

GREEK YACHT CHARTER LICENCE

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I.GREEK CHARTER LICENCE – ENTRY AT THE E-REGISTRY OF SHIPS

We introduce a practical and cost effective model for all EU Commercial Yachts of any size and Construction Material and all Non-EU Flag Yachts over 35 Meters Built of Metallic or Polyester Construction to receive the 3 Years Charter License , nowadays Certificate of e-Entry without going through the establishment of Branch Office etc .

II.EXPERIENCE

- Our agency has licensed more yachts with this model from any other firm in Greece . Some of them are : M/Y B2 , M/Y AQUARIUS , M/Y LAUREN L , M/Y HUBO , M/Y MUSTIQUE , M/Y MERCURY , S/Y CLEAR EYES , S/Y ARESTEAS , S/Y ZELDA , S/Y VOYAGE , M/Y QUEEN MARE , S/Y LIFE IS GOOD , M/Y MARALA M/Y ICE LADY , M/Y MAORO , S/Y LE PIETRE , S/Y BEYAZ LALE , M/Y SKYLARK , S/Y MITI ONE , S/Y PAPA JOE , S/Y QUEEN OF DATCA , S/Y SPIRIT OF THE C'S and others

III.PROCEDURES

The licensing process which takes usually 30-40 days consists of 4 steps , as bellow mentioned :

- Licensing Body (The Structure for the Licensing Process & License Holder)
- TECHNICAL FILE (Issuance of the Foreign Commercial Yacht Inspection Certificate)
- VAT & FISCAL FILE (Issuance of the Low VAT Rate on Charters & Other Exemptions)
- LICENSE FILE (All above documents are filed to the Ministry for the Issuance of the License)

IV.LICENSING BODY

After reviewing the Company Documents we will need to sign a an Agreement Called : "AGREEMENT FOR THE COMMERCIAL MANAGEMENT OF A COMMERCIAL YACHT" will be signed between the Greek Fiscal / Charter Management Company and the Yacht Owner . Wording has been approved by the authorities and in practice you will not need to have any office , registration , tax ID in Greece .

The Charter Agreements will be signed through The Fiscal Company as the Assignee (the HYBA Charter Agreements) while all charter funds will be deposited to your account or the account of the stakeholder / broker or central agent as per your request . The VAT will be sent to our company for filling and payment to the Government. The Greek Fiscal / Charter Management Company will be a Special Purpose Single Member Private Company which will be formed exclusively for the purposes of the License and Trade of the Yacht in Greece

Yacht owner's obligation is to pay annual fiscal fees to our agency which covers all services related to the yacht's trade in Greece . VAT Dues , Filing which are paid through the Fiscal Company

V.REQUIRED COMPANY DOCUMENTS

In order to prepare the Documents to be filled as well the Agreement to be Signed following documents are required for the company :

- Certificate of Good Standing (To Show the Directors & Signatories Of The Company)
- Certificate of Incumbency for Marshall Islands , Cayman Islands & BVI Companies
- Copy Of Director(s) Passport
- In the Event that the Directors will not be the Signatory to the AGREEMENT then we will need a Power of Attorney or Minutes of The Board of Directors for the Appointment of the Signatory

VI. TECHNICAL FILE

See At ANNEX I the requirements .

VII.VAT FILE

For the VAT File we will need the following :

- Builder's Certificate
- If available TEMPORARY IMPORTATION IN THE EU of the Yacht
- If Available Proof of Payment of the VAT

VIII.PRIVATE USE OF THE YACHT

As long as the yacht can fulfill the 75 days in the 3 years of the License the owner can use the yacht freely without any obligation and for unlimited time , however during the use of the yacht by the owner or members of his family or members of the board of directors following restrictions apply :

- NO VAT ALLOWANCES in Marinas / Fuel etc during private use
- During the Private USE the existence of a Charter Agreement is prohibited .
- Transit Fuel is not allowed to be supplied during Private Use
- Spare parts are supplied VAT Free as those are essential for the safety of the yacht
- Dry Dock & Winterage is VAT Free as per General Legislation in force
- There is a possibility to be announced later in 2024 that 24% VAT on Private Use will apply however we have no Knowledge of any Directive Yet .

