

CONSENT TO SUBLEASE

THIS CONSENT TO SUBLEASE (Consent) is provided by THE CITY OF SAN DIEGO, a California municipal corporation (City), to CHSP MISSION BAY LLC, a Delaware limited liability company, dba Hyatt Regency Mission Bay Spa and Marina (Lessee/Sublessor), to be effective upon execution by City and approval by the San Diego City Attorney, as follows:

RECITALS

- A. City and Lessee/Sublessor's predecessor-in-interest entered into a City of San Diego Lease Agreement (Agreement), filed as document RR-300863 in the Office of the San Diego City Clerk, which was assigned to Lessee/Sublessor under the City of San Diego Consent to Assignment dated September 6, 2012, (Assignment) (the Agreement and Assignment are hereafter jointly referred to as the Master Agreement) relating to that certain City-owned real property located at 1441 Quivira Road, San Diego, California 92109, commonly known as "Hyatt Regency Mission Bay Spa and Marina," and more particularly described in the Master Agreement (Premises).
- B. Lessee/Sublessor now desires to sublease a portion of the Premises, said portion being a section of the sportfishing dock as more specifically agreed upon between Lessee/Sublessor and The Marchi Corporation, Inc., a California Corporation, dba Gone Sailing (individually or jointly "Sublessee") by entering into a certain Charter Boat Lessee Agreement. The sportfishing dock is depicted on Exhibit A, which is attached hereto.
- C. The Master Agreement requires that Lessee/Sublessor obtain City's consent to sublease the Premises, or any portion thereof.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is acknowledged, and with the incorporation of the above-listed Recitals into this Consent, the City consents to the sublease of a portion of the Premises, provided that all of the following conditions are and remain true throughout the term of the sublease:

- 1. Subject to the terms and conditions herein, City hereby consents to Lessee/Sublessor's request to sublease a portion of its right, title and interest in and to the Premises to Sublessee. By giving this Consent, City is merely consenting to the sublease request, the City is not consenting to, approving, accepting or agreeing to be bound by any term or condition of the Charter Boat Lessee Agreement which Lessee/Sublessor and Sublessee enter into.
- 2. The terms and conditions of the Master Agreement shall control and supersede any inconsistent or contrary provisions in any Charter Boat Lessee Agreement executed between Lessee/Sublessor and the Sublessee. City shall not be bound by any term or condition of the sublease which in any way conflicts with the City's rights or would

otherwise result in increasing the City's obligations or decreasing the Lessee/Sublessor's obligations under the Master Agreement; and

3. City's Consent is conditioned upon Sublessee's written agreement that it will assume all rights and obligations, and that it will keep and perform all covenants, conditions and provisions of the Master Agreement applicable to the rights acquired as a "Lessee" under the Master Agreement (which rights and obligations include, but are not limited to, the Sublessee's obligation to indemnify the City in the manner set forth in Section 7.1 of the Master Agreement, and to comply with all insurance requirements in the manner set forth in Section 7.2 of the Master Agreement); and
4. City does not release, discharge or modify Lessee/Sublessor's obligations to City under the Master Agreement. As set forth in applicable law, Lessee/Sublessor's obligations under the Master Agreement shall survive said Charter Boat Lessee Agreement and shall continue through the termination date of the Master Agreement, as set forth therein; and
5. This Consent does not constitute consent to any subsequent subleasing of any interest in and to the Premises subject to the Master Agreement.
6. Lessee/Sublessor agrees to pay City any applicable processing and/or administrative fee(s) for processing this Consent.
7. City shall not be liable for any brokerage commission or finder's fee in connection with the consummation of the Charter Boat Lease Agreement. Further, Lessee/Sublessor agrees to protect, defend, indemnify, and hold City, its elected officials, officers, representatives, agents, and employees harmless from and against any claim for any brokerage commission or finder's fee related to the consummation of this Consent, and from and against any cost or expense (including without limitation attorney fees) incurred by City in resisting any claim for any such brokerage commission or finder's fee.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, this Consent to sublease is executed by City acting by and through its Mayor, or his designee.

THE CITY OF SAN DIEGO,
a California municipal corporation

Date: 4/17/17

By: [Signature]
Cybele Thompson
Director, Real Estate Assets Department

Environmental Analysis Section Environmental Clearance:

This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines Sections 15301 (Existing Facilities).

Date: 4/27/17

By: [Signature]
Alyssa M. Muto, Deputy Director
Environmental and Policy Analysis

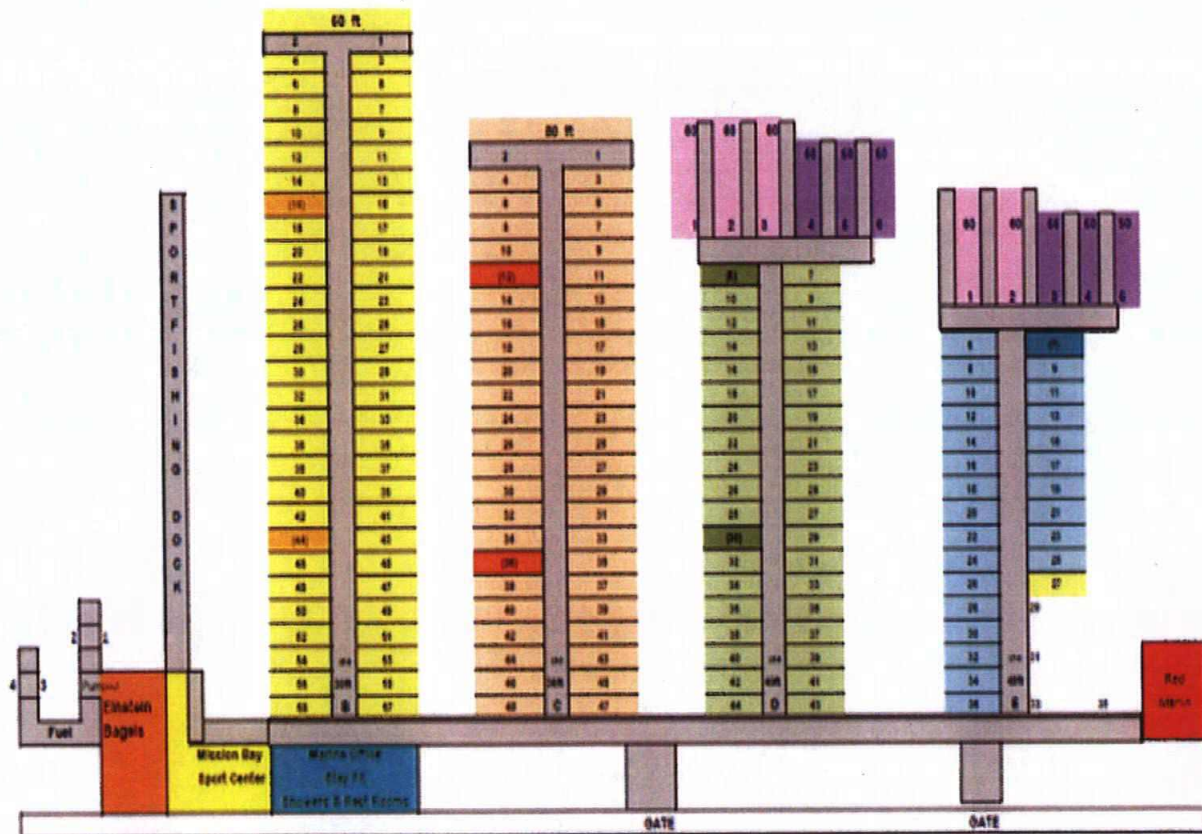
Approved as to form this 24th
day of April, 2017

MARA W. ELLIOTT, City Attorney

BY: [Signature]
Name: Melissa Ables
Title: Deputy City Attorney

EXHIBIT A: PREMISES

Sportfishing Dock



Hyatt Regency Mission Bay Spa and Marina



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/25/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Means Financial & Insurance Services Inc. 16787 Bernardo Center Dr San Diego Ca 92128	CONTACT NAME: Mark Means	
	PHONE (A/C, No, Ext): 858-679-1431 Ext 101	FAX (A/C, No): 858-679-1438
INSURED Marchi Corporation, Inc DBA Gone Sailing 5865 Friars Rd Apt # 3202 San Diego Ca 92110	E-MAIL ADDRESS: mark@meansfinancial.com	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Mesa Underwriters Specialty Insurance Company	
	INSURER B:	
	INSURER C:	
	INSURER D:	
INSURER E:		
INSURER F:		
NAIC #		

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR ☒ 500 Deductible GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC		MP0004007009435	04/17/2017	04/17/2018	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$5,000,000 GENERAL AGGREGATE \$5,000,000 PRODUCTS - COMP/OP AGG \$Included
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ HIRED AUTOS ☐ SCHEDULED AUTOS ☐ NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB ☐ EXCESS LIAB ☐ OCCUR ☐ CLAIMS-MADE ☐ DED ☐ RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/ MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A				WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Warf Coverage A Dock
Hyatt Spa and Marina
1441 Quivira Rd
San Diego CA 92109

CERTIFICATE HOLDER

(1) per CG 2011-City of San diego, et al.
Hyatt Spa and Marina
1441 Quivira Rd
San Diego Ca 92109

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Mark Means MIM

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CHARTER BOAT LESSEE AGREEMENT

THIS CHARTER BOAT LESSEE AGREEMENT (the "Agreement") is made and entered into on **December 1, 2016**, by and between Hyatt Corporation, as agent of CHSP Mission Bay LLC, a Delaware limited liability company, DBA Hyatt Regency Mission Bay Spa and Marina (the "Management") and The Marchi Corporation, Inc. DBA Gone Sailing, (individually or jointly, "Lessee") with respect to the following facts:

- A. Management leases from the City of San Diego (hereinafter, "City"), and operates the marina, boat slips, docks and landing located at 1441 Quivira Road. San Diego, California, USA, 92109 (collectively, the "Landing").
- B. Lessee owns and operates the "Vessel" as follows:

Name of Boat: Venere

Cal. DMV CF#: N/A

Federal Document #: 1036993

Length Overall: 42' Beam: 13'10"

Draft: 6'7"

The Vessel shall provide charting services and overnight onboard accommodations as agreed upon by Management and Lessee. Only the Vessel described in this paragraph, and no other vessel, may occupy the boat slip under this Agreement.

- C. Lessee desires to operate the Vessel from the Landing, and Management desires to allow such non-exclusive operation, in each case on the terms and conditions set forth below. The person identified above as the Lessee represents by signing this Agreement that he/she is the sole owner of the Vessel, or that he/she has full authority of all persons or entities with an ownership interest in the Vessel to bind them and the Vessel to the terms and conditions in this Agreement. Lessee warrants that the Vessel is owned solely by Lessee. On or before the Commencement Date, Lessee shall submit to Management a true copy of Lessee's current California DMV ownership, registration certificate or other official (e.g., United States Department of Transportation) ownership documentation by delivery of same to Management's Landing Office where it shall be placed on file in Management's records for Lessee and the Vessel in respect of the Landing. Lessee represents and warrants that Lessee (individually or collectively) is the sole owner of the Vessel; and as a condition of using the Landing under this Agreement, Lessee (individually or collectively) must hold exclusive legal title to and exclusive ownership of the Vessel while it occupies the Landing during the Agreement Term. In the event that Lessee is not the sole owner of the Vessel at any time during the Term, then Lessee shall immediately notify Management and submit all such additional information regarding other owners of the Vessel as Management may request.

NOW THEREFORE, in consideration of the foregoing Recitals, and the mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals. The foregoing Recitals are incorporated in this Agreement as if fully set forth below.
2. Term of Agreement
 - (a) Subject to paragraph (b) below, the rights and duties of the parties under this Agreement shall commence on Upon Approval of the CITY. This agreement is for month to month tenancy. Written notice of termination shall been given thirty (30) days prior to the expiration of said term by either Management or Lessee, this Agreement will continue on a month-to-month basis and may be terminated by either party giving the other at least thirty (30) days prior written notice.
 - (b) Notwithstanding the provisions of Section 2(a) above, Management shall have the rights, as set forth in Section 2(c) below, on the occurrence of any of the following specified events (each an "Event of Default"):
 - (i) Bankruptcy, by voluntary or involuntary petition, or insolvency of Lessee;
 - (ii) Sale or transfer of more than fifty (50%) percent or more of the stock or beneficial interest in the stock of Lessee, or sale or transfer of substantially all of the assets of Lessee;
 - (iii) Destruction or seaworthiness of the Vessel, or her inoperability for a period longer than four (4) months, unless a substitute vessel approved in writing by Management is provided.
 - (c) Monthly Rate: \$546.00 Said rate is based on overall length of the vessel not waterline length.
 - (i) Seizure of the Vessel pursuant to Court order or non-judicial repossession as contractually permitted by a mortgage lien holder.
 - (ii) Breach of any term, provision or covenant contained in this Agreement, each of which is deemed to be material for all purposes herein.
 - (iii) Assignment or transfer of any interest, rights or duties under this Agreement other than as provided herein.
 - (iv) Abandonment of the Vessel by Lessee.
 - (v) Vacate the Landing.
 - (d) Upon the occurrence of the Event of Default, Management may:
 - (i) Immediately terminate and declare a forfeiture of this Agreement, whereby effective as of the termination date Management shall not have any further or future obligations under this Agreement except as may be required by applicable law. Pursuant to such termination, Management may recover and take exclusive custody, possession and control of the

Landing, remove the Vessel and all other personal property therefrom, remove all other personal property of Lessee from the dock adjacent to the Landing and elsewhere in the Landing area, store the Vessel at any location and recover from Lessee all damages resulting from any Event of Default, including, without limitation, the cost of recovery of the Landing, the cost of removal the Vessel and any other personal property therefrom, the cost of storing the Vessel.

- (ii) In the event that Management removes any personal property from the Landing, its adjacent docks and/or elsewhere in the Landing area, other than or in addition to the Vessel, Management may store such property at any location at the sole expense and risk of Lessee or other owner thereof, and may sell or otherwise dispose of such property as provided by applicable law.
- (iii) Immediately take exclusive custody, possession and control of the Vessel, including, without limitation, any and all fixtures, engine(s), equipment, rigging, gear and other personal property thereon or appurtenant thereto (collectively, the "Gear"), and physically impound and secure the Vessel, together with any Gear, at any location for the purposes, inter alia, of enforcing, perfecting and executing upon Management's statutory lien rights in or upon the Vessel, e.g., (i) pursuant to the California Harbors and Navigation Code Section 490, et seq., and Section 500, et seq. (the "California Boaters Lien Law"), and/or (ii) pursuant to the Federal Maritime Lien Act, 46 U.S.C. Section 31341, et seq. (collectively, the "Boat Liens"). The Boat Liens (as applicable, depending upon whether California law or Federal maritime law controls in the premises) shall cover and apply to, as the case may be, any and all necessities (e.g., wharfage, moorage, towage and repairs subject to Federal statutory maritime liens) and/or any and all other items consisting of services and/or storage (e.g., rentals, materials, labor and goods subject to California statutory boaters liens), which shall have been provided or rendered to the Vessel and/or purchased or obtained by, or provided to, Lessee in respect of the Vessel pursuant to or in connection with this Agreement. Management's rights to physically impound and secure the Vessel, as described above, shall include, without limitation, securing the Vessel in the Landing, removing and transferring the Vessel from the Landing to any other location, securing the Vessel at any other location and/or otherwise berthing, docking, mooring and/or storing the Vessel at any location.
- (1) In the event that Management takes exclusive custody, possession and control of the Vessel including its Gear, and physically impounds, secures and stores the Vessel including its Gear, as described above, the impounding, securing and storing of the Vessel including its Gear, and any other actions taken by Management, shall be at the sole expense and risk of Lessee or other owner of the Vessel, and Lessee hereby waives any claims against Management and any of its officers, employees or agents for failure to maintain the safekeeping of the Vessel including its

Gear, except for any duty of safekeeping imposed by statutory law that cannot be waived by Lessee as a matter of law.

- (iv) Immediately, at its election and in accordance with applicable law, proceed to enforce, perfect and execute upon (a) the Boat Liens either (i) in the case of a boaters lien, pursuant to the California Boaters Lien Law (California Harbors and Navigation Code Section 500, et seq.), by applying to the California DMV for authorization to conduct a lien sale of the Vessel including its Gear and to otherwise dispose of the Vessel including its Gear, or (ii) in the case of a maritime lien, pursuant to the Federal Maritime Lien Act (46 U.S.C. Section 31341, et seq.), by bringing an action in rem in federal court to foreclose upon such maritime lien on the Vessel including its Gear, or (b) Management's contractual and other statutory rights, by bringing a civil action *in personam* in state court against Lessee in unlawful detainer (pursuant to California Civil Code Section 1161, et seq.), subject to disposition of the vessel including its Gear pursuant to the provisions of the California Boaters Lien Law.
- (v) Immediately prohibit Lessee from entering into or using the Landing or any of its facilities, including, without limitation, the Landing, or from boarding or otherwise having access to or upon the Vessel; and further, Management may immediately undertake all actions and remedies available and permissible under applicable law in order to eject and remove Lessee and any other unauthorized Persons from the Landing and from the Landing as a whole, including, without limitation, any of its docks, gangways, waterways, areas or other facilities. In addition to the recovery of any other damages resulting from any Event of Default, Management may recover from the Lessee the cost of any such ejectment and/or removal of the Lessee or any other unauthorized persons.
- (vi) The remedies hereinabove provided are not exclusive, and Management may pursue any one or more of such remedies or any other remedies provided by law. The exercise or failure to exercise any remedy provided herein for any breach shall not be deemed to be a waiver of Management's rights to have that or any other remedy specified above for any other breach of the same or any other provision of this Agreement.

3. **Responsibilities of Lessee.** During the term of this Agreement and any renewal thereof, Lessee shall:

- (a) Actively use and promote vessels for piloted sailing charters and general sailing charters to host the following activities;
Coastal viewing; Sunset sails; Whale watching; Moonlight sailing; Wedding Engagement; Day trips to anchor in Mariners Cove and/or other locations within 100 nautical miles of home port of San Diego, Mission Bay; and Hyatt Regency exclusive sailing activities.

from the Landing. Subject to emergency and unanticipated repair periods, the Vessel, in seaworthy condition and currently licensed by the U.S. Coast Guard for carrying passengers for hire, shall be available for operation at the Landing for the entire term of this Agreement and any renewals, subject to normal maintenance and repair requirements. Lessee shall provide Management with at least ten (10) days prior written notice of normal maintenance and repair periods during which the boat will not be available, during which periods Lessee shall make a good faith attempt to provide a substitute boat approved in writing by Management.

