

LAW ON YACHTS

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I GENERAL PROVISIONS

Subject of the Law

Article 1

This Law regulates: nationality, identification and registration of yachts in the Register of Yachts, manner of entering, staying and leaving of yachts, as well as rights and responsibilities connected with chartering of yachts.

Definitions

Article 2

Terms used in this Law shall have the following meaning:

Yacht is a navigable vessel driven by motor engine or by sails, which can have more than one hull, intended and equipped for longer stay at sea, for leisure, sport and recreation, which length is greater than 7m and which is used for personal needs or commercial activity;

Foreign yacht means a yacht flying a foreign flag;

Foreign boat is a navigable vessel which has foreign state affiliation;

Yacht for commercial activity is a yacht or foreign yacht intended for renting with or without the crew;

Yacht for personal needs is a yacht or foreign yacht which is not used for commercial activities;

Register means book and electronic recording of registered yachts with data on their identities, characteristics, owners and mortgage;

Certificate of registration means a document which proves that a yacht is registered in the Register and is seaworthy;

Surveyor is a certified officer or person authorized by the Maritime Safety Department (hereinafter referred to as the “Administration Body”) on the basis of professional qualifications and practical experience in surveys for establishing seaworthiness of yachts;

MMSI number (Maritime Mobile Service Identity) is the international maritime radio communications identity number;

GMDSS is Global Maritime Distress and Safety System;

SOLAS is the International Convention for the Safety of Life at Sea;

MARPOL is the International Convention for the Prevention of Pollution from Ships;

STCW is the International Convention on Standards for Training, Certification and Watchkeeping for Seafarers);

Bareboat charter is a contract of lease or sub-lease of a yacht stipulated between the owner and the charterer for a stated period, by virtue of which the charterer has full possession and control of the yacht, including the right to appoint the master and crew for the period of lease, but it does not include the right to sell or mortgage a yacht;

Pilotage means giving expert advice to master of a yacht by a qualified person (pilot) for the purpose of safe navigation on navigable waterways, ports and marinas;

Vignette is a mark which proves the fulfilling of conditions for navigation of a foreign yacht and foreign boat in Territorial sea, internal sea waters, rivers and lakes and it can be for personal use and for commercial activity.

Maximum number of persons allowed is a number of passengers and crew members entered in document of registration.

II MONTENEGRO YACHT REGISTER

Nationality and flag

Article 3

Yacht receives the nationality of the Republic of Montenegro (hereinafter referred to as "the Republic") with the act of its registration in the Register of Yachts of the Republic of Montenegro (hereinafter referred to as the "Register").

The name of the Register in English language is Montenegro Yacht Register.

A yacht granted a nationality of the Republic, navigating outside the territorial sea, inland sea area, rivers and lakes of the Republic, is under the sovereignty of the Republic.

The flag of the Republic is a sign of the nationality of a yacht.

A yacht granted the nationality of the Republic has a right and obligation to fly the flag of the Republic.

Size and manner of displaying a flag

Article 4

The flag of the Republic displayed on a yacht shall have a ratio of width to length of 1:1, 5.

On a motor yacht the flag shall be displayed on the jack staff.

On a sailing yacht the flag shall be displayed on the after mast, and if the yacht has only one mast, the flag shall be displayed on it.

The flag shall be raised in a manner that its upper edge reaches the top of the ensign staff, or mast respectively.

If the flag is flung on the ensign staff, or mast respectively, no other mark or flag shall be displayed on it.

Name and marks

Article 5

Yachts registered in the Register shall have name and markings in accordance with the Law.

There shall be no two yachts with the same name registered in the Register; markings of a yacht shall consist of the international sign of the Republic and a number which is ordinal number under which a yacht is registered in the Register.

Name of a yacht shall be displayed in a manner which does not affect the visibility of the markings.

Markings of a yacht shall be displayed on both sides of a yacht's bow or, if more appropriate, on a prominent position on both sides of superstructure.

Size of letters and numbers of a yacht's name and markings shall be 150 millimeters at least.

Decision on assigning name and markings of a yacht shall be made by the Administration Body in accordance with the Law.

International marks

Article 6

Yacht registered in the Register which has a radio telephone and/or GMDSS equipment shall have a call sign and/or MMSI number in accordance with regulations on international radio traffic.

Administration Body shall decide on allocation of call sign and MMSI number of a yacht.

Authorized body for the Register

Article 7

The procedure of registration in, management of and deletion from the Register shall be performed by the Administration Body.

Rights and obligations

Article 8

Any yacht can be registered in the Register provided that it is not already registered elsewhere, under conditions provided by this Law and other regulations.

Yacht owned by a national company, body corporate and contractor or a natural person shall be registered in the Register, whereas a yacht owned by a foreign body corporate or natural person can be registered in the Register.

Yacht on bareboat charter can be registered in the Register under charterer's name for the duration of the bareboat charter.

For registration of a yacht referred to in paragraph 3 hereof, besides documents required by the Article 13, the following original documents shall be submitted:

- 1) Bareboat charter
- 2) Consent from the registered owner that the yacht can be registered in the Register.

Rights and obligations of owner of a yacht referred to in paragraph 3 of this Article, as provided by national and international regulations shall be transferred to the charterer.

