

Federal Decree by Law No. (43) of 2023

Concerning the Maritime Law

We, Mohammed bin Zayed Al Nahyan President of the United Arab Emirates,

- Having reviewed the Constitution; and
- Federal Law No. (1) of 1972 concerning the competences of ministries and the powers of ministers, as amended; and
- Federal Law No. (26) of 1981 concerning the Maritime Commercial Law, as amended; and
- Based on the proposal submitted by Minister of Energy and Infrastructure and approved by the Cabinet.

Do Hereby Promulgate the following Decree by Law:

Section One

Definitions and General Provisions

Chapter One

Definitions

Article (1)

For the purpose of applying the provisions of this Decree-Law, the following words and expressions shall bear the meanings assigned thereto respectively, unless the context requires otherwise:

The State : The United Arab Emirates

The Ministry : Ministry of Energy and Infrastructure

The Minister : The Minister of Energy and Infrastructure.

The Competent Authority : The government of any of the Emirates or any other entity affiliated therewith.

Territorial Waters of the State : All maritime zones of a State, including the internal waters, the territorial sea, the contiguous zone and exclusive economic zone defined by law.

- Marine Facility** : Any man-made structure that is floating and intended to be used in the marine environment.
- The Ship** : Any seagoing watercraft operating, or intended to be operated for maritime navigational purposes, even if it does not aim to make a profit. All accessories of the ship shall be deemed part of the ship.
- The Watercraft** : Any seagoing or marine craft operating or intended to be operated in the territorial waters and water streams in the Emirate, whether for personal, commercial, sports or tourism purposes, and of whatever type or form.
- The Port** : Any natural or artificial harbor for ships to dock, and at which ships are provided with the necessary services to prepare or end their sea voyages. It includes all buildings, installations and facilities located in, above or next to the water and all lands necessary for their use.
- The Ship's Husband** : The person who exploits the ship navigationally and commercially for his own account in its capacity as an owner, charterer of the ship or the manager of the co-owned ship. The owner shall be deemed the Ship's Husband unless proven otherwise.
- The Captain** : Every natural person who commands and is in charge of a ship from a navigational port, and from whom, or from whose representative, all seafarers take directions directly. The Captain shall be considered a seafarer with regard to the Seafarer Employment Agreement concluded between him and the Ship's Husband.
- The Seafarer** : Every natural person bound by a Seafarer Employment Agreement.
- The Towing Officer** : Every natural person who exploits a tugboat to tow and move another ship, in consideration of a freight.
- The Pilot** : Every natural or legal person licensed to provide marine pilotage services to ships.
- The Ship Agent** : A paid agent who works in the name and for the account of the ship's husband in the port that the agent takes as his headquarters.
- The Shipping** : A paid agent who acts on behalf of the right holders entitled to

Agent	receive the cargoes at the port of unloading, and takes all necessary actions to receive, examine and release the cargoes, in addition to providing the appropriate way for their exit from the port of unloading.
The Transit Agent	: A paid agent who acts on behalf of the Carrier or the cargo owner, as the case may be, to establish connection and linkage between the stages of receipt and handover of cargoes by different Carriers.
Loading and Unloading Contractor	: A natural or legal person charged with carrying out the work of loading and unloading of cargoes on a ship, in consideration of a freight.
The Charter Party	: A contract whereby the Shipowner undertakes to put at the disposal of the Charterer a seagoing ship or part thereof for a fixed period of time or for carrying out one or more voyages, in consideration of a freight.
Contract of Carriage by Sea	: A contract whereby the Carrier undertakes to carry cargoes or passengers, in consideration of a freight.
Bill of Lading	: It is a document that establishes the execution of the contract of carriage of cargo and the Carrier's receipt or shipping of the cargo, and whereby the Carrier undertakes to deliver the cargo against the recovery of the original bill of lading.
Contract Carrier	: Any person by whom, or in whose name, a contract for carriage of cargo by sea has been concluded with the Consignor or its representative.
Actual Carrier	: A person whom the Contract Carrier assigns to perform all or part of the carriage of cargoes, including also any other person to whom the actual Carrier entrusts the performance of the same.
Multimodal Transport	: It is a transportation approach whereby the Carrier undertakes, under one BOL, to transport cargoes under its responsibility from the place of receipt to the place of handover using two or more

- different modes of transport, one of which at least is a maritime mode.
- Freight Forwarding** : A contract whereby a natural or legal person undertakes on behalf of the Consignor to carry out all or any of the work necessary to handle and transport cargoes from their country of origin to their destination by sea as a main stage of transportation or as one of its main stages, whether it performs these works in its personal name and for the benefit of the Consignor or in the name and for the benefit of the latter.
- Marine Accident / Casualty** : An event, or a sequence of events, that occurs directly in connection with the operation or berthing of a ship in the port and which causes or could cause damage to the ship or to other ships, persons or property aboard, third parties or the marine environment.
- General Average Losses** : Loss or extraordinary expenses determined by the captain, and which are borne or incurred intentionally and through a reasonable manner for the sake of general safety and to avoid an imminent danger jeopardizing the ship and the on-board cargoes.
- Special Drawing Rights (SDRs)** : An international unit of measurement for monetary values determined by the International Monetary Fund on a daily basis and denominated in various national currencies, including the State's currency.
- Marine Risk** : An unexpected incident that is likely to occur during a sea voyage.
- The Executive Regulations** : The Executive Regulations of this Decree-Law.

Chapter Two

General Provisions

Article (2)

1. The provisions of this Decree-Law shall apply to all seagoing watercrafts, ships, and maritime means that engage in activities in relation to freight forwarding and maritime navigation, in a manner that does not conflict with the provisions of relevant international agreements, treaties and protocols ratified by the State.
2. The provisions of Federal Decree-Law No. 50/2022 Issuing the Commercial Transactions Law shall apply to activities in connection with the maritime navigation as commercial businesses, regarding matters for which there is no special provision in this Decree Law.
3. Ships and marine vessels designated for military purposes, and government-owned vessels and marine vessels designated for non-commercial purposes, shall be excluded from the provisions of this Decree-Law.

Article (3)

The following provisions shall apply to the relationship that may be established between persons in relation to the matters regulated by this Decree-Law:

1. Contracts and agreements concluded between them, unless they go against the provision set forth in this Decree-Law.
2. The provisions of this Decree-Law shall apply if there is no special agreement executed between the parties or where the application of the agreement is not appropriate.
3. Relevant laws in force in the State.
4. Maritime practices that do not conflict with the provisions of this Decree-Law, and in respect of which no special provision is provided under any of Articles (1) and (2) of this Article.
5. Rules of justice, if there is no maritime practice that can be applied.

Article (4)

If a dispute arising from the application of the provisions of this Decree-Law is settled by way of reconciliation or conciliation, the rules regulating the ratification of arbitration awards contained in Federal Law No (6) of 2018 on Arbitration shall apply to the reports of

reconciliation or conciliation. In case the report is ratified, it shall have the force of *res judicata* before the State courts.

Article (5)

The employees of the Ministry or the competent authority, who are designated by a decision issued by the Minister of Justice or the head of the local judicial authority in agreement with the Minister or the head of the competent authority, as the case may be, shall, within their respective sphere of competence, have the capacity of judicial enforcement officers with regard to proving what has occurred in violation of the provisions of this Decree-Law, its Executive Regulations, and the decisions issued in implementation thereof.

Article (6)

Employees granted the capacity of the judicial enforcement officers have the right to board and inspect ships, seagoing watercrafts and marine means of transport, investigate and document violations. They further have the right to request access to any documents or data in relation to the ship, seagoing watercraft or marine means of transport, within their respective sphere of competence.

Section Two

The Ship

Chapter One

Ship and Shipbuilding Contract

Article (7)

1. The ship is a tangible movable property, and the provisions that apply to tangible movable property shall also apply thereto, except for the provisions in respect of the ownership of ship by way of physical possession, whatever the aspects thereof may be.
2. The Ministry shall create a register to be labelled the "Ships Register" to register ships and seagoing watercrafts. The register shall include the types of ships and seagoing watercrafts, their sizes, classifications, navigation purposes and sailing areas, as determined by the Executive Regulations.

3. The Cabinet may entrust the creation of the register stipulated in Clause (2) of this Article to any of the competent authorities within the limits of its competence. The provisions applicable to the register created in the Ministry and the effects resulting from registration or removal thereof shall apply to this register, and the competent authority shall substitute for the Ministry. In this case, the competent authority shall inform the Ministry of all data recorded in this register and any amendments thereto in accordance with the controls and conditions determined by the Cabinet.

Article (8)

1. Each ship shall be given a specific name, which shall be placed in a prominent place on the ship.
2. The ship's total tonnage and net tonnage shall be recorded in a certificate approved by the Ministry or its authorized representative in this regard.
3. The ship shall be classified according to a certificate issued by any of the classification bodies licensed by the Ministry, or whose certificates are approved by the Ministry.
4. The ship's home port shall be determined to be the port specified by its owner upon applying for its registration.
5. The controls and procedures necessary for the application of the provisions of this Article shall be determined by a decision of the Minister.

Article (9)

1. The shipbuilding contract is the contract whereby the shipbuilding contractor undertakes to build the ship according to the specifications determined by the shipbuilding applicant after their approval by the Ministry or its authorized representative, in accordance with the laws in force in this regard.
2. The shipbuilding contract and every amendment thereto shall be made in writing, otherwise it shall be rendered null and void.
3. The Ministry shall create a special register called the "Register of Ships Being Built", in which shipbuilding contracts are recorded.
4. The shipbuilding contractor shall record the shipbuilding contract in the register referred to in Clause (3) of this Article in accordance with the procedures specified by the Ministry.

Article (10)

1. Ownership of the ship shall not be transferred to the shipbuilding applicant unless he accepts the handover thereof after testing the same unless otherwise agreed upon.
2. If the parties to the shipbuilding contract agree to transfer its ownership to the shipbuilding applicant during the shipbuilding period, the shipbuilding contractor may withhold the ship upon completion of its shipbuilding until the full price is paid.

Article (11)

1. The shipbuilding contractor shall be held accountable for hidden defects in the ship, even if the ship's takeover report does not contain any reservation.
2. In the event of a denial, the liability claim for the hidden defect referred to in Clause (1) of this Article shall not be heard after one year from the date of detection of the defect in the ship or after two years from the date of takeover of the ship, whichever is later.
3. The provisions of Clauses (1) and (2) of this Article apply to the ship maintenance or repair contractor regarding maintenance and repair works.

Chapter Two

Nationality and Registration of the Ship

Article (12)

1. The ship acquires the nationality of the State if it is registered in the Ministry's Ships Register.
2. Ships confiscated by the State and bulk ships found by ships holding the nationality of the State shall be deemed to be ships that hold the nationality of the State.
3. By a decision of the Cabinet, the nationality of the State may be granted to a ship owned by a legal person in which several countries, including the State, have shares, pursuant to an international agreement.

Article (13)

1. In order to register a ship in the Ministry's Ships Register, the following requirements shall

be met:

- a. It shall be normally designated for navigation in the State's maritime zones, coastal navigation between the State's ports or navigation on the high seas.
 - b. The majority of the shares in the ship shall be owned by natural persons or legal persons who have the nationality of the State or the nationality of any of the countries of the Gulf Cooperation Council, or shall be owned by natural persons or legal persons who have a domicile, headquarters or ship management office in the State.
 - c. It shall not be more than (20) twenty years old from the date of completion of its shipbuilding in accordance with the shipbuilding contract, with the exception of passenger ships, which shall not be more than (10) ten years old.
 - d. Its drawings and specifications shall be approved by the Ministry or its authorized representative after inspecting the ship.
 - e. It shall have valid international certificates indicating its suitability for maritime navigation, issued by any of the classification bodies licensed by the Ministry, or whose certificates are approved by the Ministry.
2. The Cabinet may amend any of the conditions referred to in Clause (1) of this Article.
 3. The Executive Regulations shall specify ship registration procedures.
 4. Notwithstanding the provisions set out in Clause (1) of this Article, and in accordance with the requirements of the public interest of the Ministry, the registration of the ship may be refused.

Article (14)

Ships registered in the Ships Register shall fly the State's flag, and no other ships can fly the State's flag, without prejudice to international maritime agreements and customary practices.

Article (15)

1. Foreign ships may not carry out maritime carriage between the State's ports or engage in fishing, towing, piloting, cruise, supply and fueling or other maritime services and activities in the State's maritime zones without the approval of the Ministry in accordance with the conditions specified by the Executive Regulations.
2. Foreign ships may not carry out any military activities, hydrographic surveys, marine

scientific research, search and exploration for oil and other resources, or any work connected with submerged cultural heritage in the exclusive economic zone without obtaining prior permission from the competent authorities in the State.

Article (16)

1. No natural or legal person may practice any maritime activity through a seagoing watercraft unless the said watercraft is registered in the Register with either the Ministry or the competent authority. The Executive Regulations shall specify the controls for registering the seagoing watercrafts in the Register.
2. The competent authority shall link and share all data in relation to the seagoing watercraft registered in its Register, and any change or update made thereto with the Ministry shall be made in accordance with the controls determined by the Ministry, after coordination with the competent authority.

Article (17)

1. The Ministry shall maintain a special register for seagoing watercrafts and buoys designated and not normally designated for maritime navigation. Moreover, the Executive Regulations shall specify their types, conditions and procedures for registration and the consequences thereof.
2. The Cabinet may entrust the creation of the Register described in Clause (1) of this Article to any of the competent authorities within the limits of its competence, in addition, the provisions applicable to the Register created in the Ministry and the effects resulting from registration therein or removal therefrom shall apply to this Register. The competent authority shall substitute for the Ministry, and in this case the competent authority shall inform the Ministry of all data recorded in this Register and any amendments thereto in accordance with the controls and conditions determined by the Cabinet.

Article (18)

1. The Charterer of a ship registered abroad that meets the conditions for registration under the Emirati flag referred to in Article (13) of this Decree-Law may request its registration with the Ministry, if the following conditions are met:

- a. The chartered ship shall not be a bareboat.
 - b. The charter party period shall not be less than (6) six months.
2. The Ministry shall determine the mechanism and procedures for registering a chartered bareboat.

Article (19)

1. The Ministry may license the owner of a ship registered with the Ministry to fly the flag of another country if it wishes to rent the ship as a bareboat to a charterer who requests its registration abroad.
2. The shipowner shall submit an application for a license to fly the flag of another country, accompanied by the following documents:
 - a. Charter party for the bareboat.
 - b. A letter issued by the ship's registration office abroad stating that the charterer's home country has approved the registration of the ship and the raising of its flag.
3. The Ministry may not license the raising of the flag of another country, unless all rights in-rem on the ship are settled or the written approval is obtained from all owners of rights in-rem registered in the Register.
4. Under no circumstances, the shipowner may challenge the Ministry's decision to refuse a license to fly the flag of another country in accordance with the requirements of the public interest, not even with any form of challenge.

Article (20)

1. The Ministry shall inform the maritime administration of the country, whose flag will be raised on the ship, of the decision to permit the shipowner to fly the flag of that country.
2. The issuance of a decision permitting the raising of the flag of another country results in freezing the ship's registration in the Ministry, taking into account noting in the Register the name of the country permitting the shipowner to carry its flag.
3. If the ship is subject to Enforcement Attachment in the State, the Ministry shall notify the registration office abroad to take procedures for the judicial sale of the ship.
4. The Ministry determines the mechanism and procedures for chartering a ship registered in the Ministry to fly the flag of another country.

Article (21)

1. The ship shall be removed from the Register in any of the following cases:
 - a. If the ship permanently loses its suitability for maritime navigation and becomes shipwreck.
 - b. If the bareboat charter party registered abroad is terminated in accordance with the provisions of Article (18) of this Decree-Law.
 - c. If its ownership is transferred to a person who does not meet the registration conditions.
 - d. If a court order is issued to cancel the ship's registration.
 - e. If the shipowner applies for the removal.
 - f. When the public interest so requires.
2. The shipowner or its representative, or the charterer or its representative, shall inform the Ministry of the reason for the deregistration of the ship, not later than (30) thirty days from the date the reason therefor.
3. The shipowner or its representative, or the charterer or its representative, shall return the ship's registration certificate to the Ministry, if possible.
4. The Ministry shall determine the procedures for the removal of the ship from the Register.

