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 means a navigable vessel intended for pleasure, recreational and sporting activities, over 7 meters in length, which is not engaged in international trade;

Foreign yacht means a yacht flying a foreign flag;

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;

IMO is the International Maritime Organization;

IMO number is the international identification number mandatory for all yachts allowed to carry more than 12 passengers and of more than 100 gross tonnage;

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 evidence of inward clearance and that conditions for navigation of a foreign yacht in the territorial sea, inland sea area, rivers and lakes of the Republic are satisfied;

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 200 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 allowed to carry more than 12 passengers and of more than 100 GT shall have IMO number which remains unchanged even if its owner or register changes.

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 IMO number, 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").

Administration body shall, upon request, grant a certificate on the status of registration in the Register to authorized official or person authorized by the owner, co-owner or charterer, as well as copies of filed documents if the Register directs to such documents.

Registration

Article 13

For registration of a yacht in the Register the following documents shall be submitted:

- 1) application for registration with proposed name of the yacht;
- 2) certified copy of the owner's identification document, in the case of a natural person or certificate of registration in the case of a body corporate;
- 3) declaration of ownership, declaration on the purpose of a yacht and authorization if the application is not submitted personally by the owner, co-owner or charterer;
- 4) document on mandatory insurance for the required amount of at least €800 000;
- 5) application for radio license:
- 6) deletion certificate from the previous registry or, in the case of the first registration, builders certificate;
- 7) certified copy of a bill of sale or, in the case of the first registration, builders document with the name of the buyer inscribed;
- 8) tonnage certificate or builders certificate with technical characteristics including tonnage information;

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 Sates 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").

Certificates for yachts for personal use, of less than 24 meters in length and allowed to carry up to 12 passengers, shall be issued for a period of three years, and for all other yachts for a period of one year.

Form of application for registration in the Register, declaration of ownership and purpose of a yacht, application for radio license and the Certificate 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 points 1 to 5 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 favourable weather conditions, up to 20 nautical miles from a port of refuge and 6 nautical miles from the shoreline.

Periodical survey

Article 16

Yachts of 7 to 24 meters in length, and allowed to carry up to 12 passengers, shall be surveyed at least once in a three-year period.

Yachts to which paragraph 1 hereof does not apply, shall be surveyed at least once a year.

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

Fees for registration, renewal and deletion from the Register are as follows:

- 1) registration and renewal of the Certificate of Registration:
 - 350,00 € for a yacht of 7 to 12 meters in length;
 - 500,00 € for a yacht of 12 to 17 meters in length;
 - 800,00 € for a yacht of 17 to 24 meters in length;
 - 1.200,00 € for a yacht over 24 meters in length.
- 2) fee for deletion from the Register is 150,00 €.

Fees from paragraph 1 hereof shall be contributed to the budget of the Republic.

III STAY OF YACHTS IN TERRITORIAL WATERS OF THE REPUBLIC

Entry of a foreign yacht

Article 20

Master or skipper of a foreign yacht entering the waters of the Republic shall proceed by the shortest route to the port of destination open for international traffic for clearance, obtaining a vignette and endorsement of Crew and Passenger List by the Harbour Master's Office or one of its Branch Offices (hereinafter referred to as "Harbour Master's or Branch Office").

Master or skipper of a foreign yacht entering the waters of the Republic shall, prior to arrival at the port of destination, forward to Harbor Master's or a Branch Office, by fax or e-mail, copies of documentation for clearance, obtaining a vignette and endorsement of Crew and Passenger List.

Vignette for a foreign yacht serves as a proof of:

- notice of arrival;
- 2) registration and seaworthiness;

- 3) that master and crew members have appropriate qualifications in accordance with national regulations of the Flag state, but without prejudice to the STCW Convention or regulations of the Republic, respectively;
- 4) insurance against liability for damage caused to third parties;
- 5) ownership or authorization for use;
- 6) payment for the use safety of navigation objects and administration fees.