- (b) Lessee shall at all times cause the Vessel to be operated in a safe and lawful manner and in compliance with all Rules of Management which are incorporated herein in this Agreement, and all applicable federal, state or local statutes, regulations or directives.
- (c) Lessee shall at all times cause the Vessel to provide at least such services as are customarily provided by other charter fishing boats of a similar size.
- (d) If the Lessee is designated as the 1/2 day charter fishing boat, then, subject to weather conditions, the Vessel (or its substitute as provided for in paragraph (a) above) shall make two (2) one-half day fishing trips daily, the first trip departing from the Landing at approximately 6:00 a.m. and returning at approximately 11:30 a.m. and the second trip departing from the Landing at approximately 12:30 p.m. and returning at approximately 5:30 p.m. Lessee may schedule the second daily trip as a Twilight charter departing the landing at approximately 6:00 p.m. and returning approximately at 10:00 p.m. If the Lessee is designated as the 3/4 day charter fishing boat, then, subject to weather conditions, the Vessel (or its substitute as provided for in paragraph (a) above) shall make one three-quarter day fishing trips daily, the first trip departing from the Landing at approximately 5:30 a.m. and returning at approximately 5:00 p.m. If the Lessee is designated as an overnight charter fishing boat, then, subject to weather conditions, the Vessel (or its substitute as provided for in paragraph (a) above) shall make one fishing trip daily, departing from the Landing at approximately 10:00 p.m. and returning approximately 7:00 p.m. to 9:00 p.m. the following evening. If the Lessee is designated as a whale watching boat/bay cruise boat, then, subject to weather conditions, the Vessel (or its substitute as provided for in paragraph (a) above) shall make two (2) whale watching trips daily, the first departing from the Landing at approximately 10:00 a.m. and the second departing at approximately 1:00 p.m.; each such trip shall be for a duration of two to three hours. The parties to this Agreement agree Management shall have the right to, from time to time, set a the minimum number of passengers required for each type of vessel excursion (for example, to require a 1/2 day charter boat depart in the event two passengers wish to engage in such excursion).
- (e) Lessee shall at all times cause the Vessel to be docked and operated so as to cause no damage to the Landing or any other part of Management's property. Lessee shall notify Management immediately in the event he/she becomes

aware of damage to Management's property. Lessee shall notify Management immediately in the event he/she becomes aware of damage sustained by any part of Management's premises, irrespective of whether such damage is caused by Lessee, his/her crew, his/her passenger(s) or other person. Lessee shall indemnify and hold Management harmless from, and reimburse Management for, all costs, expenses, damages, claims, demands, liabilities and lawsuits (including reasonable attorney's fees incurred by Management in investigating or defending such lawsuits) arising solely out of any action or inaction on the part of the Lessee, its agents or employees, or any passenger. Lessee shall bear full responsibility, and shall reimburse Management, for any and all damages caused by the Vessel or her crew or passengers to the Landing or any other part of Management's property due to improper operation of the Vessel, seaworthiness of the Vessel, rough seas and/or bad weather.

- (f) Lessee shall provide a suitable picture of the Vessel to Management upon signing and by December 1st of each year thereafter, together with a copy of current U.S. Coast Guard Certificate of Documentation.
- (g) Lessee shall keep the Vessel's designated dock area maintained and free from debris, or any hazardous materials, at all times. Lessee shall, after returning to the Landing following each excursion, spray with water and take all other necessary actions to thoroughly clean the dock areas adjacent to the Vessel.
- (h) Lessee shall refrain from renting fishing equipment on the Vessel, except if necessary to provide replacement gear or if the Landing does not have available equipment.
- (i) Lessee shall provide his own bait.
- (j) Lessee shall strictly enforce courteous behavior by crewmembers and PROHIBIT THE FOLLOWING:
 - (i) the drinking of alcoholic beverages, possession OR USE of illicit drugs or narcotics by crew members BEFORE, DURING OR AFTER TRIPS, OR ANY TIME on board the Vessel;
 - (ii) crew members from boarding the Vessel AT ANY TIME while under the influence of alcohol or drugs; and
 - (iii) fishing by crewmembers.
 - (iv) Profane language or other indecorous conduct.
- (k) Crew members must wear appropriate attire designating them as crewmembers.
- (l) Upon execution of this Agreement, and yearly on the anniversary of execution of this Agreement, Lessee shall provide Management and the City with

certificates of insurance, issued by a California admitted insurance carrier, covering the Vessel and Lessee (and naming Management and The City of San Diego as additional insureds), showing \$ **5,000,000.00** Dollars of liability insurance in effect provided by a company acceptable to Management and the City, and in accordance with all Public Utility Commission requirements and all other governmental requirements. A copy of the policy of insurance shall be filed with the City. Said policy shall specify that the policy may not be terminated, altered, or cancelled without thirty (30) days prior written notice to Management and the City by the insurance company. Both the Management and the City of San Diego shall be named as additional assureds.

- (m) Lessee shall obey all laws, rules and regulations of Mexico when operating in Mexican waters, including but not limited to licensing and permits, and obey all laws, rules and regulations of the United States and California and all governmental entities/agencies with respect to activities undertaken therein.
- (n) Lessee shall at all times cause the Vessel to be operated by properly licensed personnel in compliance with U.S. Coast Guard requirements.
- (o) Lessee shall at all times operate the Vessel so as to be a credit to the Landing. Lessee shall cooperate with Management in providing reasonable free passage from time to time for writers, photographer's, news personnel and other persons designated by Management.
- (p) Upon termination, Lessee, at his/her expense, shall remove any and all stored goods, equipment and all other items, and return Management's spaces formerly used by Lessee for such storage to its original condition.
- (q) In the event Management elects to provide security at its premises, it is understood and agreed such security is provided solely for the purpose of protecting Management's property, and not for the benefit of the Lessee, who it is agreed shall be solely responsible for the safety and security of the Vessel and her appurtenances, and for the safety of Lessee's crewmembers, officers and passengers.
- (r) Lessee shall not post any signs on the Vessel or Management's premises without the advance written approval of the Management.
- (s) The Vessel shall not be used by any person for purposes of living aboard.
- (t) The Lessee shall, upon request by the Management, permit placement of a dye tablet into all holding tanks.
- (u) Lessee understand agrees Management maintains Rules and Regulations which are incorporated herein as though fully set forth in this Agreement, and that Management reserves the right to add new Rules and Regulations or modify existing Rules and Regulations from time to time, which shall become effective upon notice of revised Rules and Regulations via written notice of changes tendered via first class mail to the Lessee's address identified in Paragraph 8 hereof.

- (v) Lessee shall maintain a log identifying by name and date each passenger who boards the Vessel, and shall make such log available for inspection by Management upon two business days advance notice.
- (w) Overboard discharges of heads or holding tanks are forbidden by law and by this Agreement. Violation of this term or any other term hereof is grounds for eviction and termination of this Agreement.
- (x) Lessee is solely responsible for the safety of his/her Vessel, and Lessee agrees that the Management shall have no obligation whatever to take action(s) in advance of or during a storm to preserve or protect Lessee's Vessel. It is further agreed, however, that the Management may, at its sole election, undertake such actions during or in advance of a storm as it alone deems appropriate and/or necessary to preserve or protect any or all vessels located on its premises; in such event it is agreed that Lessee shall indemnify and hold the Management harmless for any and all personal injury or property damage occurring in connection with the Management's efforts to preserve or protect vessels during or in advance of a storm. It is further agreed that if the Lessee provides such preservative/protective services during or in advance of a storm, all costs associated with such rendering of such services shall be apportioned equally among all vessel owners, including Lessee.
- (y) Management has no obligation whatever to dewater or provide any salvage services to the Vessel should she spring a leak or otherwise need assistance in remaining afloat or in seaworthy condition. Nevertheless, it is agreed that in such event the Management may, but is not required to, provide dewatering or other salvage services for the benefit of the Vessel. In the event the Management elects to provide salvage services, it is agreed Lessee shall be obligated to pay all material/labor costs associated with such services, or \$150 for each hour such services are provided, whichever sum is greater. Payment in such event is not contingent upon the success of such salvage or other such services.
- (aa) Lessee shall ensure all fish cleaning operations aboard the Vessel cease once the Vessel has passed the breakwater leading to Management's premises.
- (bb) Lessee shall not permit anyone, apart from a qualified diver hired for the purpose of cleaning the Vessel's bottom, to enter the water from Management's Landing or from any other place located on Management's premises.
- (cc) Apart from ordinary maintenance, no work involving the Vessel may be accomplished while at the dock or otherwise on Management's premises. Prohibited work includes, but is not limited to, painting, heavy sanding, and use of paint remover, spray guns, or the burning of paint on the topsides or above the decks. Work of any kind to the exterior of the Vessel, including routine maintenance, to be undertaken by other than Management, must be approved in advance of such work, in writing, by the Marina. Contractors

hired by Management to work on the Vessel must be approved by the Marina in writing prior to the commencement of such work, and each such contractor must maintain and provide proof of liability insurance in an amount of at least **\$2,000,000.00**.

- (dd) The Vessel may under no circumstances be refueled dockside and may be refueled only at a duly licensed commercial fueling station.
- (ee) Lessee shall not store anything on the Landing without Management's advance written permission.
- (ff) Lessee shall not operate engines or generators or other noisy equipment between the hours of 10:00 p.m. and 6:00 a.m., unless absolutely and immediately necessary in connection with making the Vessel ready for a scheduled excursion or in the event of an emergency.

4. **Distribution of Funds Collected.** The funds specified in Section 3(e) above (the "Funds") shall be distributed by Management as follows:

- (a) An additional charge, equal to the amount payable by Management to the City of San Diego because of such passage or use (currently seven (7%) percent of the charges), shall be retained by Management.
- (b) Any amounts advanced or incurred by Management for Lessee's benefit with Lessee's prior written consent or approved invoice, for supplies, equipment, advertising, commissions, etc., shall be invoiced to Lessee.
- (c) Remittance to Management shall be paid on a monthly basis on or before the fifteenth (15th) day of each month (or, if such days fall on a weekend or holiday, the first working day thereafter) with respect to Landing fees collected covering the periods from the first (1st) to the last day of each respective previous month.

5. **Non-Exclusive Agreement.** It is expressly acknowledged and agreed by Lessee that this Agreement may be one of a number of agreements between Management and the Lessees of other vessels (including, but not limited to, those which are operated as Coastal viewing; Sunset sails; Whale watching; Moonlight sailing; Wedding Engagement; Day trips to anchor in Mariners Cove and/or other locations within 100 nautical miles of home port of San Diego, Mission Bay; and Hyatt Regency exclusive sailing activities.

As a result, Lessee's right to use of the Landing and the Vessel's slip thereat is non-exclusive and Lessee shall have no right to exclude any other vessel (including a competitor vessel) from the Landing. Lessee acknowledges and agrees that this Agreement gives Lessee its rights herein only with respect to the Vessel (or its substitute under Section 3(a) above). As a result, Lessee shall not dock or operate any other vessel at the Landing without Management's prior written consent.

6. **Rights of Lessee.** During the term of this Agreement, Lessee shall be provided by Management with the following at no cost or charge to Lessee except as specified herein:
- (a) Use of a slip agreed upon with the Management (at a location suitable for the size of the Vessel) during such time as the Vessel is present at the Landing. Management shall have the right to make boat location changes, as it in its unfettered discretion deems necessary or prudent.
 - (b) Water and electrical hook-up supplied to the slip. At Management's sole discretion, Management shall have the right to separately meter (at Lessee's expense) Lessee's use of water and electricity and charge Lessee therefor. If Management does so, Lessee shall pay all such charges upon demand.
 - (c) Management may establish a maintenance fund and shall utilize the funds therein for painting and general maintenance of the slip in a first class condition at all times, as determined by Management in its sole discretion (excluding any damage caused to the slip by Lessee or its agents or employees, which shall be repaired by Lessee at its sole cost and expense, or in the event of Lessee's failure to do so, by Management and any costs therefore, plus a fifteen percent (15%) administration fee. Management shall not be required to provide any funds for such purposes in excess of those supplied to the maintenance fund pursuant to Section 3(e) above.
 - (d) Management shall establish a Landing advertising and promotions program to advertise and promote the Landing and the activities thereat in such manner and at such times as Management may determine in its sole discretion. Management shall not be required to provide any funds for such purposes in excess of those supplied by Lessee pursuant to Section 4(d) above together with funds from such other persons as Management may cause to contribute to such fund.
 - (e) The right to the use of an available gear locker, with Lessee assuming all responsibility for all items stored in the locker. No flammable or hazardous materials shall be stored in the lockers or on the docks at any time.
 - (f) Operation under such general Mexican fishing licenses that Management may have from time to time, based on Lessee's proper registration of the Vessel with Mexican authorities and paying any fees required.
 - (g) Management shall provide 2 parking spaces for use by passengers of Gone Sailing. Parking spaces are for use for passengers while they are embarked on a Gone Sailing charter. Management is not responsible for damage to, or loss of, personal property or personal vehicles using the parking lot.
7. **Indemnity.** Lessee shall protect, defend, indemnify, and hold Hyatt Corporation, CHSP Mission Bay LLC, a Delaware limited liability company, DBA Hyatt Regency Mission Bay Spa and Marina, the City's elected officials, officers representatives, agents and employees and their respective members, affiliates, officers, directors, agents and employees harmless from and against any and all

claims, demands, liabilities, costs, expenses, damages and lawsuits (including reasonable attorney's fees incurred by Management, and/or the City, in investigating or defending same) for personal injury, death, property damage or any other claim not occasioned by Management's gross negligence or willful misconduct, made by or on behalf of any customer, passenger, officer or crewmember, or other person permitted by Lessee to be on or around the Vessel, resulting from any cause whatsoever, occurring while such person is on or about the Vessel, including embarking or disembarking to or from the Vessel, whether the Vessel is docked or underway, or occurring during the course of any dive or other activity conducted by or participated in by Lessee, and from any such claims by other persons arising out of the use, or operation of, the Vessel.

Lessee further waives, releases and discharges any claims, demands, actions or causes of action against Management, and/or the City, for damages to person or property, including but not limited to claims for injuries or damages to employees, agents or subcontractors of Lessee, arising from any cause whatsoever. Notwithstanding the foregoing, this waiver, release, and indemnity shall not apply to any damage or loss resulting solely from the gross negligence or willful misconduct of Management, and/or the City.

8. **General Provisions.**

- (a) This Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and assigns. The foregoing notwithstanding, Lessee's voluntary or involuntary assignment or transfer of any or all of its rights or duties under this Agreement shall be void and of no effect unless consented to in writing by Management.
- (b) Any offers, notices and other communications to be given by any party to another shall be communicated in writing by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed as follows:

To the Lessee:

The Marchi Corporation, Inc.
DBA Gone Sailing
Attention: Don Marchi
5865 Friars Rd
Unit 3202
San Diego, Ca 92110

To the Management:

Hyatt Corporation, as agent of CHSP Mission Bay LLC, a Delaware limited liability company, DBA Hyatt Regency Mission Bay Spa and Marina
Attention: General Manager
1441 Quivira Road
San Diego, California 92109

Each party may change its address by written notice in accordance with this Section. Notices delivered by mail shall be deemed communicated as of the day after mailing.

- (c) If any part, term, or provision of the Agreement is held invalid, such invalidity shall not affect other parts, terms, or provisions of this Agreement which can be given effect without the portion held invalid, and to that extent the parts, terms and provisions of this Agreement are severable. Any waiver of any term hereof shall not be deemed to be a continuing waiver and consent to any one waiver and shall not be deemed to be the consent to any other waiver.
 - (d) This Agreement constitutes the entire understanding between the parties with regard to its subject matter and supersedes all other agreements, written or oral, between the parties with respect to such subject matter. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of anyone, which are not contained in this Agreement, and that no other agreement, statement, or promise not contained in this Agreement will be valid or binding. The terms of this Agreement may not be terminated, waived, or amended except by a written agreement signed by all of the parties to this Agreement or their successors.
 - (e) In the event of any action or litigation to enforce or interpret this Agreement or otherwise arising under or in connection with this Agreement, the prevailing party shall be entitled to recover from the losing party any and all reasonable attorney's fees and costs incurred.
 - (f) This Agreement shall be governed and construed in accordance with the laws of California. All legal actions brought in connection with this Agreement shall be filed and tried in San Diego County, California.
9. **Assignment and Subleasing.** Lessee shall not assign the Agreement or sublet the premises or any part thereof without the prior written consent of the Management and the City. An assignment by operation of law shall automatically terminate this Agreement.
10. **Legal Proceedings.** Failure to pay wharfage services rendered under the Agreement gives rise automatically, by operation of Maritime law, to a maritime lien that may be enforced personally against the Lessee and against the Vessel (*in rem*) as though it were in fact a person. LESSEE SPECIFICALLY AGREES THAT LEGAL SERVICES RENDERED IN CONNECTION WITH THE ENFORCEMENT AGAINST LESSEE OF ANY CONTRACTUAL OR OTHER LEGAL RIGHT OR REMEDY AVAILABLE TO THE LANDING SHALL BE DEEMED PART OF THE MARITIME WHARFAGE "NECESSARIES" PROVIDED, AND THEREFORE ALL SUCH LEGAL SERVICES SHALL BE RECOVERABLE AGAINST LESSEE PERSONALLY AND AS PART OF THE LANDING'S LIEN AGAINST THE VESSEL *IN REM*. Notwithstanding the general rule that attorneys' fees incurred in connection with a necessities lien are not recoverable directly against the Vessel, it is understood and agreed that if any legal action is required to enforce the terms

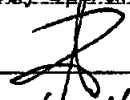
of this Agreement or to enforce the Landing's lien rights as existing under both federal and state law, the prevailing party shall be entitled to reasonable attorneys' fees and costs, and all other costs of enforcement, in addition to any other relief to which it or he may be entitled, and that if the Landing prevails, attorneys' fees shall be recoverable both *in personam* (against the Management) and *in rem* (against the Vessel).

11. **Subordination.** This Agreement is in effect a sublease of a portion of the premises covered by that certain Lease Agreement dated on the Master Lease 09/27/2005, as amended between the Management herein and the City of San Diego. This Agreement is subject and subordinate to the covenants and conditions of said Lease Agreement notwithstanding any provision hereof contrary to or in conflict with said agreement.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first set forth above.

OWNER:

Hyatt Corporation, as agent of CHSP
Mission Bay LLC, a Delaware limited
liability company, DBA Hyatt Regency
Mission Bay Spa and Marina

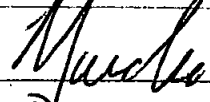


Edan Ballash

general manager

LESSEE:

The Marchi Corporation, Inc.
A California S Corporation
DBA Gone Sailing



President/CEO

Donald D. Marchi

GUARANTY

The undersigned, being the owner(s) of Lessee, hereby unconditionally and irrevocably guarantee the performance by Lessee of all its duties and obligations under the Agreement and Master Lease Document # RR-300863 9/27/2005, as it may be modified from time to time. Such guarantee shall be joint and several among the undersigned, who agree to satisfy such duties and obligations upon demand, without prior demand upon Lessee having been made.