75 Days are discount depending on the age of the yacht from 5 – 25%

IX.VAT ON CHARTERS

Generally the VAT on Charters of yachts over 24 meters that are Chartered with crew fall under the Maritime Transport Sector where the 100% of the VAT is 13% in Greece .

VAT Rate for the Majority of yachts is 5.2% falling under the 60% Discount

Yachts that have Near Coastal Trade Certificates is 7.8% falling under the 40% Discount

For more information please read ANNEX II

X.FEES QUOTATION & ANNUAL FISCAL FEES PAYMENT

Initial Licensing Process includes the Following :

- Technical File / Survey / Surveyor's Fees / Foreign Commercial Yacht Inspection Certificate
- VAT File / All inclusive
- LICENSE for 3 Years
- Fiscal Fees following the second year of the license
- Radio Accounting Authority in Greece
- Shore Base Maintenance in Greece

YACHT SIZE	INCLUDED	PRICE	ANNUAL FEES
24 – 30 meters	All Above	€ 20,000	€ 6,000
31 – 40 meters	All Above	€ 25,000	€ 6,500
41 – 50 meters	All Above	€ 30,000	€ 7,000
51 – 60 meters	All Above	€ 32,000	€ 7,500
60 meters +	All Above	€ 35,000	€ 8,00

FISCAL FEES INCLUDE :

- VAT Filling & Payment
- Annual Declarations
- All HYBA Agreement Procedures
- Liaise with Authorities for all Matters Related to the Charters of the Yacht
- Private USE Procedures

ANNEX I – TECHNICAL FILE REQUIREMENTS (WHAT APPLICABLE)

In order to proceed with inspection for issuance of the Foreign Flag Inspection Certificate (PEXEPA) the following drawings, certificates, documents and photos are needed:

Flag & CLASS Certificates:

Certificate of Registry
Class Certificate (if applicable)

Drawings/Calculations:

- General Arrangement Plan
- Midship Section plan
- Lines Plan
- Sewage (Black water) Plan
- Bilge Plan
- MARPOL Plan
- Stability Booklet
- Tank Plan
- Telecommunication Equipment plan (if applicable)

Annual Certificates:

- Life Rafts Annual Certificates (Please provide me with the updated certificates)
- Shore Based Maintenance Agreement
- Compass Deviation Card
- Megger Test

In addition to the documents, the following photo list must be provided.

- Parachute Flares, Hand sparklers, Smoke signals (Type/Manufacture Date)
- Anchors/Chains
- Engine room (Main Engine plates/Diesel Generator plates)
- Fire/Bilge Pumps
- Batteries
- Circular Lifebuoys
- Life Jackets
- Telecommunication Equipment
- Battery Charger and GMDSS Radio Equipment Power Supply

LSA REQUIREMENTS

- Adult Life jackets for 110% of people on board (passengers+crew)
- Children Life jackets for 10% of people on board (passengers+crew)
- Liferafts for 100% of people on board
- 4 x Circular Buoys (1 x with light + 1 x rope)
- 3 x parachute flares, 3x hand flares, 2 x smoke day flares
- 7 x navigation lights approved type and 7 x spare
- 3 x navigation battery lights
- Two (2) metallic buckets for fire

MARPOL & SOLAS REQUIREMENTS

Minimum 2 x bilge pumps in E/R which deliver to sludge tank and a pump that delivers to shore connection

1 x pump from sludge tank to shore connection on main deck

Sewage Piping: A sewage certificate has to be issued by INSB Class, so the following is needed.