Chapter Three

Navigation License

Article (22)

1. Any ship registered with the Ministry shall be prohibited from practicing any maritime activities without obtaining a navigation license to be issued by the Ministry.
2. Any seagoing watercraft registered with the Ministry or the competent authority shall be prohibited from practicing any maritime activities without obtaining a navigation license to be issued by the Ministry or the competent authority, as the case may be.
3. The Executive Regulations shall specify the controls and procedures for issuing the navigation license, its duration, amending its data, provisions for its renewal and cases of suspension and cancellation.

Article (23)

1. The captain of the ship or seagoing watercraft shall inform the Ministry or the competent authority, as the case may be, immediately upon the occurrence of a Marine accident or if the shipowner introduces changes in its structure or in its devices and equipment in violation of the validity certificates issued thereto, failing which, the Ministry or the competent authority may, as the case may be, issue a decision to suspend or cancel the navigation license.
2. In the event of cancellation of the license, the Ministry or the competent authority may issue a new navigation license for the ship after removing the causes of the violation.

Chapter Four

Legal Dispositions Associated with the Ship

Article (24)

1. The Ministry shall attest every contract that results in the creation, transfer or termination of a right in-rem over the ship, otherwise it shall be deemed null and void. The Executive Regulations shall specify the controls and procedures for ratification and the responsibility arising therefrom.
2. If the contract was concluded outside the State, and it is associated with a ship registered there, it shall be executed before the consul of the country or before the competent authority abroad.
3. The ship-related data contained in the contracts shall be full and accurate so that the parties to the contract can be fully aware of all relevant information.
4. All legal actions and rights associated with the ship shall be recorded in the Register, none of which may be invoked unless being registered in the Register. Judicial judgments and decisions associated with the ship shall also be recorded in the Register.

Article (25)

1. The owner of a ship registered in the State may not take any action in respect of the transfer of ship's ownership before paying all debts recorded in the Register or obtaining the creditor's approval to transfer ownership. Otherwise, the action shall be deemed void. The Executive Regulations shall specify the mechanism and procedures for the transfer of

ownership.

2. If ownership of the ship is transferred to another person under the provisions of Clause (1) of this Article, the transferor shall return the ship's registration certificate to the Ministry, and the Ministry shall issue a new registration certificate in the name of the transferee upon its request, once the latter meets the requirements set forth in Article (13) of this Decree-Law.

Article (26)

1. The owner of a ship registered in the State may not dismantle the ship or sell its wreckage before obtaining the Ministry's approval in accordance with the controls and procedures specified by the latter.
2. The Ministry may not issue the approval referred to in Clause (1) of this Article, unless the party concerned pays off the debts and compensation, as well as the maritime debts registered in the Ship Register owed to the State.

Chapter Five

Co-ownership of A Ship

Article (27)

1. If there are multiple owners of the ship, they shall be deemed co-owners, whether they are natural persons, legal persons or both. The ship shall be divided into (100) hundred shares. The owner's share in the ship shall be determined based on the shares owned thereby.
2. With the approval of the majority of the shipowners, who own more than half of the shares in the ship, the management of the ship may be entrusted to one or more managers chosen from among the shipowners or third parties.
3. The Executive Regulations shall specify the mechanism for managing the ship, making decisions and objecting to the same.

Article (28)

1. No joint owner may mortgage or sell its share in the ship without obtaining the approval of the rest of the owners. In the event of a sale, the notification shall include the price

determined for its share. Each owner has the right to request the redemption of the sold share through a notice addressed to both the seller and the purchaser on the condition that it pays the price and expenses, in accordance with the controls and procedures specified in the Executive Regulations.

2. The disposition referred to in Clause (1) of this Article shall be deemed void if it results in rendering any of the conditions for registering the ship in the State invalid, without the approval of all shipowners, and in accordance with the controls set out in the Executive Regulations.
3. The co-ownership of the ship may not be terminated except by a decision of the owners who hold at least two-thirds of the shares in the ship. However, any of the owners may request the sale of the entire ship at open auction through applying the procedures for the compulsory sale of the ship. If the owners, who hold at least half of the shares in the ship, do not approve this sale, the competent court shall order the sale if necessary.

Chapter Six

Liens Over the Ship

Article (29)

The lien holder of a ship may keep a watchful eye on the ship wherever it exists, in order to satisfy its right as per the following order of priority:

1. The judicial costs incurred for the protection, maintenance and sale of the ship and distribution of its price, as well as loading fees, port fees, lighthouses fees and other fees and taxes payable to the State and compensation resulting from damage to ports, docks and navigation streams and charges for removing navigation obstacles caused by the ship and maintenance expenses from the time the ship anchors in the last port..
2. The rights arising from the employment agreement of the captain, seafarers and other persons who are bound by a seafarer employment agreement on the ship.
3. Amounts due for the marine salvage and the ship's contribution to the General Average Losses.
4. Compensation due for marine casualties and physical injuries sustained by the passengers and crew, other than compensation due for loss or damage sustained by the goods and luggage.

5. The debts arising from the contracts concluded by the Ship Agent on behalf of the ship's husband or concluded by the captain outside the ship's port of registration within the limits of its legal authorities.
6. Debts arising from loading, unloading, pilotage and towing operations.
7. Malfunction and damage that require compensation for the ship's charterers.
8. The total insurance premiums taken out on the ship's hull, equipment and devices due for the last insured voyage if the insurance was executed with respect to a voyage or until the end of the insurance period if the insurance was executed for a specific period, provided that in both cases the total does not exceed one year's premiums.

Article (30)

1. Liens are not subject to any formal procedure or any special requirement of proof, except for cases for which the Decree-Law specifies special procedures or specific forms of proof.
2. As an exception to the provisions of Clause (1) of this Article, the liens referred to in Clauses (7) and (8) of Article (29) of this Decree-Law may be registered in the Ships Register, provided that the contract is notarized.

Article (31)

1. The preferred debts described in Article (29) of this Decree-Law become payable on the ship and the forwarding freight for the voyage during which the debt arose and on the accessories of both the ship and the forwarding freight earned since the start of the voyage.
2. Without prejudice to the provisions of Clause (1) of this Article, the lien referred to in Clause (2) of Article (29) of this Decree-Law shall apply to the forwarding freights due for all voyages made under an employment contract.
3. The following items are considered accessories to both the ship and the freight:
 - a. Compensation due to the owner for material damage inflicted on the ship that has not been repaired or for loss of freight.
 - b. Compensation due to the owner for common marine losses, if they are the result of physical damage to the ship that has not been repaired or from loss of freight.
 - c. The rewards due to the owner for assistance or salvage activities performed until the

end of the voyage, after deducting the amounts due to the pilots, seafarers and other persons who are linked to a seafarer employment contract on the ship.

Article (32)

1. The forwarding freight is considered to be the travel freight of passengers, and the value for determining the responsibility of the shipowners, when necessary.
2. Compensations due to the owner in exchange for insurance contracts, rewards or assistance granted by the State are not considered part of the ship's accessories or forwarding freight.

Article (33)

The lien associated on the forwarding freight shall remain valid as long as the freight is payable or its value is under the control of the captain or the ship's husband's representative. The same shall apply to the lien associated with the ship's accessories and the forwarding freight.

Article (34)

1. The preferred debts relating to a single voyage shall be created in accordance with the order mentioned in Article (29) of this Decree-Law, and the debts contained in each clause thereof shall be in the same rank and associated with the distribution in proportion to the value of each.
2. The debts mentioned in Clauses (3), (5) and (6) of Article (29) of this Decree-Law shall be created with respect to each clause on a case-by-case basis according to the reverse order of the date of their creation.
3. The debts associated with a single casualty shall be deemed to be created in a single date.

Article (35)

Preferred debts arising from the ship's last voyage take precedence over the preferred debts arising from its previous voyages. However, debts arising from a single seafarer employment contract for several voyages are all ranked equal to the debts in respect of the last voyage.

Article (36)

The liens associated with the ship shall expire in any of the following cases:

1. Judicial sale of the ship.
2. Voluntary sale of the ship is optional; if the purchaser takes the following steps before paying the price:
 - a. Register the purchase contract in the Ships Register.
 - b. Publish a statement of the sale and the corresponding price via the Ministry's website, provided that the publication includes specifying the name and domicile of the purchaser.
 - c. Publish a summary of the purchase contract stating the price, name and domicile of the purchaser. This publication shall be made twice, eight (8) days apart, in a widely circulated local daily newspaper. The liens shall be transferred to the price if the preferred creditors, within thirty (30) days from the date of the last publication in the newspapers, notify both the old owner and the new owner of their opposition to paying the price unless it has been paid or distributed.

Article (37)

1. In the event of denial and absence of a legally-admissible excuse, the cases relating to liens associated with the ship shall not be heard after one year has passed, except for cases in relation to liens guaranteeing debts arising from the aforementioned contracts referred to in Clause (5) of Article (29) of this Decree-Law shall not be heard after six (6) months have passed from the due date of the debt.
2. The period referred to in Clause (1) of this Article shall begin to take effect as follows:
 - a. As for the liens guaranteeing compensation for assistance and salvage, starting from the day these operations end.
 - b. Concerning liens guaranteeing compensation for collisions, other casualties and physical injuries from the day the damage occurred.
 - c. With regard to the right of lien for loss or damage to cargoes or luggage, from the day the goods or luggage were delivered or from the day on which they should have been delivered.
 - d. With regard to repairs, supplies and cases referred to in Clauses (7) and (8) of Article

(29) of this Decree-Law from the day the creation of debt.

e. In all other cases, the period takes effect from the day the debt becomes due.

3. Permitting captains, seafarers and other persons who are bound by an employment contract on the ship to receive amounts in advance or on account does not result in their debts referred to in Clause (2) of Article (29) of this Decree-Law being considered payable and due before the deadline set therefor.

4. The periods referred to in Clause (1) of this Article shall be extended to (3) three years if it is not possible to impose an attachment on the ship on which the lien is granted in the territorial waters. The category benefiting therefrom includes persons who hold the nationality of the State, persons who hold the nationality of a country providing the same privileges as the ones provided to the State's nationals or the persons who have a domicile in the State.

Article (38)

The foregoing provisions shall apply to ships operated by the owner ship's husband, the non-owner ship's husband or the original charterer. However, the foregoing provisions shall not apply if possession of the ship is lost by an unlawful act and the creditor is acting in bad faith.

Article (39)

The competent authority has the right to impose an attachment on the shipwreck to guarantee the expenses of removing this wreck. It may sell it administratively at an open auction and collect its debt from the price in preference to other creditors. The remainder of the price shall be deposited with its treasury to be distributed among them, if any.

Article (40)

The provisions contained in this Chapter shall apply to commercial ships owned, operated or managed by any federal or local authority.

Chapter Seven

Bottomry Bond

Article (41)

1. The ship may be mortgaged in accordance with the provisions referred to in this Chapter, regardless of its tonnage.
2. If the ship is co-owned, it may be mortgaged in its entirety with the approval of the majority of the owners holding at least three-quarters of the shares. If this majority is not present, the matter may be referred to the court in whose jurisdiction the ship's port of registration is located, to take a decision in a manner consistent with the interests of the co-owners.
3. A ship may be mortgaged while it is in the process of shipbuilding, and the Executive Regulations shall specify the controls and procedures for registering the mortgage in the Register.

Article (42)

1. The ship shall be mortgaged by a bond accompanied by the authentication of the signatures of the parties thereto, otherwise it shall be deemed void, in accordance with the provisions of Article (24) of this Decree-Law.
2. It is permissible to mortgage the ship and carry out all transactions in relation to the mortgage through modern technological means.

Article (43)

1. The mortgage executed in connection with the ship or a share therein shall remain effective with respect to its wreck.
2. The mortgage executed in connection with the ship shall apply to neither the forwarding freight, nor to the rewards, subsidies or assistance granted by the State, nor to the insurance amounts or compensation for damages, but it includes compensation due to the owner for material damage inflicted on the ship that has not been repaired.
3. Notwithstanding the provisions stated in Clause (2) of this Article, it may be stipulated in the mortgage contract that the mortgage creditor shall recover its debt from the insurance amount, provided that the insurers accept the same in writing or are notified of the same.

Article (44)

1. The mortgage shall be immediately next in rank to the preferred debts referred to in clauses (1), (2) (3), (4), (5) and (6) of Article (29) of this Decree-Law, except for the liens referred to in Clauses (7) and (8) of Article (29) of this Decree Law, if the lien was registered in the register at a date prior to the registration of the mortgage.
2. The rank of debts secured by a mortgage shall be determined according to the dates of its registration. If two or more mortgages are registered on a ship or on a share therein on the same day, their order shall be determined according to the precedence of registration.
3. The registration entails guaranteeing the cost of the debt for the last two years, in addition to its cost for the current year at the time of winning the bid, and these costs have the same rank as the principal of the debt.

Article (45)

1. Creditors who are mortgagee of a ship or part thereof shall keep a watchful eye on the ship wherever it is, and the mortgage shall not be extinguished by the confiscation of the ship for violating the State's legislation.
2. It is not permissible to dispose of the ship after registering the attachment report in the Ships Register.

Article (46)

Any disposal of a ship burdened by a mortgage that results in it losing the nationality of the State shall be prohibited, and the disposal shall be deemed null and void.

Article (47)

1. If the mortgage is on a share not exceeding half of the ship, the mortgagee creditor has no choice but to apply for the attachment on such share and sale of the same. If the mortgage is executed on more than half of the ship, the creditor may, after the imposition of the attachment, sell the entire ship.
2. In the both cases referred to in Clause (1) of this Article, the creditor shall formally notify the remaining partners, at least fifteen (15) days prior to the start of the sale procedures, of paying the outstanding debt or bearing the enforcement procedures.

Article (48)

1. Enforcement on the mortgaged ship shall be carried out in accordance with the procedures for Prejudgment attachment of the ship contained in this Decree-Law, unless the parties agree on other rules for the mortgaged creditor to recover his rights. The decision of the auctioneer or the completion of the agreed-upon procedures shall result in the ship being discharged of all mortgages and the rights of the creditors being transferred to the price.
2. It may be agreed on the mortgage contract that the mortgagee creditor shall own the ship or the mortgaged share in the event of failure to pay the debt secured by the mortgage at its maturity date. If the mortgagor debtor refuses to hand over the ship to the mortgagee creditor, the latter may submit an application to the competent court within the jurisdiction of which the ship is located to enable him to take over the ship.
3. The order issued by the competent court within a period not exceeding (3) three working days from the date of submitting the application thereto shall be deemed Writ of Execution for takeover, and the same shall not result in the ship being discharged of other mortgages.

Article (49)

1. If ownership of the mortgaged ship or any thereof is transferred before the attachment report is registered, the mortgagee creditor who took enforcement measures against the ship shall notify the possessor thereof by virtue of the attachment report and formally request him to pay the debt.
2. If the possessor wants to cancel the attachment and sale procedures, he shall, before the initiation of these procedures or within (15) fifteen days following notification of payment of the debt, serve a notice to the creditors registered in the Ships Register to the domiciles chosen therefor contained in the mortgage contracts of his willingness to pay the debts secured by the mortgage immediately, whether they are payable or not payable, within the limits of the price of the ship, for which he is liable. Furthermore, the aforementioned notice shall include the following details:
 - a. A summary of his contract, indicating the date of the contract, the name and nationality of the seller, the name of the ship, its type, tonnage, price and expenses.

- b. A list of registered debts, along with their maturity dates, amounts and names of creditors.

