



INTERNAL REGULATIONS FOR TOURIST PORT «PORTO SAN ROCCO» IN MUGGIA

INTRODUCTION

The following regulations were drafted for the Tourist Port “Porto San Rocco,” in Muggia. The port, which was built by Porto San Rocco Marina Resort S.r.l., with headquarters in Muggia - Strada per Lazzaretto, 2- with a corporate capital of € 100.000,00 from now on referred to as the “Company,” reserves the right:

- A - to directly oversee management of the Port through its Administrative Body.
- B - to create one or more Management Entities (referred to from now on as “Entities”), in the form considered most appropriate, to be autonomous but united in a Consortium and to be possessed and managed by the users of the property and berths of the port, upon simple no impediment to be left to the discretion of the Port Authority.

In the first case the Management of the port and personnel will refer to Porto San Rocco Marina Resort S.r.l.

In the second case the autonomous Entity will be made its own administrative body and establish management policies and retain all of the authority and obligations established by the present Regulations with reference to the “Company.”

In case “B,” the Management and personnel of the port will refer to the Entity according to necessity.

GENERAL RULES

Article 1

Observance of Regulations for the “Porto San Rocco,” tourist port, which will now be referred to as the “Company,” is required for those who contractually benefit from property, infrastructure, and services within the environment of said tourist port (for example berths, buildings, parking spaces, etc.) and for those who use those goods, infrastructure or services in any way.

- a) Permanent users of berths under contract established with the “Company.”
- b) Those temporarily docking in the Port and considered “in transit.”

The Port in its current realization and in its planned future development is represented on the map attached (att. Sub. A).

Article 2

The “Company” reserves the right to update, integrate and/or modify the present Regulations, upon approval from the Maritime Authority, at any time when doing such is maintained appropriate by the “Company” in order to better guarantee the security, functionality and efficiency of the Port or to adapt to changes in regulations contained in the act of concession, or in order to conform to Maritime Authority ordinances until the termination of the concession.

Article 3

Users of “Porto San Rocco” tourist port are expected to observe regulations established by the “Company” in conformity with the concession contract as well as orders established by the Maritime Authority and prescriptions contained in the present Regulations.

Article 4

Although ultimately under the authority of State Bodies, application and observance of the present Regulations and all other rules of law and administrative orders are assured and applied by Port Management and personnel, who are to be physically recognizable by uniform or other distinction established by same.

In order to guarantee observance of the present Regulations, said personnel may give appropriate orders within the Port environment.

The Management may concede control and organization to third parties authorized by the “Company” to act directly.

Article 5

Personnel who discover infractions to the present Regulations must communicate them immediately to the Management, who will in turn alert the appropriate Authorities.

The appropriate Maritime Authority may intervene in certain cases. For serious infractions, the Administrative Body of the Company or the Management may issue sanctions to permanent users of berths or buildings and/or property on land and/or order the dismissal of boats and individuals including those “in transit,” or temporarily making use of the Port.

Article 6

State Authorities, the Management, and Maritime Authorities have established a code of behavior and sanctions for Port users, their guests as well as other temporary users of the Port, which is displayed in public areas of the Port by the Management. Access and use of the Port is considered acceptance of this code, which is considered obligatory. Upon request, Regulations and the list of sanctions may be provided to the captain of individual boats.

Article 7

Users of the Port, buildings and property on land and all others present in “Porto San Rocco,” are directly and personally responsible for any infractions of law, regulations and ordinances of ship administration, Customs, Police, and security, as well as for any infractions of the present Regulations, and commit to keeping the “Company” uninvolved in relation to responsibilities inherent in the case such infractions.

Family members, guests and employees of Users are moreover directly and personally responsible for observing the norms indicated in the previous paragraph and will not involve the “Company” in responsibilities inherent to committing infractions.

Article 8

Unauthorized commercial, professional or artisan activity within the Port is strictly prohibited. Authorized commercial activity must take place in areas designated by the “Company.”

DOCKING, TRAFFIC AND CODE OF BEHAVIOR

Article 9

«Porto San Rocco», which is within the administrative territory of Muggia, allows for the docking of circa 535 boats in berths of various categories, as well as about 11 moorings in the zone immediately outside the port.

Five per cent of all berths are kept available to boats in transit.

Article 10

Tariffs for docking boats in transit and for services provided are predefined by the “Company” and approved by the Maritime Authority.

