ULTRAPETROL BAHAMAS LTD
Form F-4
January 24, 2005

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form F-4

REGISTRATION STATEMENT

UNDER
THE SECURITIES ACT OF 1933

Ultrapetrol (Bahamas) Limited

(Exact name of Registrant as specified in its charter)

Commonwealth of the Bahamas	**4412**	**N/A**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification No.)*

H&J Corporate Services Ltd.
Shirlaw House
87 Shirley Street
P.O. Box SS-19084
Nassau, Bahamas
(242) 322-8571
(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

CT Corporation System
111 Eighth Avenue
New York, New York 10011
(800) 624-0909
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of communications to:

Lawrence Rutkowski, Esq.

Seward & Kissel LLP
One Battery Park Plaza
New York, New York 10004

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
9% First Preferred Ship Mortgage Notes due 2014	$180,000,000	100%	$180,000,000	$21,186
Guarantees relating to the 9% First Preferred Ship Mortgage Notes due 2014	(2)	(2)	(2)	(2)

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(f) under the Securities Act of 1933.

(2) No separate consideration will be received for the guarantees relating to the 9% First Preferred Ship Mortgage Notes due 2014.

The registrant hereby amends the registration statement on such date or dates as may be necessary to delay the effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

TABLE OF ADDITIONAL REGISTRANTS

Name	Jurisdiction of Incorporation	IRS Employee Identification No.	Primary Standard Industrial Classification Code
Baldwin Maritime Inc.	Panama	N/A	4412
Bayham Investments S.A.	Panama	N/A	4412
Cavalier Shipping Inc.	Panama	N/A	4412
Corporacion De Navegacion Mundial S.A.	Chile	N/A	4412
Danube Maritime Inc.	Panama	N/A	4412
General Ventures Inc.	Liberia	N/A	4412
Imperial Maritime Ltd. (Bahamas) Inc.	Panama	N/A	4412
Kattegat Shipping Inc.	Panama	N/A	4412
Kingly Shipping Ltd.	Bahamas	N/A	4412
Majestic Maritime Ltd.	Bahamas	N/A	4412
Massena Port S.A.	Uruguay	N/A	4412
Monarch Shipping Ltd.	Bahamas	N/A	4412
Noble Shipping Ltd.	Bahamas	N/A	4412
Oceanpar S.A.	Paraguay	N/A	4412
Oceanview Maritime Inc.	Panama	N/A	4412
Parfina S.A.	Paraguay	N/A	4412
Parkwood Commercial Corp.	Panama	N/A	4412
Princely International Finance Corp.	Panama	N/A	4412
Regal International Investments S.A.	Panama	N/A	4412
Riverview Commercial Corp.	Panama	N/A	4412
Sovereign Maritime Ltd.	Bahamas	N/A	4412
Stanmore Shipping Inc.	Panama	N/A	4412
Tipton Marine Inc.	Panama	N/A	4412
Ultrapetrol International S.A.	Panama	N/A	4412
Ultrapetrol S.A.	Argentina	N/A	4412
UP Offshore (Holdings) Ltd.	Bahamas	N/A	4412

The information in this prospectus is not complete and may be changed. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated January 24, 2005.

ULTRAPETROL (BAHAMAS) LIMITED

OFFER TO EXCHANGE ITS OUTSTANDING 9% FIRST PREFERRED SHIP

MORTGAGE NOTES DUE 2014 FOR 9% FIRST PREFERRED SHIP MORTGAGE NOTES DUE 2014, WHICH HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission (the SEC) is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

TERMS OF THE EXCHANGE OFFER

We will exchange all of our outstanding 9% First Preferred Ship Mortgage Notes due 2014 that were issued on November 24, 2004, which we refer to as the outstanding notes and which have not been registered under the Securities Act of 1933, as amended (the Securities Act) that are validly tendered and not properly withdrawn for an equal principal amount of 9% First Preferred Ship Mortgage Notes due 2014, which we refer to as the exchange notes and which are registered under the Securities Act and are freely tradable. References we make in this prospectus to notes shall mean both outstanding notes and exchange notes.

Any holder of outstanding notes electing to exchange its outstanding notes for exchange notes must surrender its exchange notes, together with the appropriate letter of transmittal, to Manufacturers and Traders Trust Company, as the Exchange Agent, or the Exchange Agent must receive an agent s message if exchange of the outstanding notes is being made by book-entry delivery through the Depository Trust Company s automated tender offer program.

You are entitled to withdraw your election to tender the outstanding notes at any time prior to the expiration of the exchange offer.

This exchange offer expires at 5:00 p.m., New York City time, on ____________, 2005, unless we extend the expiration date.

The exchange of the outstanding notes for the exchange notes in the exchange offer will not be a taxable event for U.S. Federal income tax purposes.

We will not receive any proceeds from the exchange offer.

TERMS OF THE EXCHANGE NOTES

The exchange notes are being offered in order to satisfy some of our obligations under the registration rights agreement entered into in connection with the private placement of the outstanding notes.