Article (50)

1. In the case described in Article (49) of this Decree-Law, any creditor may apply for the sale of the ship or part thereto by auction, along with drawing up a report on the increase estimated by the judge and providing a guarantee for the price and expenses.
2. This application shall be informed to the possessor, signed by the creditor, not later than (10) ten days from the date of the notification referred to in Article (49.1) of this Decree-Law. The application shall include requiring the purchaser to appear before the competent court in whose jurisdiction the ship is located, or the court in whose jurisdiction the ship's port of registration is located if it is not located in any of the State's ports, in order to hear the judgment in connection with conducting the sale by auction.

Article (51)

If no mortgagee creditor submits the application referred to in Article (50) of this Decree-Law, the purchaser may release the ship from the mortgage by depositing the price with the treasury of the competent court. In this case, he may request the cancellation of the restrictions without following any other procedures.

Article (52)

The mortgage registration shall be removed by agreement to be executed between the parties or by a final judgment.

Chapter Eight

Prejudgment Attachment

Article (53)

1. Prejudgment attachment shall be created on the ship in satisfaction of a maritime debt, by a decision of the competent court.
2. The debt shall be considered of a maritime nature if it arises out of any of the following

reasons:

- a. The destruction or damage sustained as a result of the use of the ship;
- b. Losses in human lives or physical injuries caused by the ship or arising from its use;
- c. Salvage operations or salvage agreements, even if the ship or its cargo causes imminent damage to the environment;
- d. The damage that the ship may cause to the environment, the coastal strip or the interests connected therewith, as well as the resulting expenses and costs in relation to avoiding, reducing or removing the damage;
- e. The costs for raising a sunken, wrecked, stranded or abandoned ship and the expenses for transporting and restoring the same, stopping its harmful effects or destroying it;
- f. Any agreement concluded for the purpose of the use of a ship, whether contained in a charter party or other document;
- g. Any agreement concluded with regard to the carriage of cargoes or passengers aboard a ship, whether contained in a bill of lading, travel ticket or other document;
- h. Loss or damage to cargoes or baggage carried aboard a ship;
- i. General Average Losses;
- j. Ship towage;
- k. Ship pilotage;
- l. The cargoes, materials, supplies, fuel, equipment or containers supplied to the ship, as well as the services provided thereto in order to operate, manage maintain or safekeep the ship;
- m. Building, rebuilding, repairing, converting or outfitting a ship;
- n. Fees for ports, canals, basins, harbors and other waterways;
- o. Remunerations and other sums due to the captain and crew in connection with their duties aboard the ship, including repatriation expenses and social insurance contributions payable on their behalf;
- p. Amounts paid on behalf of the shipowner or ship's husband;
- q. The insurance premiums for the ship and its Takaful insurance contributions that are obligated to be paid by the shipowner or charterer of the bareboat or their representative;
- r. Any commissions, brokerage or agency expenses payable by the shipowner, its

- charterer or their representative;
- s. Any dispute over ownership or possession of the ship;
 - t. The dispute over the co-owners of the ship and the rights and profits resulting from its use;
 - u. Mortgage of the ship or any other in-king guarantee executed on the ship; and
 - v. Any dispute arising from the ship sale contract.

Article (54)

1. Holders of the debts described in Article (53.2) of this Decree-Law may apply for attachment of the ship to which the debt relates or attachment of any other ship owned by the debtor, in the event that the ship is owned thereby at the time of attachment application, even if the ship was prepared for a voyage.
2. However, no attachment may be imposed on a ship to which the debt is not related if the debt is among those set out in Article (S, T, U and V of Article 53.2) of this Decree-Law.

Article (55)

1. The creditor may request attachment of the ship or on any other ship owned by the charterer, if the navigation management of the ship is performed by such a charterer, and the charterer is solely responsible for a relevant maritime debt. No Prejudgment attachment may be imposed on any other ship belonging to the owner of the chartered ship to which the maritime debt relates.
2. The provisions of Clause (1) of this Article shall apply to all cases in which a person other than the shipowner is burdened with a maritime debt.

Article (56)

It is not permissible to order the imposition of a Prejudgment attachment on the ship unless the competent court accepts the financial guarantee submitted by the attachment application to fulfill the necessary needs for the security and safety of the ship and its crew during the period of attachment. The amounts spent from this guarantee shall be considered judicial expenses when distributing the proceeds of enforcement on the ship.

Article (57)

1. The attachment of the ship shall result in preventing the same from sailing.
2. The competent court shall order the lifting of the Prejudgment attachment if a guarantee or other guarantee sufficient to satisfy the debt is provided. However, no order may be issued for the lifting of the attachment if the same is decided due to the maritime debts referred to in Clauses (S) and (T) of Article (53.2) of this Decree-Law. In this case, the court may authorize the shipowner to exploit it if he provides sufficient guarantee. It may also entrust another person to manage the ship during the attachment period in the manner it determines.
3. Letters of guarantee issued by protection and compensation clubs or by financial institutions that are accepted by the competent court shall be considered a reason for lifting the Prejudgment attachment, in accordance with the provisions of Clause (2) of this Article. In addition, the Executive Regulations shall specify the provisions for admitting letters of guarantee.
4. The application for lifting of the Prejudgment attachment or provision of a guarantee or security shall not be considered an admission of responsibility for the debt nor a waiver of the obligation to limit the shipowner's liability.

Article (58)

1. A copy of the Prejudgment attachment report shall be delivered by the enforcement officer to the Ship Agent, in the port where the ship was attached, or to the captain of the ship or his representative. Another copy shall be submitted to the authority of the port in which the attachment is executed to prevent the ship from sailing, or to the authority competent to prevent the ship from sailing if it is kept outside the borders of the port. Another copy shall also be submitted to the Ministry for notation in the register.
2. Copies of the Prejudgment attachment report referred to in Clause (1) of this Article may be delivered through modern technological means, provided that it is proven that the addressee is aware of the content of the letter he receives.
3. If a Prejudgment attachment is imposed on a foreign ship, the Ministry may notify the registration office of the ship's flag State of the attachment for notation in the register.

Article (59)

1. The Prejudgment attachment applicant shall file a case for the validity of the attachment before the competent court in whose jurisdiction the attachment is executed, not later than (5) five working days from the date of the attachment. Otherwise, the Prejudgment attachment shall be considered null and void.
2. A date shall be set for the hearing, not exceeding (15) fifteen days following the date of the Prejudgment attachment report. The ship's husband or agent shall be notified thereof. The court shall review the case expeditiously and no other deadline may be added to this period.
3. The judgment affirming the Prejudgment attachment shall include the order to sell the ship, the conditions of the sale, the day designated therefor and the basic price.
4. The judgment may be appealed within fifteen (15) days in accordance with the procedures established for appeal.
5. The court shall decide on the appeal in the courtroom without preparation from the case management within a week from the date of completion of the statement of appeal, and it may set a hearing to consider the matter if necessary.

Article (60)

Without prejudice to any agreement to refer the dispute to arbitration, the court, in whose jurisdiction the Prejudgment attachment is made, has jurisdiction to adjudicate the subject matter of the case in any of the following cases, even if the ship does not hold the nationality of the State, in addition to the cases referred to in the Procedure Law in force in the State:

1. If the plaintiff has a habitual residence or headquarters in the State.
2. If the maritime debt arises in the State.
3. If the maritime debt arises during a voyage during which a Prejudgment attachment of the ship is made.
4. If the maritime debt results from a collision or salvage, the court has jurisdiction.
5. If the debt is secured by a maritime mortgage on the attached ship.

Chapter Nine
Enforcement Attachment
Article (61)

1. No Enforcement Attachment may be imposed on the ship until at least (24) twenty-four hours have passed following serving the formal notice for payment of the maritime debt by a bailiff.
2. The notice referred to in Clause (1) of this Article shall be delivered to the shipowner to his domicile or his legal representative. If is a matter regarding a maritime debt on a ship, it may be delivered to the Ship Agent, the captain or his representative on the ship.
3. If it is not possible to notify the person required to be notified in accordance with Clauses (1) and (2) of this Article, the matter shall be presented to the competent judge or the head of the Department, as the case may be, for investigation by at least any of the relevant authorities. Then, the notification shall be made through a notice to be placed on the ship or published in any of the widely-circulated daily newspapers or an electronic newspaper published in the State in the Arabic language, and in another newspaper published in the English language, if necessary, if the person required to be notified is a foreigner.

Article (62)

1. A copy of the Enforcement Attachment report shall be delivered to the Ship Agent, captain or his representative, and a second copy shall be delivered to the competent authority or the port where the attachment is made to prevent the ship from sailing, and a third copy shall be delivered to the Ministry.
2. The Ministry shall record the Enforcement Attachment in the Ship Register. If the ship is foreign, the Ministry shall notify the ship's registration authority abroad if possible.
3. After the notation procedure referred to in Clause (2) of this Article, the execution debtor may not dispose of the ship by selling or mortgaging.

Article (63)

1. The Enforcement Attachment report shall include a summons for the parties concerned to appear before the court in whose jurisdiction the attachment is made to hear the sale

judgment.

2. The date of the hearing before the competent court to hear the sale judgment may not be set after the fifteenth day from the date of attachment.
3. If the foreign shipowner does not have a domicile in the State nor does he have a legal representative there, he shall be notified in accordance with the provisions stipulated in the legislation in force in this regard.

Article (64)

If the court orders the sale, it shall determine the basic price, conditions of sale and days on which the auction will be executed. The Executive Regulations shall specify the controls and procedures for publishing the order to sell the ship through open auction and the data required to be included in the notification.

1. Auctioneer's auction decision may not be appealed except where there is a defect in terms of form.
2. The appeal period shall be fifteen (15) days from the date of issuance of the decision.

Article (65)

1. Concerning the cases filed requesting the entitlement to the ship and invalidation of the Enforcement Attachment, the said cases shall be announced before the auction to the competent court that conducts the sale within (48) forty-eight hours, otherwise the right to announce the same shall be forfeited, and the plaintiff shall, within a period not exceeding (3) three working days from this announcement, submit his evidence and documents. Whoever disputes the plaintiff's claims shall submit his evidence within three (3) three working days following the same.
2. The court shall adjudicate the case expeditiously, and the judgment may be appealed, not later than fifteen (15) days following its issuance before the competent Court of Appeal.

Article (66)

1. Cases for entitlement filed after the auction shall be considered an objection to the delivery of the amounts obtained from the sale.
2. Objections to the distribution of the price shall be admitted within the three working days

following the date of issuance of the distribution list. The objecting creditors shall submit their debt bonds to the case management office at the competent court not later than the three working days following notification from the attachment applicant creditor or the owner of the attached ship. Otherwise, the price shall be distributed without them being included therein.

3. The provisions contained in the legislation in force in the State shall apply to the distribution of the price obtained from the auction.

Article (67)

Sale of the ship by auction shall result in its release, and the winning bidder is not be obligated to fulfill the employment contracts of the pilots and seafarers.

Section Three

Security & Safety and Marine Environment

Article (68)

1. For the purposes of enforcing international and national requirements in relation to security, safety and preserving the marine environment, the Ministry and the competent authority, each according to its competence, shall take the following measures:
 - a. Take all necessary measures to ensure that national ships comply with the requirements and rules set by the International Maritime Organization and other relevant organizations, as well as the legislation in force in the State.
 - b. Control and inspect foreign ships in the State's maritime zones and ports to ensure their compliance with ratified international agreements and the provisions of applicable legislation. The Ministry shall determine the controls and procedures for this inspection.
 - c. Ensure that ports, classification bodies, companies and establishments that practice maritime activities in the State adhere to international requirements and rules, the legislation in force in the State and the Ministry's decisions and circulars in respect of carrying out their activities.
 - d. Cooperate with federal and local government entities with regard to taking the necessary measures to carry out the duties of the coastal State in compliance with

ratified international agreements and the provisions of applicable legislation. The Ministry shall determine these duties and obligations.

2. The Ministry shall determine the requirements for security, safety and preservation of the marine environment required to be met by seagoing watercrafts and ships not subject to the provisions of international agreements.
3. The Ministry has the right to exempt ships from complying with any requirements and conditions in accordance with the powers contained in ratified international agreements and legislation in force, and the Ministry shall determine the controls and cases of these exemptions.

Article (69)

1. All parties concerned shall enable representatives of the Ministry to embark the ship, enter seagoing watercrafts and question people aboard and shall provide representatives of the Ministry with the information, evidence, documents and certificates requested by representatives of the Ministry.
2. The persons mentioned in Clause (1) of this Article may not get access to the places designated for the accommodation of members of the crew unless the examination, inspection or investigation is related to the living conditions of the seafarers on the ship.
3. Any ship carrying the flag of the State and any ship present in the territorial waters shall maintain all certificates, licenses and permits in relation to its work and shall submit the same to representatives of the Ministry upon request.

Article (70)

The captain of any ship sailing in the State's maritime zones shall take all necessary measures to protect the marine environment from pollution in accordance with the provisions of international agreements and legislation in force, in addition to taking all necessary measures to prevent the damage arising from his action giving rise to pollution. Moreover, the captain shall immediately report any marine pollution detected in the State's maritime zones.

Article (71)

1. Any captain who intends to enter the ship into any of the State's ports shall ensure the

existence of a security plan that includes an international certificate approved by the government of the ship's flag State or its authorized representative, in addition to adhering to the security level declared for the port as a minimum.

2. The Ministry shall determine the security level of the State's ships and ports, after coordination with the competent authority and relevant authorities.
3. While the ship is in the State's ports, it shall be subject to the supervision of the Ministry, with the aim of verifying that it carries a security plan and a valid international certificate regarding ship security in accordance with the provisions of Clause (1) of this Article.

Article (72)

1. Compliance with the security controls on the ship shall have priority over the interests represented on the voyage. The ship's husband may not impose restrictions on the captain regarding taking actions or measures required for the course of the ship's security.
2. Taking into account the provisions of Clause (1) of this Article, maritime safety considerations shall have priority over the security controls in force on the ship, in addition, the captain shall take alternative security measures other than the ones not permitted.

Article (73)

1. The Ministry may prevent ships and seagoing watercrafts that do not comply with ratified international agreements and applicable legislation from sailing, and it may order the cancellation of the ban and authorize them to sail when their conditions are corrected.
2. The Ministry has the right to prevent foreign ships and watercrafts from entering the State's maritime zones and ports in the event that they do not comply with ratified international agreements and the provisions of applicable legislation or the public interest.
3. Before the ship sails, the ship's husband or his representative shall obtain a travel permit from the competent authorities in the port after fulfilling the conditions for granting the permit.

Section Four
Port Facilities
Article (74)

The port authorities in the State shall take the following measures:

1. Notify the Ministry of the location of the port before starting its construction, its boundaries, drawings and coordinates, provided that the port drawings shall specify its navigational waterways and the shipping lanes thereof.
2. Provide infrastructure and superstructures at every pier and facility used to dock ships operating in maritime navigation, depending on the type and size of the pier and the cargo traded thereon, and in accordance with international standards approved in this regard.
3. Fulfill the international requirements and standards in relation to international ship voyages, in accordance with ratified international agreements and applicable legislation determined by the Ministry in coordination with the competent authorities.
4. Establish lighthouses and navigational aids necessary to pilotage the ships to shipping lanes and port piers in a manner that ensures the safety of their navigation and regulate the same in coordination with the Ministry.
5. All port facilities in the State that receive ships on international voyages shall apply the requirements of the International Ship and Port Facility Security Code, while taking into account creating a complete database for visiting ships and providing the Ministry with that data periodically.
6. Approve and apply the environmental management system established under the international standards, and which includes developing policies, plans and programs for continuous improvement in environmental performance, along with reducing environmental problems before they occur.

Article (75)

The port authority shall, in coordination with the competent authority, issue a special regulation regarding the conditions for occupational safety, health and environmental protection, which shall be complied with by all entities licensed to provide services or carry out work within the port. This regulation may include a ban on carrying out certain activity in the port.

Article (76)

The Ministry may, on its own initiative or upon the recommendation of the competent authority, impose administrative attachment on ships and seagoing watercrafts and sell the same at open auction, in satisfaction of the rights of the State, the rights of the port or taking into account humanitarian or health considerations or their technical condition, in accordance with the controls and procedures specified by the Executive Regulations.