Permanent and temporarily reserved berths are listed along with the name of the user as well as the name and dimensions of the boat in a register stored in the office of Port Management. Each user must tell the Management about any variation in terms of boat ownership, purchases of new boats to be docked in “Porto San Rocco” and any other information necessary for smooth management of the Port. It is prohibited to occupy more than one berth or to dock outside that assigned space.

Boats, including fenders and all accessories, must not exceed the length or width of those indicated for the category of berth assigned or create excessive hindrance.

For berths meant for public use, the Maritime Authority reserves the right to remove the boat at the owner’s expense if this rule is not observed.

If the orders established in the previous paragraphs of the present article are not respected by permanent berth users, except in the event larger and more serious measures are adopted by the administrative body, after unheeded warning, the Management reserves the right to remove the offending boat at the user’s expense. Said user will further be charged the appropriate tariffs for storage of the boat after removal.

Article 11

In order to recognize entrance and exit to and from the tourist port, permanent berth users must display the required flag(s), as well as appropriate “Porto San Rocco” identification.

Article 12

Users in transit who have not already been assigned a berth through prior communication with the Management must first dock where indicated by Management until receiving an assigned space, if available, and further instructions and information.

The length of stay must be indicated on the docking request which is to be completed at arrival. This period must not normally exceed 48 hours, except for specific needs or circumstances beyond one’s control; if not the case, it is up to the Management’s discretion how long the stay may be extended if space is available.

Article 13

Permanent berth users who leave the Port with their boats for longer than a period of 24 hours must communicate this to the Management, indicating the date of departure and estimated date of return, and when possible, the intended destination.

In the interest of maritime security and protection of human life, the “Company” maintains a Register in which all such information is recorded and available for Maritime Authorities.

If berths meant for those in transit are not available, the “Company” reserves the right to offer available berths, reimbursing the permanent user of the berth for the tariff of the approved space, net of administrative and management fees.

The “Company” will free the space upon return of the permanent user.

Article 14

The permanent berth user may transfer contract rights for Port services inherent in the agreement signed with the “Company” to third parties. If the user intends to temporarily make an agreement for use of the berth and services offered by the Company to third parties of his choice, the user must:

1 - Communicate personal data to the Management, provide identification data for the boat, indicating measurements and the consented period.

2 - Assure that the third-party user of the berth understands the regulations contained in the present document and commits to observing them.

The rights inherent in the present article are reserved exclusively to users under contract and expire with the cession approved by the “Company” of contract rights for Port services and/or docking. In the case of cessions stipulated in violation of the present article, the “Company,” reserves the right to immediately remove the docked boat in question at the expense of both the cedent and the cessionary, who will also be held responsible for storage fees for the boat once transferred.

Article 15

All maneuvers carried out within the Port must be in full observance of the regulations of the Management who may arrange for transfer of moorings in case of emergency or needs connected to the operability of the Port.

In case of absence of the owner and/or crew, or in the case their refusal, Management may, upon no impediment of the Maritime Authority, act directly.

Article 16

Within the port, the maximum speed allowed is 3 knots, being careful to avoid creating excessive waves.

Outside the entrance of the Port up to 300 meters, speed must not exceed 5 knots.

Article 17

It is formally prohibited to anchor boats within the port. Docking equipment already present in the Port is to be used for docking purposes. Users are formally held responsible for damages to same.

Article 18

Article 18.1 - Waste Provisions

A. General Rules

For the purposes of applying the rules contained in this article, the terminology and meanings indicated in Annex V of the International MARPOL Convention '73/78 and its subsequent amendments and modifications as well as in Legislative Decree No. 182/2003 and Legislative Decree No. 152/2006 and s.m.i. are adopted.

Porto San Rocco commits to promoting actions and information to minimize waste production on boats by bringing on board material that could become waste.

It is prohibited for the users of the moorings to discharge any type of liquid waste into the sea and the port water area and to throw solid waste or other materials, in particular bilge water, mineral and vegetable oils, plastics, fishing equipment, toxic or harmful substances.

The Waste Collection Service Manager, in agreement with Porto San Rocco and the AdSP MAO (local Port Authority), will provide for the placement of suitable containers for the ordinary separate collection of waste in the identified port areas. For the extraordinary collection of certain types of waste upon request, users must notify Porto San Rocco at least 24 hours in advance so that the collection can be organized.