Printed Name:

Donald D. Marchi

Address:

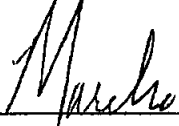
5865 Friars Rd

Unit 3202

San Diego, CA 92110

Telephone:

619.948.4062



Printed Name:

Donald D Marchi

Address:

5865 Friars Rd

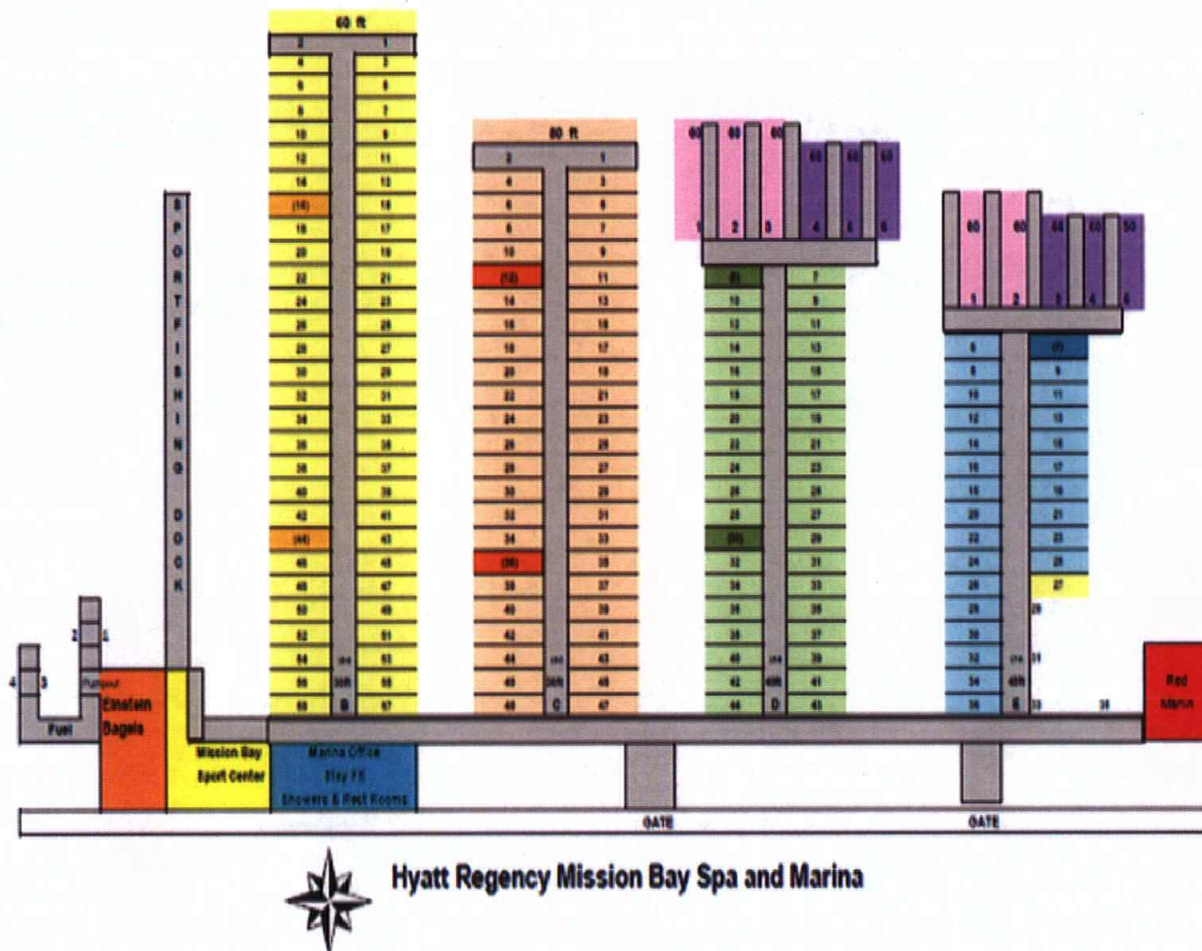
Unit 3202

San Diego, CA 92110

Telephone: (619) (48-4062)

EXHIBIT A: PREMISES

Sportfishing Dock



Copy to: City of San Diego

GONE SAILING PERMIT APPLICATION



Don Marchi

The Marchi Corporation, Inc. DBA Gone Sailing

Table of Contents

- 1 Gone Sailing Sailing Operating Plan 2017 -2018
- 2 Lease Agreement
- 3 Business Documentation
 - a. Fictitious Business Name Statement
 - b. Seller's Permit
 - c. Certificate of Status
 - d. IRS - EIN
- 4 USCG Requirements for Uninspected Vessels

Gone Sailing

OPERATING PLAN 2017 - 2018



Don Marchi

The Marchi Corporation, Inc.

**The Marchi Corporation, Inc. DBA Gone Sailing
Operating Plan 2017-2018**

The Marchi Corporation, Inc. DBA Gone Sailing ("TMC") is a sailing charter company that provides site seeing chartered tours of the Pacific Beach coast and skyline onboard a 42 foot Catalina, piloted by a USCG licensed captain.

TMC's proposed Operating Plan ("PLAN") is for the period June 1, 2017 through May 31, 2018. The PLAN has 2 operating seasons; 1) Peak Season and; 2) Off Season. Peak Season runs from Memorial Day through Labor Day and Off Season are all other days outside Peak Season.

TMC is committed to excellence, and will provide vessels, operations and professionally piloted services that meet or exceed the Uninspected Vessel Requirements as set forth in 46 CFR Chapter 1 Subchapter C Parts 24-28 requirements. Execution of the PLAN will be in keeping with the high standards of San Diego City and Mission Bay. We look forward to creating value to Hyatt Regency Mission Bay Spa and Marina, their guest, marina tenants and the local community. In addition, we are honored to support other local business in fare trade and services.

1 Area of Planned Operation

- a. Coastwise voyages 2 to 8 nautical miles out from Mission Bay Channel entrance.
 - i. South Course – 2.5 to 6.5 nautical miles – see enclosure 1.a
 - ii. North Course – 2.5 to 6.5 nautical miles – see enclosure 1.b
 - iii. West Course – 2.5 to 6.5 nautical miles – see enclosure 1.c

2 Hours of Operation

- a. Peak Season
 - i. Tuesday – Sunday 10:00AM to Sunset
- b. Sail Schedule
 - i. South Course – 11:30AM – 2:30PM
 - ii. North Course – 3:30PM – 6:30PM
 - iii. West Course – 7:30PM – 9:30PM
- c. Off Season
 - i. Tuesday – Sunday 10:00AM to Sunset
- d. Sail Schedule
 - i. South or North Course – 10:30AM – 1:30PM
 - ii. West Course – 2:30PM – Sunset

3 Total Boats Planned in Operation

- a. Yacht Charter
 - i. 1 - 1995 42 Catalina, Mark-II
 - 1. Captain's Credentials and Experience
 - a. License - USCG MMC
 - i. Master Inland 100 Ton
 - ii. Mate Near Coastal 50 Ton
 - iii. OUPV Near Coastal 50 Ton
 - iv. Sailing Endorsement
 - v. TWIC
 - b. US Navy Certification to Operate 51-foot sail boats
 - c. 20 years sailing coastal waters as Operator on
 - i. 46-foot Hunter
 - ii. Various Size motor and sail boats
 - iii. US Navy Retired

The Marchi Corporation, Inc. DBA Gone Sailing
Operating Plan 2017-2018

4 Charter Passengers, Time Lengths and Prices

Passengers		Hours/Cost							
1	2	\$210.00	4	\$420.00	6	\$630.00	8	\$840.00	
2	2	\$210.00	4	\$420.00	6	\$630.00	8	\$840.00	
3	3	\$315.00	4	\$420.00	6	\$630.00	8	\$840.00	
4	3	\$420.00	4	\$560.00	6	\$840.00	8	\$1,120.00	
5	3	\$525.00	4	\$700.00	6	\$1,050.00	8	\$1,400.00	
6	3	\$630.00	4	\$840.00	6	\$1,260.00	8	\$1,680.00	
4 MAX		Hyatt Regency Rate on 3 day minimum dock side stay						24	650.00

5 Briefing Procedures

- a. All passengers and crew will be briefed on the Float Plan and the Float Plan will be posted at the Navigation Station for review as needed. The Float Plan shall list all Passengers and Crew.
- b. All passengers and crew shall be in structured on the use and shown the locations of Life Preservers.
- c. All passengers and crew will be assigned duties during emergency operations, such as fire, flooding, and man-overboard. Duties for paying passengers will be limited based on their boating experience.
- d. All passengers and crew shall be in structured on the use and shown the locations of all fire extinguishers on board.
- e. All passengers and crew shall be in structured on the use and shown the locations of all First-Aid kits on board.
- f. All passengers and crew shall be notified that it is the policy of this vessel that all onboard shall assist in keeping a Safe Lookout.
- g. All passengers and crew shall be in structured on the MARPOL laws as outline in Section 7 of this Operating Plan.

6 Vessel Safety Equipment

- a. All Charter vessels shall be equipped as required by COLREGS.
 - i. Personal Floatation Devices (PFD)
 1. Type I, equipped with front shoulder light – 8 (for adults and children)
 2. Auto-Inflatable Type II, equipped with front shoulder light – 2 (for crew)
 3. Life Ring Buoy (orange or white) 20" OD.
 - ii. Emergency Position Indicator Radio Beacon (EPIRB)
 1. Not required for UPV's but the Captain shall be provided with a Person-EPIRB.
 - iii. Radiotelephone Communications
 1. Fixed VHF Radio – 1
 2. Hand Held VHF Radio with DSC key - 1
 - iv. Visual Distress signals (VDS)
 1. Hand Held Day/Night Fares – 3
 2. Red Meteor Day/Night Fares – 3
 3. Orange Distress Flag (day) – 1
 4. Electronic Distress Signal -1
 - v. Sound Devices
 1. Push-Button Portable Signal Horn – 2

The Marchi Corporation, Inc. DBA Gone Sailing
Operating Plan 2017-2018

- vi. Fire Extinguishers
 - 1. B-1 Hand Portable – 5
 - 2. Fixed FF in Machinery Space -1
- vii. Ventilation
 - 1. Machinery Room equipped with 1 fixed exhaust blower.

7 Waste Management Plan

- a. Solid Waste Management Procedures
 - i. Posted in the Galley, Aft and Forward Heads



- ii. Crew Education
 - 1. At the beginning of each season, all crewmembers are reminded of the refuse discharge laws and shown the MARPOL V Placard posted in the Galley or either head.
 - 2. Crew is notified at the beginning of each season that it is the policy of each vessel to stow all garbage materials on board except as allowed for by MARPOL.
- iii. Passengers
 - 1. The Captain shall orient all passengers to the rules governing the vessel including refuse laws and refuse handling and their personal responsibility in the matter while onboard his/her vessel.

8 Emergency Procedures

- a. Vessel Mishaps
 - i. Will be reported to the Mission Bay Harbor Patrol and US Coast Gard via radiotelephone on channel 16 as per 46 CFR.
- b. Injured/Sick Passenger
 - i. Any person who is in need of emergency medical services, shall be brought to the nearest dock facility detailed on the onboard map and the Captain or a crew member will alert Mission Bay Life Guard Headquarters for assistance.
- c. Communications
 - i. The Captain or appointed qualified crew will monitor VHF Channel 16 at all times while underway.

9 Vessel Planned Maintenance System (PMS)

- a. All vessels systems shall be inspected and/or maintained as needed on a Weekly, Monthly or Annually schedules that are outside operating business schedules.
 - i. Weekly Maintenance shall include
 - 1. Inner and outer hull inspections

The Marchi Corporation, Inc. DBA Gone Sailing
Operating Plan 2017-2018

2. Electrical system inspections
 3. Propeller and shaft inspections
 4. Window and enclosure inspections
 5. Propulsion machinery inspections
 6. Fuel lines and filters
 7. Steering system inspections
 8. Sails inspection (can be performed visually during normal operations)
 9. Bilges
 10. Navigational systems
 11. Navigational Lighting
- ii. Monthly Maintenance shall include
1. Battery and Charging systems
 2. Haul cleaning
 3. Through haul valve inspection and cycling
 4. Dock lines inspections
 5. Hydras, Running and Fixed Rigging
- iii. Annually or as needed
1. Oil and filter changes
 2. Safety Equipment Inspection
 - a. Fire Extinguishers
 - b. Flares
 - c. Life preservers
 - d. Radiotelephones
 - e. EPIRB testing
- 10 The Marchi Corporation, Inc. DBA Gone Sailing adopts as part of its Operational Plan as it applies, Enclosure (2) – United States Coast Gard, Requirements for Uninspected Passenger Vessels LANT/PACAREAINST 16710.2.
- 11 TMC reserves the right to refuse serve to any person, company or agency outside the contractual agreement this Operating Plan is intended for.

The Marchi Corporation, Inc. DBA Gone Sailing
Operating Plan 2017-2018

Vessel Photos

Port Stern Quarter View



Starboard Stern Quarter View



The Marchi Corporation, Inc. DBA Gone Sailing
Operating Plan 2017-2018

Galley – Looking Aft



Solon – Looking Aft

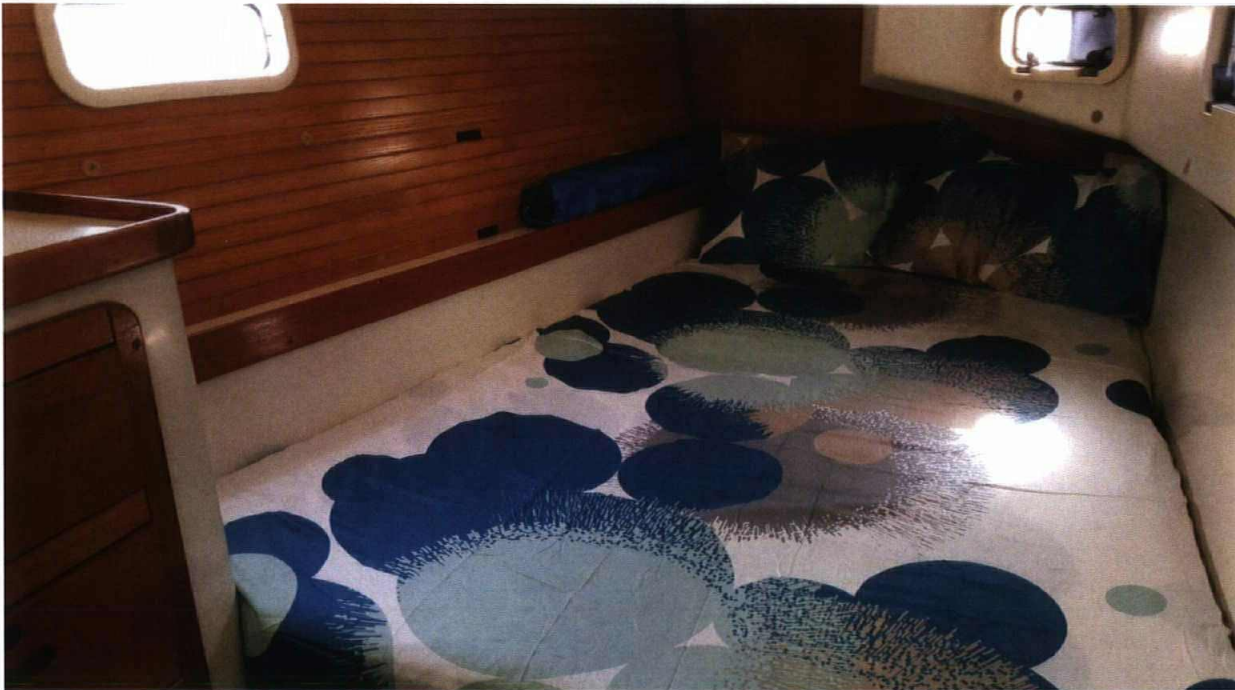


The Marchi Corporation, Inc. DBA Gone Sailing
Operating Plan 2017-2018

Salon – Looking Forward



Aft Cabin



The Marchi Corporation, Inc. DBA Gone Sailing
Operating Plan 2017-2018

Forward Cabin



Form Instructions on Next Page

1600 PACIFIC HIGHWAY, SUITE 260, SAN DIEGO, CA 92101
P.O. BOX 121750, SAN DIEGO, CA 92112-1750
(619) 237-0502

Return Mailing Address:

Name: _____

Address: _____

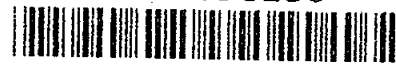
City _____ State _____ Zip Code _____



Ernest J. Dronenburg, Jr.
County of San Diego
Recorder/County Clerk
www.sdarcc.com

IN PERSON

2016-031256



DEC-08-2016

FILED
Ernest J. Dronenburg, Jr.
SAN DIEGO COUNTY CLERK
FEES: 47.00
EXPIRES: DEC-08-2021
DEPUTY: CCAPIRAL

FICTITIOUS BUSINESS NAME STATEMENT

TYPE OF FILING AND FILING FEE (Check one)

- ☐ Original- \$42.00 (FOR ORIGINAL FILING WITH ONE BUSINESS NAME ON STATEMENT)
☐ Renewal- \$42.00 (NO CHANGES IN THE FACTS FROM ORIGINAL FILING)
EACH ADDITIONAL COPY IS \$2.00 AND EACH ADDITIONAL CERTIFIED COPY IS \$3.00
\$5.00- EACH ADDITIONAL OWNER IN EXCESS OF ONE OWNER
\$5.00- EACH ADDITIONAL BUSINESS NAME FILED ON SAME STATEMENT, DOING BUSINESS AT SAME LOCATION.

FOR OFFICIAL USE ONLY
TYPE OF IDENTIFICATION PROVIDED: ☒ REG ☐ AGENT
☒ DRIVER'S LICENSE ☐ MILITARY ID ☐ ACK
☐ PASSPORT ☐ OTHER _____

(1) FICTITIOUS BUSINESS NAME(S):

PLEASE NOTE: YOU WILL BE REQUIRED TO PRESENT A VALID PHOTO ID TO FILE THIS STATEMENT IN PERSON.

a. My Sailing Adventures

b. Gone Sailing, Gone Sailing Charters

PRINT FICTITIOUS BUSINESS NAME(S)

(2) LOCATED AT: 1441 Quivira Road San Diego CA San Diego 92109
PHYSICAL BUSINESS ADDRESS (NO P.O. BOXES OR POSTAL FACILITIES) City STATE COUNTY Zip Code

MAILING ADDRESS: 5865 Friars Rd Unit 3202 San Diego, CA 92110

(3) REGISTRANT INFORMATION: (Individual, Corp., LLC, Gen. Partner, etc.)

a. The Marchi Corporation, Inc.

If individual-spell out first and last name

5865 Friars Rd Unit 3202 San Diego CA 92110
Residence Address, if Corp. or LLC enter physical address (No P.O. BOXES OR POSTAL FACILITIES) City State Zip Code

California

If Corporation or LLC - Print State of Incorporation/Organization

b. _____
If individual-spell out first and last name

Residence Address, if Corp. or LLC enter physical address (No P.O. BOXES OR POSTAL FACILITIES) City State Zip Code

If Corporation or LLC - Print State of Incorporation/Organization

(4) THIS BUSINESS IS CONDUCTED BY: (Check one)

- | | | |
|---|--|--|
| ☐ A. An Individual | ☐ E. Joint Venture | ☐ I. A Limited Liability Company |
| ☐ B. A Married Couple | ☒ F. A Corporation | ☐ J. Limited Liability Partnership |
| ☐ C. A General Partnership | ☐ G. A Trust | ☐ K. An Unincorporated Association-Other than a Partnership |
| ☐ D. A Limited Partnership | ☐ H. Co-Partners | ☐ L. State or Local Registered Domestic Partners |

(5) THE FIRST DAY OF BUSINESS WAS: ____/____/____ OR IF NOT STARTED YET, CHECK HERE ☒ NOT APPLICABLE

I declare that all information in this statement is true and correct. (A registrant who declares as true any material matter pursuant to Section 17913 of the Business and Professions code that the registrant knows to be false is guilty of a misdemeanor punishable by a fine not to exceed one thousand dollars (\$1,000).)