Provisions of Article 14 of this Law shall be applicable to a yacht registered in accordance with paragraph 3 hereof.

Registration of ownership

Article 9

Yacht can be registered under owner's name, and in the case of joined ownership under name of one or all owners in accordance with Article 13, and under charterer's name in accordance with Article 8, paragraphs 3 and 4, of this Law.

Mortgage

Article 10

For a yacht registered in the Register, contractual mortgage creditors can stipulate a contract with mortgage debtors in order to define basic principles of mortgage, apply these principles and enter particulars of the mortgage in the Register.

Contents of Register

Article 11

Yacht Register consists of the Main Book and set of documents.

Main Book consists of files. Yacht is registered in a special file of the Main Book. In the Main Book file the following details are entered:

1. Information on identity, intended purpose and basic characteristics of a yacht;
2. Particulars on the owner, co-owner or co-owners, which include the following:
 - for a body corporate: name and address
 - for a natural person: name, surname and address;
3. Encumbrances over a yacht or share of a yacht, as well as rights acquired by such encumbrance, bareboat charter rights, pre-emption rights and all other limitations in the use of a yacht.

Management of Register and issuing of certificates

Article 12

Register is a public book and electronic record, and its management is regulated by the ministry responsible for maritime affairs (hereinafter referred to as "Ministry").

Administrative body shall, at the request of authorized person of the owner, co-owner or charterer, issue the certificate on the status of the registration in the Register, transcript of the Certificate and documents which are kept in the archive of documents.

Registration

Article 13

The following documentation shall be delivered for the entry of a yacht into the Register.

- 1) Request for inscription into the Register along with the proposal of the name of the yacht;

- 2) the identity card or passport for the insight, for establishing of the identity of the party for natural persons or the certificate of registration of legal person who is the owner of the yacht;
- 3) power of attorney for representing of the owner, certified in accordance with in law;
- 4) compulsory insurance policy in accordance with the law by which the compulsory insurance in traffic is arranged;
- 5) decision of deletion from Register if she had been previously entered in the Register;
- 6) proof of the ownership of the yacht;
- 7) certificate of tonnage measurement or of construction of the yacht; 8) proof of paid fee for inscription;

In the case of a yacht previously registered with different register, Administration Body shall consider a survey as a condition for registration, on the basis of the previous registration and area of the yacht's navigation.

Survey of a yacht is a condition in the case of the first registration, unless the yacht was built in accordance with Directive 94/25/EC, Code of Federal Regulations of the United States of America title 33, parts 181 and 183 or MGN Code 280(M) and MSN Code 1792(M) of the Maritime and Coastguard Agency of the United Kingdom.

Should it be established that the survey is necessary pursuant to paragraphs 2 and 3 hereof, Administration Body shall, at the expense of the owner, appoint a surveyor to perform a survey and submit a report.

Administration Body shall, within four days from the date of submission of documents referred to in paragraphs 1 and 4 hereof, issue a Certificate of Registration (hereinafter referred to as the „Certificate“). Certificate shall be issued for the period of three years.

The form of the Certificate and of the requirements referred to in paragraph 1 item 1 of this Article shall be prescribed by the Ministry.

Provisional registration

Article 14

On the basis of the copies of required documentation, a yacht can be provisionally registered for the period up to three months, during which the applicant is required to submit original documentation for the registration in the Register.

For registration of a yacht referred to in paragraph 1 hereof it is necessary to submit copies of documents referred to in Article 13 paragraph 1 of this Law.

Administration Body shall, in a period not exceeding three days from the date of submission of documents referred to in paragraph 2 hereof, issue a Provisional Certificate of Registration.

Form of the Provisional Certificate of Registration shall be prescribed by the Ministry.

Categories according to navigation area

Article 15

According to navigation area, by issuing the Certificate or Provisional Certificate of Registration, a yacht is assigned to one of the following categories:

- 1) A – navigation without limitations;
- 2) B – navigation up to 200 nautical miles from a port of refuge;
- 3) C1 – navigation up to 60 nautical miles from a port of refuge and 25 nautical miles from the shoreline;
- 4) C2 – navigation up to 20 nautical miles from a port of refuge and 6 nautical miles from the shoreline;
- 5) C3 – navigation, during daylight and in favorable weather conditions, up to 8 nautical miles from the port of refuge and 2 nautical miles from the coast.

Seaworthiness of the yacht

Article 15a

Yacht is seaworthy in certain categories of navigation and for certain purpose if she fulfills the requirements established by international treaties and by this Law, with relation to:

- safety of human lives, yacht and property;
- safety protection;
- prevention of the pollution of the sea from the yacht;
- prevention of the pollution of air;
- protection of the sea from bioinvasive species in ballast waters;
- protection of sea environment from harmful action of the system against fouling of the hull; - safety at work, accommodation of the crew and other persons employed onboard the ship;
- conditions for transportation of passengers;
- minimal prescribed number of the crew members with appropriate certificates of competency and/or special competency;
- accommodation and number of embarked passengers in accordance with conditions for transportation of passengers and of conditions given in documents;
- rendering of medical assistance.