Porto San Rocco will monitor the proper waste management within its port area and report any service disruptions in waste collection to the AdSP MAO and the manager; in particular, it will report the respect of the collection periodicity to avoid the accumulation of foul-smelling and/or harmful waste or to prevent disturbance to the possible occupants of pleasure boats.

Porto San Rocco will provide (optional) for the arrangement of any equipment for the collection of additional types of waste (e.g., oils, filters, exhausted batteries, etc.) by reporting the users' requests and/or needs to the AdSP MAO and the Service Manager and the consequent maintenance of records/communications.

Porto San Rocco will sign the attestations of waste removal services requested and performed by the Manager.

Porto San Rocco will charge the user a share of the total cost of the waste management service, which share may vary according to the size of the boat (or number of passengers) and the period of use of the mooring.

B. Promotion of Separate Waste Collection

Owners, operators, and captains of pleasure and fishing vessels are required to implement waste separation on board, at least keeping the following types separate: solid waste, plastic and glass packaging, paper and cardboard, metal packaging; undifferentiated waste; liquid waste - exhausted cooking oils, bilge waters and oils. These types of waste must be disposed of in the appropriate containers/tanks specifically arranged by Porto San Rocco in the port area.

Captains (skippers) of pleasure and fishing vessels are required to notify Porto San Rocco of the need to dispose of other types of waste, both hazardous (e.g., mineral and bilge oils, medicines, insecticides, solvents, etc.) and non-hazardous (e.g., cooking oils, waters, fishing equipment, bulky waste, wood, etc.).

It is forbidden for everyone to mix different types of waste before disposal or in the specific containers arranged by Porto San Rocco in the port area.

Captains (skippers) are required to ensure that waste is disposed of in the appropriate containers without causing harm or disturbance to users and according to the procedures prescribed by Porto San Rocco; in particular, undifferentiated waste will be disposed of in well-tied bags of adequate strength.

Article 18.2 - Provisions for the Prevention of Pollution in the Port Area and Fire Prevention Regulations

A. Prohibitions

In the port area of Porto San Rocco, it is forbidden for everyone to throw, abandon, deposit, or gather any kind of waste, including substances containing hydrocarbons even in a mixture, as well as any substance harmful to the marine environment indicated in the

table attached to Law No. 979/82 and its subsequent amendments and integrations. Likewise, it is forbidden for all fishing and pleasure vessels, whether armed or disarmed, whether in water or dry-docked, to discharge waste of any kind into the sea or abandon it on land.

B. Cleanup Obligation

Users of the moorings and anyone who accidentally throws any kind of waste into the sea are required to recover it for subsequent disposal, using specialized companies if necessary, and to clean up the area at their own expense.

C. Use of Onboard Sanitary Facilities

For personal needs, the existing shore-based sanitary facilities must be used, unless the vessel is equipped with specific facilities capable of collecting onboard wastewater. The use of onboard sanitary facilities is prohibited, except for units equipped with approved safety systems that prevent the discharge of sewage into the sea.

D. Emergency Service in Case of Accidental Dispersion or Spillage of Waste

Porto San Rocco provides for the procurement, regular maintenance, and availability to the user of the contracted service for urgent clean-up and decontamination of the water surface; such interventions will be carried out with the utmost cooperation of the user. In the event of an "environmental incident" with spillage/dispersion of waste into the marine environment, Porto San Rocco, possibly in concert with the user, will alert and promptly intervene with a trusted company specialized in cleaning water surfaces, to immediately carry out the cleaning and removal of waste.

E. General Fire Prevention Regulations

It is prohibited to throw or discharge any material, incandescent objects, or any flammable substances or goods that can cause fires into the port waters. It is also prohibited to leave any material, incandescent objects, or any flammable substances or goods unattended on the quays. On docks and quays where flammable substances or goods are present - as authorized - that can fuel combustion and potentially release toxic and harmful gases or vapors if involved in fires and/or explosions, it is forbidden to smoke, light matches, discard burning cigarette or cigar butts near them, or ignite fires or use heat sources.

Captains (skippers) of vessels moored in the port must:

- Ensure ventilation of the engine compartment before starting the engines (for inboard units)
- Keep onboard firefighting equipment in perfect maintenance condition
- In the event of a fire or fire outbreak, immediately alert the Maritime Authority to take measures/actions to address the emergency, considering, if appropriate, the evacuation of people possibly onboard.