Section Five

Crew

Chapter One

Ship's Husband

Article (77)

1. The shipowner shall be presumably be the ship's husband, unless it is proven that its use has been transferred to another person.
2. The following persons shall be deemed to be the ship's husband, regarding the application of the provisions of liability arising from the ship's non-seaworthiness:
 - a. The manager of co-owned ship;
 - b. The ship's manager assigned to manage the ship by the ship's husband;
 - c. Freight Forwarder vis-à-vis the Consignor; and
 - d. Commission agent for carriage by sea vis-à-vis the client.
3. The following persons shall be considered as a ship's husband, regarding the application of his limited liability provisions:
 - a. The owner of the ship, even if he is not the ship's husband;
 - b. The bareboat charterer;
 - c. The manager of the co-owned ship; and
 - d. The ship's manager assigned to manage the ship by the ship's husband.

Article (78)

The ship's husband shall, before and during the sea voyage, take all necessary measures to ensure the ship's seaworthiness. The Ministry shall determine the requirements required to

be met for preparing the ship for the voyage in accordance with international agreements and maritime customary practices.

Article (79)

1. The ship's husband shall be absolutely responsible for his personal faults, especially in the event of his failure to comply with ship safety provisions and ensure the ship's seaworthiness.
2. The liability of the ship's husband shall be deemed a civil liability for the faults of the captain, seafarers, pilot and any other person in the ship's crew, whenever they are committed during the performance of their duties or because of them, and result in damage. The ship's husband shall have the right to recourse against the person who, by his mistake, caused the damage.
3. The ship's husband shall be held accountable for the obligations arising from contracts concluded by the Ship Agent or the captain within the limits of the powers established for either of them.

Article (80)

1. The ship's husband or the like may invoke the limitation of their liability for the faults and obligations referred to in Article (79) of this Decree-Law if the fault or obligation arises from any of the following reasons:
 - a. Deaths, physical injuries, loss of or damage to property, including damage to port facilities, docks, shipping lanes and aids to navigation, occurring on board the ship or directly related to its operation or salvage operations and any resulting damage.
 - b. Damage resulting from delay in the carriage of cargo, passengers or their baggage by sea.
 - c. Claims for any other damage arising from the violation of non-contractual rights, as a result of the operation of the ship or in connection with its salvage operations.
 - d. Damage arising from the removal, destruction or unloading of dangerous cargo from the ship.
 - e. Measures taken by a person other than the responsible person to prevent or limit damage, for which the responsible person may limit his liability in accordance with

the provisions of this Decree-Law, as well as the damages resulting therefrom.

2. The ship's husband or the like may invoke the limitation of his liability for the obligations referred to in Clause (1) of this Article vis-à-vis all creditors, including federal or local authorities.
3. Invocation of limiting liability shall not be considered an admission of liability.

Article (81)

The ship's husband or the like may not invoke the limitation of his liability in any of the following cases:

1. If the incident creating the obligation resulted from a personal fault on the part of the ship's husband or resulted from a deliberate act or omission or a serious fault on the part of his representative, and the burden of proof lies on the plaintiff claiming the personal fault.
2. Obligations arising from salvage and rescue or contribution to general average losses.
3. The rights of the captain, the seafarers and every other subordinate of the ship's husband who is on board the ship or whose work is related to its service, as well as the rights of their successors.
4. Debts arising from nuclear damage.
5. Damage arising from the recovery, removal, destruction or getting rid of the danger of the ship if it is sunk, wrecked stranded or abandoned, as well as the damage resulting from objects that are or were already on board.

Article (82)

1. The captain, seafarers or other subordinates may invoke the limitation of liability if the casualty resulting in the damage occurred due to a personal fault committed by them during or in connection with their duties on board the ship.
2. The persons referred to in Clause (1) of this Article may not invoke the limitation of liability if the damage arises from a deliberate act or omission, either with the intention of causing damage or recklessly coupled with awareness of the possibility of any damage occurring.

Article (83)

1. The liability of the ship's husband or the like for damage resulting from a single casualty shall be determined according to the following:
 - a. In cases of compensation for death and physical, organic and psychological damage, liability shall be determined as follows:
 - 1) (2,000,000) two million of Special Drawing Rights, if the ship's tonnage does not exceed two thousand tons;
 - 2) If the ship's tonnage exceeds the limit referred to in the foregoing paragraph of this Article, the following shall be added to the maximum compensation limit referred to:
 - (800) eight hundred out of Special Drawing Rights for each additional ton, if the ship's tonnage ranges from (2,001) two thousand and one tons to (30,000) thirty thousand tons.
 - (600) six hundred out of Special Drawing Rights for each additional ton, if the ship's tonnage ranges from (30,001) thirty thousand and one tons to (70,000) seventy thousand tons.
 - (400) four hundred of Special Drawing Rights for each additional ton, if the ship's tonnage exceeds (70,000) seventy thousand tons.
 - b. In cases of compensation for material damage:
 - 1) (1,000,000) one million of Special Drawing Rights, if the ship's tonnage does not exceed (2,000) two thousand tons;
 - 2) If the ship's tonnage exceeds the limit referred to in the foregoing paragraph of this Article, the following shall be added to the maximum compensation limit referred to:
 - (400) four hundred of Special Drawing Rights for each additional ton, if the ship's tonnage ranges from (2,001) two thousand and one tons to (30,000) thirty thousand tons.
 - (300) three hundred of Special Drawing Rights for each additional ton, if the ship's tonnage ranges from (30,001) thirty thousand and one tons to (70,000) seventy thousand tons.
 - (200) two hundred of Special Drawing Rights for each additional ton, if the ship's

tonnage exceeds (70,000) seventy thousand tons.

- c. The maximum liability of the ship's husband, in cases of compensation for deaths and physical, organic and psychological injuries sustained by passengers on board the ship, shall be the result of multiplying (175) one hundred and seventy-five thousand Special Drawing Rights by the number of passengers that the ship may carry in accordance with the certificate issued thereto in this regard.
2. The ship's tonnage means the total tonnage for which the basis of measurement is determined by a decision of the Ministry.
3. The maximum compensation shall be calculated in accordance with Clause (1) of this Article, in light of the matters determined by the International Monetary Fund on the day of issuance of the judgment regarding the value of Special Drawing Rights denominated in the State's national currency. The convict shall only be obligated to pay compensation in accordance with this currency.
4. The Cabinet may amend the values referred to in Clause (1.A) of this Article, provided that these values are not less than what is stipulated in the international agreements regulating the ship's liability's liability in force in the State.

Article (84)

1. If the maximum limit for compensation for deaths and physical injuries is not sufficient to cover it in full, the remainder thereof shall be shared with other damage-related debts in the amounts allocated to compensate for the latter damage.
2. The court may temporarily retain part of the amounts allocated for compensation to satisfy debts whose creditors have not taken actions to claim them.
3. The creditor may not take any action against the assets of the ship's husband, if the latter has already placed at the disposal of the creditor the amounts allocated for compensation or if he provides a banking guarantee approved by the court.

Article (85)

1. If there are multiple debts arising from a single casualty, the ship's husband or the like may request the establishment of a compensation fund before the court in whose jurisdiction the casualty occurred, unless otherwise agreed upon.

2. The court shall establish a compensation fund immediately upon submitting the application to do so, in accordance with the provisions specified in the Executive Regulations.
3. The establishment of the fund results in the exclusive jurisdiction of the court to decide on claims in relation to debts in respect of which no valid judgments have been issued, and it also has exclusive jurisdiction over all prejudgment or enforcement measures in relation to those claims.
4. When establishing the fund, the court shall determine the guarantees to be approved thereby and their value. The provision of these guarantees by the ship's husband or the like shall result in the creditors refraining from taking any prejudgment or enforcement action in relation to all of its assets.
5. The court, in which the compensation fund was established, shall establish a list of compensations approved in the fund in light of its adjudication of the claims thereof or were determined pursuant to a judgment that had acquired *res judicata* or pursuant to an enforceable arbitration award.
6. The court states in its judgment the method of distributing compensation to the creditors, taking into account the liens determined when necessary, according to a judgment independent of the judgments issued on debt-based claims.

Chapter Two

The Captain

Article (86)

1. The ship's husband shall appoint the captain, in accordance with the controls determined by the Ministry.
2. The ship's husband may dismiss the captain at any time, if he has justifiable reasons for doing so. Otherwise, the captain may claim for compensation for the damage he sustains due to the dismissal, if necessary, in accordance with the general rules.

Article (87)

1. The captain has the authority necessary to maintain order and security of the ship, as well as onboard the passengers and cargo and the safety of the voyage.

2. The captain shall assume the command of the ship. In the event of his absence, the navigation officer next in rank shall act on his behalf on the ship, provided that the captain assumes command of the ship himself, if he employs a pilot or the ship is exposed to imminent maritime danger.
3. The captain has the authority to collect evidence and investigate crimes committed on board the ship during the sea voyage, and he has the authority to detain those accused of committing these crimes until they are handed over to the competent authority upon the ship's arrival.
4. If the ship is operating automatically without the need for a human to steer it, the cruise manager appointed by the ship's husband shall undertake the administrative and commercial tasks assigned to the captain.

Article (88)

1. The captain is considered the legal representative of the ship's husband and represents him before the judicial authorities.
2. The captain shall act on behalf of the ship's husband in respect of carrying out the necessary activities to operate and exploit the ship, in the event that the ship's husband or his representative is absent, except as specified based on the customary practices.
3. The restrictions imposed on the captain acting on behalf of the ship's husband shall not be invoked vis-à-vis third parties unless he is aware of them.
4. The captain shall comply with the instructions of the ship's husband regarding the commercial operation of the ship, and he shall notify him of all matters in relation to the ship or shipment.

Article (89)

The captain shall take the following measures:

1. Take the necessary measures to maintain the ship's seaworthiness.
2. Take into account the generally-accepted technical principles in respect of steering a ship, as well as international agreements and provisions, laws or regulations regulating maritime navigation and the provisions in force in the State within the territorial waters of which the ship is located.

3. Take the necessary measures to maintain security and order on board the ship, the safety of onboard passengers and objects and the protection of the marine environment.
4. Provide assistance to any ship about to sink or to any person at sea who is at risk of death, provided that he does not expose his ship or the onboard passengers to danger.
5. Maintain all records and documents in relation to the ship, seafarers or passengers and submit the same to the competent authorities upon request.

Article (90)

1. The captain has the authority to document and record births and deaths that occur on board the ship during the sea voyage.
2. In the event of the death of a person on board the ship, the captain shall, with the assistance of an officer, conduct an inventory on the deceased's luggage, preserve and hand over the same to the authorities of the port of the State to which the ship arrives.
3. If any onboard person is infected with a contagious disease, the captain may disembark him in the nearest place where he can be treated after notifying the competent authorities.

Article (91)

1. If unusual casualties occur during the voyage in relation to the ship, the cargo or the passengers, the pilot shall draw up a report thereon.
2. The captain shall submit the report to the Ministry and the competent authority within (24) twenty-four hours of the ship's arrival in the State, and the report shall be submitted outside the State to the competent authority abroad.
3. In the event that the casualty referred to in Clause (1) of this Article occurs outside the State, the Ministry or the competent authority abroad shall investigate the facts contained in the report, hear the statements of seafarers and passengers, if necessary, and collect information contributing to reaching the truth. After conducting this investigation, the report shall be considered evidence for the facts contained therein until evidence to the contrary is established.
4. The captain may not, except in cases of necessity, begin unloading the ship before submitting the report referred to in this Article.

Article (92)

1. The captain shall be held accountable for his personal mistakes with respect to the ship's husband and third parties.
2. A mistake with regard to taking a specific measure according to his discretion to confront a danger is not considered a mistake that necessitates the captain's liability vis-à-vis the ship's husband, while the ship's husband shall remain liable for the damage caused to third parties.

Chapter Three

Seafarers

Article (93)

1. The ship's husband shall appoint the seafarers, in accordance with the conditions and controls determined by the Ministry.
2. No person under the age of sixteen (16) Gregorian years may be employed to work on any ship registered in the State.
3. It is prohibited to assign a seafarer under the age of eighteen (18) Gregorian years to work at night except in cases of necessity or training, provided that working during the night does not result in any harm to the seafarer's health.

Article (94)

1. The employment of a seafarer to work on board the ship shall be made pursuant to a seafarer employment contract to be concluded between the ship's husband and the seafarer.
2. The seafarer employment contract shall be executed in writing. However, the seafarer may provide evidence of the contract depending on all means of proof.
3. The Executive Regulations shall specify the controls and procedures for concluding a seafarer employment contract, working hours on board the ship, rest hours and official holidays.

Article (95)

1. The provisions of the Federal Decree-Law No. (33) of 2021 Regarding the Regulation of Employment Relationships, as amended, shall apply to matters for which there is no special provision in this Decree-Law or in its Executive Regulations.
2. The provisions of Federal Law No. (7) of 1999 concerning Pensions and Social Security, as amended, shall apply to seafarers who hold the nationality of the State.

Article (96)

1. The seafarer shall perform the duties agreed upon in the seafarer employment contract and shall comply with the orders of his superiors regarding servicing the ship. In addition, he shall not be permitted to disembark the ship without their permission.
2. The Ministry shall determine the controls for seafarers' work on board the ship, which include controls for living on board, food and drink, work safety and appropriate medical and health services.

Article (97)

1. The amount or type of wage shall be determined in the seafarer employment contract, in accordance with the controls received from the Ministry.
2. If the wage is not specified in the contract, the competent court shall determine it.
3. The ship's husband shall pay wages to the seafarer on the due dates, in accordance with the conditions, controls and procedures specified in the Executive Regulations and based on the categories of seafarers working on the ship.
4. Wages shall be paid in UAE dirhams, and they can be paid in another currency if agreed upon between the parties in the seafarer employment contract.
5. No amounts may be deducted or reduced from the seafarer's wages except in accordance with the cases specified in the Executive Regulations.

Article (98)

The seafarer is not entitled to additional pay for performing any of the following activities:

1. Any action determined by the captain, which is necessary and urgent for the safety of the ship or to save lives or the onboard cargoes.

2. Firefighting training courses or maneuvers, launching lifeboats and other salvage training activities.
3. Any additional work in relation to customs procedures, quarantine and other government work.
4. The actions assigned by the captain to the seafarer with the intention of assisting another ship that is at risk, without prejudice to the provisions regarding the salvage reward and its distribution.

Article (99)

The ship's husband shall conclude a health insurance policy contract for the benefit of the seafarer, and he may not deduct the value of the insurance premium from the wage due to the latter. The Executive Regulations shall determine the minimum rights required to be granted to the seafarer under the aforementioned insurance.

Article (100)

1. If the seafarer is injured or becomes ill while working on board the ship, and the injury or illness results in his inability to perform his duties, the ship's husband shall pay his full wages for the duration of his stay on the ship until he is returned to his home. Furthermore, he shall pay the expenses of treatment, accommodation and compensation, if necessary.
2. The following cases shall be excluded from the obligation of the ship's husband to pay the full wage:
 - a. The injury is inflicted due to a cause not related to the ship's service.
 - b. The injury is the result of the seafarer's misconduct.
 - c. Illness or disability that the seafarer deliberately concealed from the ship's husband when concluding the seafarer employment contract.

Article (101)

1. The seafarer employed for a definite period shall be entitled to an annual leave of not less than (3) three days for each month of service, and any agreement to the contrary shall be deemed null and void.

2. Annual leave dates shall be determined depending on the requirements and conditions of work, and leave shall be granted based on a written application to be submitted from the seafarer and approved by both the captain and the ship's husband.
3. Upon termination of his service for any reason, the seafarer shall be granted cash compensation for the days of annual leave not exhausted, equal to the wage due to him for the days of work, within the limits of a maximum of two years of leave.

Article (102)

1. The Executive Regulations shall specify the violations committed by the seafarer, the disciplinary penalties, the conditions, controls and procedures necessary for imposing the penalties and the mechanism for grievance against them.
 2. If the act or omission attributed to the seafarer constitutes a crime under the laws of the State, the captain shall hand him over to the competent authorities upon arrival at the first port in the State.