The terms of the exchange notes are identical to the terms of the outstanding notes except that the exchange notes are registered under the Securities Act and will not be subject to restrictions on transfer or to any increase in annual interest rate for failure to comply with the registration rights agreement.

Outstanding notes not tendered in the exchange offer will remain outstanding and continue to accrue interest but will not retain any rights under the registration rights agreement.

RESALES OF EXCHANGE NOTES

The exchange notes may be sold in the over-the-counter market, in negotiated transactions or through a combination of these methods.

BROKER-DEALERS

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding notes where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration date, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

SEE RISK FACTORS BEGINNING ON PAGE 19 FOR A DISCUSSION OF SOME OF THE RISKS THAT YOU SHOULD CONSIDER IN CONNECTION WITH PARTICIPATION IN THE EXCHANGE OFFER.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2005.

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Ultrapetrol (Bahamas) Limited is a company incorporated under the laws of the Bahamas. Our registered office is located at H&J Corporate Services Ltd., Shirlaw House, 87 Shirley Street, P.O. Box SS-19084, Nassau, Bahamas, and our telephone number at that address is 1-242-322-8571.

In this prospectus, Ultrapetrol (Bahamas) Limited, the Company, we, us and our refers only to Ultrapetrol (Bahamas) Limited and its subsidiaries and joint ventures.

This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any jurisdiction or in any circumstances where the offer or sale is not permitted. Please refer to the letter of transmittal and the other documents relating to this prospectus for instructions as to your eligibility to tender outstanding notes in this exchange offer. You must not:

- use this prospectus for any other purpose;
- make copies of any part of this prospectus or give a copy of it to any other person; or
- disclose any information in this prospectus to any other person.

We have prepared this prospectus and we are solely responsible for its contents. You are responsible for making your own examination of us and your own assessment of the merits and risks of investing in the notes. You may contact us if you need any additional information.

We are not providing you with any legal, business, tax or other advice in this prospectus. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to tender your outstanding notes for exchange notes.

You must comply with all laws that apply to you in any place in which you buy, offer or sell any notes or possess this prospectus. You must also obtain any consents or approvals that you need in order to tender outstanding notes. We are not responsible for your compliance with these legal requirements.

NOTICE TO NEW HAMPSHIRE RESIDENTS

Neither the fact that a registration statement or an application for a license has been filed under RSA 421-B with the State of New Hampshire nor the fact that a security is effectively registered or a person is licensed in the State of New Hampshire constitutes a finding by the Secretary of State that any document filed under RSA 421-B is true, complete and not misleading. Neither any such fact nor the fact that an exemption or exception is available for a security or a transaction means that the Secretary of State has passed in any way upon the merits or qualifications of, or recommended or given approval to, any person, security or transaction. It is unlawful to make, or cause to be made, to any prospective purchaser, customer, or client any representation inconsistent with the provisions of this paragraph.

INDUSTRY AND MARKET DATA

We obtained the industry, market and competitive position data used throughout this prospectus from research, surveys or studies conducted by us and by third parties and industry or general publications produced by Doll Shipping Consultancy (DSC), among others. Industry and general publications generally state that they have obtained information from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. While we believe that these sources are reliable, neither we nor any of our affiliates have independently verified such data and neither we nor any of our affiliates make any representations as to the accuracy of such information. Similarly, we believe our internal research is reliable, but it has not been verified by any independent sources and neither we nor any of our affiliates make any representations as to the accuracy of such research.

DSC is an independent company based in the United Kingdom providing market analysis and strategic planning services to the shipping industry, and has provided us with statistical and other data regarding the industry and markets in which we operate. This data is set forth in this prospectus, among other locations, in the section entitled Industry Overview. DSC has advised us that this data is drawn from published and private industry sources. DSC has also advised us that:

- some industry data provided by DSC is based upon estimates or subjective judgments in circumstances where data for actual market transactions either does not exist or is not publicly available;

- the published information of other maritime data collection experts may differ from the data provided to us by DSC; and

- while DSC has taken reasonable care in the compilation of the data it has provided to us and believes such data to be accurate, data collection is subject to limited audit and validation procedures.

We believe that the data supplied to us by DSC is accurate in all material respects, although neither we nor any of our affiliates have independently verified this data and neither we nor any of our affiliates make any representations regarding its accuracy.

ENFORCEABILITY OF CIVIL LIABILITIES

We are a Bahamas corporation. Each of the subsidiary guarantors and pledgors is incorporated in Argentina, the Bahamas, Chile, Liberia, Panama, Paraguay or Uruguay. Each of the vessels and barges that secure the notes and subsidiary guarantees is flagged in Argentina, Bolivia, Chile, Liberia, Panama or Paraguay. All of our and the subsidiary guarantors and pledgors offices, administrative activities and other assets, as well as those of the independent public accountants and the expert named herein, are located outside the United States. As a result, it may be difficult for you to effect service of process within the United States upon us, any of the subsidiary guarantors and pledgors or such persons. In addition, some of our directors and officers and the directors and officers of the subsidiary guarantors and pledgors are residents of jurisdictions other than the United States, and all or a substantial portion of the assets of such persons are or may be located outside the United States. As a result, it may be difficult for you to effect service of process within the United States upon such persons.