- As maximum Beam of vessel is more than seven (7) meters, extra shore connection is needed on PS of the vessel (there is one existing shore connection on STD)
- Two (2) delivery pumps (service & emergency) are needed to deliver to both shore connections

OTHER SAFETY EQUIPMENT

2 x Anchors and chain according to equipment Nr of the vessel

1 x fire pump with all needed equipment

30cm threshold to all entrances from main deck

3 x black balls, complete medicine box, compass with adjustment certificate,

PUBLICATIONS

(Medicine book, pilot book, preventing collision book, table of saving life at sea procedures, lighthouse book, GMDSS book)

RADIO

GMDSS equipment is: 1 x VHF-DSC and 1 x EPIRB certified by EU regulations

1 x GMDSS chargers and 1x batteries of minimum capacity of 44 Ah as emergency

GMDSS source of power (20n.m. from ashore 40 n.m. from land to land)

complete A1 GMDSS equipment for A1 voyages without any restrictions

Ability to turn off the fuel supply to engines and E/R ventilation from the bridge

ANNEX II – APPLICABLE VAT RULES & VAT ON CHARTERS

For 2024 VAT On Yacht Charters falls under the Vat of the Sea Transport Sector consequently the VAT will be imposed as follows :

IN BRIEF :

- YACHTS THAT ARE OVER 24 meters and Chartered With Crew they fall under the Maritime Transport Act thus discounts apply .
- YACHTS under 24 meters fall under the Bareboat Charter (Lease) thus proof is required as per relevant legislation for any discount granted .

VAT RATE On Charter Agreements Is 13% (100%)

NO PROOF REQUIRED ACCORDING TO A.1018/20

APPLICABLE VAT DISCOUNTS

- I. Charter Agreements with NO VAT % (Thus 100% Discount)
- II. Charter Agreements with 5.2% (Thus 60% Discount)**
- III. Charter Agreements with 7,8% (Thus 40% Discount)*
- IV. Charter Agreements with 9.6% (Thus 30% Discount)

YACHTS CHARTERED WITH CREW VAT DISCOUNT

- i. All touristic ships executing international voyages outside out territorial waters, when they approach a foreign port, pay no VAT.
- ii. All touristic ships executing international voyages outside out territorial waters, but do not prove that they are approaching a foreign port, have a 60% deduction in VAT (category I). All touristic ships departing from a Greek port and execute long voyages (e.g Piraeus, Corfu, Northern Greece, Mitilini, Crete and Dodecanese) have a 50% VAT deduction (category II).
- iii. All touristic ships departing from a Greek port and execute shorter voyages (e.g Piraeus towards Cyclades, Northern Sporades, Zakynthos, Kefallinia, Corfu) have a 40% VAT deduction (category III).
- iv. All touristic ships executing restricted voyages (e.g from Piraeus towards the ports of Saronikos and Argolikos or from the ports of Northern and Southern Evoikos towards Volos or between ports in the Korinthiakos Bay until Patra) have a 13% VAT.

*Few Malta Flag Yachts that at article 5 of their compliance certificate mentions SHORT

ANNEX IV – CREW REGULATIONS

SAFE MANING

When the yacht will be under charter is obliged to have the Minimum Safe Maning as a Greek Flag Yacht .

The Crew Rank is applicable as far as the STCW Requirements and Not based on its Nationality . The Capacity of the Seafarer / Officer is Compulsory as far as the Diploma / COC etc and not the Nationality as long as the Flagstate of the Yacht has No Nationality Restrictions .

IT WILL HELP A LOT THE YACHTS TO BE CERTIFIED FOR UMS or Unattended Machinery Spaces is a marine automation system for ship's engine room .

SOCIAL SECURITY

EU and EU Residents Crew Members is obliged to have Social Security in order to be able to work on board the yacht under charter . This is proven with the presentation of the A1 Certificate

A1 — Certificate concerning the Social Security legislation which applies to the holder
The A1 form certifies which social security legislation applies to the holder of the form. It will generally be needed in situations where you, as an employed or self-employed person, have a connection through your employment or self-employment with more than one EU country

Addresses of institutions responsible for issuing the portable document A1 :

https://europa.eu/youreurope/citizens/work/unemployment-and-benefits/social-security-forms/contact_points_pd_a1.pdf

NON EU CREW at the Moment can still work without the Social Security being compulsory even though there was a Directive in effect which has been recalled .

Within 2024 we are expecting a directive on how NON EU Crew will be having official Social Security in Greece .,