Seaworthiness of the yacht shall be established by the technical inspection.

After carried out technical inspection of the yacht, the Report on technical inspection shall be issued .

Technical inspection of the yacht referred to in paragraph 2 of this Article shall be carried out by the Administrative body.

Technical conditions that must be fulfilled by the yacht, conditions for putting in the market, conditions that must be fulfilled by the manufacturer of the yacht, the manner and the procedure of nominating of the manufacturer, documents, records and books of the yacht shall be prescribed by the Ministry.

Technical survey of the yacht

Article 16

Technical survey of the yacht can be: basic, ordinary and extraordinary.

Basic survey is the survey which is carried out on the occasion of the inscription of the yacht into the Register.

Ordinary survey is the inspection of the yacht in prescribed time intervals, and it can be renewal one and annual one.

Renewal survey is a compulsory inspection which is carried out ones in three years for yachts which are used for personal purpose.

Annual survey is a compulsory inspection for yachts which are used in commercial purposes and it shall be performed at least ones a year.

Occasional survey is compulsory inspection for the yacht:

- after accident suffered, or establishing of shortages which may influence to the seaworthiness of the yacht;
- on the occasion of repairs, remodeling, or renewal of the parts of the yacht;
- which are in the unrigging status longer than one year;
- at which the change of a main engine is carried out;
- on the occasion of the change of purpose, or the area of navigation;
- at which the remodeling of great proportions is carried out which can be considered as a new yacht.

For basic and ordinary survey the fee amounting to €7.00 shall be paid per meter length of the yacht. For occasional survey the fee shall be paid amounting to 20% of the price of survey of the yacht.

Fees referred to in paragraphs 7 and 8 of this Article shall be the income of the Budget of Montenegro.

The manner of carrying out of technical inspection of the yacht shall be prescribed by the Ministry.

Tonnage measurement of the yacht

Article 16a

Tonnage measurement shall be carried out for the purpose of establishing of the tonnage of the yacht.

Tonnage measurement of the yacht shall be carried out before her inscription in the Register.

Tonnage measurement of the yacht shall be carried out by the Administrative body at the request of the owner, if the yacht doesn't possess Certificate of construction.

Tonnage re-measurement of the yacht shall be carried out if:

- 1) after performed tonnage measurement of the yacht the renewals are carried out because of which the changes appear in arrangement, construction, capacity, use of space, allowed number or passengers onboard the yacht, allotted freeboard or allowed draught of the yacht, because of which the tonnage of the yacht is changed;
- 2) it is suspected in the regularity of performed tonnage measurement.

In case of tonnage re-measurement, Administrative body shall decide, subject to the carried out renewals on the yacht, whether the tonnage re-measurement be carried out as a whole or partially.

Request for tonnage re-measurement shall be submitted before completion of remodelling of the yacht.

The manner of tonnage measurement of the yacht shall be established by the regulation of the Ministry.

Construction of the yacht

Article 16b

Legal or natural person who intends to commence the construction of the yacht shall submit the application for construction of the yacht to the Administrative body before the commencement of the construction of the yacht.

Supervision over construction of the yacht, respectively assessment of the conformity with regulations on technical conditions that the yacht must fulfill, shall be carried out by the Administrative body.

Upon completion of construction the Administrative body shall issue the certificate of construction or declaration of conformity.

Obligations in case of damage

Article 17

If a yacht has suffered a damage which might affect the validity of the Certificate, the master or skipper of a yacht registered in the Register shall inform without delay the Administration Body of any such damage, upon which the Administration Body shall undertake all necessary measures in order to preserve the validity of the Certificate.

Deletion of a yacht from Register

Article 18

Yacht shall be deleted from the Register following the decision of the Administration Body in case one of the following conditions applies:

- 1) at owner's request;
- 2) yacht is ruined or is presumed to be ruined;
- 3) yacht is permanently withdrawn from service;
- 4) yacht is registered with a different register;
- 5) yacht no longer satisfies requirements for registration in the Register in accordance with the Law;
- 6) yacht was repaired or rebuilt without previous consent from the Administration Body;
- 7) if a 30 day period expires from the date on which the Certificate ceased to be valid.

Fees for registration, renewal and deletion

Article 19

For inscription of the yacht in the Register and renewing of the Certificate the fee shall be paid amounting to:

- 1) €30.00 per meter length for the motor driven yacht and multi-hull yacht;
- 2) € 20.00 per meter length for the sailing yacht.

For deletion of the yacht from the Register the fee amounting €20.00 shall be paid.

Fees referred to in paragraph 1 and 2 of this article shall be the income of the budget of Montenegro.

III STAYING OF FOREIGN YACHT IN THE WATERS OF MONTENEGRO

Entry of the foreign yachts

Article 20

Person who navigates foreign yacht and enters into the water of Montenegro shall proceed directly to the designated port of entry opened for international traffic, for the purpose of performing of border control in accordance with the law, obtaining of vignette and certification of the crew and passengers list.

Person referred to in paragraph 1 of this article, before entering in the designated port of entry, can, by mail, by fax, in electronic way or through authorized person, deliver copies of documents, for the purpose of obtaining of vignette and certification of the crew and passengers list.