In case some of the documents referred to in paragraph 3 hereof have not been submitted, Harbour Master's or its Branch Office shall order to the master or skipper of a foreign yacht to provide the necessary evidence in a prescribed period during which the yacht shall remain in the port of destination.

For animals aboard a yacht it is necessary to produce veterinary certificates issued by the authorized institution of the domicile state of the animal's owner.

Forms of Crew and Passenger List and vignette shall be prescribed by the Ministry.

Crafts belonging to a foreign yacht

Article 21

Seaworthiness of a yacht, validated by a vignette, includes auxiliary crafts aboard a yacht and endorsed in the Certificate of Registration as belongings of a foreign yacht and in the proof of insurance against liability for damage caused to third parties.

Auxiliary crafts referred to in paragraph 1 hereof are insured when the insurance policy includes their use, either by individual listing of auxiliary crafts aboard a yacht or general confirmation that auxiliary crafts on the yacht are insured.

In a case when auxiliary crafts on a yacht do not have a Certificate of Registration, a license can be issued for their use at the request of the master or skipper of a foreign yacht, upon survey performed by the Harbour Master's Office or Branch Office.

Request referred to in paragraph 3 hereof shall include identification data and technical characteristics of the craft, as well as a confirmation that the craft is insured against liability for damage caused to third parties.

License referred to in paragraph 3 hereof shall be issued by the Harbour Master's Office or Branch Office.

Form of the license referred to in paragraph 4 hereof shall be prescribed by the Ministry.

Permission for movement and stay of crew members

Article 22

Crew member of a foreign yacht who does not posses a visa for stay in the Republic can be issued permission for movement and stay in the Republic during the period of stay of the yacht in the waters of the Republic.

Permission referred to in paragraph 1 hereof, at request of the master or skipper of a foreign vacht, shall be issued by the competent authorities.

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 taking part in a sport competition or attending a nautical fair is not required to have a vignette, provided that organizers of the sport competition or nautical fair have notified Harbour Master's Office or Branch Office at least 48 hours prior to beginning of the competition or fair.

Organizers of sport competitions or nautical fairs shall also submit a list of persons aboard a foreign yacht.

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.

Fees for use of navigable waterways

Article 28

Fees payable for the use of navigable waterways are as follows:

Length of yacht / period	Up to 7 days	1 month	3 months	6 months	1 year
From 7 to 12 meters	40,00 €	95,00€	200,00€	280,00€	400,00€
From 12 to 17 meters	120,00€	220,00€	400,00€	540,00€	750,00€
From 17 to 24 meters	200,00€	340,00€	600,00€	800,00€	1.100,00€
Over 24 meters	420,00€	600,00€	900,00€	1.240,00€	1.500,00€

The fees from paragraph 1 hereof shall be contributed to the budget of the Republic.

Pilotage

Article 29

Pilotage is compulsory for yachts of over 1000 BT registered in the Register and foreign yachts entering the waters of the Republic.

For yachts described in paragraph 1 hereof pilotage is compulsory in the Bay of Kotor area.

By way of exception from paragraph 1 hereof, pilotage is not compulsory for a yacht operated by a person who entered the same port more than five times, with previously granted permission from Harbour Master's Office or Branch Office.

Documents for navigation

Article 30

The following documents shall be kept on a yacht registered in the Register, as well as on a foreign yacht navigating in the waters of the Republic:

- 1) Certificate of Registration;
- 2) evidence of competency for a person operating a yacht and for crew members, in accordance with national regulations of the Flag State, but without prejudice to the STCW Conventions or regulations of the Republic, respectively;
- 3) evidence of insurance against liability for damage caused to third parties;

- 4) evidence of ownership or authorization for use;
- 5) excerpt from Record Book described in Article 38 paragraph 1 of this Law.

Besides documents referred to in paragraph 1 hereof, a foreign yacht navigating in the waters of the Republic shall also posses:

- 1) vignette;
- 2) endorsed Crew and Passenger List, except for a yacht described in Article 27 paragraph 5 of this Law.