Article (103)

1. The employment relationship shall be terminated in any of the following cases:
 - a. Upon Termination of the contract period. If the period expires during the sea voyage, the contract shall be extended by virtue of law until the ship arrives at the first port or docks at the agreed-upon port to return the seafarer.
 - b. At the request of either party if the agreement is of an indefinite term, provided that he notifies the other party in writing at least (30) thirty days prior to termination.
 - c. Upon completion of the voyage(s); if the agreement is executed for a single voyage or more voyages.
 - d. Compulsory or voluntary sale of the ship.
 - e. The death of the seafarer, either de facto or de jure. The seafarer is considered dead if he remains missing for a period of a month as a result of the ship being exposed to a maritime disaster, a collision, an act of piracy or any other exceptional incident in which the death of the seafarer is likely.
2. Without prejudice to the provisions of Clause (1.A) of this Article, the seafarer may terminate the seafarer employment contract if there are serious reasons that justify

terminating the contract before the expiry of its period or if he is medically unable to continue performing his duties specified in the contract.

3. Violation of the notice period referred to in Clause (1.B) of this Article shall result in the violator being obligated to pay compensation to the other party equal to the seafarer's wage for the notice period.
4. In the event that the seafarer employment contract is terminated due to the compulsory or voluntary sale of the ship, the wages and other amounts shall be considered an acquired right, so the seller may not recover them. Furthermore, the seafarer may claim for appropriate compensation as a result of the termination of the seafarer employment contract.
5. In the event that the ship is abandoned and the seafarers' wages are not paid for two months in a row, the Ministry may impose an administrative attachment on the ships of the ship's husband and sell them at open auction in order to pay their salaries, in accordance with the conditions, controls and procedures specified by the Executive Regulations.

Article (104)

1. Those who have the nationality of the State may perform any activity on ships sailing outside territorial waters without obtaining a seafarer's register from the Ministry.
2. No person may carry out any activity on a ship that has the nationality of the State unless he obtains the approval of the Ministry in accordance with the legislation in force in this regard.
3. The Ministry may issue a seafarer's register for seafarers or trainee students who are not of State nationality working on ships that have nationality of the State.

Article (105)

The State's courts have jurisdiction to adjudicate claims arising from a seafarer employment contract, unless otherwise agreed upon in the contract at the time of its conclusion.

Article (106)

In the event of denial and absence of a legally-admissible excuse, claims arising from a

seafarer employment contract shall not be heard after one year from the date of expiration of the contract.

Chapter Four

Towing Officer

Article (107)

1. The towing operation shall be managed by the towed ship's captain in any of the following cases:
 - a. If the towing operation is performed inside the port.
 - b. If it is explicitly agreed that the captain shall undertake the towing operation outside the port boundaries.
2. The towed ship's husband shall be liable for damage resulting from towing operations, unless it is proven that the damage arose as a result of the fault of the towing ship.

Article (108)

The management of the towing operation shall be vested in the captain of the towing ship in any of the following cases:

1. If the towing operation is performed inside the port.
2. If it is explicitly agreed that the captain shall undertake the towing operation outside the port boundaries.

Article (109)

In the event of denial and absence of a legally-admissible excuse, liability claims arising from towing operations shall not be heard after one year has passed from the date of the end of these operations.

Chapter Five

Pilot

Article (110)

1. Pilotage shall be deemed compulsory for ships at ports and areas designated by a decision

from the Minister in coordination with the competent authority. This provision shall apply to ships designated for public service.

2. The port authority may exempt warships, ships less than twenty-four (24) meters in length or other ships from being subject to pilotage service in accordance with the controls it determines.
3. The Ministry shall, in coordination with the competent authority, issue a decision regulating the pilotage activities. No pilotage service may be provided in the State without obtaining the approval from the Ministry and a license from the competent authority.

Article (111)

1. Ships subject to the pilotage obligation shall follow the rules specified in the pilotage regulations in force in the pilotage area before entering it, while sailing therein and leaving.
2. If providing the remote pilotage service through electronic or other means is possible, ships equipped with these means shall receive the service through them in accordance with the pilotage regulations in force.
3. The application for pilotage shall be submitted to the competent port authority in accordance with the procedures it determines.

Article (112)

The command and management of the ship shall remain the responsibility of the captain while the pilot is conducting the pilotage.

Article (113)

If the pilot has to travel with the ship or at the request of the pilot for reasons justifying so, the ship's husband shall be liable for the costs of the pilot's food, stay and return to the port from which he gets on the ship, with the pilot's right to claim compensation, if necessary.

Article (114)

1. The ship's husband shall be liable for the damage caused to his ship or to third parties due to any fault made by the pilot during the execution of the pilotage.

2. The ship's husband shall be liable for the damage caused to the pilot ship during the execution of the pilotage and while getting on and off the ship, unless the ship's husband proves that the damage has resulted from the fault of the pilot or the crew of the pilot ship.
3. The ship's husband shall be liable for the damage caused to the pilot during the execution of the pilotage or while getting on and off the ship, unless it is proven that the damage has resulted from the fault of the pilot or the crew of the pilot ship.
4. The pilot shall not be liable for damage caused to the ship piloted thereby, unless its ship's proves that the former made a serious fault during the execution of the pilotage.
5. In all cases, the State assumes no liability for the damage resulting from the appointment of the pilot.

Article (115)

In the event of denial and absence of a legally-admissible excuse, liability claims arising from the pilotage shall not be heard after one year has passed from the date of the end of the pilotage.

Chapter Six

Ship Agent

Article (116)

No Ship Agent may perform his activities in the State without obtaining the approval of the Ministry and a license from the competent authority, in accordance with the conditions and procedures specified in the Executive Regulations. The Ministry may suspend or cancel the employment of the Ship Agent in the event that he violates the applicable legislation or the decisions and circulars issued thereby.

Article (117)

The ship's agent or the like shall be considered the representative of the ship's husband in cases filed by or against him in the State. The Ship Agent's domicile is also considered the domicile of the ship's husband in the State where he is notified of judicial and non-judicial papers.

Article (118)

1. The Ship Agent shall take the following measures:
 - a. Coordinate with the captain to take the necessary measures to meet the ship's control requirements.
 - b. Provide correct data about the ship's crew to the relevant authorities in the State.
 - c. Carry out activities in relation to the usual needs of the ship, including entering into contracts in relation to the navigation and exploitation of the ship in the name and for the account of the ship's husband.
2. The Ship Agent has the right to receive the cargo from Consignors and hand over the same to the right holders entitled to receive the cargoes, in addition to assigning a loading and unloading contractor, issuing bills of lading and delivery notes and collecting the freight for the account of the ship's husband.

Article (119)

The ship's agent shall be liable for both his personal faults and faults committed by his subordinates, and the ship's agent shall remain liable vis-à-vis the ship's husband in his capacity as a paid agent.

Chapter Seven

Shipping Agent

Article (120)

No shipping agent may perform his activities in the State's ports without obtaining the approval of the Ministry and a license from the competent authority, in accordance with the conditions and procedures specified in the Executive Regulations. The Ministry may suspend or cancel the employment of the shipping agent in the event that he violates the applicable legislation or the decisions and circulars issued thereby.

Article (121)

The shipping agent shall take all reasonable measures to preserve the cargoes he receives on behalf of his client and preserve his rights with respect to the Carrier and all parties engaged

in the implementation of sea transport. Otherwise, he is presumed to have received the cargoes in the condition described in the bill of lading, and he shall prove otherwise.

Article (122)

The condition contained in the bill of lading whereby the Consignor authorizes the Carrier to appoint a shipping agent shall not be effective against the person entitled to receive the cargoes unless the same is approved by the Consignor. In the event of non-approval, the cargoes shall be deemed to be in the possession of the agent appointed by the Carrier to safeguard the latter.

Article (123)

The shipping agent shall be liable vis-à-vis the cargo owner and third parties for his personal faults and the faults committed by his subordinates.

Chapter Eight

Transit Agent

Article (124)

No transit agent may perform his activities in the State's ports without obtaining the approval of the Ministry and a license from the competent authority, in accordance with the conditions and procedures specified in the Executive Regulations. The Ministry may suspend or cancel the employment of the agent in the event that he violates the applicable legislation or the decisions and circulars issued thereby.

Article (125)

The transit agent shall take the following measures:

1. Receive the cargoes from the former Carrier, conclude a contract of carriage with the next Carrier and hand over the cargoes to him.
2. Take all reasonable actions and measures to preserve the goods in transit from a Carrier to another.

3. Customs release of goods if they pass the customs gate in preparation for the next forwarding.

Article (126)

The transit agent shall be liable for both his personal faults and faults committed by his subordinates.

Chapter Nine

Loading and Unloading Contractor

Article (127)

No loading and unloading contractor may perform his activities in the State's ports without obtaining the approval of the Ministry and a license from the competent authority, in accordance with the conditions and procedures specified in the Executive Regulations. The Ministry may suspend or cancel the employment of the agent in the event that he violates the applicable legislation or the decisions and circulars issued thereby.

Article (128)

1. The loading and unloading contractor shall take the following measures:
 - a. Provide services and supply the necessary tools to load or unload cargo, and he may use ship cranes if necessary.
 - b. Carry out the work that precedes or complements the activities of loading and unloading, such as bringing the cargoes from the warehouses and transporting them to the ship by any unit, marine means, or other tools used therefor, in addition to storing the same in the warehouses after they are unloaded.
2. The loading and unloading contractor may be entrusted with carrying out, on behalf of the ship's husband, Consignor or consignee, legal or physical operations in relation to the cargoes that he undertakes to load or unload, provided that he is assigned, with an express written agreement, from the Ship Agent or the shipping agent.

Article (129)

1. The loading and unloading contractor shall be liable for its own personal faults and the faults committed by its personnel, and which cause damage to third parties. In addition, it shall also be liable for the loss or damage of the cargoes vis-à-vis the person who assigned it to load or unload the cargoes.
2. The provisions of Articles (175), (177), (180), and (183.1) of this Decree-Law shall apply to the liability of the shipping and unloading contractor for the loss or damage of the cargo.

Section Six

Use of the Ship

Chapter One

General Provisions on Ship Chartering

Article (130)

1. The provisions of this Chapter shall apply to charter parties unless the parties agree otherwise, provided that the charter party does not include any condition conflicting with the nature of the charter party.
2. The ship's flag law shall apply to the ship's charter party unless the contracting parties agree otherwise.

Article (131)

1. The charter party of a ship shall be executed in writing, and the document of a charter party shall be labelled a charter party.
2. The charter party shall contain the following information:
 - a. The name and domicile of both the shipowner and charterer.
 - b. The name, nationality, tonnage and IMO number of the ship.
 - c. The amount of tonnage covered by the charter party.
 - d. The amount of the freight and the calculation method thereof.
 - e. The type of shipment, if specified, or sufficient data to specify it.
 - f. The agreed upon place and time for loading and unloading.

- g. Terms of the agreement regulating the charter party.
3. The validity of the data referred to in Clause (2) of this Article as evidence shall be limited to the data contained therein.
 4. The charter party shall be deemed valid in respect of the relationship between the shipowner and the charterer, and between them and the person entrusted with the management of the ship, if any. The contents of the charter party shall not be used as evidence against third parties unless it is proven that the third party was aware of the data contained therein with respect to the performance of the charter party.

Article (132)

1. The charterer may sublet the ship, unless a condition is stated in the charter party prohibiting the same.
2. The original charterer shall remain liable vis-à-vis the shipowner for the obligations arising from the charter party.
3. The sub-charter party shall not create a direct relationship between the original shipowner and the sub-charterer. However, the shipowner may have the right to recourse against the sub-charterer in an amount not exceeding the value owed by this charterer to the original charterer, without prejudice to the rules of tort liability.

Article (133)

1. The cargo shipped on the chartered ship shall guarantee payment of the ship's freight and related charges.
2. The shipowner may not attach the ship's cargo upon arrival due to non-payment of the freight, and may petition the judge of urgent matters to keep the same in the custody of a third party as bailment, and may request that the same be sold in whole or in part, unless the charterer provides a guarantee for the outstanding amounts. The costs associated with attachment, bailment and sale shall be borne by the charterer.
3. The shipowner shall have a lien on the cargoes shipped on the chartered ship as a security for payment of its freight and related charges, and the lien shall remain effective for a period of (15) fifteen days after the handover or bailment of the cargoes, unless a bona fide third party has obtained a right in rem over the cargoes.

4. The lien shall remain valid even if the cargoes are mixed with other cargoes.

Article (134)

The Charterer shall be liable for any claim filed by a third party against the shipowner due to the use of the chartered ship.

Article (135)

The sale of a ship shall not result in automatic termination of the charter party. However, the buyer may request termination of the charter party if it is proven that the buyer has had no knowledge, at the time of sale, of the existence of the charter party or has had no ability to become aware of the same.

Article (136)

In the event of denial and absence of a legally-admissible excuse, the following actions shall not be heard:

1. The actions arising out of a charter party after the passage of one year following the expiration date thereof.
2. The actions that seek refund of any unlawfully paid amounts after the passage of one year starting from the day on which the party seeking refund becomes aware of its right to seek recovery.

Chapter Two

Bareboat Charter

Article (137)

1. A Bareboat Charter is a contract whereby the shipowner undertakes to put, for a fixed period of time, a specific seaworthy ship at the disposal of a charterer, without crew, provisions or needs or without any part thereof, in consideration of a freight to be agreed upon between the contracting parties.
2. The charter party with option to buy or coupled with a promise to sell may serve as a bareboat charter.

Article (138)

The shipowner shall be held accountable for getting the damage arising out of a defect in the ship repaired, and where such a defect causes the ship to be prevented from sailing for more than twenty-four (24) hours, the shipowner shall not be entitled to any freight during the stoppage period.

Article (139)

1. The charterer may manage the ship navigationally and commercially, unless otherwise agreed.
2. The charterer of a ship under a bareboat charter shall:
 - a. Use the ship for the agreed-upon purpose according to its technical specifications recorded in its certificates.
 - b. Bear the costs of ship repair and maintenance, in addition to the expenses required for the exploitation of the ship and insurance costs.
 - c. Provide the ship with seafarers and pay their wages and provide the necessary provisions and treatment for them.
 - d. Deliver the ship back upon expiration of the charter term at the port of handover, in the same condition that existed when the ship was put at its disposal, subject to fear tear and wear of the ship, unless otherwise agreed.

In the event of delayed handover of the ship by the charterer due to any reason attributed to the charterer, the latter shall pay twice the agreed-upon freight for the delay period, unless the shipowner proves that the amount of damage exceeds twice the freight amount.

Chapter Three

Voyage Charter

Article (140)

1. Voyage Charter is a contract whereby the shipowner undertakes to put at the disposal of the charterer a specific seaworthy ship or any part thereof, provided that the chartered ship or part thereof is equipped with the provisions, needs and seafarers for one or more voyages, in consideration of a freight to be agreed upon between the parties to the charter party.

2. The shipowner shall put at the disposal of the charterer at the agreed-upon place and time a specific seaworthy ship, provided that the chartered ship is equipped with the provisions, needs and seafarers for one or more voyages, and shall keep the ship in such a condition throughout the agreed-upon voyage or voyages.
3. Subject to Article (131.2) of this Decree-Law, the executive regulations shall define the basic details to be included in the voyage charter.

Article (141)

1. The shipowner shall assume navigational and commercial management of the ship.
2. The shipowner may not load aboard the ship or the chartered part thereof any cargo that does not belong to the charterer without the latter's prior permission; otherwise, the freight due for the unpermitted loaded cargo shall accrue to the charterer, without prejudice to the latter's right to claim compensation from the shipowner, if applicable.
3. The shipowner shall be liable for the damage caused to the cargo received by the captain aboard the ship within the limits defined in the charter party.
4. The shipowner shall be relieved of the liability referred to in Clause (2) of this Article, if it proves that all its obligations have been fulfilled or that the damage has not occurred as a result of defective performance of such obligations.