The following special legal counsel have advised us and the subsidiary guarantors and pledgors: (i) Perez Alati, Grondona, Benites, Arntsen & Martinez de Hoz, Jr., regarding the laws of Argentina; (ii) Higgs & Johnson, regarding the laws of the Bahamas; (iii) Barros & Errázuriz Abogados Ltda., regarding the laws of Chile; (iv) Seward & Kissel LLP, regarding the laws of Liberia; (v) Palacios, Prono & Talavera, regarding the laws of Paraguay; (vi) Tapia, Linares y Alfaro, regarding the laws of Panama; and (vii) Ramela & Regules Rucker, Abogados, regarding the laws of Uruguay. Each such special counsel has advised us that courts of their respective jurisdictions may not (i) enforce judgments of United States courts obtained against us, the subsidiary guarantors and pledgors, our directors and officers, the directors and officers of the subsidiary guarantors, the independent public accountants and the expert named herein, as applicable, predicated upon the civil liability provisions of the Federal securities laws of the United States or (ii) entertain original actions brought against such parties, predicated upon the Federal securities laws of the United States. As a result, it may be difficult for you to enforce judgments obtained in United States courts against us, the subsidiary guarantors and pledgors, our directors and officers, the directors and officers of the subsidiary guarantors and pledgors, the independent public accountants or the expert named herein, or the assets of any such parties located outside the United States. Further, it may be difficult for you to entertain actions, including those predicated upon the civil liability provision of the Federal securities laws of the United States, against such parties in courts outside of the United States.

We and each subsidiary guarantor and pledgor have appointed CT Corporation System, 111 Eighth Avenue, New York, New York 10011, as agent for service of process in any action brought against us or any of them under the securities laws of the United States arising out of or based upon the indenture, the notes and the guarantees of the notes issued by the subsidiary guarantors, in any Federal or state court having subject matter jurisdiction in the Borough of Manhattan, the City of New York, New York. In connection therewith, we have irrevocably submitted to the jurisdiction of such courts in any such action or proceeding in the United States with respect to the indenture, the notes and the guarantees.

FINANCIAL STATEMENTS

Our consolidated financial statements and those of UABL Limited as of and for the year ended December 31, 2001 included in this prospectus were audited by Pistrelli, Diaz y Asociados (a member of Andersen). Subsequent to its audit, Pistrelli, Diaz y Asociados (a member of Andersen) ceased operations. Pistrelli, Diaz y Asociados (a member of Andersen) has not reissued its reports with respect to such consolidated financial statements, and we were unable to obtain its written consent to the inclusion of such reports in the exchange offer registration statement that includes this prospectus. This may have important consequences to holders of the notes. See Risk Factors Risks Related to the Notes Your ability to recover from our former independent public accountants for any potential financial misstatements is limited and Experts.

FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. We may also from time to time make forward-looking statements in our periodic reports that we will file with the SEC, in other information sent to our security holders and in other written materials. All statements other than statements of historical fact included in this prospectus are forward-looking statements. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as anticipate, estimate, expect, project, plan, intend, believe and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

These forward-looking statements are based on assumptions that we have made in light of our experience in the industry in which we operate, as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. As you read and consider this prospectus, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties (some of which are beyond our control) and assumptions. Although we believe that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect our actual financial results and cause them to differ materially from those anticipated in the forward-looking statements. These factors include, among others:

- our future operating or financial results;
- statements about future, pending or recent acquisitions, business strategy, areas of possible expansion and expected capital spending or operating expenses, including bunker prices, drydocking and insurance costs;
- our financial condition and liquidity, including our ability to obtain financing in the future to fund capital expenditures, acquisitions and other general corporate activities;
- our expectations about the availability of vessels to purchase, the time which it may take to construct new vessels, or vessels useful lives;
- statements about general market conditions and trends, including charter rates, vessel values and factors affecting vessel supply and demand;
- potential liability from pending or future litigation;
- the strength of world economies and currencies and general domestic and international political conditions;
- changes in governmental rules and regulations or actions taken by regulatory authorities; and
- the other factors discussed under the heading Risk Factors.

Because of these factors, we caution that you should not place undue reliance on any of our forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect us. Except as required by law, we have no duty to, and do not intend to, update or revise the forward-looking statements in this prospectus after the date of this prospectus.

GLOSSARY OF SHIPPING TERMS

The following are definitions of certain terms that are commonly used in the shipping industry and in this prospectus.

Aframax. A tanker ranging in size from 80,000 dwt to 119,999 dwt.

Annual survey. The inspection of a vessel pursuant to international conventions, by a classification society surveyor or on behalf of the flag state, that takes place every year.

