



7 W. Cheryl Drive
Phoenix, AZ 85021-2482

1-(800) 530-4561

www.marineauctionservices.com

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FIRST CLASS MAIL

INTERNATIONAL BOAT & MARINE AUCTION SERVICES, INC.

We cover the waterfront and harbor brokerage and then some!!! International Boat & Marine (IB&M) is a full-service marketing company specializing in all phases of the Marine Industry. We provide sales, marketing, management and consulting services to accelerate cash accumulation utilizing: Pre-auction, auction, post-auction and buy-out programs. IB&M has a professional staff well versed in conducting auctions internationally, with an extensive client base including governmental agencies, banking institutions, trustees and the private sector. IB&M welcomes your solicitation of information on any of our marine-related services.

Inspections By Appointment

AUCTION TERMS & CONDITIONS

1. REGISTRATION: All prospective buyers MUST register in order to bid at the auction. Each bidder shall be required to possess a certified check drawn payable to themselves in the amount of \$35,000.00.

2. PURCHASE AGREEMENT: The successful buyer shall sign a Vessel Purchase Contract and Receipt and endorse the certified check to Michael Vaughn's Trust Account. This amount plus the difference, up to 10% of the total contract price, is payable by personal/company check and credited toward the total contract price. If for any reason the buyer(s) are unable to complete the transaction, the earnest Money will be forfeited. Final settlement shall be on or before August 21, 2006.

3. INSPECTION: Previewing and inspection of is *essential*. The vessel is being sold "AS IS - WHERE IS."

DUE DILIGENCE INFORMATION PACKAGE INCLUDES:

- Certificate of Inspection
- Certificate of Documentation
- January 2003 Survey
- Insurance Binder
- 2006 Dry Dock Invoice - Work List
- Vessel Purchase Contract



4. SELLER'S & AUCTIONEER'S DISCLAIMER: All announcements made by the auctioneer shall take precedence over any previously written material or oral statements made by auctioneer. Conduct of the auction, increments of the bidding, duration of the auction and decisions as to the high bidder will be at the direction and sole discretion of the auctioneer. ALL information is subject to the inspection and verification by all parties relying on it. No guarantee, warranty or representation, expressed or implied, is given on the information contained in the brochure or due diligence information. The Seller and their agents expressly disclaim any and all liabilities, which may be based on such information, errors therein or omissions therefrom. ONLY such representation and warranties as may be set forth in a definitive Vessel Purchase Contract between Seller and Buyer shall have any legal effect. Seller reserves the right of prior disposal of the vessel.

5. CORPORATE ASSETS: Other assets will be made available to the high bidder.

6. BUYER PREMIUM: Ten percent (10%) will be added to the successful high bid. The Buyer Premium (Fee) is refundable if SELLER cannot deliver clear and marketable title to the vessel, at close of escrow through no fault of the Buyer.

7. ABSENTEE BIDS: Individuals unable to attend the auction may complete an Absentee Bid Form, authorizing the auctioneer to bid on their behalf, up to a specific amount. Or, register and bid on the Internet: www.marineauctionservices.com.

8. BROKER PARTICIPATION: Boat Brokers are encouraged to participate in the Auction process and register their respective clients. Contact the Auctioneer for Registration Forms. NO oral registrations will be accepted!

Aloha Auction



Suggested Opening Bid \$850,000

M/V Kulamanu

USCG #250603

Ordered SOLD By: Osceola Cruises, Inc., dba Pacific Cruises

**Thursday, July 20th
at 2:00 PM (on-site)**

Pier 7A • 181 Ala Moana Boulevard, Honolulu, Hawaii



Kip Kane • 1 (800) 530-4561

www.marineauctionservices.com



Inspection Coordinator
MIKE VAUGHN
Attorney at Law
(562) 592-9350

www.shipinformationcenter.com

HISTORY OF THE VESSEL

M/V Kulamanu was originally built in 1946 in Wilmington, Delaware, by Lancaster Iron Works. It was converted to a four-masted barkentine passenger vessel under Subchapter H in 1980. She is U.S. Coast Guard certified for 1,000 passengers and a crew of up to 60 for a total of 1,060 persons. She has been primarily operating for dinner cruises every evening off Waikiki Beach with occasional special daytime charters. Her marine crew is approximately 14 persons.