Article (142)

1. The voyage charter shall remain effective without compensation or freight increase, if a force majeure event arises and temporarily prevents the sailing of the ship or halts the continuation of the voyage, unless the contracting parties agree otherwise.
2. If the force majeure event causes the completion of the voyage to become impossible, the voyage charter shall be terminated without compensation.

Article (143)

1. The charterer of a ship under a voyage charter shall be required to:
 - a. Load the agreed-upon quantity of cargo aboard the ship, so that if the same loads a lesser quantity, it shall be liable to pay the full freight.
 - b. Pay the freight for the completed part of the voyage, if the event of impossible

completion of the full voyage due to any reason not attributed to the shipowner or its subordinates.

2. The charterer may decide against performing the charter party; in which case, it shall indemnify the shipowner for the damage sustained due to non-performance, provided that the compensation does not exceed the agreed-upon freight amount.
3. The charterer shall be liable for the damage caused to the ship or the cargo aboard the ship, if the same arises out of the wrongful act of the charterer or its subordinates or representative, or where the damage is caused due to any defect in the charterer's cargo.

Article (144)

1. The charterer shall load and unload the cargo within the agreed-upon period(s), and in the absence of a specified period, the customary practices at the port of loading or unloading shall be applicable, and in the absence of customary practices at the port, the maritime norms shall apply.
2. If the loading or unloading operations are not completed within the agreed-upon period or within the period prescribed by the customary practices or norms, an additional time extension not exceeding the initial period shall apply, and for such additional period, the shipowner shall be entitled to compensation to be specified based on the agreement or customary practices for each day of delay, with no need for the shipowner to take any action in order to collect the freight for the additional time extension.
3. If the loading or unloading operations are not completed within the additional time extension referred to in Clause (2) of this Article, a second additional time extension shall apply but the duration of which shall not exceed the duration of the initial time extension. For the second additional time extension, the shipowner shall be entitled to compensation equal to one and a half times the compensation due for the initial time extension, without prejudice to any other compensation that accrues to the shipowner.
4. The amounts payable to the shipowner for the additional time extensions shall be deemed supplements of the freight, and shall be subject to the provisions of Article (133) hereof.

Article (145)

1. The loading or unloading period shall commence as of the day immediately following the

day on which the captain informs the charterer that the ship is ready for loading or unloading of the cargo.

2. If the loading operations are completed prior to the expiration of the agreed-upon loading period, the remaining duration of the loading period shall not be added to the unloading period, unless otherwise agreed. However, the parties may agree that the charterer be entitled to a reward for speeding up the loading or unloading of the cargo.
3. The loading or unloading period shall not include public holidays as well as the generally-accepted holidays, unless the same has already fallen during the loading or unloading operations.
4. The loading or unloading period shall be interrupted where a force majeure event arises and causes the loading or unloading operations to become impossible or difficult.
5. The public holidays and generally-accepted holidays shall be part of the additional time extensions, and shall not be interrupted by the force majeure events. However, the reduction of compensation for the initial time extension may be ordered by the court in the event that the impediment continues.

Article (146)

Upon expiration of the unloading period, the captain may unload the cargo aboard the ship at the charterer's expense and risk, and shall take the necessary precautions to safekeep the cargo.

Article (147)

1. If the ship fails to reach the agreed-upon port for unloading of the cargo, the captain shall head for the nearest port for unloading the cargo, unless the captain receives other instructions as mutually agreed between the shipowner and the charterer.
2. If the captain heads for the nearest port for unloading the cargo, the shipowner shall bear the costs of transporting the cargo to the agreed-upon unloading port, unless the ship fails to reach such a port due to any force majeure event, and in the latter case, the charterer shall bear the relevant costs.

Article (148)

1. The charterer may unload its own cargo at its own expense during the voyage at any port before reaching the agreed-upon port, provided that the charterer shall be required to pay the full agreed-upon freight.
2. The charterer shall not be relieved of the obligation to pay the freight by abandoning the cargo upon arrival, even if the cargo is destroyed or becomes less in quantity or in value during the voyage.

Article (149)

1. The freight shall become due in the event that the cargo loaded aboard the ship is destroyed before delivery, where such destruction arises out of any of the following reasons:
 - a. A wrongful act on the part of the charterer or its subordinates or representatives;
 - b. The nature of, or in defect in, the cargo;
 - c. Where the captain has to sell the cargo due to its defect or destruction, and, in which case, the sale costs shall be deducted from the price collected by the captain;
 - d. Where the loaded cargo contains living animals which die during the voyage not because of a wrongful act on the part of the charterer or its subordinates or representatives;
 - e. If the captain decides to jettison the cargo into the sea in order to save the ship or the persons or things aboard, subject to the provisions governing the general average losses; or
 - f. Any other reasons mutually agreed upon between the shipowner and the charterer under the charter party.
2. Any condition set forth in the charter party and which stipulates that the ship's freight fall due in the event of occurrence of any of the reasons referred to in Clause (1) of this Article shall be null and void.

Chapter Four

Time Charter

Article (150)

1. Time Charter is a contract whereby the shipowner undertakes to put at the disposal of the charterer a specific seaworthy ship equipped with the provisions, needs and seafarers for a fixed period of time, in consideration of a freight to be agreed upon between the parties to the charter party.
2. The shipowner shall put at the disposal of the charterer at the agreed-upon place and time a specific seaworthy ship and equipped with the necessary provisions and seafarers as required to enable the charterer to exploit the ship as mutually agreed under the charter party, and shall keep the ship in such a condition throughout the agreed-upon charter term.

Article (151)

1. The shipowner shall assume the navigational management of the ship, shall equip the ship with the necessary provisions, shall be liable for the maintenance work of the ship, shall appoint the seafarers and the captains and shall undertake their accommodation and costs of their living, treatment and wages throughout the charter term. In addition, the shipowner may assign any other person to undertake the navigational management of the ship.
2. It may be agreed that the charterer issue instructions on the ship's navigational management to the person in charge of managing the ship, so that the shipowner shall ensure that the person in charge of managing the ship abides by the instructions issued by the charterer, and in which case, the ship's navigational management shall be transferred to the charterer.
3. The shipowner shall be held liable for the destruction of the ship and the general average losses, unless the shipowner proves that the destruction is caused due to the wrongful act or default on the part of the charterer, and the latter shall be liable for the destruction and losses if the navigational management is transferred thereto, unless the charterer proves that the destruction is due to navigational risks or a wrongful act on the part of the shipowner.

4. The shipowner shall be held liable for the damage to the cargo loaded aboard the ship, if the same is caused by its own fault or defective performance of its obligations.
5. If the ship's charter party expires during the voyage, the charter term shall be extended until the voyage is completed, and, in which case, the shipowner shall be entitled to the agreed-upon freight for the additional duration of the voyage.

Article (152)

1. The commercial management of the ship shall be assumed by the charterer, who shall bear its expenses and all matters in relation to supplying the ship with fuel, oils, grease and fresh water and paying port fees, pilotage, towing and other expenses required for its commercial use.
2. The captain shall adhere to the instructions issued by the charterer in all matters connected with the commercial use of the ship within the limits specified in the charter party.
3. The charterer and the person assigned to manage the ship, if any, shall return the ship to the shipowner upon expiration of the charter period.
4. The charterer shall be liable for damage resulting from the commercial use of the ship, taking into account the depreciation resulting from its normal use.

Article (153)

1. The shipowner shall be entitled to the freight rate as of the day the ship is put at the disposal of the charterer. However, the freight rate shall not be due if the ship is destroyed or becomes idle due to a force majeure event or a fault on the part of the shipowner.
2. No agreement may be executed that the shipowner is entitled to the freight rate in all cases, otherwise the agreement shall be void.
3. If there is no news of the ship and then it is proven that it is destroyed, the full freight rate shall be due until the date of the latest news thereabout.
4. The freight rate shall not be reduced if the ship is returned before the expiry of the charter period.

Article (154)

The charter party shall be terminated after five (5) working days from the date of notifying the charterer in writing of the obligation to pay the ship's freight rate. Thereafter, the shipowner regains his right to manage the ship, along with his obligation to carry the shipped cargo to the agreed-upon port of unloading against a freight rate for a similar cargo delivery, without prejudice to his right to claim for compensation, if necessary, unless otherwise agreed upon.

Chapter Five

General Provisions on the Contract of Carriage by Sea

Article (155)

1. The provisions of this Chapter and the subsequent Chapters thereof shall apply exclusively to the contract of carriage by sea, whether the Carrier is the shipowner, ship's husband or its charterer.
2. The contract of carriage by sea shall only be confirmed in writing.

Chapter Six

Contract of Carriage of Goods by Sea

Article (156)

1. The contract of carriage of goods by sea shall be deemed a contract whereby the Carrier undertakes to carry cargo by sea from a port to another against a freight.
2. The bill of lading shall constitute evidence that the Carrier has received the cargo from the Consignor in the condition stated therein, whereby the Carrier undertakes to deliver the cargo to any named person or the person to whose order the BOL is issued or to the bearer.

Article (157)

1. Upon receiving or loading the cargoes on board the ship, the Carrier shall issue a bill of lading at the Consignor's request.
2. The bill of lading, including the general and special data and conditions for carriage contained therein, shall be deemed valid in respect of proving the contract of carriage between the Carrier and the Consignor and vis-à-vis third parties.

3. The bill of lading shall include the following data:
 - a. The main signs necessary to verify the type of cargo depending on the data provided by the Consignor in writing before shipping, the quantity of cargo, the number of packages and their weight or size. These signs shall be sufficient to identify the cargo and placed in a way that makes them easy to view throughout the voyage and to verify their apparent condition.
 - b. The name of the ship, its nationality, its cargo and the name of the captain.
 - c. The carriage freight and the calculation and payment method thereof.
 - d. The place and date of issuance of the BOL, the number of copies issued and the number of each copy.
 - e. Carriage is made on deck, if it is carried out in this manner.
 - f. Loading port and unloading port.
 - g. The date or period within which the cargo be delivered at the port of unloading, if any.
 - h. Signature of the Carrier or his representative.
4. The Carrier shall include in the bill of lading or any other document evidencing the contract of carriage a statement of the shipment of the cargo on board the ship. If this statement is not included, he shall prove the execution of an agreement to ship the cargo in this manner. In which latter case, he may not invoke such an agreement vis-à-vis third parties, including the consignee who received the bill of lading in good faith.
5. The Consignor shall be liable vis-à-vis the Carrier for the incorrectness of the information he provided concerning the cargo and which was recorded in the bill of lading.
6. In the relationship between the Carrier and the Consignor, it is permissible to prove the opposite of the facts stated in the bill of lading by all means of proof except for the data on the cargo referred to in Clause (3.A) of this Article, the opposite of which may only be proven by written evidence.
7. The Carrier may not prove contrary to the facts stated in the bill of lading vis-à-vis a bona fide third party, and the consignee shall be considered a third party unless he is the Consignor himself. As for a third party, he may prove the opposite of the facts stated in the bill of lading by all means of proof.

Article (158)

1. The Carrier or his representative may express reservations about recording the data provided by the Consignor regarding the cargo if he has serious reasons to doubt their authenticity or if he does not have sufficient means to verify them.
2. The Carrier or his representative shall state the reasons for the reservation in respect of recording the data in the bill of lading, and the justifications for the reservation. The Consignor or the consignee shall prove the accuracy of the data provided by the Consignor by all means of proof.

Article (159)

1. An agreement may be made that the Consignor shall issue a letter of guarantee under which he undertakes to compensate the Carrier for the damage sustained by the latter due to incorrect data provided by the Consignor, against the Carrier issuing a bill of lading free of reservations.
2. The Carrier may not invoke the letter of guarantee referred to in Clause (1) of this Article vis-à-vis a third party who does not know at the time of obtaining the bill of lading that the data provided by the Consignor is incorrect. However, a third party may invoke the letter of guarantee vis-à-vis the Consignor.

The consignee in whose name or to whose order the bill of lading was issued shall be considered a third party, unless he is the Consignor himself.

Article (160)

1. The paper bill of lading shall be issued in two authentic copies, one of which shall be handed over to the Consignor after being signed by the Carrier or his representative, and the other shall remain with the Carrier after being signed by the Consignor or his representative, and it shall be stated that it is not negotiable.
2. The copy handed over to the Consignor shall be negotiable unless it is stated that it is not negotiable, and the copy shall confer to its legal holder the right to send and to receive the cargo from the Carrier.
3. The bill of lading may be issued in several copies at the request of the Consignor, provided that the bill of lading is not issued to the bearer. Each copy shall be numbered, indicating

the total number of copies issued for the bill of lading. The delivery of cargo under any of them results in the other copies being considered invalid with respect to the Carrier.

Article (161)

1. If there is a discrepancy between the copy of the bill of lading signed by the Consignor or his representative and the copy signed by the Carrier or his representative, in this case each authentic copy shall be certified against its signatory.
2. If the bill of lading was issued in implementation of a charter party and there was a discrepancy between the charter party and the bill of lading:
 - a. The charter party is based on the relationship between the shipowner and the charterer.
 - b. The bill of lading is based on the relationship between the charterer and the Consignor or consignee unless the bill of lading includes an express reference to the charter party.
 - c. The bill of lading is based on solely on the relationship between the shipowner who issued the bill of lading and the Consignor or consignee.

Article (162)

1. A negotiable paper bill of lading shall be issued in the name of a specific person, to his order, or to the bearer.
2. The nominal bill of lading may be assigned by written statement to the effect in the bill of lading, taking into account indicating the name of the assignee. The assignment shall not be considered effective vis-à-vis the Carrier unless he is aware or is notified thereof.
3. The "to order" bill of lading shall be negotiable by endorsement. Endorsing the bill of lading in blank shall be considered ownership endorsement, provided that the date of its execution is mentioned. Otherwise, it shall be considered an endorsement of the power of attorney. In the event of a conflict between several holders of authentic copies of the bill of lading, the holder of the copy whose first endorsement is the earliest of all the copies shall prevail.
4. If the "to order" bill of lading is negotiated; it may be agreed to limit the guarantee to the authenticity of the contract of carriage and to the existence of the cargo at the time of endorsement.

5. The bill of lading issued to the bearer shall be negotiable by delivery, and this provision shall apply to the bill of lading endorsed in blank as an ownership endorsement.

Article (163)

1. The bill of lading may be issued via any electronic means.
2. An electronic bill of lading shall have the same probative force as a paper bill of lading. It may be negotiated through electronic means, and the same shall have the same effects as negotiating a paper bill of lading.
3. To recognize the authenticity of an electronic bill of lading, the following requirements shall be met:
 - a. The means of issuing or negotiating the BOL shall be one that allows the designation of its legal holder.
 - b. The method of issuing or negotiating the BOL shall guarantee its validity.
 - c. The method of issuing or negotiating the BOL shall provide the holder with a method of proving his possession of the BOL.

Article (164)

1. The Carrier may give the Consignor a non-negotiable receipt for receiving the cargo before loading them on the ship. The bill of lading may be replaced by this receipt upon the Consignor's request after the cargo are loaded on the ship.
2. The receipt referred to in Clause (1) of this Article shall have the validity prescribed for the bill of lading if it includes the data referred to in Article (157.3) of this Decree-Law, and it shall be marked with the word "shipped."

Article (165)

1. If the captain or his representative finds cargo on the ship that are not mentioned in the bill of lading or the data connected therewith are incorrect, he may unload them from the ship at the place of shipment or keep them there and collect a freight equivalent to the highest carriage freight paid for the delivery of cargo of their type to the agreed upon destination port, without prejudice to the compensation he is entitled to. Accordingly, in the event that the data is incorrect, the BOL's data shall be amended according to the

reality of the cargo.

2. Without prejudice to the rules regarding liability arising from pollution of the marine environment, the captain may order the throwing of cargo into the sea in any of the following cases:
 - a. If it would cause damage to the ship or the onboard cargo.
 - b. If its carriage requires paying fines or paying expenses exceeding its value.
 - c. If its sale or export is prohibited by law.

