

At the first regular Assembly of the Shipmasters' Association of Montenegro – Kotor held on the 3rd of October 2003 in Kotor, pursuant to Article 12 of the Statute of the Association, the Assembly adopted the following

BOOK OF RULES

On Competencies and Work of the Court of Honour

Article 1

The Assembly of the Shipmaster's Association of Montenegro (hereinafter: the Association) shall establish the Court of Honour of the Association.

Article 2

The Court of Honour, pursuant to Article 26 of the Statute of the Association shall consist of 3 members and 2 reserve members.

Article 3

Members of the Court of Honour can be changed due to extraordinary circumstances by the Assembly of the Association, at the suggestion of the Managing Board of the Association.

Article 4

Member of the Court of Honour may be every member of the Association meeting strict criteria regarding morality, experience and maritime professionalism.

Article 5

Competencies and activities of the Court of Honour shall be prescribed by Article 27 of the Statute of the Association.

Article 6

A final opinion and decision of the Court of Honour in every individual case shall be made in presence of all three members by secret voting, upon detailed consideration of a case and hearing a party who committed a violation or participant in a dispute.

Article 7

Decision or opinion of the Court of Honour shall be irrevocable, and only the Assembly of the Association may alter it.

Article 8

In addition to provisions stated in Article 27 of the Statute of the Association, this Book of Rules emphasizes competency of the Court of Honour over maintenance of reputation, high morality and professionalism of the Association members, for the purpose of achieving and maintaining reputation of oceangoing shipmasters of Montenegro, both within state and international frameworks, especially in maritime area.

Article 9

Sanctions of the Court of Honour shall be the following:

- Public warning to party who committed violation
- Public warning to party who committed violation prior to exclusion from the Association
- Exclusion of party who committed violation from the Association.

Article 10

By adoption and acceptance by the Managing Board, decisions and opinions of the Court of Honour shall become public, provided that they are posted in a visible place in the office of the Association.

Article 11

This Book of Rules shall become effective on the eighth day upon its adoption.

Kotor
October 3, 2003.

President of

Shipmasters' Association of Montenegro

Capt. Ladislav Vukovic