the Company’s success. Each Company employee, including each of the Company’s officers and non-employee directors, is responsible for conducting the Company’s business in a manner that demonstrates a commitment to the highest standards of integrity. This Business Ethics Policy (the “Policy”) has been adopted to help employees and non-employee directors meet these standards. Specifically, the purpose of this Policy is:

- to encourage among our employees and non-employee directors a culture of honesty, accountability and mutual respect,
- to provide guidance to help employees to recognize and deal with ethical issues and
- to provide mechanisms for employees to report unethical conduct.

While this Policy is designed to provide helpful guidelines, it is not intended to address every specific situation. Nevertheless, in every instance, we require that employees and non-employee directors act honestly, fairly and with a view towards "doing the right thing." Therefore, dishonest or unethical conduct or conduct that is illegal will constitute a violation of this Policy, regardless of whether such conduct is specifically referenced in this Policy.

Our Board of Directors is ultimately responsible for the implementation of the Business Ethics Policy. The Board has designated Judith M. Cortina, Director of Finance and Controller to be the compliance officer (the “Compliance Officer”) for the implementation and administration of the Policy. Employees should feel free to direct questions concerning this Policy to the Compliance Officer.

## II. Overview

It is the policy of the Company: (a) to comply with all applicable governmental laws, rules and regulations; (b) to expect that all of its employees and non-employee directors at all times observe honest and ethical conduct in the performance of the Company's related responsibilities, including the avoidance of conflicts of interest; (c) to expect all of its employees and non-employee directors to treat others with dignity, including other employees, stockholders, customers and vendors; and (d) to encourage and support internal disclosure of any violation of this policy for appropriate action.

This Policy does not constitute the only ethical standard to which the Company's employees and non-employee directors shall adhere. In accordance with the Company's Partners In Excellence credos, it is expected that the Company's employees and non-employee directors shall adhere to the highest level of business behavior.

This Policy governs the business-related conduct of all Company employees, including, but not limited to the Chairman, Chief Executive Officer, Chief Financial Officer, and all other officers, all non-employee directors of the Company, as well as (to the extent described herein) independent contractors while engaged by and conducting business for the Company.

## III. Compliance With Law

A variety of laws apply to the Company and its operations. Each Company employee, non-employee director, and independent contractor while engaged by and conducting business for the Company, is expected to comply with all such laws, including securities and banking laws, as well as rules and regulations adopted under such laws. Examples of criminal violations under these laws include:

- stealing, embezzling or misapplying corporate or bank funds,
- using threats, physical force or other unauthorized means to collect money,
- making false entries in the books and records of the Company, or engaging in any conduct that results in the making of such false entries,

- making a payment for an expressed purpose on the Company's behalf to an individual who intends to use it for a different purpose; and
- utilizing Company funds or other assets or services to make a political contribution or expenditure if prohibited by local, state or federal law.
  - Any questions regarding political contributions should be directed to the Compliance Officer.
  - This policy is in no way intended to discourage eligible employees from making personal contributions to the Company's Political Action Committee or employees from making personal political contributions not related to the Company's activities.

All employees have a duty of candor when dealing with government authorities. No employee shall falsify any company record or knowingly present any falsified record or document to any government entity.

In responding to a government request for information, employees should consult with the Company and with counsel before responding or deciding whether to provide information, but no employee is prohibited from communicating with Government authorities and no retaliatory action will be taken against employees who do so. However, under no circumstances should any employee provide any information known to be false or present information in a manner so as to mislead the authorities. Any employee with questions about responding to a government request for information should consult with your supervisor and/or the Company's Legal Counsel.

The Company must and will report all suspected criminal violations to the appropriate authorities for possible prosecution, and will investigate, address and report, as appropriate, non-criminal violations.

#### IV. Environmental Compliance

The Company believes in the importance of protecting and preserving the natural environment in which it does business. This means compliance with the environmental laws and rules that govern our activities and a diligent effort by each employee to prevent any spills or release of pollutants into the waters, air or land. OUR PRIMARY ENVIRONMENTAL RULE IS: DON'T POLLUTE.

It is illegal under the Oil Pollution Act of 1990 and state law to discharge any pollutant into surface waters (including rivers, streams, bays or oceans) whether the discharge is accidental or deliberate. Other discharge of pollutants is prohibited by various other laws, including the Superfund Law and laws regulating above ground and underground storage tanks. Lubricating oil, diesel fuel and other petroleum products are pollutants under these laws.

For all petroleum products, any spill great enough to cause even a sheen on the waters, or the equivalent on land, must be reported and cleaned up. Failure to comply with those laws and to take prompt, effective action in response to spills can result in: fines and, possibly, other penalties not only for the Company but for responsible employees, substantial costs for clean-up and significant damage to the natural environment.