Bareboat charter. Charter of a vessel under which the shipowner is usually paid a fixed amount of charterhire for a certain period of time during which the charterer is responsible for the vessel s operating expenses, and voyage expenses, as well as the management of the vessel, including crewing. A bareboat charter is also known as a demise charter or a time charter by demise.

Bhp or brake horsepower. The actual or useful horsepower of an engine, usually determined from the force exerted on a friction brake or dynamometer connected to the drive shaft.

Bulk carrier. A ship designed for the carriage of dry bulk cargoes.

Bunker. The fuel oil used to operate a vessel s engines and generators.

Capesize. A dry bulk carrier that is greater than 80,000 dwt in size.

Charter. The hire of a vessel for a specified period of time or to carry a cargo from a loading port to a discharging port.

Charterer. The company that hires a vessel.

Charterhire. A sum of money paid to the shipowner by a charterer under a charter for the use of a vessel.

Classification society. An independent society that certifies that a vessel has been built and maintained according to the society s rules for that type of vessel and complies with the applicable rules and regulations of the country of the vessel and the international conventions of which that country is a member. A vessel that receives its certification is referred to as being in-class.

Clean petroleum products. Liquid products refined from crude oil whose color is less than or equal to 2.5 on the National Petroleum Association scale. Clean petroleum products include naphtha, jet fuel, gasoline and diesel/ gasoil.

Contract of affreightment or COA. A contract for the carriage of a specific type and quantity of cargo, with payment based on metric tons of cargo carried, which will be carried in one or more shipments. For a COA, the vessel owner or operator generally pays all voyage expenses and vessel operating expenses and has the right to substitute one vessel for another. The rate is generally expressed in dollars per metric ton of cargo. Revenues earned under COAs are referred to as freight. When used herein, COA also refers to a voyage charter.

Dirty petroleum products. Liquid products refined from crude oil whose color is greater than 2.5 on the National Petroleum Association scale. Dirty products will usually require heating during the voyage as their viscosity or waxiness makes discharge difficult at ambient temperatures. Dirty petroleum products include fuel oil, Low Sulfur Waxy Residue, or LSWR and Carbon Black Feedstock, or CBFS.

Double hull. Hull construction design in which a vessel has an inner and outer side and bottom separated by void space.

Drydocking. The removal of a vessel from the water for inspection and/or repair of those parts of a vessel which are below the water line. During drydockings, which are required to be carried out periodically, certain mandatory classification society inspections are carried out and relevant certifications issued.

Dwt or Deadweight ton. A unit of a vessel s capacity for cargo, fuel oil, stores and crew measured in metric ton units which is equal to 1,000 kilograms.

Gross ton. A unit of measurement for the total enclosed space within a vessel equal to 100 cubic feet or 2.831 cubic meters.

Hidrovia region. A region of navigable waters in South America on the Parana, Paraguay and Uruguay Rivers and part of the River Plate, which flow through Brazil, Bolivia, Uruguay, Paraguay and Argentina. The region covers the entire length of the Parana River south of the Itaipu Dam, the entire length of the Paraguay River south of Corumba, the Uruguay River and the River Plate west of Buenos Aires. Our definition of the Hidrovia region is wider than the common usage of such term.

Hull. Shell or body of a ship.

IMO. International Maritime Organization, a United Nations agency that issues international standards for shipping.

Lightering. To discharge the cargo of a larger vessel located offshore into a smaller vessel used to transport the cargo to the shore.

Newbuilding. A new vessel under construction or just completed.

OBO or Oil/ Bulk/ Ore. A combination carrier capable of transporting oil products, ore or dry bulk commodities.

Off hire. The period a vessel is unable to perform the services for which it is immediately required under a time charter. Off hire periods include days spent on repairs, drydocking and surveys, whether or not scheduled.

OPA. The United States Oil Pollution Act of 1990, as amended.

Panamax. A vessel of approximately 50,000 to 79,999 dwt. The term is derived from the maximum length, breadth and draft of a vessel capable of passing through the Panama Canal.

Petroleum products. Refined crude oil products, such as fuel oils, gasoline and jet fuel.

Product tanker. A tanker designed to carry a variety of liquid products varying from crude oil to clean and dirty petroleum products, acids and other chemicals. The tanks are coated to prevent product contamination and hull corrosion. The ship may have equipment designed for the loading and unloading of cargoes with a high viscosity.

Protection and indemnity or P&I insurance. Insurance obtained through a mutual association formed by shipowners to provide liability insurance protection against large financial loss to one member by contribution to offset that loss by all members.

PSV or platform supply vessel. A vessel ranging in size from approximately 150 feet to 275 feet in length that serves oil drilling and production facilities by transporting supplies and equipment to offshore locations, utilizing a large clear deck and under deck tanks.

Scrapping. The disposal of old vessel tonnage by way of sale as scrap metal.

Special survey. The inspection of a vessel while in drydock by a classification society surveyor that takes place every four to five years.

Spot market. The market for immediate chartering of a vessel, usually for single voyages.