Article (166)

1. The Carrier shall deliver the cargo to the person eligible to receive them or to their representative.
2. The person eligible to receive the cargo shall be determined by the Consignor, the person in whose name the non-negotiable paper bill of lading was issued, the consignee named on the nominal bill of lading, the person to whom the bill of lading was assigned by virtue of an effective transfer by the Carrier, the legal holder of the "to order" paper bill of lading or its bearer or the legal holder of the electronic bill of lading.
3. If several persons simultaneously holding negotiable copies of the paper bill of lading apply to receive the cargo, the holder of the copy whose first endorsement date is earlier shall take precedence over the first endorsement of the other copies. If the date of the endorsement is the same, the captain shall entrust the cargo with a trustee agreed upon by the contenders, otherwise he shall be appointed by the judge of urgent matters of the competent court.
4. The undated endorsement shall be considered issued on the day the bill of lading is presented to receive the cargoes.
5. Delivery of the cargoes to the holder of a copy of the bill of lading shall be a discharge for the Carrier, and the holder of another copy of the bill of lading may not have recourse against the Carrier unless the latter's bad faith is proven.

Article (167)

1. Whoever is entitled to receive the cargoes under the bill of lading may request from the Carrier permission to hand over certain quantities thereof, provided that the same is

stipulated in the contract of carriage. Delivery notes shall be issued in the name of a specific person, to his order, or to the bearer, and they shall be signed by the Carrier and the permission applicant.

2. If the bill of lading is negotiable, the Carrier shall include a statement about the delivery notes issued thereby and the cargoes described therein. If the entire shipment is distributed among multiple delivery notes, the Carrier shall retrieve the paper bill of lading or cancel the electronic bill of lading.
3. An intact authentic copy of the paper bill of lading provided by the Carrier or his representative shall constitute evidence that the cargoes have been delivered to the person entitled to receive them in the condition shown on the bill of lading, unless evidence to the contrary is produced.

Article (168)

If the person entitled to receive the cargoes fails to appear or refuses to receive them, the Carrier may ask the judge of urgent matters at the competent court for permission to keep them with a trustee appointed by the judge. The Carrier may request permission to sell all or any of the cargoes in order to collect the carriage freight.

Article (169)

1. The Consignor shall submit the data relating to the cargoes when they are delivered to the Carrier in writing, and this data shall be recorded in the bill of lading and the Carrier has the right to make reservations about recording it if he has serious reasons to doubt its authenticity or does not have the normal means to verify it, and he mentions the reasons for reservations regarding recording the data in the bill of lading.
2. The Consignor shall notify the Carrier if the cargoes are dangerous and place a statement thereon to warn of their danger and how to prevent it. Otherwise, the Carrier may, at any time, remove such cargoes from the ship, destroy or remove their danger. The Consignor shall be liable for the damage and expenses that arise from the same.
3. Both the Carrier and the Consignor shall provide the information and instructions necessary for the safe handling and proper carriage of cargoes.

Article (170)

1. The Carrier may, at any time, remove dangerous cargoes from the ship, destroy or remove their danger. He is not liable if he proves that he would not have agreed to load them on the ship if he had known of their nature. The Consignor shall be liable for the damage and expenses that arise from placing these cargoes on the ship.
2. If the Carrier is aware of the nature of these cargoes and authorizes their carriage, he may not subsequently remove them from the ship, damage or remove their danger unless he proves that their danger has become a threat to the ship or the cargo. In this case, the Carrier shall not bear any liability except for what is related to General Average Losses, when necessary.

Article (171)

1. The Carrier shall take the following measures:
 - a. Exert the necessary care before and during the sea voyage, to make the ship in a navigable condition, in addition to preparing the ship for the voyage, providing the crew, fueling the ship to make it fit to complete the voyage and preparing the holds and all its parts and other sections of the ship to receive, transport and preserve the cargoes, depending on the nature and type of the cargoes.
 - b. Exert the necessary care to deliver the cargoes complete, intact and on time to the agreed-upon destination port of unloading.
 - c. Load and unload cargoes on a ship, unless otherwise agreed.
 - d. Stow, preserve, transport and deliver the onboard cargoes upon their arrival.
 - e. Exert the necessary care to prepare another ship to transport the cargo to the agreed upon port and at its expense, in the event that the ship stops continuing the voyage for any reason.
2. With the exception of coastal navigation, the Carrier or his representative may not load cargoes on deck without obtaining written permission from the Consignor or if the regulations in force at the port of shipment or the nature of the cargoes require so or where the customary practices at the port require the application of such method for shipping. In all cases, it shall be stated in the bill of lading that the cargoes are loaded on deck.

Article (172)

The Consignor shall take the following measures:

1. Deliver the cargoes to the Carrier at the time and place agreed upon in the bill of lading or required by the prevailing customary practices at the shipping port if there is no agreement. In the event of delay in delivery, the compensation may not exceed the amount of the freight.
2. Make the necessary preparation for the cargoes in a manner that protect them from destruction when carried by sea and in a way that does not cause harm to persons or property, including packing, wrapping, packaging or stowing them in containers, unless otherwise agreed upon.
3. Assume the liability for the damage that befalls the ship, the cargoes shipped thereon or third parties, if the damage results due to faults on his part or the part of his subordinates or due to a defect in his cargoes.
4. Pay the carriage freight agreed upon before the start of the voyage. If it is stated in the bill of lading that the freight shall be payable in whole or in part upon arrival, whoever is entitled to receive the cargoes shall pay such freight.

It is not permissible to prove anything contrary to the foregoing vis-à-vis a third party who does not know at the time of obtaining the BOL that the freight or part thereof is still payable. The consignee, in whose name or to whose order the BOL was issued, shall be considered a third party under the provisions of this Article unless he is the Consignor himself.

Article (173)

1. The Consignor or whoever is entitled to receive the cargoes shall not be discharged from paying the freight even if the cargoes are damaged or their quantity or value decreases during the sea voyage.
2. The carriage freight shall not be payable if the cargoes are completely destroyed as a result of force majeure or the Carrier's negligence in respect of carrying out his obligations.
3. The carriage shall be payable for the cargoes that the captain decides to remove to save the ship and the cargo. In this case, the provisions for General Average Losses apply if the conditions for their application are met.

Article (174)

1. The Consignor may give the Carrier new instructions regarding the commencement of the agreed-upon carriage, unless the bill of lading states otherwise. He may, in particular, request that the port of unloading be modified or the person of the consignee designated in the bill of lading be changed or that the cargoes be returned to the Consignor.
2. The right to issue instructions relating to the cargoes carried shall be transferred to the consignee upon delivery of the bill of lading and to any legal holder of the bill of lading.
3. The Carrier shall apply the instructions issued to him by the person who is entitled to take over the cargoes after the Carrier has marked them on the bill of lading, unless the instructions violate the conditions of carriage or the Carrier is unable to apply them or such application would expose the Carrier to a penalty or incur expenses that exceed the value of the cargoes. In this regard, the Carrier shall notify the person who issued the new instructions of his abstention from applying them and the reason for this abstention. The Carrier shall assume the liability if he abstains from applying them without legal justification.
4. Whoever issues new instructions to the Carrier shall pay the agreed-upon carriage freight plus the freight due for prolonging the voyage, the expenses of applying the new instructions and compensation for any damage that the Carrier may inflict due to his application of these instructions.

Article (175)

1. The Carrier shall be liable for the loss or damage to the cargoes in the period between his receipt of the cargoes and their delivery to the person entitled to receive them, unless he proves that he, his subordinates and his agents took all reasonable measures to prevent the occurrence of damage or that it was impossible for him to take these measures.
2. The Carrier shall be liable for the loss or damage resulting from the fire, if the injured party proves that the fire broke out as a result of the fault of the Carrier or any of his subordinates or agents, or if any of these neglected to take the necessary measures to extinguish the fire or prevent its spread.
3. The Carrier shall be liable for damage to the live animals that he transports, if the Consignor proves that the Carrier, his subordinates or his agents have neglected to apply

his instructions issued regarding this carriage.

Article (176)

The Carrier shall not be liable for the loss or damage to the cargoes or the delay in respect of their delivery, if the same occurred as a result of saving or attempting to save lives at sea or because of reasonable measures taken to save property at sea.

Article (177)

1. The Carrier's liability for loss or damage to the cargoes shall be limited to a maximum of (835) eight hundred and thirty-five Special Drawing Rights for each package or unit taken as the basis for calculating the freight and not exceeding an amount of (2.5) two and a half Special Drawing Rights for each kilogram of the total weight of the cargoes, whichever is higher.
2. If the packages or shipping units are collected in boxes, containers or other containers and the bill of lading contains the number of packages or units included in the container, each of them shall be considered a package or unit when compensated for in the event of the container's destruction. If the container is not owned by the Carrier or provided by him and is destroyed or damaged, it shall be considered standalone an independent package or unit.
3. The maximum compensation referred to in this Article shall be calculated in light of what the International Monetary Fund announces about the value of Special Drawing Rights. The judgment debtor may only be obligated to pay compensation in the national currency.

Article (178)

1. It is permissible, by special agreement to be concluded between the Consignor and the Carrier or his representative, to set a maximum limit of the Carrier's liability that is different from the limit referred to in Article (176) of this Decree-Law, provided that it is not lesser.
2. In all cases, the Carrier shall not be liable for the loss or damage to the cargoes if the Consignor deliberately mentions incorrect data in the bill of lading in relation to the nature or value of the cargoes.

Article (179)

1. Any condition in the bill of lading or in any other document that would exempt the Carrier from liability for the loss or damage to the cargo as a result of a breach of the obligations referred to in this Chapter or that would reduce this liability below the maximum limit referred to in Article (177) of this Decree-Law shall be considered invalid.
2. Any condition that includes a waiver to the Carrier of the rights arising from insurance on the cargoes or shortens the period of maritime carriage during which the Carrier is liable or shortens the period of non-hearing of the case in the event of denial, together with any other condition that would relieve the Carrier from bearing the liability for compensation for damage, shall be considered as a condition of exemption from liability.

Article (180)

The Carrier may not invoke the limitation of his liability for the loss or damage to the cargoes in any of the following cases:

1. If it is proven that the damage resulted from an act or omission committed by the Carrier or any of his subordinates or agents, either with the intention of causing damage or negligence coupled with the awareness that damage could be caused.
2. If the bill of lading is issued devoid of reservations and there are provisions that require them to be mentioned in the bill, with the intention of causing damage to bona fide third parties.
3. If the cargoes are shipped on deck in violation of an express agreement under which they should be shipped in the ship's holds.
4. If the Consignor submits, before the commencement of shipping, a statement on the nature of the cargoes, their value and the special significance of preserving them and includes such a statement in the bill of lading, the aforementioned statement shall constitute evidence of the correctness of the value determined for the cargoes by the Consignor, but the Carrier may prove otherwise.

Article (181)

The Carrier may give up all or any of the rights and exemptions conferred thereupon or increase his obligations referred to in this Chapter, provided that the same is mentioned in the

bill of lading delivered to the Consignor.

Article (182)

1. The parties may agree to regulate liability in derogation from the provisions contained in Chapter VI of this Decree-Law, in any of the following cases:
 - a. The coastal navigation.
 - b. If the nature of the cargoes to be carried, the conditions of their shipment or the exceptional circumstances of carriage justify concluding a special agreement in their regard.
 - c. If there is an agreement to ship the cargoes on deck, and the carriage is carried out in this manner.
 - d. If the carriage is executed pursuant to a charter party in the relationship between the shipowner and the charterer. However, if in implementation of the charter party a bill of lading is issued, the liability provisions contained in Articles (175) to (186) of this Decree-Law apply to the relationship between the BOL issuer and the Consignor.
2. For the agreement referred to in Clause (1) of this Article to be valid, the following requirements shall be met:
3. It shall not go against the public order in the State.
4. The Carrier, his subordinates or agents shall not be exempted from the obligations arising from the contract of carriage.
5. Not to issue a bill of lading.
6. The agreement shall be recorded in a receipt marked to indicate that it is not negotiable.

Article (183)

1. If the partial loss or damage to the cargoes is apparent to the person who is entitled to receive them or his representative, he shall express his reservation in writing about the condition of the cargoes before or during delivery. Otherwise, it is assumed that the cargoes were delivered to him in the condition mentioned in the bill of lading until evidence to the contrary is produced.
2. The presumption referred to in Clause (1) of this Article shall apply if the partial loss or damage is not apparent and the Carrier is not notified in writing at the port of unloading

within (15) fifteen days following the takeover of the cargoes.

3. It is not necessary to submit a reservation or notification, if an inspection of the cargoes is carried out at the time of delivery in the presence of the Carrier or his representative and the person who receives the cargoes.

Article (184)

The Carrier, who undertakes to carry out the first stage of carriage by his own means, may undertake to conclude the necessary contracts of carriage to carry out the following stages of carriage by sea for the Consignor's account. The Carrier shall be considered a commission agent for the following stages of carriage unless he issues a bill of lading including all stages of carriage, in which case the provisions contained in this Chapter shall apply to all stages of carriage.

Article (185)

1. The Carrier shall be liable for the damage resulting from the delay in respect of delivering the cargoes, unless he proves that he and his subordinates and agents have taken all reasonable measures to prevent the damage.
2. The Carrier shall be considered to have delayed delivery if he does not deliver the cargoes on the date explicitly or implicitly agreed upon and in the event there is no agreement regarding if he fails to deliver them on the date on which any Carrier delivers the cargoes at similar circumstances.
3. The Carrier's liability for damage resulting from delay shall be limited to not more than three times the agreed upon carriage freight.
4. No compensation shall be due for damage resulting from delay in respect of delivery of cargoes, if the person claiming compensation does not notify the Carrier in writing of the delay within sixty (60) days from the date of delivery.
5. The cargoes shall be considered perishable if they are not delivered within (60) sixty days following the expiration of the delivery period referred to in Clause (2) of this Article.

Article (186)

1. The contract Carrier may entrust the implementation of the contract of carriage by sea or

the implementation of part thereof to the actual Carrier unless otherwise agreed upon. The contract Carrier shall remain liable for all damage caused during the implementation of the contract of carriage. The actual Carrier is only liable for damage caused during the part of the performance of contract of carriage, and his liability for such damage shall be jointly with the contract Carrier.

2. Both the contract Carrier and the actual Carrier may invoke the limitation of liability contained in this Decree-Law, and the compensation obtained by the compensation claimant from the contracting Carrier and the actual Carrier may not exceed the maximum limit contained in this Decree-Law.

Article (187)

The following cases shall not be heard when there is denial and there is no legally-admissible excuse:

1. Cases arising from the contract of carriage by sea after one year from the date of delivery of the cargoes or the date on which delivery shall have been made.
2. Cases for recourse against third parties against whom the case was initiated after ninety (90) days have passed from the date of filing the case against him or from the date of his payment, even if the period referred to in Clause (1) of this Article has passed.
3. Cases to recover the amounts paid unduly after one year has lapsed from the day on which the recovering party becomes aware of its right to claim recovery.

Chapter Seven

Multimodal Contract of Carriage by Sea

Article (188)

1. It is not considered multi-modal carriage by sea if the carriage contractor issues a separate carriage document for each mode of carriage used.
2. It is not permissible to practice multimodal carriage activity without obtaining the approval of the Ministry after coordination with the competent authority in accordance with the conditions and procedures specified in the Executive Regulations. The Ministry may suspend or terminate the employment of the agent in the event that he violates the applicable legislation or the decisions and circulars issued thereby.

Article (189)

The carriage contractor may not conclude any multimodal contract of carriage unless he provides a security to guarantee his liability for damage to the carried cargoes.

Article (190)

1. The multimodal contract of carriage shall be executed in writing.
2. The carriage contractor shall issue a multimodal document of carriage when he takes over the cargoes from the Consignor. The document of carriage shall be issued in a paper or electronic form.
3. The Executive Regulations shall specify the data required to be included in the document of carriage, and the mechanism and procedures for issuing the document.
4. The Consignor shall be liable for the accuracy of the data provided thereby to the carriage contractor for inclusion in the document of carriage and shall further be liable for damage arising from the incorrectness or insufficiency of the data provided thereby.