Vignette referred to in paragraphs 1 and 2 of this article, after performed border control, shall be issued by the organizational unit of the Ministry (hereinafter referred to as the: Harbor Master's office or Harbor Master's Branch office)

For issuing of the vignette the following proves shall be delivered:

- 1) request for obtaining of vignette;
- 2) certificate of registration;
- 3) proof of competency of the person who navigates the foreign yacht and of the crew members issued by:
 - a) the competent or authorized bodies of the State flag, and which are not in contravention with the STCW Convention, if the convention is related to the concerned yacht;
 - b) the competent body of the state with which the international treaty on unilateral or common recognition of document has been concluded;
 - c) in accordance with the regulations of Montenegro.
- 4) 4) on insurance from responsibility for damages inflicted to the third persons;
- 5) 5) on ownership or power of attorney for use the yacht;
- 6) 6) on paid fee for use of the safety navigation objects and on administrative fee.

Foreign yachts which are used for performing of commercial activities in Montenegro along with the proofs referred to in paragraphs 4 of this article shall also deliver the proof on compulsory insurance in accordance with the law.

In case that all submitted proofs referred to in paragraphs 4 and 5 of this article for obtaining vignette have not been enclosed, the Harbor Master's office shall order to the person who navigate foreign yacht to deliver necessary proofs in certain deadline, and until the proofs be delivered the yacht shall remain in the designated port of entry.

Forms of the crew and passengers list and vignettes shall be prescribed by the Ministry.

Crafts belonging to a foreign yacht

Article 21

Vignette shall comprise also the auxiliary navigable vessels which are located onboard the yacht and which must be covered by the insurance from responsibility for damage inflicted to the third persons.

Navigable vessels referred to in paragraph 1 of this article are insured when the insurance policy covers their use, whether by individual enumeration of the auxiliary navigable vessels of the yacht, whether through the general certificate from the policy that the auxiliary navigable vessels are insured.

Approval for movement of a crew member who has no visa

Article 22

The pass for movement on the area in which the border crossing, port is located may be issue to the crew member of a foreign yacht, who does not possess necessary visa, during the time of retaining of the yacht in the area of border crossing.

The pass referred to in paragraph 1 of this Article, at request of the master, respectively of the skipper of the foreign yacht, shall be issued by the administrative body competent for police affairs, during the time of retaining of the yacht, up to 90 days the longest.

A crew member of a foreign yacht whose owner has concluded a contract for the lease of berths with the port in Montenegro for more than 90 days, may be granted a temporary stay in Montenegro in accordance with the law governing the movement and stay of foreigners.

Vignette

Article 23

Foreign yacht shall have a vignette displayed on a prominent position.

Validity period of a vignette is up to one year from the date on which it was issued.

Refusal of request for a vignette

Article 24

Master or skipper of a foreign yacht whose request for issuing of a vignette was refused by the Harbour Master's Office or Branch Office shall leave the Republic with the vessel following a route and within the period determined by the Harbour Master's Office or Branch Office.

By way of exception from paragraph 1 hereof, Harbour Master's Office or Branch Office may grant permission for stay of a yacht for a period deemed necessary to carry out repairs, pick up supplies, get medical assistance or during adverse weather conditions.

Exemptions from obtaining a vignette

Article 25

Foreign yacht moored or undergoing repairs in a port or other approved location is not required to have a vignette.

Foreign yacht which participate in sports competition or comes of Montenegro for the purpose of exposing at nautical fair is not obligated to have vignette 48 hours before and after commencement of the competition or fair, providing that the organizer of the sports competition or nautical fair reported the yacht to the Harbor Master's office or Harbor Master's office Branch office at least 48 hours prior the commencement of the competition or fair.

Foreign yacht transported, moored or undergoing repairs

Article 26

Master or skipper of a foreign yacht transported into the Republic by land or sea, or is moored or undergoing repairs in a port or other approved location, shall, before taking out to sea, obtain a vignette and endorse a Crew and Passenger List at Harbour Master's Office or Branch Office.

Crew and Passenger List for a foreign yacht

Article 27

Crew and Passenger List is a detailed list with the names of persons staying aboard a foreign yacht during its stay in the waters of the Republic, and is submitted to competent authorities by the master or skipper of a foreign yacht during customs clearance.

Crew and Passenger List may be filled out completely or by subsequent additions, and shall be endorsed by Harbour Master's Office or Branch Office.

Subsequent additions of passengers' or crew members' names shall be entered prior to a foreign yacht leaving a port, and it shall be endorsed by Harbour Master's Office or Branch Office.

For the validity period of a vignette, the total number of passengers and crew members of a yacht, which is not chartered in accordance with this Law, shall not exceed the fourfold number of a maximum number of persons allowed on board, as specified in the documents of a foreign yacht.

Crew and Passenger List shall not include persons staying on a yacht while she is in port or anchored.

Persons not included in the Crew and Passenger List endorsed by Harbour Master's Office or Branch Office shall not be allowed to stay aboard a yacht during her navigation.

Fee for using of the navigation safety objects

Article 28

For the use of the navigation safety objects the fee shall be paid.