Suezmax. A tanker ranging in size from 120,000 dwt to 199,999 dwt. The term is derived from the maximum length, breadth and draft of a vessel capable of passing through the Suez Canal.

Tanker. A ship designed for the carriage of liquid cargoes in bulk with cargo space consisting of segregated tanks. Tankers carry a variety of products including crude oil, refined products, liquid chemicals and liquefied gas.

Time charter. Charter under which the shipowner is paid charterhire on a per day basis for a certain period of time. The shipowner is responsible for providing the crew and paying vessel operating expenses while

the charterer is responsible for paying the voyage expenses. Any delays at port or during the voyages are the responsibility of the charterer, save for certain specific exceptions such as off hire.

ULCC or Ultra large crude carrier. A tanker that is 320,000 dwt or greater in size.

Vessel operating expenses or running costs. The costs of operating a vessel that are incurred during a charter, primarily consisting of crew wages and associated costs, insurance premiums, lubricants and spare parts, and repair and maintenance costs. Vessel operating expenses or running costs exclude fuel costs and port fees, which are known as voyage expenses. For a time charter, the shipowner pays vessel operating expenses. For a bareboat charter, the charterer pays vessel operating expenses.

VLCC or Very large crude carrier. A tanker ranging in size from 200,000 to 319,999 dwt.

Voyage charter. Contract for hire of a ship under which a shipowner is paid freight on the basis of moving cargo from a loading port to a discharge port. The shipowner is responsible for paying both vessel operating expenses and voyage expenses. The charterer is typically responsible for any delay at the loading or discharging ports. A voyage charter is also known as a contract of affreightment or COA.

Voyage expenses. Expenses incurred due to a vessel traveling to a destination, such as fuel cost and port fees.

SUMMARY

This summary highlights selected information in this prospectus, including documents that are incorporated by reference. It may not contain all the information that may be important to you. As an investor or prospective investor, you should review carefully the risk factors and the more detailed information and financial statements, including the unaudited condensed consolidated pro forma financial information, contained elsewhere in this prospectus. In this prospectus, unless the context otherwise indicates, the terms we, us and our (and similar terms) refer to Ultrapetrol (Bahamas) Limited and our subsidiaries and joint ventures. We recently acquired from our former joint venture partner the remaining 50% equity interest in UABL Limited, which is the subsidiary through which we operate our River Business. Throughout this prospectus, we have included pro forma financial information which gives effect to the consolidation of the River Business into our financial statements. Certain pro forma information also gives effect to the deconsolidation of our Offshore Business from our financial statements and the refinancing of our outstanding notes and certain existing credit facilities with the proceeds of the offering of our outstanding notes.

Our Company

We are a diversified ocean and river transportation company involved in the carriage of dry and liquid bulk cargoes. In our Ocean Business, we are an owner and operator of oceangoing vessels that transport petroleum products and dry cargo around the world. Our Ocean Business fleet has an aggregate capacity of approximately 785,000 dwt, and our three versatile Suezmax/ OBO vessels are capable of carrying either dry bulk or liquid cargoes. Our River Business is the largest owner and operator of river barges and push boats in the Hidrovia region of South America, a fertile agricultural region of navigable waters on the Parana, Paraguay and Uruguay Rivers and part of the River Plate, which flow through Brazil, Bolivia, Uruguay, Paraguay and Argentina. In addition we recently made an investment in an offshore services transportation company, which will commence operations in 2005.

We are focused on growing with an efficient and flexible fleet, which allows us to provide an array of transportation services to customers in several different industries. We believe that the flexibility of our fleet and the diversity of industries that we service reduce our dependency on any particular sector of the transportation industry.

Some of our significant customers in the last three years include Petrobras, Cargill, ENAP, ADM-SAO, Continental Grain, Glencore, ExxonMobil, Repsol-YPF, Petropar, I.O.L., Multigranos, Panocean, RTZ, Swissmarine, PDVSA and Siderar.

Our Lines of Business

Ocean Business: In our Ocean Business, we own and operate five oceangoing vessels and two semi-integrated oceangoing tug barge units (one of which is currently used as a transfer station in our River Business) under the trade name Ultrapetrol. Our oceangoing ships transport dry and liquid bulk goods on major trade routes around the globe. Major products carried include liquid cargo such as petroleum and petroleum derivatives and dry cargo, iron ore, coal and other bulk cargoes. Over the course of the last six years, we have acquired an ocean fleet that operates on a global basis and currently has an aggregate cargo carrying capacity of approximately 785,000 dwt and an average age of 18 years. A table detailing our ocean fleet is presented below:

Vessel	Year Built	Vessel Type	DWT	Flag
Princess Katherine	1986	Suezmax/OBO	164,100	Panama
Princess Nadia	1987	Suezmax/OBO	152,328	Panama
Princess Susana	1986	Suezmax/OBO	152,295	Panama
Cape Pampas(1)	1990	Capesize	151,380	Panama
Princess Marina	1986	Aframax	83,930	Chile
Alianza G2(2)/*Alianza Rosario*	1994(3)	Semi-integrated tug/barge unit	37,532(5)	Panama
Alianza G3/Alianza Campana	1993(4)	Semi-integrated tug/barge unit	43,164(5)	Panama

(1) Owned by Ultracape (Holdings) Ltd., of which we own 60%.