(6) Signature

(Only one is required)

Typed or Printed Name Donald D. Marchi

Title of Officer, if Limited Liability Company/Corporation CEO

The form must be legible - no erasures, whiteouts, strikeovers acceptable if accompanied with initials.

THIS STATEMENT WAS FILED WITH THE RECORDER/COUNTY CLERK OF SAN DIEGO COUNTY AS INDICATED BY THE FILE STAMP ABOVE.

NOTICE: IN ACCORDANCE WITH SUBDIVISION (a) OF SECTION 17920, A FICTITIOUS NAME STATEMENT GENERALLY EXPIRES AT THE END OF FIVE YEARS (5) FROM THE DATE ON WHICH IT WAS FILED IN THE OFFICE OF THE COUNTY CLERK, EXCEPT, AS PROVIDED IN SUBDIVISION (b) OF SECTION 17920, WHERE IT EXPIRES 40 DAYS AFTER ANY CHANGE IN THE FACTS SET FORTH IN THE STATEMENT PURSUANT TO SECTION 17913 OTHER THAN A CHANGE IN THE RESIDENCE ADDRESS OF A REGISTERED OWNER. A NEW FICTITIOUS BUSINESS NAME STATEMENT MUST BE FILED BEFORE THE EXPIRATION. THE FILING OF THIS STATEMENT DOES NOT OF ITSELF AUTHORIZE THE USE IN THIS STATE OF A FICTITIOUS BUSINESS NAME IN VIOLATION OF THE RIGHTS OF ANOTHER UNDER FEDERAL, STATE, OR COMMON LAW (SEE SECTION 14411 ET SEQ., BUSINESS AND PROFESSIONS CODE).

IF SUBMITTING THE STATEMENT IN PERSON, THE REGISTRANT OR AGENT WILL BE ASKED TO PRESENT A VALID PHOTO ID FOR ALL THE FICTITIOUS BUSINESS NAME FILINGS. IF SUBMITTING THE STATEMENT BY MAIL, THE REGISTRANT OR AGENT MUST ATTACH A COPY OF A VALID PHOTO ID OR A NOTARIZED CERTIFICATE OF ACKNOWLEDGEMENT.
CC231M (Rev. 07/24/15)

DISPLAY CONSPICUOUSLY AT PLACE OF BUSINESS FOR WHICH ISSUED

CALIFORNIA STATE BOARD OF EQUALIZATION

SELLER'S PERMIT



ACCOUNT NUMBER

11/24/2015 SR FH 102-836648

THE MARCHI CORPORATION
5865 FRIARS RD. UNIT 3202
SAN DIEGO, CA 92110

NOTICE TO PERMITTEE:
You are required to obey all Federal and State laws that regulate or control your business. This permit does not allow you to do otherwise.

IS HEREBY AUTHORIZED PURSUANT TO SALES AND USE TAX LAW TO ENGAGE IN THE BUSINESS OF SELLING TANGIBLE PERSONAL PROPERTY AT THE ABOVE LOCATION. THIS PERMIT IS VALID ONLY AT THE ABOVE ADDRESS.

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE. IF YOU SELL YOUR BUSINESS OR DROP OUT OF A PARTNERSHIP, NOTIFY US OR YOU COULD BE RESPONSIBLE FOR SALES AND USE TAXES OWED BY THE NEW OPERATOR OF THE BUSINESS.

Not valid at any other address

**For general tax questions, please call our Customer Service Center at 1-800-400-7115 (TTY:711).
For information on your rights, contact the Taxpayers' Rights Advocate office at 1-888-324-2798 or 1-916-324-2798.**

BOE-442-R REV. 16 (11-14)

A MESSAGE TO OUR NEW PERMIT HOLDER

As a seller, you have rights and responsibilities under the Sales and Use Tax Law. In order to assist you in your endeavor and to better understand the law, we offer the following sources of help:

- Visiting our website at www.boe.ca.gov
- Visiting a field office
- Attending a Basic Sales and Use Tax Law class offered at one of our field offices
- Sending your questions in writing to any one of our offices
- Calling our toll-free Customer Service Center at 1-800-400-7115 (TTY:711)

As a seller, you have the right to issue resale certificates for merchandise that you intend to resell. You also have the responsibility of not misusing resale certificates. While the sales tax is imposed upon the retailer,

- You have the right to seek reimbursement of the tax from your customer
- You are responsible for filing and paying your sales and use tax returns timely
- You have the right to be treated in a fair and equitable manner by the employees of the California State Board of Equalization (BOE)
- You are responsible for following the regulations set forth by the BOE

As a seller, you are expected to maintain the normal books and records of a prudent businessperson. You are required to maintain these books and records for no less than four years, and make them available for inspection by a BOE representative when requested. You are also expected to notify us if you are buying, selling, adding a location, or discontinuing your business, adding or dropping a partner, officer, or member, or when you are moving any or all of your business locations. If it becomes necessary to surrender this permit, you should only do so by mailing it to a BOE office, or giving it to a BOE representative.

If you would like to know more about your rights as a taxpayer, or if you are unable to resolve an issue with the BOE, please contact the Taxpayers' Rights Advocate office for help by calling toll-free, 1-888-324-2798 or 1-916-324-2798. Their fax number is 1-916-323-3319.

Please post this permit at the address for which it was issued and at a location visible to your customers.

CALIFORNIA STATE BOARD OF EQUALIZATION
Sales and Use Tax Department

State of California
Secretary of State
CERTIFICATE OF STATUS

ENTITY NAME:

THE MARCHI CORPORATION

FILE NUMBER: C3816230
FORMATION DATE: 08/13/2015
TYPE: DOMESTIC CORPORATION
JURISDICTION: CALIFORNIA
STATUS: ACTIVE (GOOD STANDING)

I, ALEX PADILLA, Secretary of State of the State of California,
hereby certify:

The records of this office indicate the entity is authorized to
exercise all of its powers, rights and privileges in the State of
California.

No information is available from this office regarding the financial
condition, business activities or practices of the entity.



IN WITNESS WHEREOF, I execute this certificate
and affix the Great Seal of the State of
California this day of September 24, 2015.

ALEX PADILLA
Secretary of State

RJB

 IRS DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
OGDEN UT 84201-0023

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THE MARCHI CORPORATION
% DONALD D MARCHI
5865 FRIARS RD UNIT 3202
SAN DIEGO CA 92110

603500

Date of this notice: 10-21-2015

Employer Identification Number:
90-1117012

Form: 2553

Number of this notice: CP 576 A

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

As we were processing your Form 2553 for tax period 122015, we found that your form didn't have a valid Employer Identification Number (EIN). Our records show that no EIN assigned to this business. Since an EIN is required by law, we assigned EIN 90-1117012 to this business. Please keep this notice for your records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear-off stub and return it to us.

Every taxpayer must figure taxable income on the basis of an annual accounting period, called a tax year. For trusts, your tax year generally must be a calendar year, unless you are a charitable trust or are exempt from tax under the law. For partnerships, your tax year must conform with either the tax year of the majority partners, the tax year of the principal owners, or a calendar year, in that order, unless you establish a business purpose for using a different tax year. A personal service corporation must use a calendar year as its tax year, unless you establish a business purpose for using a different tax year. For further information, see Publication 538, Accounting Periods and Methods, which is available at most IRS offices or from our Web site at www.irs.gov.

Please complete the Form SS-4, Application for Employer Identification Number, so we can complete our record of your account. Be sure to date the form and send it to us with the tear off stub from this notice. You can get Form SS-4, by calling 1-800-TAX-FORM (1-800-829-3676) or by downloading it from the IRS Web site at www.irs.gov.

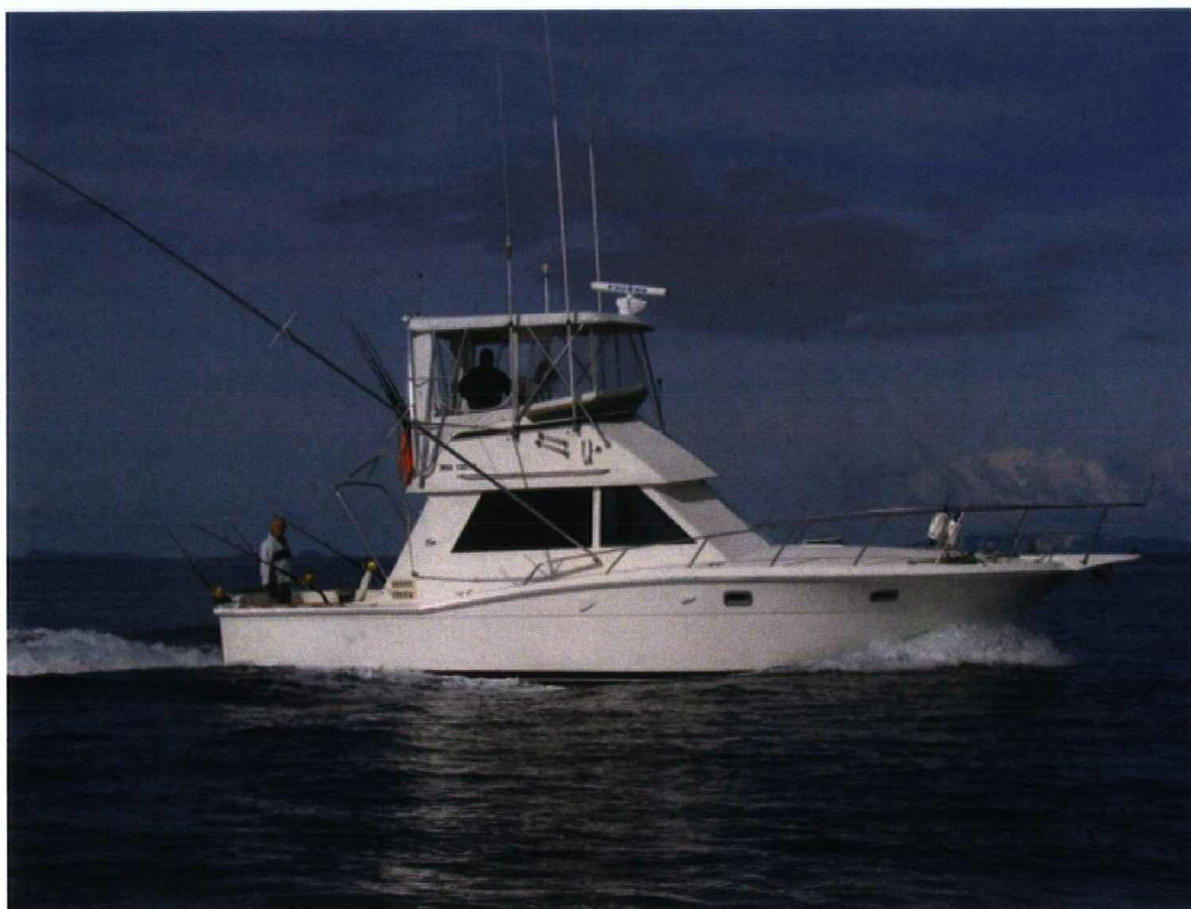
If you already have an EIN for this business, please send a copy of the notice you received assigning you that EIN, along with the tear off stub from this notice, so we can update our records.

Your name control associated with this EIN is MARC. You will need to provide this information, along with your EIN, if you file your returns electronically.

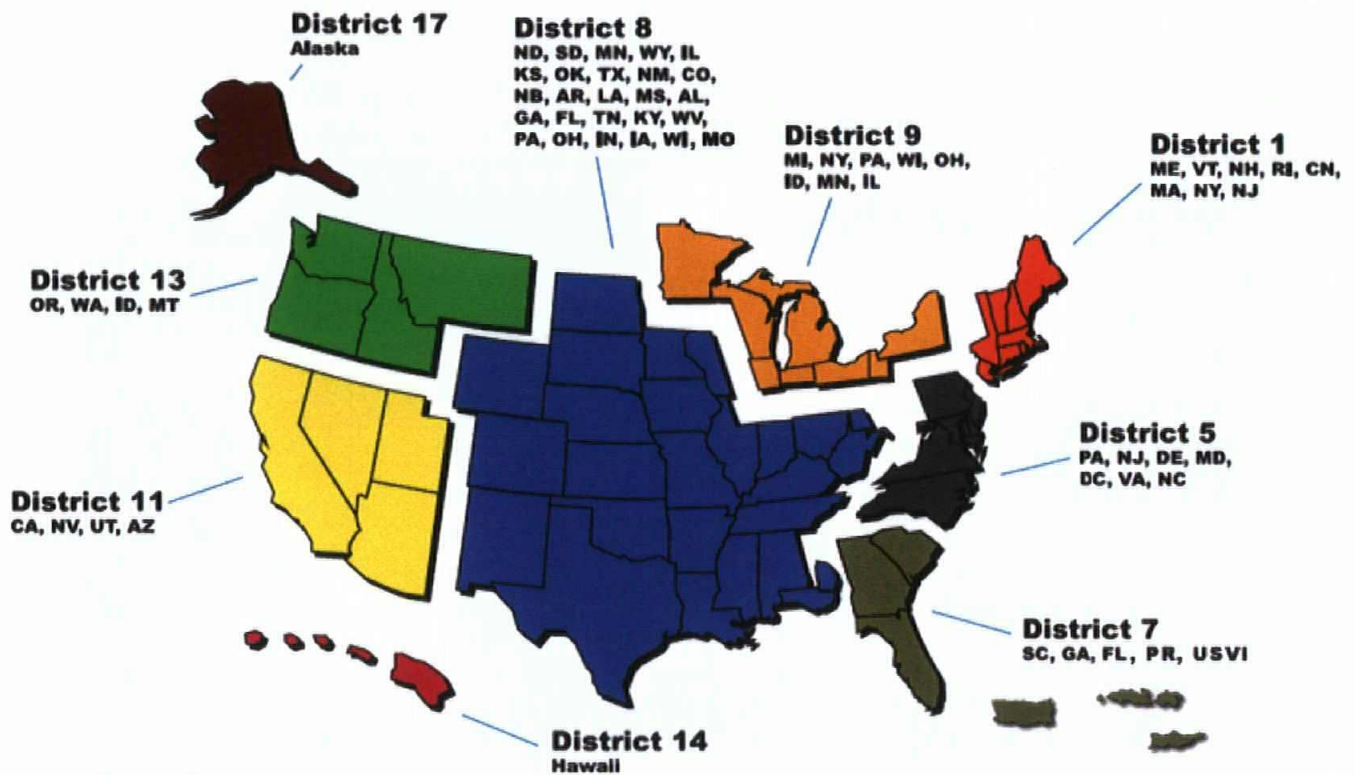
If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return this stub. Thank you for your cooperation.

United States Coast Guard

Requirements For Uninspected Passenger Vessels



Revised: March 2016, CGD11



If you:

- ♦ **Have questions about the information in this guidebook,**
- ♦ **Want additional copies of the handout, or**
- ♦ **Want a courtesy Safety Examination of your boat:**

- ♦ Please contact the Prevention Department at your local Coast Guard Sector office:
Find your local USCG Sector Field office online at USCG Homeport – Port Directory

- ♦ Or contact the Coast Guard District Prevention division at:
 - District One Boston MA (617) 223-8442
 - District Five Portsmouth, VA (757) 398-6558
 - District Seven Miami, FL (305) 415-6868
 - District Eight New Orleans, LA (504) 671-2165
 - District Nine Cleveland, OH (216) 902-6052
 - District Eleven Alameda, CA (510) 437-5960
 - District Thirteen Seattle, WA (206) 220-7217
 - District Fourteen Honolulu, HI (808) 535-3422
 - District Seventeen Juneau, AK (907) 463-2808

To suggest additions or corrections to this handout, contact LANTAREA Prevention Division at 757-398-7787.

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**U. S. COAST GUARD REQUIREMENTS FOR
UNINSPECTED PASSENGER VESSELS:
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INTRODUCTION

Overview

This document applies to U.S. uninspected passenger vessels (UPVs) that do not carry freight for hire. It has been developed to assist UPV owners and operators as well as Coast Guard Marine Inspectors, Examiners and Boarding officers during dockside or at-sea examinations of UPVs. **It is not meant to replace the federal regulations.** For precise language, exemptions and interpretations of please consult the specific laws or regulations containing that requirement.

Each section corresponds to the checklist, enclosure (2) of LANT/PACINST 16710.2. The checklist is designed to be used with this booklet.

Abbreviations

Listed are abbreviations found in this document:

CFR:	Code of Federal Regulations
CG:	U. S. Coast Guard
COD:	Certificate of Documentation
COTP:	USCG, Captain of the Port
GT:	Gross Tons
MMC:	Merchant Mariner Credential
MMD:	Merchant Mariner Document
MSD:	Marine Sanitation Device
NM:	Nautical Mile
NT:	Net Tons
OCMI:	USCG, Officer-in-Charge Marine Inspection
PFD:	Personal Flotation Device
SPC:	Sector Prevention Command
STCW:	Standard Training and Certification Watchstanding
TWIC:	Transportation Worker Identification Credential
UPV:	Uninspected Passenger Vessel
USC:	United States Code
VTs / VMRS:	Vessel Traffic System / Vessel Movement Regulatory System

Copy of Regulations

For more detailed information, contact the Prevention Department at your local Sector office. The following summary of requirements is free; however, you may purchase a full text copy of the Federal regulations through the Government Printing Office at [HTTP://bookstore.gpo.gov/](http://bookstore.gpo.gov/), or by contacting GPO at (866) 512-1800. United States Code (USC) and the Code of Federal Regulations (CFRs) are also available online at www.gpoaccess.gov/cfr/.

Penalties

In accordance with *46 USC 4106*, if an UPV is operated in violation of applicable laws and regulations, the owner, charterer, managing operator, agent, master, and individual in

charge are each liable for criminal or civil penalties. The UPV is liable *in rem* for the penalty.

DEFINITIONS

Coastal Waters - The territorial Seas of the U.S. (3nm), U.S. waters of the Great Lakes, and those waters directly connected (i.e. bays, sounds, harbors, rivers, inlets, etc.) where any entrance exceeds 2nm.

Coastwise Voyage - Navigating the waters of any ocean or the Gulf of Mexico, 20nm or less offshore.

Consideration - An economic benefit, inducement, right, or profit including monetary payment going to an individual, person, or entity, but not including a voluntary sharing of the actual expenses of the voyage, by monetary compensation of fuel, food, beverage, or other supplies. *46 USC 2101 (5a)*

Crewmember - An individual who is on board a vessel acting under the authority of a license, certificate of registry, or merchant mariner's document issued under this subchapter, whether or not the individual is a member of the vessel's crew; or engaged or employed on board a vessel owned in the United States that is required by law or regulation to engage, employ, or be operated by an individual holding a license, certificate of registry, or merchant mariner's document issued under this subchapter. *46 CFR 16.105 (a) (b)*.

Demarcation Line - The regulations in this part established the lines of demarcation delineating those waters upon which mariners shall comply with the International Regulations for Preventing Collisions at Sea, 1972 (72 COLREGS) and those waters upon which mariners shall comply with the Inland navigation Rules. The waters inside the lines are Inland Rules waters. The waters outside the lines are COLREGS waters. *33 CFR 80.01 (a) (b)*

Great Lakes Voyage - Voyage from a U.S. port or place on the Great Lakes to another U.S. or Canadian port or place on the Great Lakes, or conversely.