Fee for use of the navigation safety objects shall amount:

Yacht for personal use

Per meter length	24h	7 days	1 month	3 months	6 months	1 year
boat up to 7 m	€0.50	€1.00	€2.00	€3.00	€4.00	€6.00
yacht driven by sails	€1.00	€2.00	€6.00	€12.00	€15.00	€18.00
yacht driven by motor engine	€3.00	€7.00	€12.00	€20.00	€25.00	€30.00
multi-hull yacht	€3.00	€7.00	€12.00	€20.00	€25.00	€30.00
yacht over 24 m regardless to the drive and type of hull	€150 + length x €1	€360 + length x €1.5	€460 + length x €2	€560 + length x €3	€660 + length x €4	€760 + length x €5

Yacht for commercial use

Per meter length	24h	7 days	1 month	3 months	6 months	1 year
boat up to 7 m	€5.00	€15.00	€25.00	€35.00	€45.00	€60.00
yacht driven by sails	€10.00	€25.00	€40.00	€80.00	€120.00	€150.00
yacht driven by motor engine	€15.00	€30.00	€50.00	€100.00	€150.00	€200.00
multi-hull yacht	€15.00	€30.00	€50.00	€100.00	€150.00	€200.00
yacht over 24 m regardless to the drive and type of hull	€15 x length	€70 x length	€100 x length	€150 x length	€200 x length	€250 x length

Fee referred to in paragraph 1 of this article shall be the income of the budget of Montenegro.

Pilotage

Article 29

For yacht weighting over 1,000 gross tonnage registered in the Register and for foreign yacht over 1,000 gross tonnage entering or departing in/or from the waters of Montenegro the pilotage is compulsory.

Exceptionally from paragraph 1 of this article, the pilotage is not compulsory for the yacht commanded by the person who has entered more than five times the same port, along with previously procured consent of the Harbor Master's office or Harbor Master's office Branch office.

Harbor Master's office, respectively Harbor Master's Branch office, shall decide on the request of the master for exception from compulsory pilotage within 24 hours from the receipt of the request, and in contrary it shall be deemed that the consent was given.

Documents for navigation

Article 30

Onboard the yacht registered in the Register the following documents must be located:

- 1) Certificate of registration;
- 2) report on technical survey;
- 3) certificates of competency for the person who navigate the yacht and for crew members;
- 4) proof on compulsory insurance from responsibility for damage inflicted to the third persons for the yacht and auxiliary navigable vessel;
- 5) certificate of qualification of the radio operator according to the area of navigation;
- 6) proof of the ownership or power of attorney for using of the yacht;
- 7) license for radio station onboard the navigation vessel;

Onboard the yacht registered in the Register, which is used for commercial activity, beside documents referred to in paragraph 1 of this article, the following documents must be located onboard:

- 1) book of records referred to in article 38 paragraph 1 of this Law;
- 2) compulsory insurance policy in accordance with the Law;

Onboard the foreign yacht, which navigates in the waters of Montenegro, the documents referred to in article 20 of this Law must be located, as well as:

- 1) vignette for personal use or vignette for commercial activity;
- 2) license for radio station, issued in accordance with national regulations of the State flying flag;
- 3) certified crew and passengers list, except for the yacht referred to in article 27 paragraph 5 of this Law.

Minimal number of the crew members

Article 30a

For performing of works by which the navigation is being secured, respectively on the occasion of the entering in the port departure from the port the yacht must have minimal number of the crew members with appropriate certificate of competency and of special competency.

Minimal number of the crew members of the yacht according to the category of navigation, size and purpose of the yacht, power of engine installation, degree of automatization of the drive and period of duration of the navigation shall be prescribed by the Ministry.

Certificate of competency

Article 30b

Crew member of the yacht registered into the Register, who performs works by which the navigation is being secured, can be the person who is of the age of at least 20, who has acquired appropriate rank, and to whom the appropriate certificate of competency has been issued.

Rank, respectively basic certification of the crew members of the yachts registered in the Register, shall be acquired on the strength of passed examination for certain rank.

Crew member who has acquired certain rank and to whom the appropriate certification has been issued in accordance with paragraph 2 of this Article must have appropriate certificate of special competency.

Certification referred to in paragraph 3 of this Article shall be issued after passed examination for acquiring of appropriate certificate.

Type of ranks and basic certifications of the crew members of the yacht, the programme and the manner of training and taking of examination for acquiring of ranks and issuance of basic certifications, the programme and the manner of training, taking of examinations and issuance of the certificate of special competency, forms of certificates and record of issued certificates shall be proscribed by the Ministry.

Examination for acquiring of the certificate of competency

Article 30c

Examination for acquiring of rank and certificate of special competency referred to in Article 30b paragraphs 2 and 3 of this Law shall be taken before the Commission for acquiring of ranks and certificates of special competency (hereinafter referred to as: the Commission) which shall be formed by the Ministry.

Examination referred to in paragraph 1 of this Article shall be taken on the strength of the request along which the following shall be enclosed: proof of completed training or special training, proof of navigational service, proof on paid fee for taking of the examination and other proofs on fulfillment of conditions for taking of that examination.

For taking of the examination referred to in paragraph 2 of this Article the fee shall be paid, which in the income of the budget of Montenegro.