The Company's most significant potential for harm to the environment would be from a vessel spill of petroleum product into surface waters. The Company believes it is the responsibility of every employee to avoid spills both from our or others' vessels during the loading, unloading and carriage of cargo and during maintenance and tank cleaning activities, as well as from our shoreside facilities.

Careful observance of all the Company's Safety Management System ("SMS") operational, maintenance and environmental procedures will reduce, if not eliminate, spills. If, despite your best efforts, a spill occurs, the Company's policy is to take prompt action to make sure it is properly reported and cleaned up as required by law. It is essential that the safety training which is given to every employee be understood and that contingency plans be learned and

implemented when necessary. If there is a spill or discharge that may affect the environment, you should follow the contingency plan and notify your immediate supervisor. If you have any questions about environmental matters, you should ask your supervisor.

## V. **Conflicts of Interest**

Employees and non-employee directors are expected to make or participate in business decisions and actions in the course of their employment or affiliation with the Company based on the best interests of the Company as a whole, and not based on personal relationships or benefits. A conflict of interest, which can occur or appear to occur in a wide variety of situations, can compromise employees' and non-employee directors' business ethics. Generally speaking, a conflict of interest occurs when an employee's, a non-employee director's, an employee's immediate family's or a non-employee director's immediate family's personal interest interferes with, or has the potential to interfere with, the interests or business of the Company. For example, a conflict of interest may occur where an employee or non-employee director or his/her family member receives a gift, a unique advantage, or an improper personal benefit as a result of the employee's or non-employee director's position at the Company. A conflict of interest could make it difficult for an employee or non-employee director to perform corporate duties objectively and effectively because he or she is involved in a competing interest. The following is a discussion of certain common areas that raise conflict of interest issues. However, a conflict of interest can occur in a variety of situations. You must be alert to recognize any situation that may raise conflict of interest issues and must disclose to the Compliance Officer any material transaction or relationship that reasonably could be expected to give rise to actual or apparent conflicts of interest with the Company.

Outside Activities/Employment – Any outside activity must not significantly encroach on the time and attention employees devote to their corporate duties and should not adversely affect the quality or quantity of their work. Except for insignificant use (such as using the copier to make a small number of copies), employees may not make use of corporate equipment, facilities or supplies related to outside activities. Employees also may not imply (without the

Company's approval) the Company's sponsorship or support of any outside activity, and under no circumstances are employees permitted to take for themselves or their family members business opportunities that are discovered or made available by virtue of their positions at the Company. Moreover, no employee may perform services for or, except as noted in the following paragraph, have a financial interest in any entity that is or to an employee's knowledge may become, a vendor, customer or competitor of the Company, without prior approval of the Company. Employees may not become employed by, or render services to, any person or firm that has current or prospective dealings with, or competes with, the Company, without prior approval of the Company. The facts concerning such services or employment, including the amount of compensation received, or to be received, must be reported in writing to the Compliance Officer.

Employees may have a passive investment in up to one percent of the total outstanding shares of an entity that is a vendor or competitor if the entity is listed on a national or international exchange, or quoted on Nasdaq, the OTC Bulletin Board or a similar quotation service, provided that the investment is not so large financially either in absolute dollars or percentage of the employee's total investment that it creates the appearance of a conflict of interest.

Civic/Political Activities - Employees are encouraged to participate in civic, charitable or political activities so long as such participation does not encroach on the time and attention they are expected to devote to their company-related duties. Such activities are to be conducted in a manner that does not involve the Company or its assets or facilities (except for insignificant use such as using the copier to make a small number of copies), and does not create an appearance of the Company's involvement or endorsement unless specifically authorized.

Proper Payments – Company employees should pay for and receive only that which is proper. Company employees should not make or promise payments to influence another's acts or decisions, and Company employees must not give gifts beyond those extended in normal business.

Gifts – Company employees and members of their families must not give or receive valuable gifts (including gifts of equipment or money, discounts or favored personal treatment) to or from any person associated with the Company’s vendors or customers. Acceptance of a gift in the nature of a memento, such as a conference gift or other inconsequential gift, is permitted providing that such gifts are received under circumstances that are customary for receiving such gift and the giving or receiving of such gift is legal under all applicable laws.

Meals and Entertainment - Engaging in normal occasional business-related entertainment when invited, such as meals or use of sporting, theatrical or other public event tickets is permissible if the employee is accompanied by the “host” (customer, supplier, competitor, contractor, etc.) and Company-related business will be discussed. It is not appropriate to engage in business-related entertainment of more than nominal value if the host is not in attendance. A Company manager must approve acceptance of any benefit of more than \$50.00 if the host is not in attendance.