(2) Although *Alianza G2* is considered part of our ocean fleet, it is currently engaged as a transfer station in the lower Parana River as part of our River Business.

(3) The keel of the barge, *Alianza G2*, was laid in 1980. The barge was delivered in 1984. It was refurbished and converted to its current use in 1994. The separate but integrated tug, *Alianza Rosario*, was built in 1976.

(4) The barge, *Alianza G3*, was built in 1982 and refurbished and converted to its current use in 1993. The separate but integrated tug, *Alianza Campana*, was built in 1976.

(5) As the tug carries no cargo, it is not considered in the calculations of aggregate dwt or age.

Our Aframax and Suezmax vessels are versatile due to their ability to service virtually all major routes used for crude oil transportation. In addition, our Suezmax tankers, which are Oil/ Bulk/ Ore carriers, or OBOs, have the added versatility of being able to carry either oil products or dry bulk cargoes to take advantage of changing market conditions. Given the rise during 2003 and early 2004 in spot market prices for dry cargo, these vessels, together with our Capesize bulk carrier, *Cape Pampas*, are currently employed in the carriage of bulk dry cargoes on trade routes around the world, mostly loading coal and iron ore from South America, Australia and South Africa to Europe, China and other Far East countries. Over 86% of our revenues since September 2003 derived from charterers in Europe, the U.S. and Asia. Over the same period, approximately 74% of our revenues derived from longer term time charters with at least three months duration and 26% from shorter term time charters.

As a policy decision, since the beginning of 2003, we sold all of our older single hull Panamax and Aframax tankers that we used to service the regional trade of Argentina and Brazil. Over the next several years, we intend to rebuild the Panamax size fleet with modern double hull vessels that can service the needs of our customers safely and efficiently.

River Business: We operate our River Business through our trade name UABL. We own and operate 457 barges with approximately 750,000 dwt capacity and 21 push boats. In addition, we use one ocean barge from our ocean fleet, the *Alianza G2*, as a transfer station. Of the barges, 413 are dry barges and 44 are tanker barges. The dry barges transport agricultural and forestry products, iron ore and other cargoes, while the tanker barges carry petroleum products, vegetable oils and other liquids.

We operate our push boats and barges on the navigable waters of the Parana, Paraguay and Uruguay Rivers and part of the River Plate in South America, also known as the Hidrovia region. At over 3,700 km in length, the Hidrovia region is comparable in length to the Mississippi River in the United States.

Over the last six years, we have developed our River Business from one river convoy comprised of one push boat and four barges to the leading river transportation company in the Hidrovia region. In comparison, we believe our largest competitor has less than one-fourth of the number of barges we own and less than one-fifth of our fleet s dwt capacity. UABL operates its own terminals at certain key locations to provide integral transportation services to its customers from origin to destination. We also have our own drydock and repair facility to carry out maintenance to the fleet and operate a floating transshipment facility to discharge the cargoes from barges onto oceangoing vessels in the lower section of the Parana River.

The Hidrovia region produces and trades a significant amount of agricultural products and has shown consistent growth over the last 10 years. For example, Argentina, Brazil, Paraguay, and Bolivia produced about 39.6 million tons of soybeans in 1993 and 92.6 million tons in 2003, a compound annual growth rate from 1993 of 8.9%. DSC estimates production for these countries for 2004 at 112.0 million tons, yielding a compounded annual growth rate from 1993 of 9.9%. These countries accounted for nearly 50% of world soybean production in 2003, growing from only 34% in 1993.

For the fiscal years ended December 31, 2001, 2002 and 2003, UABL generated revenues from unrelated third parties of $37.4 million, $32.3 million and $45.3 million, respectively. Prior to April 23, 2004, our subsidiary, UP River (Holdings) Ltd. (UP River), owned a 50% interest in UABL with our joint venture partner, ACBL Hidrovias Ltd. (ACBL). On April 23, 2004, we purchased ACBL s 50% equity interest in

UABL, together with its assets in the Hidrovia region, including 50 barges and seven push boats and its share of the related receivables and liabilities of UABL, for a total of $26.1 million. As a result of this transaction, together with our prior financing arrangements, we currently own 96.4% of UABL while International Finance Corporation (IFC) owns the remaining 3.6%.

Offshore Business Future Opportunity: We own a 27.78% interest in UP Offshore (Bahamas) Ltd. (UP Offshore), and we have warrants to increase our ownership up to approximately 47.78%. UP Offshore expects to take delivery of six platform supply vessels, or PSVs, commencing in the first quarter of 2005. UP Offshore plans to employ its PSVs to provide transportation services to the offshore petroleum exploration and production companies, with particular emphasis in the Brazilian market. PSVs are designed to transport supplies such as containerized equipment, drill casing, pipes and heavy loads on deck, along with fuel, water, drilling fluids and bulk cement in under deck tanks.