The extent of the fee referred to in paragraph 3 of this Article shall be established by the Government.

Request with proofs referred to in paragraph 2 of this Article shall be submitted to the Harbor Master's office which shall establish the fulfillment of the conditions for taking of the examination for acquiring of the certificate of competency of the crew member of the yacht, whereof it shall make the decision.

If the Harbor Master's office establishes that the submitter of the request did not submit the proofs referred to in paragraph 2 of this Article, the request for taking of the examination shall be refused.

The Decision referred to in paragraph 5 of this Article shall be final.

Commission

Article 30d

The Commission shall be consisted of the president, at least two members and a secretary.

For certain subjects for taking of the examination for acquiring of ranks and certificates of special competences, the Ministry may, at the request of the president of the Commission, engage examiners out of the composition of the Commission.

Members, president and secretary of the Commission referred to in paragraph 1 of this Article and examiners referred to in paragraph 2 of this Article have the right for compensation.

Extent of the compensation referred to in paragraph 3 of this Article shall be established by the Government.

The conditions that have to be fulfilled by the side of the members of the Commission and examiners shall be prescribed by the Ministry.

Issuance of the certificates of competency, respectively special competency

Article 30e

Harbor Master's office shall issue the certificate of competency of the crew member of the yacht and special competency on the strength of the certificate of the Commission on passed examination.

Along with the request for issuance of the certificates referred to in paragraph 1 of this Article the following shall be enclosed:

- 1) appropriate number of photographs;
- 2) photocopy of identity card or passport;
- 3) health certificate;
- 4) proof on completed training;
- 5) proof on passed examination for acquiring of the certificate of the crew member of the yacht;
- 6) proof of navigational service;
- 7) proof on acquired rank in seamanship.

For issuance of the certificate of competence of the crew member of the yacht, respectively special competency the fee shall be paid, which is the income of the budged of Montenegro.

Extent of the fee referred to in paragraph 3 of this Article shall be established by the Government.

Training for acquiring ranks and certificates of special competency

Article 30f

Training for acquiring of ranks and certificates of special competency of the crew members of the yacht shall be carried out by the legal persons who are registered in the Central register of commercial entities for training of seafarers and who possess the approval for training of seafarers in accordance with the law by which the safety or maritime navigation has been regulated.

Leaving waters of the Republic

Article 31

Master or skipper of a yacht registered in the Register, as well as of a foreign yacht staying in the waters of the Republic, shall, before leaving the waters of the Republic, perform outward clearance and endorse Crew and Passenger List at Harbor Master's Office or Branch Office.

Upon completion of duties referred to in paragraph 1 hereof, master or skipper shall leave the waters of the Republic within 24 hours.

Implementation of regulations

Article 32

Yachts registered in the Register, as well as foreign yachts staying in the waters of the Republic, shall comply with requirements of international conventions, codes, recommendations and directives as ratified by the Republic and regulations of the Republic.

Prevention of sea pollution from yachts

Article 33

Yachts registered in the Register, as well as foreign yachts staying in the waters of the Republic, are not permitted to discharge oil and oily waters, waste and garbage and any other substances which may pollute sea environment.

The master or skipper of the yacht shall immediately notify the administrative body this is has come to releasing into the sea of oil and oiled water, waste and garbage, as well as any other substance which pollutes environment, with the exact position of the yacht.

Washing of the deck and external surface of the yacht is allowed if the fresh water and biodegradable detergent, which is not harmful for sea environment, are used.

Yachts registered in the Register, and foreign yachts staying in the waters of the Republic, shall be equipped with means for prevention of sea pollution by oil and oily waters, waste and garbage, as well as tanks for their storage and which shall be delivered to the reception facilities on the coast in accordance with provisions of the International Convention for the Prevention of Pollution from Ships – MARPOL, the Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean and the International Convention on Civil Liability for Bunker Oil Pollution Damage, and in the manner provided by the regulations of the Republic.

Crew and passengers on a yacht registered in the Register, as well as on a foreign yacht staying in the waters of the Republic, shall be familiar with the instructions for prevention of sea pollution by oil, oily waters, waste and garbage, as referred to in paragraphs 1 and 2 hereof.

Safety and security of navigation

Article 34

Yacht registered in the Register, as well as a foreign yacht staying in the waters of the Republic, shall comply with provisions of the International Convention for the Safety of Life at Sea – SOLAS Convention, and provisions of the International Convention on Standards for Training, Certification and Watchkeeping for Seafarers – STCW Convention, and in the manner provided by the regulations of the Republic.

Anchoring of yachts and boats in the waters of Montenegro

Article 34a

Anchoring of yachts and boats in the waters of Montenegro is allowed at the anchorages which have been established and marked for that purpose.

Anchoring outside of the anchorage can be performed only on the strength of the approval of the Harbor Master's office for exactly determined period.

Yachts and boats at the anchorage must be safely anchored, they must not endanger safety of other users of the anchorage and they cannot be left without crew and without permission of the port which is the user of the anchorage or the consent of the Harbor Master's office.