Inland Waters - the waters shoreward of the territorial sea baseline. *33 CFR 2.26*

In rem - Unlike in personam (which is against a person and its property) in rem is a technical term meaning "against a thing or property". Any lawsuit or judgment made against the property or thing is an action "in rem". In this case, the location of the property is important as the court can hold the trial only in the jurisdiction under which the land falls. Unlike in personam, the judgment can be against the land and not its owner.

Merchant Mariner Credential - A MMC is the credential issued by the Coast Guard under 46 CFR part 10. It combines the individual merchant mariner's document, license, and certificate of registry enumerated in 46 U.S.C. subtitle II part E as well as the STCW endorsement into a single credential that serves as the mariner's qualification document, certificate of identification, and certificate of service.

Ocean Voyage - Includes waters of any ocean, or the Gulf of Mexico more than 20nm offshore.

Oceangoing - Vessels operating seaward of the outermost boundary of the Territorial Sea (3nm) of the U.S. (i.e. beyond 3nm).

Passenger - Any person on a vessel, other than the owner or an individual representative of the owner or in the case of vessel under charter, an individual charterer or individual representative of the charterer, master and the members of the crew, or other any other person employed or engaged in any capacity on board a vessel in the business of that vessel. *46 USC 2101 (21) and 46 CFR 24.10-1*.

Note: All persons on board are crewmembers, passengers, or National Marine Fisheries Service official observers.
THERE ARE NO GUESTS OR "OTHER" OBSERVERS.

Passenger for Hire - Passenger for whom a consideration is contributed as a condition of carriage whether directly or indirectly flowing to the owner, charterer, operator, agent, or any other person interested in the vessel is a passenger for hire. *46 USC 2101 (21a)*

TWIC - Congress directed the federal government, through the Maritime Transportation Security Act (MTSA), to issue a biometric security credential to individuals who require unescorted access to secure areas of facilities and vessels and all mariners holding Coast Guard- issued credentials or qualification documents. A Transportation Worker Identification Credential (TWIC) is needed only for an initial license issuance or if your vessel has a Vessel Security Plan or if unescorted access to secure areas of regulated facilities is required. CG Policy letter 11-15.

UPV - A vessel not subject to inspection by the Coast Guard under *46 USC 3301*, less than 100 GTs:

- ◆ Carrying no more than six passengers, including at least one passenger for hire, or
- ◆ Chartered with the crew provided by the owner or owner's representative, and carrying six or fewer passengers. *46 USC 2101(42)(B)*

UPVs may also include vessels over 100 GTs but less than 300 GTs that carry not more than 12 passengers, with at least one being a passenger for hire. Refer to the USCG guide, *Addendum Uninspected Passenger Vessels over 100 GTs but less than 300 GTs that carry 12 or fewer passengers for hire* .

PERSONNEL LICENSING

Applies To:

All UPVs, 100 GTs or less, carrying at least one passenger for hire.

Personnel Licensing:

Every UPV must be under the direction and control of an individual licensed by the Coast Guard. *46 CFR 15.605*

The following rules apply:

- An individual holding a Merchant Mariner Credential (MMC) or license as master or pilot of inspected, self-propelled vessels is authorized to serve as operator of an UPV within any restrictions other than gross tonnage limitations on the individual's license;
- A licensed mate of inspected, self-propelled vessels on the Great Lakes, inland, or rivers **of not more than 200 GTs** are authorized to serve as an operator of an UPV and must operate in their respective waters only; if a licensed mate of over 200 GTs, see below;
- A licensed mate of oceans and coastwise inspected, self-propelled vessels is authorized to serve as an operator of an UPV, within any restrictions other than gross tonnage limitations on the individual's license. *46 CFR 15.905*

An individual may not serve in a position in which the individual is required to hold a license unless the individual holds a valid license authorizing service in the capacity in which the individual is employed and the individual serves within any restrictions placed on the license. *46 CFR 15.401*

The original Coast Guard MMC or license suitable for the vessel's route and service license must be kept on board and be available for immediate presentation to Coast Guard officials whenever passengers are being carried for hire.
46 CFR 26.20-1

Mariners who are being issued an initial MMC, or who never held a TWIC, will need to enroll for a TWIC at a TWIC enrollment center. They will also have to pay all applicable fees associated with getting a TWIC. This is required because the TWIC enrollment center is the only place where the Coast Guard can obtain biometric information (fingerprints) from the applicant.

For mariners renewing their MMC, who do not require a TWIC, they may skip the TWIC enrollment process and apply for an MMC at a Regional Exam Center (REC). If a mariner chooses to do this, only criminal background data from previous applications will be available. *46 CFR 10.113& 12.01-11 Policy Letter 11-15.*

PERSONNEL LICENSING (CONTINUED)

There is no requirement for mates or other UPV personnel who are not in control of the vessel to hold a Coast Guard license or document.

WATCHSTANDING

Applies to:

All UPV's of 100 GTs or less, carrying at least one passenger for hire.

Work-hour Limitations:

A licensed individual may not be *required* to work more than 12 of 24 hours at sea, except in an emergency when life or property is endangered. *46 USC 8104 (b)*

UPVs operating more than 12 hours *should* have a two-watch system, specifically a second licensed operator.

Licensed individuals serving as the operator of a UPV may voluntarily work more than 12 hours in a 24-hour period. *He or she must maintain an adequate watch.* If they have no relief and are too fatigued to stand an alert watch, then that individual would be negligent for failure to maintain an adequate watch. Charter fishing and dive vessels routinely operating more than 24 consecutive hours with only one licensed operator present significant issues of negligence on the part of the UPV operator or owner for failure to provide an adequate watch. Between 12 and 24 hours of operation, there is a gray area in which the owner/operator of the UPV must judge the prudence of a decision to sail without a second licensed individual.

It has been suggested by some operators that a qualified seaman could be left at the helm while the licensed operator sleeps close by. This is an untenable position. *46 USC 8903* mandates the vessel be operated (under the "direction and control") by a licensed individual; the Coast Guard does not have the discretion to allow any unlicensed seaman to control the vessel without supervision.

VESSEL DOCUMENTATION

Applies To:

All UPVs of at least 5 net tons. If you are not sure if your vessel is at least 5 net tons you can check with the simplified measurement form at <http://www.uscg.mil/hq/msc/docs/CG-5397.pdf>. Other questions regarding vessel documentation contact National Vessel Documentation Center see contact information below.

Certificate of Documentation: Over 5 Net Tons

A UPV of at least 5 net tons that engages in domestic or coastwise trade must have a Certificate of Documentation (COD) on board bearing a valid endorsement for the activity in which it is engaged. *46 CFR 67.*

UPVs whose route is from point "A" in the U.S. to point "B" in the U.S., or returning to point "A" without leaving U.S. territorial waters must be U.S. built and hold a COD with an operational endorsement for coastwise trade. If the vessel is of foreign or unknown build, it must receive a waiver from MARAD through the Small Vessel Waiver Program. *46 USC 12106(b), 46 CFR 67.19(a), 19 CFR 4.80.*

COD endorsements are valid for 1 year.

- ◆ To renew, an original Notice of Expiration (CG-1280) or Final Notice of Expiration (CG-1280-B) form must be completed;
- ◆ The renewal forms can be obtained through the Coast Guard's National Vessel Documentation Center at (800) 799-8362; or at <http://www.uscg.mil/hq/cg5/nvdc/default.asp>
- ◆ A renewal decal will be issued which must be affixed to the COD to prove that the COD has been renewed. *46 CFR 67.163*

Display of official number:

- ◆ BLOCK-type Arabic numerals not less than **three** inches in height;
- ◆ Preceded by the abbreviation "NO.";
- ◆ Must be marked on some clearly visible **interior** structural part of the hull;
- ◆ Must be permanently affixed so that alteration, removal, or replacement would be obvious. *46 CFR 67.121*

Example: NO. 123456

VESSEL DOCUMENTATION (CONTINUED)

Documented Vessel Markings:

UPV name must be marked on some CLEARLY visible **exterior** part of the port and starboard bow and the stern. The hailing port must be marked on some clearly visible **exterior** part of the stern, the hailing port must be a place in the United States and must include the State, territory, or possession in which it is located;

- For UPVs with a square bow, the name must be marked on some clearly visible **exterior** part of the bow in a manner to avoid obliterating. The name and hailing port must be marked on some clearly visible **exterior** part of the stern;
- These markings, which may be made by the use of any means and materials which result in durable markings, must be made in clearly legible letters of the Latin alphabet or Arabic or Roman numerals not less than **four** inches in height. *46 CFR 67.123*

UPVs Under 5 Net Tons

UPVs under 5 net tons shall be State numbered. A State registered, undocumented vessel must have a valid state certificate aboard whenever the vessel is underway. State registration certificate might be endorsed for Commercial or Commercial Passenger service. This endorsement/certificate varies from state to state, check with your state. *33 CFR 174.19(a)/173.21(a), 46 CFR 67. /46 CFR 67.9*

Vessel markings (State Registered):

- Numerals and letters of State issued numbers must be plain, block characters reading from left to right, and must not be less than **three** inches in height;
- Numbers must be painted or permanently attached to each side of the forward half of the vessel, must be visible from each side of the vessel;
- The color of the numbers and letters must be in contrast with the background to which they are affixed.
- Spaces must be placed between letters and numerals; they must be equal to the width of a letter or numeral (other than I or 1). *33 CFR 173.27*

Example: VA 1234 AB or FL-1234-AB

DRUG TESTING

Applies To:

- ◆ Coast Guard (CG) licensed UPV crewmembers, operators and/or masters acting under the authority of a license/MMC.
- ◆ UPV crewmembers who do not hold a MMC but whose duties directly affect the safe operation of the vessel (such as those who assist passengers in emergency evolutions).
- ◆ Crewmember includes all individuals above that perform safety sensitive duties aboard.

Pre-Employment Testing

No marine employer shall engage or employ any individual to serve as a crewmember unless the individual passes a chemical test for dangerous drugs for that employer. This may be waived if the individual can satisfactorily provide evidence that the individual either:

- passed a chemical test for dangerous drugs within the past six months with no subsequent positive tests
- or during the previous 185 days, has been subject to random testing for at least 60 days and did not fail or refuse to participate in a chemical test for dangerous drugs. *46 CFR 16.210*

Periodic Testing

Whenever a physical examination is required for an individual for Licensing by 46 CFR Part 10, a chemical test for dangerous drugs must be included as a part of the physical examination, unless exempted under paragraph (c). *46 CFR 16.220*

Random Testing

Marine employers shall establish programs for the chemical testing for dangerous drugs on a random basis of their crewmembers. Crewmembers shall be tested on a random basis at an annual rate generally of not less than 25%. Random selection means that all crewmembers have an equal chance of selection. *46 CFR 16.230(b)*

Reasonable Cause Testing

Employers shall require any crewmember of the UPV who is reasonably suspected of using a dangerous drug to be chemically tested for dangerous drugs. The employer's decision must be based on a reasonable and articulate belief that the individual has used a dangerous drug based on direct observation. Where practicable, this belief should be based on observations by two persons in supervisory positions. *46 CFR 16.250 and 33CFR 95.035*

DRUG TESTING (CONTINUED)

Serious Marine Incident *46 CFR 4.06*

The marine employer shall ensure that all persons directly involved in a serious marine incident (SMI) are chemically tested within 32 hours for dangerous drugs and within 2 hours for alcohol, IAW the requirements for mandatory chemical testing.

Must demonstrate the capability to meet the alcohol testing requirements by carrying test kits on board or identify an approved facility where the testing will be conducted for all the vessel's hours of operation.

Testing

A serious marine incident includes the following events

- ◆ A marine casualty or accident required to be reported to the CG that results in one or more deaths,
- ◆ Injury requiring professional medical treatment and, for a crewmember, that renders the person unfit to perform his or her routine duties,
- ◆ Damage to property in excess of \$100,000,
- ◆ Actual or constructive total loss of any vessel subject to inspection, or
- ◆ Actual or constructive total loss of any self-propelled vessel, not subject to inspection, of 100 gross tons or more,
- ◆ A discharge of oil of 10,000 gallons or more into U.S. navigable waters; or
- ◆ A discharge of a reportable quantity of a hazardous substance into U.S. navigable waters or a release of a reportable quantity of a hazardous substance into the environment of the United States. *46 CFR 16.240*

Failure of a Drug Test *46 CFR 16.201*

(a.k.a. Positive or Non-Negative Test Results)

If an individual fails a chemical test for dangerous drugs under this part, the individual will be presumed to be a user of dangerous drugs.

If an individual holding a license, certificate of registry, or merchant mariner's document fails a chemical test for dangerous drugs, the individual's employer or prospective employer shall report the test results in writing to the nearest Coast Guard Officer in Charge, Marine Inspection (OCMI). An individual shall be denied employment as a crewmember or removed from duties which directly affect the safe operation of the vessel as soon as practicable. An individual holding a merchant mariner credential shall be subject to suspension and revocation proceedings.

If an individual does not hold a license, merchant mariner's document, or certificate of registry fails a chemical test for dangerous drugs, the individual shall be denied employment as a crewmember or removed from duties which directly affect the safe operation of the vessel as soon as possible. *46 CFR 16.201*

DRUG TESTING (CONTINUED)

Drug Testing Records

Employers shall maintain records of chemical tests which the Medical Review Officer reports as **positive** or **“non-negative”** for a period of five years. Records of tests reported as **negative** shall be retained for one year. Safety sensitive employees shall have proof of attending EAP training; supervisors at least 60 minutes of EAP training. 49 CFR 40.333 and 46 CFR 16.260 The CCF and MRO test result.

Pre-employment test records are to be maintained for the duration of employment. 46 CFR 16.260

Chemical Testing History

Employers must conduct 2-year drug and alcohol testing history checks for all newly hired crewmembers. 49 CFR 40.25

- ◆ Employers must obtain a newly hired crewmember’s written consent to contact previous employers for this purpose.
- ◆ Employers must contact previous marine employers, and any other employer that are subject to federal DOT chemical testing regulations (i.e. commercial trucking, aviation, railroad, and public transportation agencies);
- ◆ Employers must inquire of previous employers within 30 days if the newly hired crewmember has failed or refused a federal/DOT chemical test within the previous 2 year period;
- ◆ Employers must not employ anyone as a crewmember if that person has failed or refused a federal/DOT chemical test within the previous two-year period.
- ◆ An employer may employ a crewmember who has completed a prescribed treatment program from a SAP as outlined in 49 CFR Part 40.293 through 40.305, and who has been issued a “Return to duty” letter from a certified medical review officer.
- ◆ Employers must maintain this info on file for at least three years, regardless of the crewmember’s duration of employment.

Note: Marine employers may obtain a sample consent and report form that may be reproduced and used in order to achieve compliance with this regulation by going to:

http://www.faa.gov/about/office_org/headquarters_offices/avs/offices/aam/drug_alcohol/forms/media/Release_of_Information_Page.pdf

DRUG TESTING (CONTINUED)

Management Information System Reports

Employers must submit a Management Information System (MIS) report (OMB No. 2105-0529) by March 15th of the following calendar year. This form must be submitted to Coast Guard Headquarters at the address listed below:

COMMANDANT (CG-5451)
ATTN DAPI
US COAST GUARD
2100 2ND ST SW STOP 77581
WASHINGTON, DC 20593-7581

For additional information, see the "Marine Employers Drug Testing Guidance" which is published by the US Coast Guard and is available on homeport. <http://homeport.uscg.mil> (click on "Investigations" on right side of page, click "Drug and Alcohol Program" on right side of page, scroll down and click on "Marine Employers Drug Testing Guidance", click "View Document")

Note: Employers who submitted this form for any three consecutive years, and Who have not employed more than ten crewmembers (including the owner who may also be the operator) are exempt from this requirement. If the employer subsequently employs more than ten crewmembers (including self employed operators) then the MIS form must again be submitted.
46 CFR 16.500

There is capability online to submit the report at the following site:
<http://damis.dot.gov>

Operating While Intoxicated

A person is prohibited from operating UPVs while intoxicated. A person is considered operating the UPV when that person is a crewmember (including a licensed person) of the vessel. A person operating a vessel (other than recreational vessel) is considered intoxicated if his or her blood alcohol content (BAC) is 0.04 or more by weight. A person is also considered intoxicated when the effect(s) of the intoxicant(s) consumed have an apparent and observable effect on his or her manner, disposition, speech, and/or muscular movement. 33 CFR 95.015 & .020

General operating rules for vessels inspected, or subject to inspection, under Chapter 33 of Title 46 United States Code.

While on board a vessel inspected, or subject to inspection, under Chapter 33 of Title 46 United States Code, a crewmember (including a licensed individual), pilot, or watchstander not a regular member of the crew: (a) Shall not perform or attempt to perform any scheduled duties within four hours of consuming any alcohol; (b) Shall not be intoxicated at any time; (c) Shall not consume any intoxicant while on watch or duty; and (d) May consume a legal non-prescription or prescription drug provided the drug does not cause the individual to be intoxicated. 33 CFR 95.045

Note: Intoxicants include alcohol, drugs, or combination thereof.

MARINE CASUALTY REPORTING

Applies To:

All CG documented UPVs.

For undocumented UPVs (state numbered), a casualty or accident report must be submitted to the reporting authority of the state who issued the state numbers or to the state where the accident occurred. 33 CFR 173.51 & .59, 46 CFR 4.01-3

Verbal Notice of Marine Casualty:

The following applies to CG documented UPVs:

Immediately after addressing safety concerns, the owner, master, operator, or person in charge shall notify the nearest Coast Guard Sector whenever a vessel is involved in a marine casualty, such as:

- ◆ An unintended grounding, or an unintended strike of a bridge or bridge fendering system;
- ◆ An intended grounding or an intended strike of a bridge that creates a hazard to navigation, the environment, or safety of a vessel;
- ◆ Loss of main propulsion, primary steering, etc. that reduces the maneuverability of the vessel;
- ◆ An occurrence adversely affecting the seaworthiness or fitness including fire, flooding, or failure of/damage to fire fighting, lifesaving, & auxiliary power equipment, or bilge-pumping systems;
- ◆ A loss of life;
- ◆ Injury requiring professional medical treatment and, for a crewmember, that renders the individual unfit to perform his or her routine duties;
- ◆ Any occurrences of injury or loss of life to any person while diving from a vessel and using underwater breathing apparatus or
- ◆ Occurrence causing property damage above \$25,000 including cost of labor and material but not cost of salvage, gas-freeing, drydocking, or demurrage. 46 CFR 4.05-1

(Demurrage is "the compensation payable to a carrier of freight whose vehicle or vessel is delayed, as by failure to load or unload the freight within the time allowed." Webster.)

MARINE CASUALTY REPORTING (CONTINUED)

Written Notice of Marine Casualty

In addition to the verbal report, the owner, master, operator, or person in charge shall, within 5 days, file a written report with the nearest OCMI or Sector Prevention Office on form CG-2692: Report of Marine Accident, Injury or Death and, as necessary, be supplemented by form CG-2692B: Report of Required Chemical Drug & Alcohol Testing following a Serious Marine Incident.