It is forbidden to transfer fuels and/or bunker by means of fittings/equipment/configurations and operating modes not approved by Porto San Rocco for the port area.

Article 18.3 - Rates and Sanctions

A. Rates for Waste Collection and Management Service

The rates for the waste collection and management service are already included in the mooring fees of Porto San Rocco, for both resident and occasional customers.

B. Sanctions against the User

The User of the moorings and stretches of water in Porto San Rocco who contravenes the prescriptions issued by Porto San Rocco and subscribed to by the Code of Conduct shall be sanctioned in the manner provided for by the Charter and by these Rules and Regulations and shall also have to pay compensation for damages caused to third parties and for any costs of cleaning up and de-pollution.

In particularly serious cases, Porto San Rocco shall report to the Judicial Authority.

Article 19

In docks it is prohibited to always use motors without an efficient muffler. It is prohibited to test main boat motors or auxiliary motors, except in the case of demonstrated particular need, before 8am and after 9pm, and from May to September between the hours of 1pm and 3:30pm.

Boats are allowed in canals only for transit and docking maneuvers.

Within the Port, any activity or behaviors that may disturb the peace of others is prohibited. All work that entails inconvenience to other users, including recharging motor batteries, must be done in designated areas.

Article 20

It is prohibited to obstruct parking areas, walking areas, sidewalks, platforms, docks and wharfs or any other area not meant for warehousing or storage with equipment or materials of any kind.

Article 21

Possessors of boats docked in the Port area are responsible for keeping them clean. In the case of prolonged inobservance of this regulation, and after unheeded warnings to the user or his or her employees, the Management reserves the right to arrange to have the exterior cleaned by personnel of their choice, at the expense of the user.

Article 22

All boats entering into the port must be in perfect working order for secure maneuvers and must be up to codes established by the Authorities.

The "Company" is not responsible for damages to boats resulting from inobservance of the obligations in the previous paragraph.

The Management, with just cause, may request on board inspections to be performed by the appropriate Maritime Authorities.

Article 23

On land within the Port, domestic animals are allowed and must be on leashes with a muzzle.

Owners of said animals are expected to take all necessary precautions in order to avoid problems and/or inconveniencing other users within the Port area.

Article 24

Boats must be insured for civil responsibility towards third parties as well as possible damages to other boats, equipment and plants in the tourist Port as well as the surrounding buildings.

The "Company" may ask that boats without adequate insurance coverage be removed from the area in question.

The "Company" is insured for fire damage of equipment and port installations.

Users are expected to review conditions and coverage of insurance in the event it should be necessary to communicate information to insurance companies. Users are also expected to communicate the value of their boat to Management as well as any other circumstance which may influence risk assessment.

VEHICULAR TRAFFIC

Article 25

Access to motor vehicles in the parking lots of the Port is consented to those with assigned parking spaces, whose vehicles must display the appropriate sticker on the windshield. Access to motor vehicles for loading and unloading is allowed with Management authorization. Any other user of the Port needing to transport people or baggage to their boat may enter with motor vehicles (or other towing vehicle) and trailers to the point nearest the boat to be indicated by the Management. After loading and unloading, all vehicles and trailers must be parked outside of the Port area.

Motor vehicle traffic within the port must take place exclusively within designated hours and areas as indicated by signs posted by the Management to conform to ordinances set by competent Authorities.

Article 26

Parking of motor vehicles, motorcycles, etc. is permitted in designated areas. Parking of vehicles in prohibited areas will lead to immediate removal at the owner's expense.

Article 27

As per the previous article, Management reserves the right to arrange for towing of vehicles without prior warning by personnel of their choice.

Fees for transport and storage of towed vehicles are to be paid by the transgressor. Appropriate Authorities may act upon violations and other ordinances.

SERVICES

Article 28

The Management organizes the following services:

1. Protected landing and mooring
2. Cleaning of the Port water area
3. Cleaning of areas on land and collection of on board waste (to be deposited in the appropriate containers)
4. Maintenance and dredging of canals of navigation and of the water in dock area
5. Security in the Port area including furnishings and plants as well as boats.
6. Regular maintenance of all plants, furnishings and port work and mooring
7. All services connected to Port and navigational security the "Company" provides in conformity with ordinances established by the competent Authorities.