Employees are permitted to make reasonable expenditures for meals and entertainment with customers, suppliers, competitors, contractors, etc. that are incidental to and in furtherance of Company business provided it is lawful and appropriately reported under the standard accounting expense reporting procedures.

Loans to Employees – The Company will not make loans or extend credit guarantees to or for the personal benefit of officers except as permitted by law and the listing standards of the New York Stock Exchange on which the Company’s Common Stock is listed. Loans or guarantees may be extended to other employees only with the Company’s approval.

No employee should accept any loan or payment from any competitor of the Company or from any person or firm having current or prospective dealings with the Company without the Company’s approval.

Directorships, Trusteeships, Officerships and Partnerships – Company employees and non-employees directors must report all directorships, trusteeships, officerships and partnerships, which in any way may be related to the Company’s business. Before an employee in a position of authority accepts such a position, he/she should first consult with their supervisor, who will refer the matter to the Compliance Officer.

Insider Trading – Employees and non-employee directors are prohibited from trading in securities while in possession of material inside information. Among other things, trading while in possession of material inside information can subject the employee or non-employee director to criminal or civil penalties. The Company’s Insider Trading Policy and Pre-Clearance Procedures Policy are incorporated by reference into this Policy.

#### **VI. Consultants/Vendors**

The Company has issued the Maritrans Vendor Code of Conduct. All vendors, consultants, and contractors performing work for Maritrans are expected to conduct its business in conformity with the Maritrans Vendor Code of Conduct.

Consultants, and vendors/contractors performing a significant monetary level of business with the Company, should provide written acknowledgement that they have received and will comply with the Maritrans Vendor Code of Conduct. The Company has established guidelines for determining which entities should provide written acknowledgment, and Business Leaders are responsible for obtaining such acknowledgments for vendors within their area of responsibility.

#### **VII. Fair Dealing**

Each employee and non-employee director should deal fairly and in good faith with the Company’s other employees, customers, suppliers, regulators, business partners and others.

No employee may take unfair advantage of anyone through manipulation, misrepresentation, inappropriate threats, fraud, abuse of confidential information or other related conduct.

The Company believes in the free enterprise system. That means an open, competitive marketplace where firms compete vigorously and fairly. That is also a marketplace where competitors really compete with each other - where they don't conspire with each other to fix prices, to rig bids, to allocate business, to boycott somebody or something, or to restrict innovation. It is the purpose of the antitrust laws to preserve that open, competitive marketplace. It is the responsibility of every employee within the Company to comply with those laws.

One fundamental, precautionary rule employees must follow is never to discuss (in person, by phone, mail, fax, or by any other means) with a competitor: rates, prices or other money terms of sale; going or not going after particular business (particular job or customer, geographic area, type of customer or business); offering or not offering a particular service or product or changing its quality; expanding or not expanding capacity; dealing or not dealing, or terms of dealing, with particular customers or suppliers; revenue, costs, profit or loss, market share, plans, or other business information concerning competitive performance. It is acceptable to discuss with a customer or supplier who is also our competitor the price of our specific bona fide transaction so long as it is the terms of only that specific transaction that are being discussed.

If you have any questions regarding the above, contact the Compliance Officer. Consult the Compliance Officer before participating in a trade association, engaging in any kind of joint venture, entering into an exclusive arrangement to buy or to sell, requiring a customer to buy a service or product in order to get another, or before submitting a below-cost bid or quotation. The idea of competition is to win business away from somebody else, but there are some limits to that. Consult the Compliance Officer before taking action that will have a severe economic impact on an actual or potential competitor, customer, or supplier, particularly, if that entity is small or in bad financial condition. Also report to the

Compliance Officer instances where you believe that the Company has been or is being hurt by another company's antitrust violation.

**VIII. Proper Use of Company Assets**

The Company assets, including facilities, materials, supplies, time, information, intellectual property, software, and other assets owned or leased by the Company, or that are otherwise in the Company's possession, may be used only for legitimate business purposes. Except for insignificant use (such as using the copier to make a small number of copies), the personal use of the Company's assets without the Company's approval is prohibited.

**IX. Delegation of Authority**

Each employee, and particularly each of the Company's officers, must exercise due care to ensure that any delegation of authority is reasonable and appropriate in scope, and includes appropriate and continuous monitoring.