Serious Marine Incident includes the following events involving a UPV in commercial service:

A marine casualty or accident required to be reported to the CG that results in:

- ◆ one or more deaths,
- ◆ injury requiring professional medical treatment and, for a crewmember, that renders the person unfit to perform his or her routine duties,
- ◆ damage to property in excess of \$100,000,
- ◆ actual or constructive total loss of any vessel subject to inspection, or
- ◆ actual or constructive total loss of any self-propelled vessel, not subject to inspection, of 100 gross tons or more,
- ◆ a discharge of oil of 10,000 gallons or more into U.S. navigable waters;
- ◆ a discharge of a reportable quantity of a hazardous substance into U.S. Navigable waters or a release of a reportable quantity of a hazardous substance into the environment of the United States.

46 CFR 4.03-2, 46 CFR 4.05-10

***CG-2692 must be submitted in writing with an original signature.**

COMMUNICATIONS

Applies To:

All UPVs over 20 meters (65.6 feet) in length. *33 CFR 26.03(a)(1)*

VHF-FM Radio:

UPVs of 20 meters and over must have one or more VHF-FM radios onboard as prescribed by 33 CFR 26 and 47 CFR 80, and must be capable of transmitting and receiving on channel 22A (157.1 Mega-Hertz).

When transiting any waters within a vessel traffic service (VTS) area, a second VHF-FM radio must also be onboard. *33 CFR 26.03*

VHF-FM, MF and HF Radios Equipped for DSC:

All VHF-FM, Medium and High Frequency (also known as single side band (SSB)) Radios that are equipped for Digital Selective Calling (DSC), should have a Maritime Mobile Service Identity (MMSI) programmed and have an input from a GPS. See: <http://www.uscg.mil/acquisition/rescue21/benefits.asp>

Radio Station Licenses:

Radio transmitting devices onboard UPVs of 20 meters and greater, and UPVs with Single Side Band radios, must be licensed by the Federal Communications Commission (FCC). The licenses are valid for 10 years. If the license has just recently been applied for, a UPV should have a copy of FCC Form 605 and it accompanying Schedule B for use as a temporary permit. FCC ship station license application forms can be obtained by calling the Federal Communications Commission at (800) 418-FORM (3676), or online at <http://www.fcc.gov/>. The license is issued to the UPV, and cannot be transferred to another vessel. *47 CFR 80.13 & .25*

Each UPV 20 meters and greater in length must have a radio operator who holds a restricted radiotelephone operator permit or higher class license. Operator permits and licenses issued on or after 25 March 2008 no longer expire, and are valid for the life of the holder. *47 CFR 80.163 / 33 CFR 26*

AUTOMATIC IDENTIFICATION SYSTEM - AIS

Applies to: Self propelled vessels 65 feet or greater in length.

An AIS Class A device is required. A USCG type-approved AIS Class B device can be used in lieu of a Class A if the following are met: (1) Vessel is not subject to pilotage by other than the vessel master or crew; (2) Does not operate in a Vessel Traffic Service

AIS continued.

(VTS) or Vessel Movement Reporting System (VMRS) (33CFR161(c)); AND (3) Does not operate at speeds in excess of 14 kts.

CHARTS AND NAUTICAL PUBLICATIONS

Charts and Nautical Publications

As appropriate for the intended voyage, all vessels must carry adequate and up-to-date—

- Paper charts of appropriate scale to make safe navigation possible;
- “U.S. Coast Pilot” or similar publication;
- Coast Guard light list;
- Tide tables, and
- Current tables, or a river current publication issued by the U.S. Army Corps of Engineers, or a river authority.

Alternative Compliance:

As an alternative, you may substitute extracts or copies from the publication above. This information must be applicable to area transited.

46 CFR 26.03-4.b

Electronic Charts and Publications Equivalency - NVIC 01-16

Electronic navigational charts and electronic publications are accepted as equivalent to requirements in Title 33 and Title 46 of the Code of Federal Regulations. NVIC 01-16 should be reviewed. Equivalency guidance:

A. Charts

- _ Official charts must be issued by authority of a government or hydrographic office or relevant government institution (“official electronic charts”).

B. Electronic Charting System (ECS) Carriage

Vessel representative should be able to validate that the ECS is:

- _ SOLAS compliant vsl meeting the chart carriage requirements on all waters, or

B. Electronic Charting System (ECS) Carriage cont.

- _ Meets Radio Technical Commission for Maritime Services (RTCM) class A ECS chart carriage requirements (for vsls. not on international voyages), or
- _ Meets RTCM class B or C ECS chart carriage requirements for vsls not more than 12nm from territorial sea baseline.

RTCM class D does **not** meet equivalency requirements to paper charts.

C. Redundant Arrangements

Electronic charts as the primary means of navigation must have an independent redundant arrangement, and:

- _ Be equivalent to requirement in paragraph B, connected to a back-up power supply separate and independent from the primary system, or
- _ Have a full folio of required official paper charts for the intended voyage.
- _ If official electronic charts are being used as primary and back-up means of navigation, equipment identified in Section E (Integration) of this enclosure must also be integrated with the redundant arrangement.

D. Training

1. RTCM class 'A' is considered to function closely to an Electronic Chart Display and Information System (ECDIS). Mariners in charge of a navigational watch & using a class 'A' ECS must possess completion certificate from a USCG approved ECDIS course and have the appropriate MMC endorsement -- this training meets 46 C.F.R. §15.405.
2. RTCM ECS class 'B' and 'C'. Title 46 C.F.R. § 15.405 require each credentialed crewmember must be familiar with installed navigation equipment. Required familiarity: company follows manufacturer's standards, user's manuals, and company policies to document watch stander competency. ECDIS endorsements on MMCs are compliant with this Circular - no additional training in needed.

E. Integration.

1. The following equipment must be integrated with the ECS:
 - a. External electronic position-fixing device providing position information,
 - b. Automatic Identification System (AIS),
 - c. Gyro-compass or other means to determine and display the vessel's heading by vessel borne non-magnetic means and transmit heading information, and
 - d. Marine radar.
2. *Recommended* equipment integrated with the ECS:
 - a. Magnetic compass; and
 - b. Voyage data recorder or simplified voyage data recorder.

F. Electronic Publications Carriage.

33 C.F.R. § 161.4, 164.33, 164.72 and SOLAS Ch.V Reg. 27

U.S. Coast Pilot, Sailing Directions, Coast Guard Light List, List of Lights, tide-current and river-current tables, Notice to Mariners, Local Notice to Mariners, Notices to Navigation, and Vessel Traffic Rules.

- _ Derived from the original source,
- _ currently corrected/up-to-date, and
- _ readily accessible on the vessel's bridge.
- _ a redundant copy is required and may be a second computer, CD, or portable mass storage device readily displayable to the navigation watch, or a paper copy.

NAVIGATION LIGHTS & SOUND SIGNALS

Applies to:

All UPVs at anchor or underway from sunset to sunrise, or in or near areas of restricted visibility.

Inland Rules:

The operator of each UPV 12 meters (39.4 feet) long or more, operating in Inland Waters and Canadian Waters of the Great Lakes, shall carry a copy of the Inland Navigation Rules, COMDTINST M16672.2D.

33 CFR 88.05

Navigation Lights:

Each UPV underway, greater than 12 meters (39.4 feet) shall display, per Navigation Rule 23, Inland and International:

UPVs underway shall display:

- ◆ red and green sidelights (displayed on port and starboard sides respectively) showing light from right ahead across an unbroken arc (unobstructed) of 112.5 degrees across the horizon,
- ◆ one white masthead light showing light from right ahead across an unbroken arc (unobstructed) of 225 degrees (112.5 degrees on either side of center line) across the horizon,
- ◆ an additional masthead light abaft of and higher than the first mast head lights if the UPV is 50 meters (164 feet) or greater in length (except that a UPV may show this light forward of and lower than other masthead lights if such lights are displayed on the UPV's aft mast ,*
- ◆ one white stern light placed on UPV's centerline showing light astern across an unbroken arc (unobstructed) of 135 degrees across the horizon,

** Note: UPVs 20 meters (65.6 feet) or greater in length may not place all of their masthead lights aft of their sidelights. See Navigation Rules Annex I.3 (b) & (d), both Inland and International, for further details on horizontal light placement.*

UPVs less than 12 meters (39.4 feet) may substitute one all around (unobstructed) white light for the white masthead and stern lights.

NAVIGATION LIGHTS & SOUND SIGNALS (CONTINUED)

Note 1: it is recommended that the Inland and International Navigation Rules COMDTINST M16672.2D Navigation Rules, International - Inland) be reviewed for specific information on various configurations for lights and shapes. *Navigation Rule 23, Inland and International 23.*

Note 2: Navigation light fixtures with bulbs must comply with the horizontal and vertical sectors and meet the range requirements as outlined in Annex I of the Navigation Rules. Household bulbs and compact fluorescents are not permitted. **Use only manufacturer approved bulbs.**

Navigation Rules ANNEX I, Inland and International.

Sidelight Screens

For UPVs 20 meters (65.6 feet) or more in length, sidelights shall be fitted with matte black inboard screens. For UPVs less than 20 meters, sidelights, if necessary to meet the arc required of the light, shall be fitted with black matte inboard screens.

Vessels less than 20 meters (65.6 feet) can mount a combined lantern using a single vertical filament and a narrow division between the red and green sectors. With combined lanterns, external screens need not be fitted.

33 CFR 84.09

Sound Signals:

Efficient bell and whistle per Navigation Rule 33, Inland and International:

- ◆ UPVs less than 12 meters (39.4 feet) in length must have a means of making an efficient sound signal.
- ◆ UPVs of 12 meters (39.4 feet) to 20 meters (65.6 feet) in length must have a whistle and bell of at least 200mm (7.9 inches) in diameter (Note: The bell is not required under the International Rules, but is required if the vessel operates in any area where the Inland Rules apply):
- ◆ UPVs of 20 meters (65.6 feet) or more in length must have a whistle and bell of at least 300mm (11.8 inches) in diameter:

NAVIGATION LIGHTS & SOUND SIGNALS (CONTINUED)

Bells shall be of corrosion-resistant material and designed to give a clear tone. When practicable, a power-driven striker is recommended to ensure a constant force but manual operation shall be possible. 33 CFR 86.23

The bell does not have to be mounted. It must be on board the vessel and accessible.

Whistle

The audibility of a whistle must meet the following distances:

NOTE: This table is provided for information purposes only. It provides guidance that can be useful in explaining the whistle audibility requirements during an exam.

Audibility Table

Vessel Length		Audibility Range
Over or Equal to	Less Than	
	20 M (65.6 ft)	0.5 NM
20 M (65.6 ft)	75 M (246 ft)	1.0 NM
75 M (246 ft)	200 M (656 ft)	1.5 NM
200 M (656 ft)		2.0 NM

GARBAGE POLLUTION PREVENTION

Applies to:

All UPVs.

General Requirements:

No person may discharge garbage into U.S. navigable waters and tributaries. *33 CFR 151.66*

Garbage Placards:

Applies to UPVs over 26 feet in length.

UPVs shall display at least one garbage placard. Each placard must be at least nine inches wide by four inches high, made of durable material, and with letters at least 1/8" high. The placard must notify the reader of the following IAW *33 CFR 151.59 (d)*:

- ◆ Discharge of plastic or garbage mixed with plastic into any waters is prohibited;
- ◆ Discharge of garbage is prohibited in U.S. navigable waters and in all other waters within three nautical miles (NM) of the nearest land;
- ◆ Discharge of dunnage, lining, and packing material that float is prohibited within 25 NM of the nearest land;
- ◆ Other unground garbage may be discharged beyond 12 NM from the nearest land;
- ◆ Other garbage ground to less than one inch may be discharged beyond three NM of the nearest land;
- ◆ Violators are liable for civil penalties up to \$25,000, criminal fines up to \$500,000, and imprisonment for up to six years per violation;

Garbage placards must be displayed in prominent locations so that crew and passengers can read them. *33 CFR 151.59*

The discharge of all garbage into the Great Lakes or their connecting or tributary waters is prohibited. *33CFR151.59c*

GARBAGE POLLUTION PREVENTION (CONTINUED)

[insert pdf garbage placard]

Waste Management Plan:

Applies to:

Oceangoing (>3nm) UPVs 40 feet or more in length that are engaged in commerce or equipped with a galley and berthing.

UPVs must have a waste management plan detailing who is responsible for the garbage, how it shall be collected, how it is to be stowed, and how it is disposed of.
33 CFR 151.57.

SAMPLE WASTE MANAGEMENT PLAN:

Waste Management Plan for (Vessel Name): _____
Person in Charge: _____

Solid Waste Management Procedures:

Crew Education:

At the beginning of each season, all crewmembers are reminded of the refuse discharge laws and shown the MARPOL V placard posted in the galley. Crew is told that it is vessel policy to stow all garbage materials on board except for food and paper when the vessel is outside of 12 miles. The captain orients all new crew and passengers to the rules governing the vessel including refuse laws and refuse handling.

If the vessel is within 12 miles of shore or returning to shore:

All refuse materials are put in garbage bags and stored on board until the end of the trip when the deckhand disposes of the bags in the dockside trash receptacles.

If the vessel is outside of 12 miles from shore:

All the garbage with the exception of food materials and paper is put in a garbage bag to be hauled to the dockside trash receptacle at trip's end. Food materials and paper generated in the galley are collected in a bucket (or in a paper bag or cardboard box) and the bucket emptied over the side (or the food filled bag or box is thrown overboard) by a crewmember.

OR

All vessel refuse is put in garbage bags and stored on board until they can be disposed of in dumpsters on shore.

LIFESAVING EQUIPMENT

Applies to: All UPVs.

Personal Flotation Devices (PFD), i.e., Life Preservers

All UPVs must have at least one CG approved **TYPE I PFD** of a suitable size for each person embarked. 46 CFR 25-25(c).

Kapok and fibrous glass life preservers without plastic covered pad inserts are unacceptable.

Commercial hybrid PFDs may be substituted for life preservers if:

- ◆ It is worn when the UPV is underway and the intended wearer is not within an enclosed space;
- ◆ It is used in accordance with the marked conditions on the PFD and in the owner's manual; and
- ◆ Labeled for use aboard commercial vessels. 46 CFR 25.25(f), 46 CFR 160.077.

Each required life preserver intended to be worn must have approved Type I retro-reflective material (often flexible tape with an adhesive backing) with *at least 200 sq. cm.* (31 sq. in.) of material on the front, *at least 200 sq. cm.* on the back, and, if reversible, *at least 200 sq. cm.* on each reversible side. The material attached on each side must be divided equally between the upper quadrants of the side and as close as possible to the shoulder area of the PFD.

46 CFR 25.25-15

***Note:** Additional Type II or Type III PFDs may be carried aboard a UPV, however, they must be stowed separately and they may not be used to substitute any Type I PFDs that must be kept onboard (i.e. one Type I for each person embarked).*

On Ocean, Coastwise, or Great Lake voyages each required life preserver and buoyant device or vest must have a working CG approved PFD light attached to the front shoulder area. 46 CFR 25.25-13

If a PFD light has a **non-replaceable power source**, the light must be replaced on or before expiration date. If a PFD light has a **replaceable power source**, the power source must be replaced before its expiration date, and the light must be replaced when is no longer serviceable.

LIFESAVING EQUIPMENT (CONTINUED)

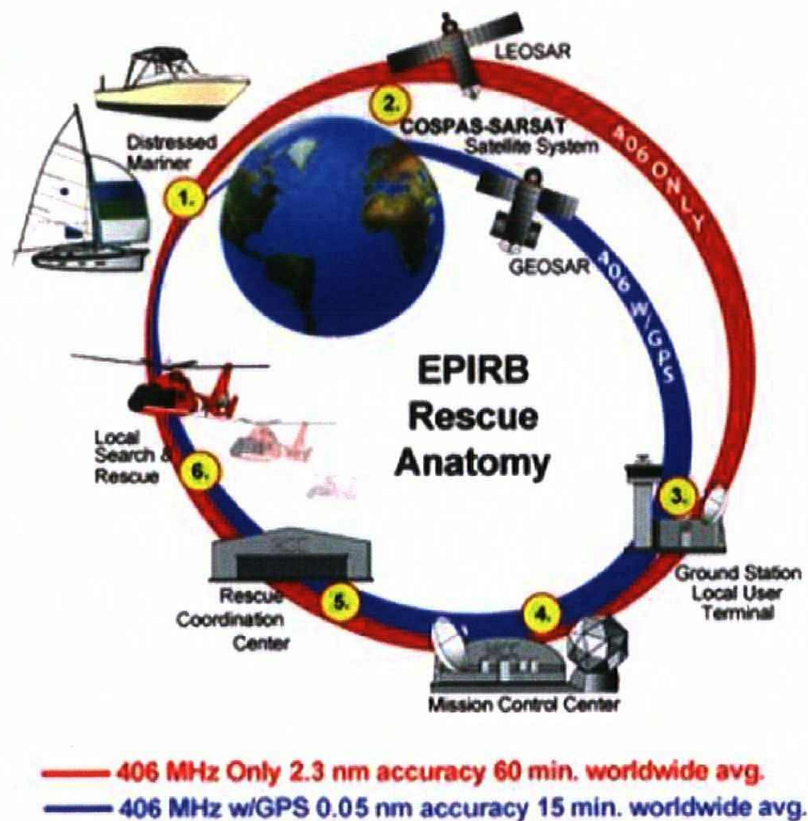
Ring Life Buoy

UPVs 26 feet or longer in length must have at least one CG approved orange or white throwable ring life buoy with a minimum outside diameter of 20 inches. **Note: If on an international voyage, the ring life buoy must be orange.** 46 CFR 25.25-5(d)

Emergency Position Indicating Radio Beacon (EPIRB)

UPVs are not required to carry EPIRBs. 46 CFR 25.26-10

Note: although not required by regulation, UPVs are highly encouraged to outfit their vessels with a float-free, automatically activated, Category 1, 406 MHz EPIRB. All EPIRBs must be registered with NOAA; see www.beaconregistration.noaa.gov



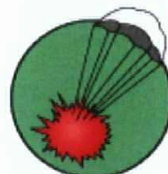
Visual Distress Signals (VDS)

All UPVs must carry three day and three night visual distress signals (VDS) while operating on Coastal Waters (which includes the Great Lakes) and Oceans. All VDS must be current (unexpired date).