The "Company" will provide services as above described unless revoked, as per the code of navigation or upon orders from the maritime Administration for the entire period of the current contract.

Fees related to these services are paid according to art. 34 and 35. Users in transit may use services appropriately and will be charged according to current tariffs.

Article 29

The "Company" provides a system for potable water and electrical current as well as other services for berth users.

Article 30

For services such as fuel, restaurants, bar, shops, technical assistance, boat supplies, etc., users pay directly for services rendered.

Article 31

For assistance, reparation and refitting of boats within the Port environment, the “Company” refers to pre-chosen companies for these services.

The “Company” Management has an updated list of external companies authorized to provide services within the port and in designated areas.

In certain cases, and upon request of the user, the Management may authorize services to be rendered by other companies, the “Company” remaining outside the direct relationship between the two parties.

Entrance is prohibited to any lifting vehicle not expressly authorized by the Management. Payment for services rendered is the responsibility of the user to the service provider.

Article 32

The “Company” is not responsible for theft within the Port environment and on boats.

It remains understood that security on the part of the Company of docked boats is limited to the elementary structure and does not extend to equipment required by law, regulations and other administrative acts, nor to other things left by the user in the boat.

The “Company” is not responsible for damages to people or things within the environment of the port, by non employees, things or animals not belonging to them or by other acts or facts including staining or introduction of polluting agents (smoke, noise, dust, etc) from outside of “Porto San Rocco” transported by atmospheric agents, by blackouts due to ENEL or transformer breakdowns in the super condominium complex.

FIRE REGULATIONS

Article 33

The “Company” is in charge of preparing and maintaining the appropriate fixed and mobile plants for intervention in the case of fire.

In such circumstances the Management has the power and the right to issue orders which must be immediately followed.

Docked boats must observe the following rules of a general preventive nature. The Management reserves the right to request the competent Authority to conduct on-board inspections at any time and to take action in the case of their inobservance.

1 - In case of spilled fuel in water or on platforms, docks or wharfs, the person responsible must immediately advise the Management, and take immediate actions to contain and limit the damage, informing personnel of boats in the vicinity and others nearby.

2 - Before starting gas-powered motors, the user must aerate the engine space.

3 - Each boat must be checked before docking to make sure there are no residuals of hydrocarbon in the bilge, and that there are no leaks.

4 - Electrical systems on board must be in perfect working condition and adequately maintained.

5 - Fueling must only be done with a pump at the filling station. Any other kind of refilling, even partial, using portable tanks, even if brought oneself, with a pump, or any other kind of portable fuel container, or any other system is strictly prohibited within the Port. In

cases of absolute necessity, complete absence of fuel, reparation systems, etc, the person in question must ask for authorization from the Management for any quantity or service.

6 - Compartments on board storing bottles of liquid gas must be adequately aerated.

7 - Fire extinguishers on board must be in sufficient number, up to code according to current regulations and in perfect working condition.

8 - In case of fire on board a watercraft, crew of same as well as watercraft nearby must immediately prepare to extinguish the fire, warning the Management as quickly as possible who is responsible for notifying the appropriate Authorities and Bodies to intervene.

It is up to the Management to free the watercraft on fire and distance it from the Port. The user is responsible for any fees related to fire intervention as well as damages to third parties, property and port work as well as buildings.

Fire Regulations are displayed in the appropriate spaces within the Port.

FEES FOR PORT MANAGEMENT

Article 34

Under contract with the “Company,” permanent users of berths are obligated to pay annual administration fees, insurance, taxes, maintenance and extra maintenance of the land, a concession fee and any other services in general as specified in Article 28 of the present Regulations. Permanent users of berths are responsible for fees in proportion to the thousandth indicated in the attached act of n. rep. of Notary.

Fee payment may be requested in advance except in the case of the year-end calculations, to be decided by the appropriate Administrative body.

Users “on land” of buildings and goods do not contribute to these fees, even if included in the perimeter of the Port, and as their relative services are provided by the “Comprensorio di Porto San Rocco” or are charged directly.

Any fees paid in advance by the Company for users of buildings and goods on land are billed directly by the “Company.”

Article 35

Every year, the Company provides an estimate of fees per art. 34, paragraph 1.

At the end of the year, which begins on January 1st and ends on December 31st, based on the final sum, which is communicated to users, any fees not covered must be paid by users within 30 days of the request.