**X. Handling Confidential Information, Trade Secrets, and Intellectual Property**

Except as authorized and in furtherance of the Company's business, employees and non-employee directors may not disclose confidential information that they acquire by virtue of their employment by or affiliation with the Company, including information concerning customers, vendors, competitors and other employees, except where disclosure is approved by the Company or otherwise legally mandated. Of special sensitivity is financial information, which should under all circumstances be considered confidential except where its disclosure is approved by the Company, or following its disclosure in a press release or a report filed with the Securities and Exchange Commission. In addition, employees and non-employee directors must safeguard proprietary information, which includes information that is not generally known to the public and has commercial value in the Company's business. Proprietary information includes, among other things, products and services offered, innovations, designs, ideas, plans, secrets, distribution and sales methods and systems, sales

and profit figures, rate forecasts, logistics models, financial data and analyses, market analyses, strategic planning, compensation for the Company's employees, equipment performance, internal communications, presentations, customer lists, and relationships between the Company and other companies with which it has business dealings. The obligation to preserve proprietary information continues even after employment ends. These requirements pertaining to the protection and non-disclosure of confidential and proprietary information, which constitutes the Company's trade secrets, shall be governed by the Florida Trade Secrets Act, FL. ST. 688.001 et seq.

In consideration for employment, or, the continuation of employment by the Company, employees will disclose promptly to the Company and assign and, agree to assign to the Company, free from any obligation to the employee, all rights, titles and/or interest in and to any and all ideas, concepts, processes, computer programs, improvements, copyrightable works, and inventions made, conceived, disclosed, written or developed by the employee, solely or jointly with others, during the period of employment, which relate to the business, activities, and/or facilities of the Company, or result from or are suggested by any work the employee may do for the Company or at its request. Employees further agree to deliver to the Company any and all drawings, notes, specifications, memorandum, writings, and data relating to such ideas, concepts, processes, computer programming materials, improvements, copyrightable works, and inventions, to cooperate fully during employment and thereafter in the securing of patent and/or copyright protection and/or other similar rights in the United States and foreign countries, and to execute and deliver to the Company all papers requested by it in connection therewith.

#### XI. **Public Disclosures**

As a public company, the Company must insure that its filings and submissions with the Securities and Exchange Commission and public communications generally provide full, fair, timely, accurate and understandable disclosure. Employees engaged in the preparation of these filings, submissions and communications ("Public Disclosure Personnel") must endeavor to insure that the Company's filings, submissions, and communications meet these

objectives. Depending on their duties and responsibilities, other employees may be called upon to provide information to assure that the Company's reports are complete, fair and understandable. The Company expects all of its personnel to take this responsibility very seriously. If requested by Public Disclosure Personnel to provide information for use in such filings, submissions or communications, employees will provide, as promptly as practicable, accurate, understandable and complete information on a timely basis.

XII. **Special Ethics Guidelines for Employees with Financial Reporting Responsibilities**

The Company's Chief Executive Officer, Chief Financial Officer, Controller and all members of its Disclosure Review Committee (the "Designated Financial Persons") bear a special responsibility for promoting integrity throughout the organization, with responsibilities to the Company's stockholders. The Designated Financial Persons have a special role both to adhere to these principles themselves and also to ensure that a culture exists throughout the Company as a whole that ensures the fair and timely reporting of Company financial results and condition, as well as other information required by Securities and Exchange Commission regulations.

Because of this special role, the Designated Financial Persons are bound by the following Financial Reporting Code of Ethics.

The Designated Financial Persons will:

- Act in an honest and ethical manner, ensuring the ethical handling of actual or apparent conflicts of interest in personal and professional relationships.
- Endeavor to ensure full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission ("SEC Reports") and in other public communications made by the Company.

- Endeavor to ensure compliance with laws, rules and regulations of federal, state and local governments, and appropriate self-regulatory organizations.
- Be accountable for adherence to this Designated Financial Officer Code of Ethics.
- Promptly report to the Compliance Officer and/or the Audit Committee any conduct that he or she believes to be a violation of the Designated Financial Officer Code of Ethics.

Violations of this Financial Reporting Code of Ethics, including failures to report potential violations by others, will be viewed as a severe disciplinary matter that may result in personnel action, including termination of employment. If you believe that a violation of this Designated Financial Officer Code of Ethics has occurred you must report it. You may contact either the Compliance Officer or the Audit Committee of the Board of Directors as described in Section XIII. of this Business Ethics Policy to report your belief that a violation has occurred.

*It is against Company policy to retaliate against any employee for good faith reporting of violations of this Code.*

### XIII. **Report of Violations**

Administration – General Policy Regarding Report of Violations - Employees and non-employee directors, who observe, learn of, or, in good faith, suspect a violation of this Business Ethics Policy must immediately report the violation to the Compliance Officer.