Launchers. When a visual distress signal carried to meet these requirements requires a launcher to activate, then a launcher approved per 46 CFR 160.028 must also be carried.
33 CFR 175.113



Red Flare
(hand held/day and night)



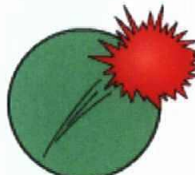
Parachute Flare
(day and night)



Orange Smoke Signal
(hand held/day only)

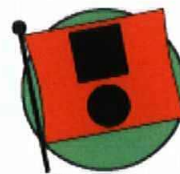


Floating Orange Smoke Signal
(day only)

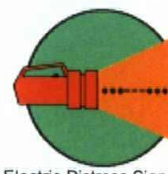


Red Meteor
(day and night)

Non-Pyrotechnic Device Examples



Orange Flag
(day only)



Electric Distress Signals
(night only)

Exceptions. The following persons need not comply with these carriage requirements; however, each must carry on board visual distress signals suitable for night use, selected from Table 175.130 (including "Existing Equipment"), in the number required, and between sunset and sunrise:

- ◆ A person competing in any organized marine parade, regatta, race, or similar event;
- ◆ A person using a manually propelled boat; or
- ◆ A person using a sailboat of completely open construction not equipped with propulsion machinery, less than 26 feet in length. *33 CFR 175.115*

Stowage. Visual distress signals required are readily accessible. *33 CFR 175.20*

Serviceability. Each signal is required to be in serviceable condition and the service life of the signal, if indicated by a date marked on the signal, has not expired. *33 CFR 175.125*

Marking. No person may use a boat unless each signal is legibly marked with the approval number or certification statement as specified in 46 CFR Parts 160 and 161. *33 CFR 175.128*

Visual distress signals required. No person may use a boat operating as an uninspected passenger vessel unless visual distress signals selected from the Table 175.130 or meeting the 'Existing Equipment' requirements, in the number required, are onboard. Devices suitable for day use and devices suitable for night use, or devices suitable for both day and night use, must be carried. *33 CFR 175.110*

Visual distress signals accepted.

- ◆ Any of the following signals, when carried in the number required, can be used to meet these requirements.:
 - An electric distress light meeting the standards of 46 CFR 161.013. One is required to meet the night only requirement.
 - An orange flag meeting the standards of 46 CFR 160.072. One is required to meet the day only requirement.
 - Pyrotechnics meeting the standards noted in Table 175.130.
- ◆ Any combination of signal devices selected from the types noted in paragraphs of this section, when carried in the number required, may be used to meet both day and night requirements. Examples--the combination of two hand held red flares (160.021), and one parachute red flare (160.024 or 160.036) meets both day and night requirements. Three hand held orange smoke (160.037) with one electric distress light (161.013) meet both day and night requirements. *33 CFR 175.130*

Existing equipment. Launchers manufactured before 1 January 1981, which do not have approval numbers, are acceptable for use with meteor or parachute signals listed in Table 175.130 under Sec. 175.130 as long as they remain in serviceable condition. *33 CFR 175.135*

Training to use your flares: You are authorized and encouraged to ignite flares from a shore side location for training purposes but you must notify the local USCG Station before and after training. **Ensure the local USCG Station knows** who, when, and where the flare evolution will take place. *33 CFR 175.140*

Flare Disposal: The USCG recommends that you dispose of them at your local fire department or contact your closest USCG station and ask if they hold flare training/demonstration days for the public..

<http://www.uscg.mil/hq/cg5/cg534/sarfactsinfo/IfYouSeeAflare.asp>

Prohibited use. No person in a boat shall display a visual distress signal on waters to which this subpart applies under any circumstance except a situation where assistance is needed because of immediate or potential danger to the persons on board. *33 CFR 175.140*

Table 175.130--Pyrotechnic Signal Devices

Approval number under 46 CFR	Device Description	Meets Requirements for	Number
160.021	Hand Held Red Flare Distress Signals ^{3\} .	Day and Night	3
160.022	Floating Orange Smoke Distress Signals.	Day Only	3
160.024	Parachute Red Flare Distress Signals.	Day and Night ^{1\}	3
160.036	Hand-Held Rocket- Propelled Parachute Red Flare Distress Signals.	Day and Night	3
160.037	Hand-Held Orange Smoke Distress Signals.	Day Only	3
160.057	Floating Orange Smoke Distress Signals.	Day Only	3
160.066	Distress Signal for Boats, Red Aerial Pyrotechnic Flare.	Day and Night ^{2\}	3

^{1\} These signals require use in combination with a suitable launching device approved under 46 CFR 160.028.

^{2\} These devices may be either meteor or parachute assisted type. Some of these signals may require use in combination with a suitable launching device approved under 46 CFR 160.028.

^{3\} Must have a manufacture date of 1 Oct. 1980 or later.

Miscellaneous Regulations:

- ◆ Lifesaving equipment required to be worn must be readily accessible. *46 CFR 25.25.9*
- ◆ Equipment designed to be thrown must be immediately available. *46 CFR 25.25.9*
- ◆ When carried on UPVs, approved buoyant vests (Type III PFD's) shall be stowed separately from the regular stowage of required lifesaving equipment. Such equipment will not be used to substitute other lifesaving equipment (PFDs) required by the Regulations. *46 CFR 26.30.*
- ◆ The lifesaving equipment must be CG approved and in serviceable condition. Although not required by regulation, if you carry an inflatable survival craft/life raft, it should be in serviceable condition with a current servicing/inspection date. *46 CFR 25.25-11*

FIRE FIGHTING EQUIPMENT

Applies to:

All UPVs.

Fire Fighting Equipment

- ◆ All hand fire extinguishers, semi portable, and fixed fire extinguishing systems shall be USCG approved or Underwriters Laboratory (UL) listed for marine use and marked as such. *46 CFR 25.30-5(b)*
- ◆ All required hand portable fire extinguishers and semiportable fire extinguishing systems are "B" type; i.e., suitable for extinguishing fires involving flammable liquids, grease, etc. *46 CFR 25.30-10(b)*
- ◆ All UPVs of 65 feet in length and smaller shall carry at least the minimum fire extinguishers as set forth in the table below:

Table 46 CFR 25.30-20(a)(1)

Vessel Length		Minimum number of B-I hand portable fire extinguishers	
Equal Or Over	Under	No fixed FF in Machinery Space	Fixed FF in Machinery Space
---	16'	1	0
16'	26'	1	0
26'	40'	2	1
40'	---	3	2

Note: One B-II fire extinguisher may be used to substitute 2 B-I fire extinguishers.

All UPVs over 65 feet in length shall carry at least the minimum fire extinguishers as set forth in Table on the following page.

FIRE FIGHTING EQUIPMENT (CONTINUED)

Gross tonnage		Minimum number of B-II hand portable fire extinguishers
Over	Not over	
----- 50	50 100	1 2

In addition to the hand portable fire extinguishers required by Table 25.30-20(b)(1) above, a B-II portable fire extinguisher is required for each 1000 B.H.P. of the main engines or fractions thereof. However, no more than 6 such extinguishers need to be carried.

When a fixed fire-extinguishing system is installed, it must be a type approved or accepted by the Lifesaving and Fire Safety Division, commandant (CG-5214) or the Commanding Officer, U.S. Coast Guard Marine Safety Center. If the system is a carbon-dioxide type, then it must be designed and installed in accordance with 46 CFR 76.15.
46 CFR 25.30-15

FIRE PREVENTION AND SUPPRESSION

Ventilation: UPVs Built *Before 1980*

Applies to:

UPVs built on or before July 31, 1980 that use fuel having a flash point of 110 degrees F or less (gasoline).

- ◆ UPVs shall have at least two ventilation ducts, fitted with cowls or their equivalent, for the removal of explosive or flammable gases from the bilges of all engine compartments and all fuel tank compartments.
- ◆ At least one exhaust duct shall extend from the open atmosphere to the lower portion of the bilge. At least one intake duct shall extend to a point at least midway to the bilge, or at least below the level of the carburetor air intake. *46 CFR 25-40-1.*

Note. UPVs built after July 31, 1978 are exempt from requirements for fuel tank compartments that (a) contain a permanently installed fuel tank if each electrical component is ignition protected in accordance with 33 CFR 183.410(a), and (b) contain fuel tanks that vent to the outside of the vessel. Vessels that comply with 33 CFR 183 Subsection K (see below, UPVs built after 1980) do not need to comply with this section.

Ventilation: UPVs Built *After 1980*

Applies to:

UPVs built after July 31, 1980 that uses fuel having a flashpoint of 110 degrees F or less (gasoline). *33 CFR 183.601*

Blowers

- ◆ UPVs with permanently installed, gasoline engines which are not open to the atmosphere must be ventilated by an exhaust blower system in accordance with the applicable Regulations.
- ◆ Each intake duct for an exhaust blower must extend to the lower one-third of the compartment, and above the normal level of accumulated bilge water.
- ◆ Each vessel that is required to have an exhaust blower system must also have a label as close to the engine ignition switch as practicable, which says the following:

FIRE PREVENTION AND SUPPRESSION (CONTINUED)

WARNING – GASOLINE VAPORS CAN EXPLODE. BEFORE STARTING ENGINE, OPERATE BLOWER FOR AT LEAST 4 MINUTES AND CHECK ENGINE COMPARTMENT BILGE FOR GASOLINE VAPORS. 33 CFR 183.610

Natural Ventilation

UPVs must have “natural ventilation” which means an airflow through the following compartments:

- ◆ Any compartment that contains a permanently installed gasoline engine;
- ◆ Any compartment that has openings between it and compartment that requires ventilation;
- ◆ Any compartment that contains a permanently installed fuel tank and an electrical component that is not ignition protected in accordance with 33 CFR 183.410(a);
- ◆ Any compartment that contains a non-metallic fuel tank.

Natural ventilation systems must consist of *supply intake* ducts or openings, as well as *exhaust* ducts or openings.

- ◆ Natural ventilations systems must have a supply intake opening located on the exterior surface of the UPV, or to another ventilated compartment, or compartment open to the atmosphere.
- ◆ Natural ventilation systems’ exhaust ducts or openings must originate in the lower one-third of the compartment. Each supply duct and exhaust duct must originate above the normal accumulation of bilge water.
- ◆ The minimum internal cross-sectional area of each supply intake and each exhaust duct must be determined in accordance with 33 CFR 183.610(d), but in any case the minimum cross-sectional area of each duct must exceed 3 square inches.

33 CFR 183.630

FIRE PREVENTION AND SUPPRESSION (CONTINUED)

Heating, Lighting, & Cooking Systems

UPV shall not use fuel in any heating, lighting or cooking system without approval from Commandant (CG-521), except for the following: 46 *CFR* 25.45-1 & 2

- ◆ Alcohol - solid (containers must be properly secured to a fixed base);
- ◆ Alcohol - liquid, combustible (must have a catch pan of not less than $\frac{3}{4}$ inch depth secured inside the frame of the stove, **and** a $\frac{3}{4}$ " upward flange around the edge of the protection pan underneath the stove);
- ◆ Fuel oil - #1, #2, or #3 (must have a catch pan of not less than $\frac{3}{4}$ inch depth secured inside the frame of the stove, **or** a $\frac{3}{4}$ " upward flange around the edge of the protection pan underneath the stove);
- ◆ Kerosene - (must follow the same guidelines as for fuel oil systems);
- ◆ Wood - (systems fitted after August 9, 1989 must be installed in accordance with guidelines of chapter 6 of NFPA 302);
- ◆ Charcoal - (must follow the same guidelines as for wood-burning systems).
- ◆ Liquefied Petroleum Gas (LPG) – **for cooking systems only**; additional requirements apply; see following page.
- ◆ Compressed Natural Gas (CNG) – **For cooking systems only**; additional requirements apply; see following page.

FIRE PREVENTION AND SUPPRESSION (CONTINUED)

Cooking Systems Using GNG or LPG

UPVs fitted with cooking systems that use compressed natural gas (CNG) or liquefied petroleum gas (LPG) must comply with additional requirements. *46 CFR 25.45-2*

LPG and CNG cooking systems must meet the compliance standards listed in the table below:

SYSTEM ELEMENT	COMPLIANCE STANDARD
LPG – Design, installation, and testing	ABYC ¹ A-1-78, or NFPA ² 302, ch. 6
LPG – Odorization ³	ABYC A-1.5.d
LPG – Cylinder markings and mounting ³	ABYC A-1.6.b
LPG – Cylinder type (vapor withdrawal) ³	ABYC A-1.5.b
CNG – Design, installation and testing	ABYC A-22-78, or NFPA 302, ch. 6
CNG – Odorization ³	ABYC A-22.5.b
CNG – Cylinders, regulating equipment, and safety equipment: stowage, installation and testing ⁴	NFPA 302, ch. 6-5.12

1. *American Boat and Yacht Council.*
2. *National Fire Protection Association.*
3. *Applies only to LPG and CNG systems using NFPA 302, chapter 6 as the installation standard.*
4. *Applies only to CNG systems using ABYC as the installation standard.*

Other Requirements:

- ◆ CNG containers shall not be stored in accommodation areas, machinery spaces, bilges, or other enclosed spaces.
- ◆ LPG and CNG systems installed using ABYC standards, shall not be fitted with continuous pilot lights or automatic glow plugs.
- ◆ No UPV shall have a CNG stove with an attached CNG cylinder stowed in an enclosed space.

- ◆ Any fuel line proceeding from a CNG container into an enclosed space shall be fitted with a remote shut-off valve located between the CNG container and the point where the fuel line enters the enclosed portion of the vessel. A power-operated valve must be of a type that will fail closed.

The following deviations from ABYC and/or NFPA standards are allowed:

- ◆ The opening to the CNG container's storage locker or housing access need not be located on the top, as otherwise required by ABYC compliance standards.
- ◆ The installation of the CNG container's storage locker or housing access need not be above the waterline, as otherwise required by ABYC and NFPA compliance standards.
- ◆ Ignition protection need not be provided for LPG or CNG systems, as otherwise required by NFPA compliance standards.

Backfire Flame Control

Applies to engines on all UPVs installed after April 25, 1940, except outboard engines.
46 CFR 25.35-1

Engines shall be equipped with an acceptable means of backfire flame control.
The following are acceptable means of backfire flame control for gasoline engines: *46 CFR 58.10-5(3)*

- ◆ Backfire flame arrestors complying with Society of Automotive Engineers (SAE) J-1928 or Underwriters' Laboratories (UL) 1111, marked accordingly. The flame arrestor must be suitably secure to the air intake with a flame-tight connection.
- ◆ An engine air and fuel induction system which provides adequate protection from propagation of backfire flame to the atmosphere equivalent to that provided by an acceptable backfire flame arrestor as cited in the previous example. Such systems that do not include an approved flame arrestor must either include a reed valve assembly, or installed in accordance with SAE J-1928.
- ◆ An arrangement of the carburetor or engine air induction system that will disperse any flames caused by engine backfire into the atmosphere outside the vessel, such that the discharged flames will not endanger the vessel, nearby vessels or structures, or persons in the immediate area. Flame dispersion may be achieved by attachments to the carburetor or air induction system. All attachments must be of metallic construction with flame-tight connections, and be firmly secured to withstand vibration, shock, and engine backfires. Such systems do not require formal approval and labeling.

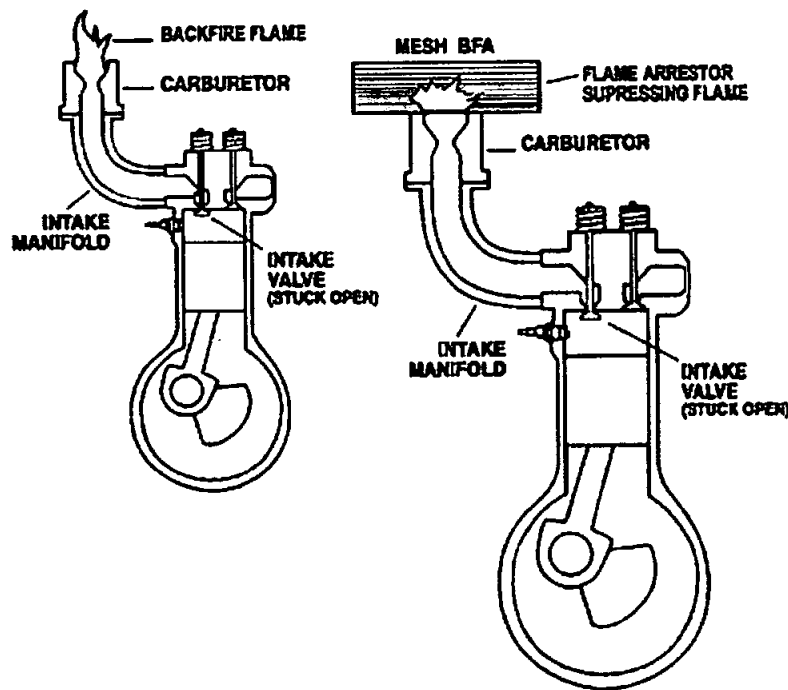
FIRE PREVENTION AND SUPPRESSION (CONTINUED)

Engines installed prior to November 19, 1952 may use an alternate backfire flame control system as long as it is serviceable, and in good working order.

Alternate backfire flame arrestors must bear basic Coast Guard approval numbers 162.015 or 162.041.

Alternate air and fuel induction systems must bear basic Coast Guard approval numbers 162.015 or 162.042.

Subsequent replacements of backfire flame control systems must meet the applicable standards described on the previous page. 46 CFR 25.35-1(b), (c).



SAFETY INSTRUCTION AND ORIENTATION

Safety Orientation

Applies to all UPVs.

Prior to getting underway, operators of UPVs must ensure public announcements, placards, or both are provided to passengers that address the following topics:

- ◆ Stowage locations of life preservers;
- ◆ Proper method of donning and adjusting life preservers carried aboard the vessel;
- ◆ The type and location of all lifesaving devices carried on the vessel;
- ◆ The location of the Emergency Check-off List (described in the next subsection).
46 CFR 26.03.1

Passenger Counts

All UPVs shall keep a correct count of all passengers received and delivered from day to day. Specifically, the master, owner, charterer, managing operator, or person in charge of the vessel is responsible for ensuring that this is done. *46 USC 3502.*

SAFETY INSTRUCTION AND ORIENTATION (CONTINUED)

Emergency Instructions

Operators of UPVs shall ensure that an emergency check-off list is posted in a conspicuous and continuously accessible place aboard the vessel. The emergency check-off list must include the following minimum information:

Measures to be considered for rough weather or for crossing hazardous bars:

- ◆ All water/weather tight hatches, doors, and airports closed to prevent taking water aboard;
- ◆ Bilges kept dry to prevent loss of stability
- ◆ Passengers seated and evenly distributed;
- ◆ All passengers wearing life preservers during rough seas or bar crossings;
- ◆ International distress call and call to the Coast Guard over radiotelephone (if so equipped) made if assistance is needed.

Measures to be considered in the event of man overboard

- ◆ Ring buoy thrown as close to person-in-the-water (PIW) as possible;
- ◆ Lookout posted to keep PIW in sight.
- ◆ Crewmember, wearing life preserver and tending line standing by to enter the water to assist in recovery, if necessary;
- ◆ Coast Guard and all nearby vessels notified by radiotelephone;
- ◆ Search continued until after radiotelephone consultation with the Coast Guard (if possible).

SAFETY INSTRUCTION AND ORIENTATION (CONTINUED)

Measures to be considered in the event of a fire at sea

- ◆ Cut off air supply to the fire by closing hatches, ports, doors, and ventilators, etc.
 - ◆ Portable fire extinguishers discharged at the base of the flames of flammable liquid or grease fires, or water applied to fires of combustible solids.
 - ◆ If fire is in machinery spaces, fuel supply and ventilation shut off, and any installed fixed firefighting system discharged.
 - ◆ Vessel maneuvered to minimize the effect of wind on the fire.
 - ◆ Coast Guard and all vessels in the vicinity notified by radiotelephone (if so equipped) of the fire, and location of the vessel.
 - ◆ Passengers moved away from the fire, wearing life preservers.
- 46 CFR 26.03-2*

MARINE SANITATION DEVICES

Applies to:

All UPVs with installed toilets operating the navigable waters of the U.S.