Our Competitive Strengths

We believe that the following strengths are critical to our success:

We Are a Diversified Transportation Company. We operate in different sectors of the transportation industry, including the ocean and river industries and, beginning in 2005, the offshore oil support industry. While we believe that there are synergies between our Ocean and River transportation businesses, particularly in terms of the operational expertise and customer base, the factors that affect supply and demand, the cost structure, and the business risks are different. The offshore oil support segment is a different industry and should provide further diversity from the ocean and river segments. Accordingly, our diversification provides a hedge against potentially cyclical markets.

We Have a Versatile Ocean Fleet. Over the past decade, we have focused on building a versatile ocean fleet to meet the demands of a changing marketplace. We believe that our three Suezmax/ OBO vessels are ideally suited to take advantage of the changing relative conditions of the dry cargo and liquid cargo tanker markets. Our vessels that carry dry cargo can be made ready to carry liquid cargo and vice versa within a matter of days. These vessels, together with our Capesize bulk carrier, *Cape Pampas*, of which we own 60%, generated 83% of our Ocean Business revenues for the 12 month period ended September 30, 2004. Further, our Aframax tanker has the unusual feature of being able, despite its large dwt, to transit the Panama Canal because of her narrow beam. This design is particularly attractive for customers who wish to employ an Aframax size vessel but who occasionally need to bring cargoes through the Panama Canal.

Our Increased Scale Generates Efficiencies. Our combined ocean and river fleet has a capacity of approximately 1.5 million dwt and close to 500 units. Our relative size offers economies of scale and, in our River Business, negotiating power. For example, in our River Business, our size has allowed us to implement a different operational system than our competitors, called a trunk mode, that enables us to service our clients with a continuous stream of available barges.

We Have Long Term, High Quality Customer Relationships. We have operated our vessels in South America and around the globe since our business began in 1992. We have long-standing relationships with large, stable customers, including affiliates of major international oil and agriculture companies, such as Petrobras, the government controlled oil and gas company of Brazil, Cargill, ADM-SAO, Continental Grain and ENAP. These are long term customer relationships that arise from our reputation for reliability and high-quality service. Our two largest customers, Petrobras and Cargill, accounted for approximately 26% and 12% of revenues in 2003, respectively, and our five largest customers in terms of revenue accounted for approximately 57% in 2003.

We Possess Superior Technology. We have made significant investment in our technology systems. For example, in addition to having state of the art navigational, operational and safety technology in our Ocean Business, our River Business has developed a proprietary navigational system that allows its tows to operate 24 hours a day navigating through a river system that lacks signalization for night navigation. These systems enable our River Business to use its assets more efficiently than its competitors while providing a unique service to its customers. We have also developed a proprietary design for our new PSVs in conjunction with the renowned Norwegian ship designer, Vik Sandvik. This design can only be reproduced with the consent of UP Offshore.

We Have a Reputation for High Standards of Performance and Safety. We pride ourselves on our operational excellence, our ability to provide high quality service and our commitments to safety, quality and the environment. The quality of our vessels as well as the expertise of our vessel crews and engineering resources help us maintain highly reliable and consistent performance. We maintain well documented and internationally certified safety and quality management systems, perform periodic audits and conduct training, each of which affects all areas of our activities, including operations, maintenance and crewing. In our Ocean Business, our ship management is certified under the International Safety Management ISM Code and is ISO 9001:2000 certified by the International Organization for Standardization (ISO).

We Have an Established History and Experienced Management Team. Our management team is led by members of the Menendez family. The family collectively has been involved in the shipping industry for over 120 years. Our senior executive officers have on average 32 years of experience in the shipping industry. Our management team has significant expertise in various lines of business and has been instrumental in developing and maintaining our certified safety and quality management systems and our operational plans. Further, our management has helped us design and develop innovative and flexible vessel designs.

Our Business Strategy

Our business strategy is to continue to grow by leveraging our expertise and customer relationships through our investments in different sectors of the transportation industry. We are well recognized by our clients in the global transportation of petroleum and dry cargo and plan to selectively grow the Ocean Business. Our River Business is the leading barge transportation company in the Hidrovia region and is well positioned to grow. Finally, commencing in 2005, we plan on expanding into the Brazilian offshore oil platform supply services industry in order to capitalize on attractive trends in that market. We plan to implement our business strategy by doing the following:

Growing our Ocean Fleet with Versatile Vessels. We intend to expand our ocean fleet by selectively adding versatile vessels through the acquisition of secondhand vessels and newbuildings. For example, we plan on adding Panamax tankers capable of carrying both crude oil and petroleum products as well as smaller petroleum product carriers to our fleet. We believe that by acquiring and building these vessels, we will be able to target different market sectors. In addition, the new Panamax tankers will fill a demand from our existing customers for vessels to service routes where both the point of origin and destination is in South America. These ships are intended to replace the older single hull vessels we sold since 2002.

