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December 31, 2003

RECORDATION NO. W72 FILED
JAN 02 2004 3-34 PM
SURFACE TRANSPORTATION BOARD



VIA AIR COURIER

Vernon A. Williams
Secretary
Surface Transportation Board
ATTN: Recording Department
1925 K Street NW
Washington, DC 20423

Re: Recordation of Documents--Watercraft
Lessor: Key Corporate Capital Inc.,
through its Key Equipment Finance division
Lessee: McAllister Towing and Transportation Company, Inc.
Equipment: A.J. MCALLISTER; Official No. 1146419

Dear Mr. Secretary:

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

- (a) Memorandum of Bareboat Charter Party, a primary document, dated December 26, 2003.
- (b) The names and addresses of the parties to the document are as follows:

Owner/ Lessor: Key Corporate Capital Inc.,
through its Key Equipment Finance division
66 South Pearl Street, 8th Floor
Albany, NY 12207

Vernon A. Williams
December 31, 2003
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Charterer/Lessee: McAllister Towing and Transportation Company, Inc.
17 Battery Place
New York, NY 10004

(c) A description of the equipment covered by the document follows:

(i) support vessel ; A.J. MCALLISTER; Official No. 1146419

A recording fee of \$30.00 is enclosed. Please return the original and any extra copies not needed by the Board for recordation to:

Richard J. Schroeder
Davis Wright Tremaine LLP
2600 Century Square
1501 - 4th Avenue
Seattle WA 98101-1688

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

Primary Document: Memorandum of Bareboat Charter Party, dated December 26, 2003, between Key Corporate Capital Inc., through its Key Equipment Finance division, as Owner and lessor and McAllister Towing and Transportation Company, Inc., as Charterer and lessee covering the vessel A.J. MCALLISTER; Official No. 1146419 having a Hailing Port of New York, New York.

Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in cursive script, appearing to read 'Richard J. Schroeder', written over a horizontal line.

Richard J. Schroeder

/nh
Enclosures

RECORDATION NO. W72 FILED

JAN 02 04

3-34 PM

SURFACE TRANSPORTATION BOARD



MEMORANDUM OF BAREBOAT CHARTER

between

KEY CORPORATE CAPITAL INC.,
through its Key Equipment Finance division
("OWNER")

and

MCALLISTER TOWING AND TRANSPORTATION COMPANY, INC.

("CHARTERER")

DECEMBER 26, 2003

Filed with the Surface Transportation Board pursuant to
49 U.S.C. §11301 on December __, 2003, at __ a.m./p.m.
Recordation Number __

MEMORANDUM OF BAREBOAT CHARTER

This Memorandum of a Bareboat Charter is made and entered into as of December 26, 2003, by and between Key Corporate Capital Inc., through its Key Equipment Finance division, a Michigan corporation ("Owner") and McAllister Towing and Transportation Company, Inc., a Delaware corporation ("Charterer").

WITNESSETH:

1. Pursuant to a Bareboat Charter dated December 26, 2003 ("Bareboat Charter"), Owner has agreed to furnish to Charterer, and the Charterer has agreed to lease from Owner, one U.S. flag ocean towing vessel named A.J. MCALLISTER, Official No. 1146419, as identified on Schedule 1 attached hereto.

2. The Bareboat Charter shall be effective as of the date first set forth hereinabove and shall be subject to the Charter Period, as defined in the Bareboat Charter.

3. This Memorandum may be executed in counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

OWNER:

KEY CORPORATE CAPITAL INC., through its Key Equipment Finance division

By 
Name: DONALD C. DAVIS
Title: VICE PRESIDENT

CHARTERER:

MCALLISTER TOWING AND TRANSPORTATION COMPANY, INC.

By _____
Name: _____
Title: _____

MEMORANDUM OF BAREBOAT CHARTER

This Memorandum of a Bareboat Charter is made and entered into as of December 26, 2003, by and between Key Corporate Capital Inc., through its Key Equipment Finance division, a Michigan corporation ("Owner") and McAllister Towing and Transportation Company, Inc., a Delaware corporation ("Charterer").