IV CHARTERING OF YACHTS

Right to charter

Article 35

Activity of chartering yachts shall be performed by a company or body corporate registered in the Republic for such activity (hereinafter referred to as "leser"), in accordance with the Law.

Leaser can charter a yacht of its own property or a yacht owned by other domestic or foreign body corporate or natural person.

Leaser can charter a yacht flying the domestic or a foreign flag.

Transfer of contractual obligations

Article 36

If a chartered yacht is not owned by the leaser, all obligations, rights and liabilities regulated by the Law shall be held by the leaser, whereas the liabilities of the owner are not excluded in accordance with specific regulations.

If a yacht is bareboat chartered, person chartering the yacht shall, by the virtue of charter party, assume rights, obligations and liabilities of a leaser in terms of using the yacht in accordance with the Law and special regulations.

Fees for chartering a foreign yacht

Article 37

Deleted.

Record Book and Crew and Passenger List

Article 38

Leaser shall keep Record Book of all yacht chartering.

Master or skipper of a chartered yacht shall endorse the Crew and Passenger List at Harbour Master's Office or Branch Office before departure.

Endorsed Crew and Passenger List shall be kept on board a yacht and master or skipper shall upon request, produce it to an authorized person.

Form of the Record Book and a manner of its keeping shall be prescribed by the Ministry.

Foreign boats

Article 38a

Provisions of Article 20 and 22, of Articles 23 through 27, of Article 30 paragraph 3, of Articles 31 through 36 and Article 38 of this Law, shall be applied also to foreign boats.

If the boat has no proof of registration and it is in the ownership of foreign legal or natural person, the Administrative body shall perform extraordinary survey.

For occasional survey performed by the Administrative body, the fee in extent of euro 10.00 shall be paid per length meter, which shall be the income of the budget of Montenegro.

V SUPERVISION

Article 39

Supervision over implementation of the Law and regulations made in accordance with the Law shall be performed by the ministry responsible for transportation.

Article 40

Survey activities referred to in Article 39 of this Law shall be performed by surveyor for safety of navigation of the Republic (herein after referred to as "surveyor"), in accordance with the law.

Article 41

Besides authorization established by the Law on Inspection Control, surveyor shall have obligation and authorization to perform survey of: nationality of a yacht, Certificate, marks and name of a yacht

possession of vignette, crafts on board a yacht, documents on a yacht navigating in the waters of the Republic, yacht's means and equipment for prevention of sea pollution, conformity with requirements for the protection of life at sea, authorizations of crew, i.e. certificates of competency for crew members, as well as Record Book of yacht chartering.

VI PENAL PROVISIONS

Article 42

Legal person shall be penalized for the offence with the fine of euro 500 up to euro 2,000, if:

- 1) it does not hoist the flag of Montenegro which has the proportion of the width against the length at 1:1.5 on the aft flagpole or on the aft mast in order that its upper edge reaches the top of the aft flagpole, respectively of the mast (Article 4);
- 2) it fails to write name and designation of the yacht on both sides of fore part of the yacht or, if it is more convenient, on visible place on the both side of the superstructure with the size of letters and numbers of at least 150 mm (Article 5);
- 3) the yacht which has been registered into the Register and which has radio telephonic and/or GMDSS device has not in possession call sign, and/or MMSI number (Article 6, paragraph 1);
- 4) the muster of the skipper of the yacht does not notify the Administrative body about incurred damage of the yacht which may influence to the validity of the Certificate (Article 17);
- 5) it fails to proceed directly to a designated port of entry opened for international traffic for performing of border control, obtaining of vignette and certifying of the crew members list (Article 20, paragraph 1);
- 6) master of the skipper of the foreign yacht whose request for obtaining of vignette has been refused by the side of the Harbor Master's office or Harbor Master's Branch office does not leave Montenegro on the route and at the time determined by the a yacht or a boat does not leave Montenegro within the period of time and on the route determined by the Harbor Master's office or Harbor Master's Branch office (Article 24, paragraph 1);
- 7) a yacht or a boat fails to be reported to the Harbor Master's office or to the Harbor Master's Branch office at the latest 48 hours before the beginning of the competition or the fair (Article 25, paragraph 2);
- 8) the organizer of the sports competition or the nautical fair does not enclose, along with the application, the list of persons who will be aboard the foreign yacht (Article 25, paragraph 3);
- 9) the master, respectively the skipper of the foreign yacht, which was transported in Montenegro by land or by sea or she is being guarded or being repaired in the port and on some other approved place, do not obtain the vignette of does not certify the crew or passenger list before starting navigation from Montenegro (Article 27);
- 10) aboard the foreign yacht in navigation there is a person who was not quoted in the crew member and passenger list (Article 27 paragraph 6);
- 11) it does not provide compulsory pilotage for the yacht which has over 1,000 tones which has been registered in the Register and foreign yacht over 1,000 tones which enters into the waters of Montenegro (Article 30);
- 12) onboard the yacht which navigate in the waters of Montenegro there are no prescribed documents (Article 30);
- 13) on the occasion of the entering in the port or departure from the port the yacht has no minimal number of the crew members with appropriate certificate of competency and of special competency (Article 30a);
- 14) for the performing of works by which the navigation is being secured , the crew members have no appropriate certifications (Article 30b, paragraph 1);
- 15) before departure from the waters of Montenegro, it does not carry out border control, certifies the crew members and passengers list and it does not leave the waters of Montenegro within 24 hours after carried out obligations (Article 31);
- 16) it releases or discard into the sea oils and oiled waters, waste and garbage, as well as any other substance which pollutes the environment (Article 33, paragraph 1);
- 17) the master or the skipper of the yacht fails to notify immediately the Administrative body that it has come to releasing into the sea of the oil, oiled water, waste and garbage as

well as any other substance which pollutes the environment, with exact position of the yacht (Article 33, paragraph 2);