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 Harbour 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.

Yachts registered in the Register, and foreign yachts staying in he 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.

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 "leaser"), 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

Leaser chartering a yacht flying a foreign flag shall, besides the fees referred to in Article 28 of the Law, pay additional annual fee in the amount of:

- 1) 1.500,00 €, for a yacht from 7 to 12 meters in length;
- 2) 3.500,00 €, for a yacht from 12 to 17 meters in length;
- 3) 6.000,00 €, for a yacht from 17 to 24 meters in length;
- 4) 10.000,00 € for a yacht over 24 meters in length.

Fees referred to in paragraph 1 hereof shall be contributed to the budget of the Republic.

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.

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 security 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, entry of a yacht in the Register, marks and name of a yacht, survey 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

Any body corporate shall be punishable by a fine in the amount of ten to three hundred times the amount of the minimum salary in the Republic if:

- 1) it fails to register a yacht in the Register and does not fly the flag of the Republic (Article 3, paragraphs 1 and 5);
- 2) it fails to display the flag of the Republic on a position and in the manner prescribed by this Law (Article 4);
- 3) it fails to display the name and marks of a yacht on a position and in the manner prescribed by this Law (Article 5);

- 4) does not have international mark, call sign, name and MMS number (Article 6, paragraphs 1 and 2):
- 5) yacht is not surveyed in the prescribed period (Article 16);
- 6) it does not inform Administration Body of any damage to the yacht (Article 17);
- 7) it does not enter the waters of the Republic by the shortest route to the port of destination open for international traffic (Article 20, paragraphs 1 and 3);
- 8) a yacht does not leave the Republic by the route and within the period established by Harbour Master's Office or Branch Office (Article 24, paragraph 1);
- 9) yacht is not reported to Harbour Master's Office or Branch Office within the period and in the manner prescribed by this Law (Article 25, paragraphs 2 and 3);
- 10) it fails to obtain a vignette or endorse a Crew and Passenger List prior to beginning of voyage (Article 26);
- it does not posses a Crew and Passenger List or such a list is not endorsed by vignette or Harbour Master's Office or Branch Office, respectively, or list of persons aboard a yacht includes a person not included in the Crew and Passenger List (Article 27);
- 12) it fails to provide pilotage for a yacht of more than 1.000 GT (Article 29);
- a yacht navigating in the waters of the Republic and registered in the Register does not posses required documents (Article 30);
- it fails to endorse Crew and Passenger List at Harbour Master's Office or Branch Office or fails to leave the waters of the Republic within the prescribed period (Article 31);
- 15) it pollutes sea or the environment, does not posses equipment for prevention of sea pollution and tanks for storage (Article 33, paragraphs 1 and 2);
- 16) yacht charterer fails to keep a Record Book, fails to endorse Crew and Passenger List at Harbour Master's Office or Branch Office prior to departure at the latest or the endorsed Crew and Passenger List is not kept on board or is not produced at request to an authorized person (Article 38, paragraphs 1, 2 and 3).

Offences referred to in paragraph 1 hereof shall be punishable by a fine in the amount of one half to twenty times the minimum salary in the Republic, as well as responsible person of the body corporate.

Offences referred to in paragraph1 hereof shall be punishable by a fine in the amount of ten to two hundred times the amount of the minimum salary in the Republic and the contractor.

A fine in the amount of one half to twenty times the amount of the minimum salary in the Republic shall be payable by a natural person for offences referred to in paragraph 1 hereof.

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 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 Harbour Master's Offices ("Official Gazette of the Republic of Montenegro", No. 29/03), which refer to yachts.

Article 46

This Law shall enter into force on the eight day following its publication in the "Official Gazette of the Republic of Montenegro", and it shall apply from January 1, 2008.

SU-SK Number 01-359/7 Podgorica, July 24, 2007

Constituent assembly of the Republic of Montenegro
President
Ranko Krivokapic