Redeploying Vessels to the Most Attractive Markets. Due to the flexibility of our oceangoing vessels, we have the ability, under appropriate market conditions, to alter the geographic and industry focus of our operations by redeploying vessels to the most profitable markets. For example, as a result of rising demand out of China during 2003, we switched our three Suezmax/ OBOs from liquid to dry cargo carriers. These redeployed vessels have for the past year earned average day rates that are approximately 50% higher than they could have earned by carrying petroleum products. In addition, we actively manage the deployment of our fleet between longer term time charters and shorter term time charters. Our vessel deployment strategy is designed to provide greater cash flow stability through the use of these longer term time charters, while maintaining the flexibility to benefit from improvements in market rates by deploying the balance of our vessels on shorter term time charters.

Capitalizing on Attractive Fundamentals in our River Business. There are a number of attractive fundamentals in the Hidrovia region river transportation business. We plan to use our leading market position in this region to capitalize on the following fundamentals:

Growing Agricultural Exports. During 2003, Brazil, Argentina, Paraguay and Bolivia produced over 90 million tons of soy, which represents approximately 50% of world production, as compared to the 66 million tons produced by the United States. Moreover, the region continues to have large amounts of unused arable land available for soy and other crops.

Efficient Means of Transportation. River barges provide efficient and cost-effective transportation relative to railroads and trucks. One barge can transport as much as 15 jumbo hopper rail cars or 58 trucks. Additionally, the capacity of a 15 barge tow is equivalent to 870 trucks. As important, a 15 barge tow can be manned by only 8 crew members.

Shortage of Infrastructure. There currently exists a shortage of adequate rail and highway infrastructure in South America to meet the growing demand of exporters. By contrast, the navigable portion of the Hidrovia region is over 3,700 km long, passes through the heart of the agricultural region and is ideally situated to suit the needs of the agricultural community. In addition, over the past several years, we have added through a joint venture a significant amount of infrastructure to the river systems, such as docks, ports and terminals, over which we essentially have an exclusive right of use. Our proprietary infrastructure allows us to better serve our customers by increasing the number of barges we can efficiently load on the river in our loading facilities.

Expanding into the Offshore Industry and Growing through Strategic Investments. We own approximately 27.78% of a new venture, UP Offshore, which will provide services to petroleum exploration and production companies that operate mainly off the coast of Brazil. UP Offshore has contracted for the construction of six modern, large, technologically advanced PSVs whose deliveries are expected to commence in the first quarter of 2005, with an additional two vessels planned to be purchased by UP Offshore. We also have the option, but not the obligation, to purchase up to an additional two PSVs to supplement UP Offshore s program, but these two vessels would be 100% owned by us. All six of UP Offshore s PSVs will have Brazilian flag privileges, which gives us a competitive advantage over non-Brazilian flagged vessels because the Brazilian government generally requires that offshore platform supply services be provided by a Brazilian flagged vessel, if available. Currently, there are approximately 150 vessels in the Brazilian offshore fleet, of which we estimate only 40% are Brazilian flagged vessels. We intend to charter these six new PSVs on long term charters to Petrobras and other oil companies for use in Brazil. Brazil s oil reserves are the second largest in South America, with over 90% of the reserves located offshore. Currently, Petrobras has a majority of the market share in the offshore drilling market, but recently the oil exploration and production market was opened in Brazil to private and foreign participation, which we believe will allow for growth and customer diversification. We have also recently made an investment of $2 million in a terminal in Mexico with a view towards expanding our transportation services to that area.

Focusing on Generating Operational Efficiencies. In all the segments of the transportation business in which we operate, we have identified growth opportunities that should consolidate our position in each segment and should improve overall efficiency and profitability of our existing lines of business. For example, key initiatives include continued rationalization of ship schedules and maximizing yield in our Ocean Business. In our River Business, we focus on optimizing our barge and tug scheduling, maximizing loads and convoy size and minimizing empty back-hauls. Going forward, we expect to continue to find opportunities to rationalize costs and operate more efficiently.

Outsourced Vessel Technical Management and Crewing

For the day-to-day management and administration of our operations, we and our subsidiaries have entered into agreements whereby certain of our subsidiaries and affiliates provide specific services for our operations.

For administrative services, each of our ocean vessel owning/operating subsidiaries pays Oceanmarine S.A. (Oceanmarine), an affiliate of ours, a monthly fee of $10,000 per vessel. Oceanmarine provides all general administration and accounting services, including financial reporting, preparation of tax returns, invoicing and accounts payable, office premises, a computer network, secretarial assistance, payroll and other general duties.

Through our respective owning/operating subsidiaries, we have contracted with Ravenscroft Ship Management Ltd. (Ravenscroft), an affiliate of ours, to provide the operational management of our vessels used in the Ocean Business. We pay Ravenscroft a monthly ship management fee of $12,500 per oceangoing vessel for services, including technical management, crewing, provisioning, superintendence and