The vessel is all steel-welded with a long bow sprit and has four steel masts that carry small sails, essentially for visual and aesthetic purposes. The vessel is powered by twin 1,000 hp Superior engines.

Measuring a full 282 feet long and 55 feet wide, the Kulamanu is licensed to carry 1,000 passengers. Her four masts stand 131 feet above the water, giving her a romance and appeal which is truly unique.

- Built in 1946 in Perryville, Maryland
- Arrived in Hawaii on July 13, 1980
- Cruising Speed: 13.3 knots
- Length: 282'
- Beam: 55"
- Draft: 9'6"
- Mast Height: 131"
- Passenger Capacity: 1000



WHY AN AUCTION?

The owners have elected to market the M/V Kulamanu via the accelerated auction method thereby eliminating additional carrying costs that are incurred with conventional marketing and passing these savings on to the new owners.

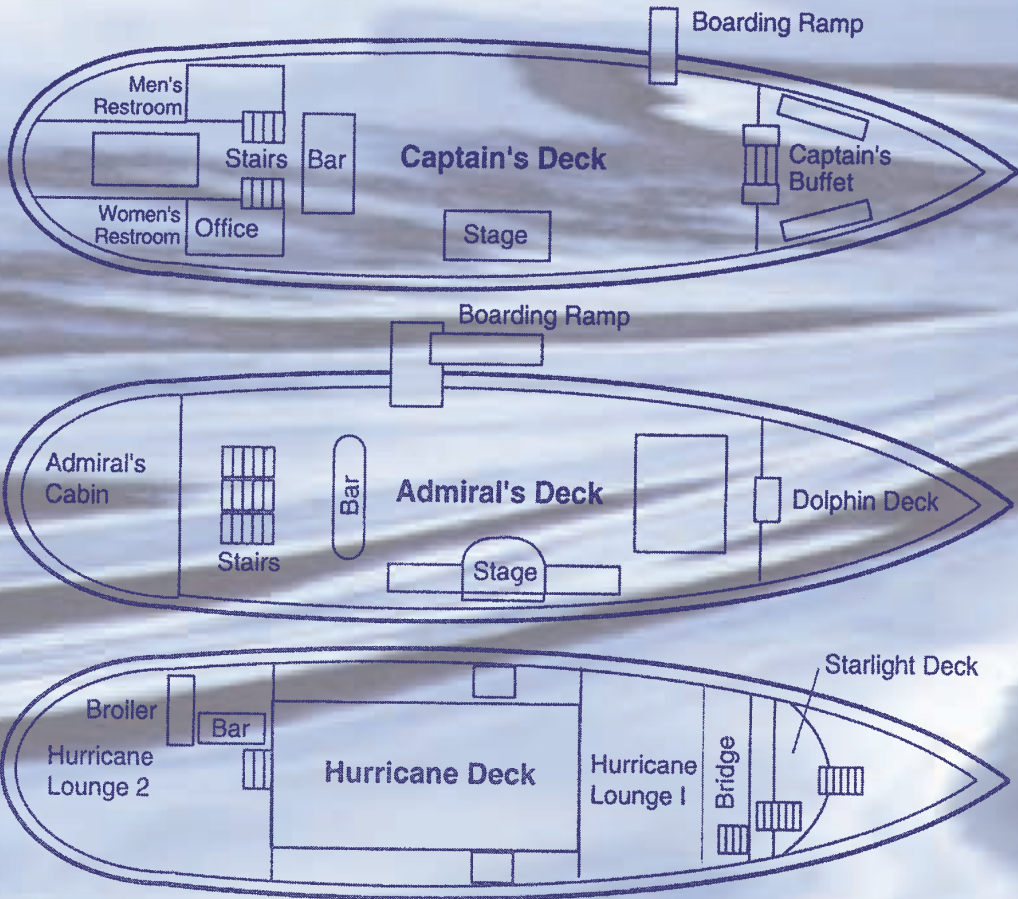


Dining

Ordered SOLD By:
Osceola Cruises, Inc.,
dba



Pier 7A next to
Maritime Museum



Broker Participation Welcomed

UNPRECEDENTED OPPORTUNITY