General Requirements:

Type I, II or III Marine Sanitation Devices (MSD) are required. They include any equipment for installation on board a vessel which is designed to receive, retain, treat or discharge sewage, and any process to treat such sewage. 33 CFR 159.3 & .7(a)

- ◆ Type I MSD means a device that produces an effluence (discharge) having a fecal coliform bacteria count not greater than 1,000 per 100 milliliters and no visible solids.
- ◆ Type II MSD means a device that produces an effluence having a fecal coliform bacteria count not greater than 200 per 100 milliliters and suspended solids not greater than 150 milligrams per liter.
- ◆ Type III MSD means a device that is designed to prevent the overboard discharge of treated or untreated sewage or waste derived from sewage. Holding tanks can be discharged over the side no closer than three nautical miles from land.

Note: If a Type III MSD has a "Y" valve which allows discharge over the deck to a facility or through the hull over the side, it must be secured in U.S. navigable waters (inside 3nm) so as to prohibit accidental discharges overboard inside three nautical miles from land.

33 CFR 159.7(c)

MSD Systems

UPVs with installed toilet facilities must be equipped with a Type II or Type III MSD. 33 CFR 159.7(a))

Note:

Any UPV 65 feet or under in length may utilize a properly labeled and functioning Type I MSD. 33 CFR 159.7(a)(2)

Portable toilets or "port-a-potties" are not considered installed toilets and are not subject to MSD regulations. Such devices do not "treat" the sewage refuse. (cont)

MARINE SANITATION DEVICES (CONTINUED)

Consequently, discharge of this untreated sewage into coastal waters, estuaries, and other internal waters is prohibited. 40 CFR 140.3(d).

MSD Placard

Each Type I or II MSD must have an identification placard attached that provides;

- ◆ the name of the manufacturer,
- ◆ the name and model number of the device,
- ◆ the month and year of completion of manufacture,
- ◆ serial number,
- ◆ whether the device is certified for use on an inspected or and uninspected vessel,
- ◆ whether the device is Type I, II or III. 33 CFR 159.55

Types I and II MSDs' must have placards posted, which provide; operating instructions, safety precautions, and warnings pertinent to the MSD. The letters on the placard must be at least one eighth of an inch. Locking the head door only applies to a Type I or Type II toilet. 33 CFR 159.59

State No Discharge Zones: Some states have established No Discharge Zones for Vessel Sewage. The EPA maintains a current listing of the zones at:

http://www.epa.gov/owow/oceans/vessey_sewage/vsdnozone.html

In a no discharge zone locking the head door only applies to a Type I or Type II toilet.
40 CFR 140.4

OIL POLLUTION PREVENTION

Applies to:

All UPVs operating on the navigable waters of the U.S.

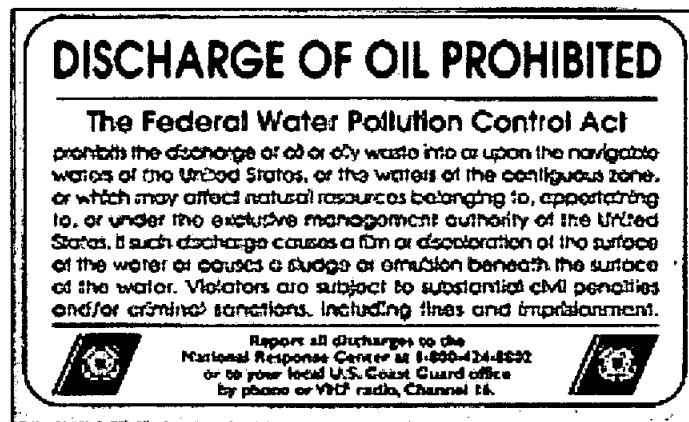
General Requirements

No person may intentionally drain oil or hazardous materials from any source into the bilge. *33 CFR 155.770*

No person may operate a U.S. non-oceangoing UPV in U.S. navigable waters unless it has the capacity to retain on board all oily mixtures and is equipped to discharge the oily mixtures to a reception facility. *33 CFR 155.330*

Oil Placard

UPVs 26 feet or more in length must have a placard posted in each machinery space and bilge system control station. The placard must be at least 5 by 8 inches, made of durable material, and shall state:



33 CFR 155.450

Bilge Slops Retention

Oceangoing UPVs shall have the capacity to retain all oily mixtures on board and be equipped to discharge these to a reception facility, or be equipped with a Coast Guard approved oily-water separator. An oily residue tank is not required on these UPVs. *33 CFR 155.350*

Non-oceangoing UPVs may not be operated in U.S. navigable waters, unless they have the capacity to retain on board all oily mixtures, and are equipped to discharge these oily mixtures to a reception facility. UPVs may retain oily mixtures in the bilges; an oily residue (sludge) tank is not required. *33 CFR 155.330.*

SPECIAL PERMIT

Special Permit or Excursion Permit

If an Uninspected Vessel is used for charity for fundraising activities, which would subject it to Coast Guard inspection, and the vessel can be safely operated, the OCMI may issue a special permit to the owner, operator, or agent. Each special permit is valid for only one voyage of a donated vessel, which is used for a charitable purpose. Applications are considered and approved on a case-by-case basis. *46 CFR 176.204*

Each of the following conditions must be met:

- ◆ Any charity using a donated vessel must be a bona fide charity or a non-profit organization qualified under section *501 (c)(3) of the Internal Revenue Code of 1986.*
- ◆ All donations received from the fundraising must go to the named charity;
- ◆ A permit may not be obtained for an individual vessel more than four times in a 12 month period; and
- ◆ You must apply to the local OCMI for a special permit prior to the intended voyage, allowing adequate time for processing and approval of the permit.

Nothing here may be construed as limiting the OCMI from making such tests and inspections, both afloat and in dry-dock that are reasonable and practicable to be assured of the vessel's seaworthiness and safety. *46 CFR 26.03-6*

MARINE EVENT OF NATIONAL SIGNIFICANCE

Determining a Marine Event of National Significance

For a Marine Event of National Significance, as determined by the Commandant, U.S. Coast Guard, a vessel may be permitted to engage in excursions while carrying passengers-for-hire for the duration of the event. Event sponsors seeking this determination must submit a written request to the Commandant (CG-54) at least one year prior to the event. *46 CFR 26.03-8*

Special Permits

A vessel that is registered as a participant in a marine Event of National Significance may apply for a special permit to carry passengers-for-hire for the duration of the event. The application is made to the Coast Guard OCMI who has jurisdiction over the vessel's first United States port of call. The OCMI may issue a Form CG-949 "Permit to Carry Excursion Party" if the operation can be undertaken safely. The OCMI may require an inspection prior to issuance of a special permit to ensure that the vessel can safely operate under the conditions for which the permit is issued.

The permit will state the conditions under which it is issued. These conditions must include the number of passengers-for-hire the vessel may carry, the crew required, the number and type of lifesaving and safety equipment required, the route and operating details for which the permit is issued, and dated for which the permit will be valid.

The permit must be displayed in a location visible to passengers.

The carrying of passengers-for-hire during a Marine Event of National Significance must comply with the regulations governing coastwise transportation for passengers under *19 CFR 4.50(b)* and *19 CFR 4.80(a)*.
46 CFR 26.03-8

ADDITIONAL RECOMMENDED SAFETY ITEMS

Federal Law or Regulations do not require the following items. However these items will contribute significantly to the safety of the passengers and crew of an Uninspected Passenger Vessel.

Safety Training Program

A UPV should have a safety-training program for all crew members on emergency procedures and safety equipment use. This program ought to include record keeping showing that drills and training are conducted regularly. The following emergency situations should be covered by the training and drills program;

- ◆ Fire
- ◆ Flooding
- ◆ Man overboard
- ◆ Abandon Ship
- ◆ Emergency /Distress Communications (MAYDAY)
- ◆ CPR and First Aid

Bilge Pump and Alarm

A UPV should have a properly installed bilge pump and bilge alarm. *Note: Some vessels are designed without a bilge, or have suitable reserve buoyancy to float the vessel in a totally swamped condition, and will not need the bilge pump and alarm.*

Backup Emergency Communications

A UPV should have some emergency communications capability that does not depend on the normal onboard power system that is located in an area of the vessel away from the normal power source for the vessel. A radio powered by a separate battery, a handheld VHF FM radio with a minimum of 5 watts of power, or a portable satellite phone can be used to provide this level of safety.

ADDITIONAL RECOMMENDED SAFETY ITEMS (CONTINUED)

EPIRB

A 406 MHz Emergency Position Indication Radio Beacon (EPIRB) Category I or II. These need to be properly mounted, registered and serviced.

Survival Craft

A UPV going off shore should have on board, a properly installed and serviced, Coast Guard approved inflatable liferaft or inflatable buoyant apparatus, canister or valise type, with a minimum capacity for all passenger and crew on board. *(Life floats or buoyant apparatus require much more storage space and a reduced level of safety, but may substitute for the above equipment. They should be equipped with lifeline, pendants, painter and floating electric light.)* Survival Craft should be stored so as to be float free or readily accessible.

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Gorst & Compass

INSURANCE

9310 Topanga Canyon Blvd, Chatsworth CA 91311

P: 818.507.0900 F: 818.507.1133

www.gorstcompass.com

License #0359417 / #0443957

REVISED QUOTE

DATE ISSUED: December 12, 2016

UNDERWRITER: Sharon Plume splume@gorstcompass.com

PRODUCER: MARK MEANS MEANS FINANCIAL & INSURANCE SERVICES, INC.
16787 BERNARDO CTR DR STE A-12, SAN DIEGO, CA 92128

INSURED: Marchi Corporation, Inc. DBA Gone Sailing

INSURER: Mesa Underwriters Specialty Insurance Company, A, XIII

RISK ADDRESS: PER APPLICATION

COVERAGE: Commercial Liability

TERM: 12 Months

LIMITS OF LIABILITY:

\$5,000,000	General Aggregate
Included	Products & Completed Operations
\$5,000,000	Each Occurrence
\$5,000,000	Personal & Advertising Injury
\$100,000	Damage to Rented Premises
\$5,000	Medical Payments

DEDUCTIBLE: \$500 Per Claim

Class Codes and Exposures:

49800	Wharf or Waterfront Property - Ferry docks or terminals Based on 1,000 sq. feet or less
99939	Increased Limits Based on flat charge
11111	Additional Insured (1) per CG 2011 - City of San Diego, et al.

PREMIUM: \$3,750.00

FEES:

Policy Fee
\$250.00

TAXES: \$120.00

TOTAL:

\$4,120.00

TERMS / CONDITIONS:**(a) Terms & Conditions:**

- 25% Minimum Earned Cancellation Premium Applies
- Fees are 100% Fully Earned
- Quote Based on No Prior Losses
- Admitted Carrier quote with comparable terms / financial status, must be unavailable regardless of premium difference.
- Certificates of Ins. not signed by the underwriter are invalid and are not binding upon the company.
- Subject to Favorable Inspection

PLEASE NOTE: Cancellation is subject to 10-day notice for non-payment & 30-days for all other reasons.

(b) ENDORSEMENTS / NOTABLE EXCLUSIONS:**Mandatory Common Forms**

IL 00 17 11 98 COMMON POLICY CONDS
IL N0 18 09 03 CA FRAUD STATEMENT
MUS 01 01 10001 0412 Policy Jacket
MUS 01 01 10002 0412 Commercial Lines Common Policy Declarations
MUS 01 01 10003 0412 Schedule of Forms and Endorsements
MUS 01 01 10007 1013 Minimum Earned Premium - Cancellation & Audits
MUS 01 01 10013 0711 CA Notice
MUS 01 01 10018 1013 CA Service of Suit
MUS 01 01 10043 1013 Privacy Notice

Mandatory GL Forms

CG 00 01 04 13 Commercial General Liability Coverage Form
CG 21 47 12 07 GL EXCL - EMPLOYMENT RELATED PRACTICES
CG 21 55 09 99 TOTAL POLLUTION EXCL WITH HOSTILE FIRE EXCEPT
CG 21 67 12 04 FUNGI OR BACTERIA EXCL
CG 21 73 01 15 EXCLUSION OF CERTIFIED ACTS OF TERRORISM
CG 21 96 03 05 SILICA OR SILICA RELATED DUST EXCL
CG 24 26 04 13 Amendment of Insured Contract Definition
IL 00 21 09 08 NUCLEAR ENERGY LIABILITY EXCL. END
MUS 01 01 20001 0412 Commercial General Liability Declarations
MUS 01 01 20004 0916 Liability Deductible
MUS 01 01 20055 1013 Assault and Battery Exclusion
MUS 01 01 20058 0816 Lead Contamination Exclusion
MUS 01 01 20063 0816 Punitive Damages Exclusion
MUS 01 01 20080 0816 Exclusion - Earth Movement
MUS 01 01 20082 0816 Exclusion - Asbestos
MUS 01 01 20083 10 13 Pre-Tender Legal Fee Exclusion - California
MUS 01 01 20084 0816 Non-Stacking of Limits Endorsement
MUS 01 01 20094 1013 Amendment of Conditions - Premium Audit
MUS 01 01 20112 1013 Exclusion - Occupational Disease

Other Required Forms:

CG 20 11 04 13 Additional Insured - Managers or Lessors of Premises
CG 21 44 07 98 LIMITATION DESIG PREMISES
CG 21 53 01 96 Exclusion - Designated Ongoing Operations **"Any and all boat, ferry, and/or on-the-water operations."**
MUS 01 01 20125 0915 Exclusion - Injury to Employees, "Temporary Workers" and Contractors

(c) ALL OTHER TERMS AND CONDITIONS APPLY PER FORM**OPTIONAL COVERAGE:**

Terrorism - Additional Premium \$188.00 plus taxes of \$6.02

TO BIND THIS QUOTE PLEASE RETURN THE ITEMS BELOW:

- Completed ACORD 125 & 126 Applications, signed by BOTH the Applicant and Producer - **if you bind, please make sure the Named Insured is corrected to show Marchi Corporation, Inc. DBA Gone Sailing.**

Also, please make sure the "Nature of Insured's Business" shows "Liability for Dock coverage Only."

- Complete, Signed and dated Terrorism Form
- Complete, Signed and dated SL-2 Form (06/2004 edition)
- 2011 D-1 Form, Signed and dated by the Insured.
- Complete A/I information - name **AND** address

THIS QUOTE IS VALID FOR 30 DAYS AND MAY BE WITHDRAWN BY THE INSURER AT ANY TIME PRIOR TO BINDING. THE TERMS AND CONDITIONS OF THIS QUOTATION MAY NOT COMPLY WITH THE SPECIFICATIONS SUBMITTED FOR CONSIDERATION. PLEASE READ THIS QUOTE CAREFULLY AND COMPARE IT AGAINST YOUR SPECIFICATIONS.

THANK YOU FOR YOUR SUBMISSION!

Reference #: 0131063C

Document Header Fields						
New Document	Document Type	Document Date	Posting Date	Posting Period	Header Text	Reference
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New Document	Document Type	Document Date	Posting Date	Posting Period	Header Text	Reference
X	22	01/23/2017	01/23/2017	7	PROCESSING FEE	

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DEPOSIT SUMMARY
Location Real Estate Assets
PROCESSING FEE of \$990.00
Deposited on January 23, 2017

Deposited on January 23, 2017

SAP Deposit Upload Real Estate Assets 23-Jan-17 \$990.00.xlsx
SAP Deposit Summary Real Estate Assets 23-Jan-17 \$990.00.pdf
SAP Deposit Summary Real Estate Assets 23-Jan-17 \$990.00.xlsx

SAP Deposit Summary Real Estate Assets 23-Jan-17 \$990.00.xlsx

Notes:
CONSENT TO SUBLEASE PROCESSING FEE FOR CHSP MISSION B. LESSEE, DEPOSITOR: DONALD D. MARCHI, AMOUNT: \$990, CHECK NO. 0921, CHECK DATED: 12/2/2016, CHECK DRAWN: NAVY FEDERAL CREDIT UNION, AGENT: VLADIMIR BALOTSKY
Deposited by: DAMAVIZCA 65512
Prepared by: DAMAVIZCA 65512
Reviewed by: SREDMAN 66988
Approved by:
Distribution:

Distribution:

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SAP REFERENCE

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Summary File .xlsx (Ctrl+x)

101247854



Date of Notice: March 29, 2017

NOTICE OF RIGHT TO APPEAL ENVIRONMENTAL DETERMINATION

PLANNING DEPARTMENT

PROJECT NAME/NUMBER: Consent to Sublease, CHSP Mission Bay LLC, a Delaware limited liability company

COMMUNITY PLAN AREA: Mission Bay Park

COUNCIL DISTRICT: 2

LOCATION: 1441 Quivira Road, San Diego, CA 92109

PROJECT DESCRIPTION: Consent to sublease between CHSP Mission Bay LLC, d.b.a. Hyatt Regency Mission Bay Spa and Marina and the Marchi Corporation, Inc., a California Corporation, d.b.a. Gone Sailing (individually or jointly) allowing the subleasing of a portion of the Hyatt Regency Mission Bay Spa and Marina dock to provide charter services and overnight onboard accommodations as approved by lessee and City to the patrons of the hotel and the general public.

ENTITY CONSIDERING PROJECT APPROVAL: City of San Diego Mayor-Appointed Designee

ENVIRONMENTAL DETERMINATION: CEQA Exemption Section 15301- Existing facilities

ENTITY MAKING ENVIRONMENTAL DETERMINATION: City of San Diego Mayor-Appointed Designee, Environment & Policy Analysis, Planning Department

STATEMENT SUPPORTING REASON FOR ENVIRONMENTAL DETERMINATION: This activity has been determined to be exempt from CEQA pursuant to CEQA Section 15301 (Existing Facilities) which allows for the operation, repair, maintenance, permitting, leasing, licensing or minor alterations of existing public or private structures or facilities involving negligible or no expansion of use; and where the exceptions listed in CEQA Section 15300.2 would not apply in that no cumulative impacts were identified; no significant effect on the environment were identified; the project is not adjacent to a scenic highway; no historical resources would be affected by the action; and after review of EnviroStor and GeoTracker websites it was found that there are no open environmental cases of known hazardous material contamination that would be disturbed which would otherwise preclude use of a CEQA exemption pursuant to Section 65962.5 of the Government Code.

PROJECT MANAGER: Vladimir Balotsky, SR/WA
Real Estate Assets Department

MAILING ADDRESS: 1200 Third Avenue, Suite 1700, MS 51A
San Diego, CA 92101

PHONE NUMBER: (619) 235-5248

On March 29, 2017, the City of San Diego made the above-referenced environmental determination pursuant to the California Environmental Quality Act (CEQA). This determination is appealable to the City Council. If you have any questions about this determination, contact the City Project Manager listed above.

Applications to appeal CEQA determination made by staff (including the City Manager) to the City Council must be filed in the office of the City Clerk within 10 business days from the date of the posting of this Notice (**April 12, 2017**). The appeal application can be obtained from the City Clerk, 202 'C' Street, Second Floor, San Diego, CA 92101.

This information will be made available in alternative formats upon request.

POSTED IN THE OFFICE OF DSD

POSTED: 3/29/2017

REMOVED: APR 19 2017

POSTED: M. Lee