- 18) for washing of the deck and external surface of the yacht it does not use fresh water and biodegradable detergents which are not harmful for sea environment (Article 33, paragraph 3);
- 19) it does not possess onboard the yacht the means for prevention of pollution of the sea by oils and oiled waters, waste and garbage as well as reservoirs for their storage, which will be discharged at the appropriate equipment for acceptance on the coast (Article 33, paragraph 4);
- 20) anchorages the yachts or the foreign boat out of the anchorage which are determined and designated for that purpose (Article 34a, paragraph 1);
- 21) anchorages the yacht or foreign boat out of the anchorage which are determined and designed for that purpose without the consent of the Harbor Master's office (Article 34a, paragraph 2);
- 22) master of the skipper of the yacht anchorages the yacht in such manner that endangers the safety of other users of the anchorage (Article 34a, paragraph 3).

With the fine from euro 50 up to euro 500 also responsible person in legal person and natural person shall be penalized for the offence referred to in paragraph 1 of this Article.

With the fine from euro 150 up to 1,000 euro also the entrepreneur shall be penalized for the offence referred to in paragraph 1 of this Article.

Article 42a

With the fine of euro 500 up to euro 10,000 the legal person shall be penalized if:

- 1) the renter does not keep the book of records of renting of yachts (Article 38, paragraph 1);
- 2) the master or the skipper of the yacht which is being rented does not certify the crew and passenger list at the Harbor Master's office or at the Harbor Master's Branch office, no later than the sailing out of the yacht (Article 38, paragraph 2);
- 3) there is not aboard the yacht the certified crew or passenger list or the master or the skipper of the yacht does not show it at request of the authorized person (Article 38, paragraph 2);

For the offence referred to in paragraph 1 of this Article the responsible person in legal person and the natural person shall be penalized with the fine of euro 500 up to euro 2,000.

For the offence referred to in paragraph 1 of this Article also the entrepreneur shall be penalized with the fine of euro 500 up to euro 5,000

VII TRANSITIONAL AND FINAL PROVISIONS

Article 43

Yacht flying a foreign flag, owned by a domestic body corporate or natural person or contractor shall be registered at the Register by the authorized body, after termination of the validity period of appropriate certificates.

Yacht registered at the Register of Boats, upon expiration of validity period of the Permit for Navigation, shall be registered at the Register by the authorized body.

Article 44

By-law regulations and general acts ratified on the basis of this Law shall be enacted within the period of six months following the date of entry into force of this Law.

Until enactment of by-laws referred to in paragraph 1 hereof, regulations enacted in accordance with the Law on Seagoing and Inland Navigation shall apply ("Official Gazette of the Federal Republic of Yugoslavia", No. 12/98, 44/99, 74/99 and 73/00) and Law on Seagoing and Inland Navigation ("Official Gazette of the Federal Republic of Montenegro", No. 19/78, 19/87, 22/90, 13/91 and "Official Gazette of the Republic of Montenegro", No. 48/91).

Article 44a

Certificates of competence issued until the day of entering into force of this Law shall be valid till the expiration of the time period on which they have been issued.

Article 45

On the day this Law enters into force the following shall cease to have effect: provisions of Section 1 (Nationality and identification of a ship), Section 2 (Registration of ships) and Section 3 (Procedure for

registration of ships) of the Law on Seagoing and Inland Navigation ("Official Gazette of the Federal Republic of Yugoslavia", No. 12/98, 44/99, 74/99 and 73/00) which refer to yachts; Regulation on arrival and stay of foreign yachts and boats intended for recreational and sporting activities in the coastal sea, rivers and lakes of the Federal Republic of Yugoslavia ("Official Gazette of the Socialist Federal Republic of Yugoslavia", No. 38/87 and 33/88 and "Official Gazette of the Federal Republic of Yugoslavia", No. 28/02); provisions of Articles 9 and 10 of the Regulation on fees for use of safety of navigation objects on navigable waterways in the coastal sea of the Republic of Montenegro ("Official Gazette of the Republic of Montenegro", No. 36/05) which refer to yachts and provisions of articles 1, 2, 3 and 4 of Rules for establishing fees for forms issued by Harbor Master's Offices ("Official Gazette of the Republic of Montenegro", No. 29/03), which refer to yachts.

Article 45a

On the date of entering into force of this Law the Article 54 of the Law on amendments to the Law by which the fines have been prescribed for offences ("Official Gazette of Montenegro", number 40/11) shall cease to have effect

Article 46

This Law shall enter into force on the eight day following that of its publication in the "Official Gazette of the Republic of Montenegro".