WITNESSETH:

1. Pursuant to a Bareboat Charter dated December 26, 2003 ("Bareboat Charter"), Owner has agreed to furnish to Charterer, and the Charterer has agreed to lease from Owner, one U.S. flag ocean towing vessel named A.J. MCALLISTER, Official No. 1146419, as identified on Schedule 1 attached hereto.

2. The Bareboat Charter shall be effective as of the date first set forth hereinabove and shall be subject to the Charter Period, as defined in the Bareboat Charter.

3. This Memorandum may be executed in counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

OWNER:

KEY CORPORATE CAPITAL INC., through its Key Equipment Finance division

By _____
Name: _____
Title: _____

CHARTERER:

MCALLISTER TOWING AND TRANSPORTATION COMPANY, INC.

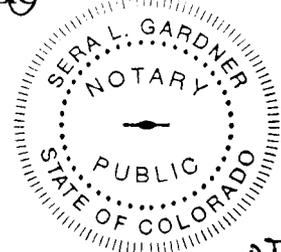
By Eric M. McAllister
Name: Eric M. McAllister
Title: Vice President

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

On this 24 day of December, 2003, before me personally appears Donald C. Davis to me personally known, who being by me duly sworn, says that s/he is the Vice President of KEY CORPORATE CAPITAL INC., through its Key Equipment Finance division, a Michigan corporation, that the foregoing instrument was signed on behalf of said corporation, and s/he acknowledged that the execution of the said instrument was his/her free act and deed.

Shera L. Gardner
NOTARY PUBLIC

My commission expires: April 30, 2007



My Commission Expires April 30, 2007

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this ___ day of December, 2003, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of MCALLISTER TOWING AND TRANSPORTATION COMPANY, INC., a New York corporation, that the foregoing instrument was signed on behalf of said company, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC

My commission expires: _____

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

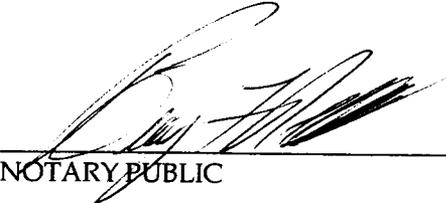
On this ___ day of December, 2003, before me personally appeared _____, to me personally known, who being by me duly sworn, says that s/he is the _____ of KEY CORPORATE CAPITAL INC., through its Key Equipment Finance division, a Michigan corporation, that the foregoing instrument was signed on behalf of said corporation, and s/he acknowledged that the execution of the said instrument was his/her free act and deed.

NOTARY PUBLIC

My commission expires: _____

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 23 day of December, 2003, before me personally appeared Eric M. Hall to me personally known, who being by me duly sworn, says that he is the Vice President of MCALLISTER TOWING AND TRANSPORTATION COMPANY, INC., a ~~New York~~ corporation, that the foregoing instrument was signed on behalf of said company, and he acknowledged that the execution of the said instrument was his free act and deed.



NOTARY PUBLIC

My commission expires: 7/31/2006

BEVERLY F. REILLY
Notary Public, State of New York
No. 30-4523385
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires July 31, 2006

SCHEDULE 1

Vessel subject to Bareboat Charter dated December 26, 2003 between Key Corporate Capital Inc., through its Key Equipment Finance division, as Owner, and McAllister Towing and Transportation Company, Inc., as Charterer.

| VESSEL | OFFICIAL NUMBER |
|-----------------|-----------------|
| A.J. MCALLISTER | 1146419 |

and all equipment located onboard or used in connection with the above described vessels, the whole of the vessels, together with her boilers, engines, generators, air compressors, cranes, machinery, masts, spars, riggings, boats, anchors, cable, chains, tackle, tools, pumps and pumping equipment, apparel, furniture, furnishings, fittings, spare parts, stores, and all other appurtenances thereunto appertaining or belonging, whether now owned or hereafter acquired, whether or board or not, and all additions, renewals and replacements hereafter made in or to the vessels, and proceeds thereof, and all accounts, charters and contracts for the use or hire of the above described vessels, and all proceeds thereof.