Any complaints regarding accounting, internal accounting controls and auditing matters may be reported to the Audit Committee of the Board of Directors through our reporting hotline at (888) 883-1499.

Employees who report violations or suspected violations in good faith will not be subject to retaliation of any kind. Reported violations will be investigated and addressed promptly and will be treated confidentially to the extent possible. A violation of the Business Ethics Policy may result in disciplinary action, which may include termination of employment.

### Complaint Procedure

- Notification of Complaint – Employees who observe, learn of or, in good faith, suspect a violation of the Policy must report the violation immediately to the Compliance Officer, or to the Audit Committee of the Board of Directors. Whenever practical, the complaint should be made in writing. It is unacceptable to submit a complaint knowing it is false. The Compliance Officer can be contacted at (610) 595-8055 or via e-mail at [jcortina@maritrans.com](mailto:jcortina@maritrans.com). You may contact the Audit Committee of the Board of Directors via e-mail at [bstienecker@maritrans.com](mailto:bstienecker@maritrans.com).
- Investigation – Reports of violations will be investigated under the supervision of the Legal Counsel or other person(s) as designated by the audit committee. Company employees and non-employee directors are expected to cooperate in the investigation of reported violations.
- Confidentiality – Except as may be required by law or the requirements of the resulting investigation, the Compliance Officer and others conducting the investigation shall not disclose the identity of anyone who reports a suspected violation if anonymity is requested.
- Protection Against Retaliation – Retaliation in any form against an individual who reports an alleged violation of this Policy, even if the report is mistaken, may itself be a violation of law and is a serious violation of this Policy. Any alleged act of retaliation must be reported immediately to the Compliance Officer. If determined to have in fact occurred, any act of retaliation will result in appropriate disciplinary action, which may include termination of employment.

#### XIV. **Waivers**

Requests for a waiver of a provision of the Policy must be submitted in writing to the Compliance Officer for appropriate review, and an executive officer, director or appropriate Board committee will decide the outcome. For conduct involving an executive officer, only the Board of Directors or the Audit Committee of the Board has the authority to waive a provision of the Policy. The Audit Committee must review and approve any “related party” transaction as defined in Item 404(a) of Regulation S-K, promulgated by the Securities and Exchange Commission, before it is consummated. In the event of an approved waiver involving the conduct of an executive officer, appropriate and prompt disclosure must be made to the Company’s stockholders as required by Securities and Exchange Commission or other regulation or by applicable listing standards of the New York Stock Exchange on which Company Common Stock is listed.

Statements in the Policy to the effect that certain actions may be taken only with “the Company’s approval” will be interpreted to mean that appropriate officers or members of the Board of Directors must give prior written approval before the proposed action may be undertaken.

#### XV. **Compliance**

Adherence to Policy; Disciplinary Action – All Company employees and non-employee directors have a responsibility to understand and follow this Policy. In addition, all Company employees are expected to perform their work with honesty and integrity in all areas not specifically addressed in this Policy. A violation of this Policy may result in appropriate disciplinary action, including the possible termination from employment with the Company.

Communications; Training; Annual Certification – The Company strongly encourages dialogue among employees and their supervisors to make everyone aware of situations that give rise to ethical questions and to articulate acceptable ways of handling those situations. Employees will receive periodic training on the contents and importance of the Policy and related policies and the manner in which violations must be reported and waivers must be

requested. In addition, each employee and non-employee director must certify that he or she has read this Policy and to the best of his or her knowledge is in compliance with all its provisions.

Responsibility of Senior Employees – All Company officers and other managerial employees will be responsible for the enforcement of, and compliance with, this Policy, including necessary distribution to assure employee knowledge and compliance. Officers and other managerial employees are expected to promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Managerial employees may be disciplined if they condone misconduct, do not report misconduct, do not take reasonable measures to detect misconduct, or do not demonstrate the appropriate leadership to insure compliance.

#### XVI. **Related Policies**

This Business Ethics Policy should be read in conjunction with the Company's other policy statements, including, but not limited to, the following:

- Anti-Harassment/Discrimination
- Drug & Alcohol
- Equal Opportunity Employment
- Insider Trading/Pre-Clearance Procedures
- Safety and Environmental
- Maritrans Vendor Code of Conduct

I certify that I am familiar with the Company's Business Ethics Policy and that I have complied with its terms.

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Signature

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Name (please print)

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Maritrans Company or Vessel

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Date

Please return to:

Judith M. Cortina  
Director of Finance and Controller  
Maritrans Inc.  
Two Harbour Place  
302 Knights Run Avenue  
Suite 1200  
Tampa, FL 33602