Article (191)

1. The multimodal document of carriage shall have the probative force in respect of proving the data and conditions contained therein in relation to the carriage.
2. Either Carrier and the Consignor may prove contrary to the facts stated in the document of carriage vis-à-vis each other.
3. The carriage contractor may not prove contrary to the facts stated in the document of carriage vis-à-vis bona fide third parties, while the third party has the right to prove contrary to the facts stated in the document of carriage by all means of proof, and after the consignee shall be deemed a third party in respect of applying the provisions of this Clause.

Article (192)

1. The multimodal document of carriage may or may not be negotiable depending on the Consignor's choice.
2. If a non-negotiable document of carriage is issued, the name of the consignee shall be specified therein. Otherwise, the carriage contractor shall deliver the cargoes at the place

of delivery to the Consignor or his representative.

3. If a paper document of carriage is issued and is negotiable, it may be transferred by endorsement if it is issued to the order of the Consignor or consignee, or it may be transferred by manual handling without endorsement if it is issued to the bearer.
4. An electronic negotiable document of carriage may be issued via electronic means in a way that ensures that the carriage contractor is aware of the owner of the right to receive the cargoes as soon as the right is transferred to him.

Article (193)

The consignee or the holder of the document of carriage shall be granted all rights with regard to the cargoes assigned to the Consignor vis-à-vis the carriage contractor, and he may file a liability case against the carriage contractor for damage to the cargo as a result of the improper carriage.

Article (194)

1. The multimodal carriage contractor shall deliver the cargoes received thereby from the Consignor to the place of delivery, complete and intact, and on the agreed upon date. He may entrust one or more other Carriers to carry out all or part of the carriage.
2. If the carriage contractor detects the existence of cargoes not mentioned in the document of carriage, he may refrain from transporting them, and he shall notify the Consignor and adhere to his instructions regarding such cargoes. If the Consignor refrains from issuing any instructions regarding such cargoes, the carriage contractor may request the competent judge of urgent matters to keep the cargoes, for the Consignor's account, in the place designated by the judge.
3. The carriage contractor shall not be liable for unloading cargoes founds during the voyage from the means of transport.

Article (195)

The Consignor may withdraw from the multimodal contract of carriage before delivering the cargoes to the carriage contractor, and it shall compensate the carriage contractor for the damage the latter sustains as a result of non-performance of the contract, provided that the

compensation does not exceed the amount of the agreed-upon freight.

Article (196)

1. The Consignor shall pay the carriage freight agreed upon before the start of the voyage. If it is stated in the document of carriage that the freight is due in whole or in part upon arrival, the person who has the right to receive the cargoes is also obligated to pay it.
2. If it is not stated in the document of carriage that the freight is due upon arrival, it is assumed that the carriage contractor has received the entire freight upon takeover of the cargoes. The contrary may not be proven vis-à-vis a third party who does not know at the time of obtaining the document that the freight or part thereof is still payable. The consignee, in whose name or to whose order the document was issued, shall be considered a third party under the provisions of this Article unless he is the Consignor himself.
3. The Consignor or whoever has the right to receive the cargoes shall not be discharged from paying the freight, even if the cargoes are damaged or their quantity or value decreases during the voyage.

Article (197)

1. If the loss or damage of cargoes or the delay of their delivery arises during any of the carriage-by-sea stages of multimodal carriage or the nature of the damage is unknown, the provisions contained in Articles (175) to (186) of this Decree-Law shall apply.
2. If the loss or damage of the cargoes or the delay of their delivery arises during other than the carriage-by-sea stages of multimodal carriage, the provisions regulating the Carrier's liability shall apply according to the type of carriage from which the damage resulted.

Article (198)

In the event of denial and absence of a legally-admissible excuse, the following cases shall not be heard:

1. The cases arising from a multimodal contract of carriage after one year has lapsed from the date of delivery of the cargoes or the date on which delivery should have been made.

2. Cases for recourse against third parties against whom the case was initiated after ninety (90) days have passed from the date of filing the case against him or from the date of his payment, even if the period referred to in Clause (1) of this Article has passed.
3. Cases to recover the amounts paid unduly after one year has lapsed from the day on which the party seeking recovery becomes aware of its right to claim recovery.

Chapter Eight

Transport of Cargoes

Article (199)

1. The Freight Forwarder shall be considered a Carrier contracting with the Consignor if the same undertakes to provide carriage service. If he entrusts the performance of all or part of the carriage to one or more actual Carriers, then he is considered the principal Carrier for shipping and unloading the cargoes and for maintaining the same in the public warehouses in the Ports Department in which the carriage operations are made.
2. The Freight Forwarder shall be considered principal Carrier in the contract with the sea Carrier in his capacity as a Consignor if he commits to providing the carriage service through third parties, he is considered a commission agent acting on behalf of the Consignor with regard to contracting to load and unload the cargoes and to keep the same in the public warehouses of the Ports Department in which the carriage operations are made.
3. The Freight Forwarder shall be considered a representative of the Consignor if the contract of carriage is concluded in the latter's name and for his account. In this case, he is considered the Consignor's agent with regard to contracting to load and unload the cargoes and to keep the same in the public warehouses of the Ports Department in which the carriage operations are made.
4. In all cases, the Freight Forwarder shall be considered the Consignor's agent with regard to carrying out all the work relating to issuing certificates of origin and export licenses, taking into account paying duties and taxes, conducting an inspection of the cargoes and taking customs or sanitary release procedures for them.

Article (200)

1. Without prejudice to the provisions relating to the registration of contracts concluded by the Freight Forwarder within the framework of carrying out the duties assigned thereto, the contract for carriage of cargoes shall be proven by all means.
2. However, proof of the assignment of the Freight Forwarder to transport dangerous cargoes or cargoes whose trading is prohibited cannot be proven except with a special written permission. Moreover, the Freight Forwarder shall only be liable for applying the instructions issued thereto by the Consignor regarding the carriage of those cargoes, which are confirmed in writing.

Article (201)

The provisions regulating each contract according to its nature and type shall apply to contracts concluded by the Freight Forwarder with third parties in performance of the duties assigned thereto.

Article (202)

1. The Freight Forwarder shall carry out the duties assigned thereto by the Consignor.
2. The Freight Forwarder shall adhere to the instructions issued thereto by the Consignor regarding the handling and carriage of cargoes. However, the Freight Forwarder may deviate from the Consignor's instructions if the latter has an interest in doing so.
3. The Freight Forwarder shall be liable for the loss and damage to the cargoes carried thereby, and his liability shall be subject to the provisions contained in Articles (175) to (178) of this Decree-Law.
4. The Freight Forwarder shall be liable for damage to the cargoes that he stacks in containers provided thereby, whether due to the poor condition of the container or the unsuitability of shipping the cargoes therein.
5. If the Freight Forwarder assigns a Carrier to carry the goods by sea, he is not obligated to declare the interest in transporting the cargoes except based on explicit instructions from the Consignor to do so.
6. The Freight Forwarder is not obligated to deliver the cargoes against receiving the price of the sale or against recovering documents relating to their trading except based on explicit

instructions from the Consignor to do so.

7. The Freight Forwarder shall be under no obligation to insure the cargoes it undertakes to transport except based on a special agreement with the Consignor. The Forwarder may announce the shipment to the insurer within the subscription policy created to insure the cargo being transported, unless written instructions are issued by the Consignor on the necessity of creating an insurance policy for the cargoes entrusted thereto.

Article (203)

1. The Consignor shall provide the Freight Forwarder with data regarding the type of cargoes carried, their value, weight, size, quantity, the number of packages or containers and other data sufficient to identify the nature of the cargoes.
2. The Consignor shall be liable for damage arising from incorrect or insufficient data provided thereby.

Article (204)

1. If the nature of the cargoes carried requires that they be wrapped, packaged or stowed, the Consignor shall do so in a manner that does not expose the cargoes to destruction or damage and does not expose the means of transport, persons or property on board the ship to harm.
2. The Consignor shall be liable for damage arising from defects in respect of wrapping, packaging or stowing. The Freight Forwarder shall, jointly with the Consignor, be liable for damage caused to third parties if the defect is apparent.

Article (205)

In the event of denial and the lack of a legally-admissible excuse, cases arising from the carriage of cargoes shall not be heard after one year has lapsed from the date of expiry of the contract.

Chapter Nine
Contract of Carriage of Passengers by Sea
Article (206)

The provisions of this Chapter shall not apply to free carriage unless the Carrier is professional, and they shall not apply to persons who sneak onto the ship with the intention of travelling.

Article (207)

1. The contract of carriage of passengers by sea shall only be executed in writing.
2. The fixed document of the contract is called "a ticket", and it includes in particular the name of both the Carrier and the passenger, the date of issuance of the ticket, the name of the ship, the port of departure and its date, the destination port and its date, the carriage fare and the conditions of stay on the ship.
3. The contract may be executed by an electronic record called an "electronic ticket," which includes the data referred to in Clause (2) of this Article, and the contract for carriage of passengers by sea may be proven by any other document provided that it includes the data referred to in Clause (2) of this Article.

Article (208)

1. The Carrier shall issue the ticket in the name of the passenger, and the passenger may not transfer it to third parties except with the approval of the Carrier.
2. If the passenger entrusts the Carrier with luggage during travel, the Carrier shall register the same and issue a receipt therefor to be delivered to the passenger containing the data necessary to identify the registered luggage.

Article (209)

The Carrier shall undertake to take the following measures:

1. Exercise the necessary care to make the ship in a navigable condition and carry out the agreed upon voyage. He shall further keep the ship in this condition for the duration of the voyage.
2. Ensure the safety of passengers during the voyage, and he shall exercise the necessary care

to secure their needs and comfort during the voyage in accordance with the conditions agreed upon for stay on the ship.

3. Take the necessary care to preserve checked luggage.

Article (210)

1. The passenger shall be present at the time and place specified in the travel ticket.
2. If the passenger fails to travel or is late for the scheduled time, he remains obligated to pay the fare.
3. If force majeure prevents the passenger from traveling or if he dies before travelling, the contract shall be terminated on the condition that he/she or his/her heirs notify the Carrier thereof before travelling. If notification is not given, the Carrier is entitled to a quarter of the fare. This provision shall apply to the passenger's family members and dependents who were scheduled to travel with him.

Article (211)

1. The passenger may cancel the contract without compensation, if the ship is unable to travel due to a reason beyond the control of the Carrier.
2. The passenger may request termination of the contract with compensation if necessary if the Carrier makes a fundamental amendment to the travel dates, the ship's itinerary or the announced berthing ports. However, the Carrier shall be exempted from compensation if he proves that he exercised the necessary care to avoid this amendment.

Article (212)

1. If voyage is interrupted for a period exceeding three (3) days, the passenger may terminate the contract with compensation when necessary, unless there is an agreement stipulating otherwise. The Carrier shall be exempted from compensation if he proves that the interruption of voyage resulted from a reason beyond his control.
2. If the continuation of the voyage becomes impossible due to the Carrier or passenger, the contract shall be terminated without compensation. If it is proven that the impediment is due to the action of the Carrier, he shall be obligated to refund the fare and compensation equal to half thereof.

3. The contract may not be terminated in any of the following cases:
 - a. If the Carrier transports the passenger to the agreed upon destination at a reasonable time and on a ship of the same standard.
 - b. If the passenger agrees for the Carrier to transport him to the agreed upon destination by means other than by sea.

Article (213)

1. The passenger shall pay the carriage fare agreed upon before the start of voyage unless otherwise agreed.
2. The captain has the right to withhold checked luggage until the carriage fare and other amounts due to the Carrier are paid and that resulted from carrying out the carriage.
3. The captain may not retain the passenger's unchecked luggage that he keeps in his possession on the ship in satisfaction of the Carrier's rights. However, the captain may request that it be withheld with a third party until these rights are satisfied, provided that the cost of withholding, if necessary, shall be at the expense of the passenger.

Article (214)

1. The Carrier shall be held liable for the damage caused to the passenger as a result of delay in respect of arrival resulting from the Carrier's failure to comply with the obligations referred to in Article (209) of this Decree-Law, or if it is proven that another error occurred on the part of the Carrier or any of its subordinates or agents.
2. The Carrier shall be liable for the loss or damage of checked luggage entrusted thereto by the passenger during voyage unless he proves that he, his subordinates and agents took all reasonable measures to prevent the occurrence of damage or that it was impossible for them to take such measures. In this case, the provisions contained in Article (178) and Clause (4) of Article (180) of this Decree-Law shall apply.
3. The Carrier shall not be liable for the loss or damage of unchecked luggage, unless the passenger proves that the damage is caused due to a mistake on the part of the Carrier or any of his subordinates or any of his agents.

Article (215)

1. The Carrier shall be held liable for the damage that gives rise to the passenger's death or physical or mental injury, in the event that the incident takes place during the performance of a contract of carriage, unless the carrier proves that the damage is the result of an external cause that falls beyond the liability of the carrier and its subordinates and agents.
2. The incident shall be deemed to take place during the performance of a contract of carriage if it occurs during the voyage or when the passenger is getting on or off the ship at the port of departure, arrival or docking.

Article (216)

1. The Carrier's liability for the death or physical or mental injury of any passenger shall be equal to two hundred fifty thousand (250,000) of the SDRs, but where the damage arises out of any of the following cases, the maximum compensation threshold shall be equal to four hundred thousand (400,000) of the SDRs:
 - a. International and civil wars;
 - b. Security disorders, armed conflicts and piracy operations;
 - c. Revolutions and rebellions; or
 - d. Unforeseeable, unavoidable exceptional natural disasters.
2. The Carrier's liability for the destruction of or damage to checked luggage shall be equal to three thousand, three hundred seventy-five (3,375) of the SDRs, except for the land transportation vehicles carried by sea in the companion of a passenger, as the Carrier's liability for the same shall be twelve thousand and seven hundred (12,700) of the SDRs.
3. The Carrier's liability for the destruction of unchecked luggage shall be equal to two thousand, two hundred fifty (2,250) of the SDRs.
4. The maximum compensation value shall be calculated pursuant to Clause (1) of this Article in light of the SDRs announced by the International Monetary Fund on the day of judgment as denominated in the national currency in which the freight is determined. The convict shall be ordered to pay the compensation only in the national currency, unless the parties agree otherwise.

Article (217)

1. The contracting parties may agree that the Carrier's liability be determined in a value higher than the value stipulated in this Decree-Law.
2. The Carrier may not invoke the limitation of its liability, if the party claiming compensation proves that the damage has arisen out of an act or omission made by the Carrier or any of its subordinates or agent, whether with the intention of causing damage or due to indifference coupled with awareness that damage may occur.

Article (218)

Any agreement executed prior to an incident that gives rise to the death or physical or mental injury of a passenger shall be null and void to the extent that such an agreement relieves the Carrier of liability or limits such liability to an amount less than the threshold prescribed under Article (216.1) of this Decree Law or transfers the burden of proof imposed by law on the Carrier, and any other condition that relieves the Carrier of the liability to compensate for such damage shall also be null and void.

Article (219)

In the event of denial and absence of a legally-admissible excuse, the following claims shall not be heard:

1. The liability claim for the passenger's death or physical or mental injury after the lapse of one year, and such a limitation period shall commence as of the day immediately following the day on which the passenger leaves the ship in the event of injury, and on which the passenger should have left the ship in the event of death during the performance of the contract of carriage, and on which the death occurs if the death occurs after the passenger leaves the ship as a result of any incident that occurs during the performance of the contract of carriage. Under all circumstances, the claim shall not be heard after the lapse of two years of the day on which the passenger leaves the ship.
2. The liability claim for loss of or damage to property after the lapse of one year, and such a limitation period shall commence as of the date on which the checked luggage is delivered to the passenger or on which the passenger leaves the ship if the same is not delivered to them, and on which the loss or damage occurs to unchecked luggage.

3. The liability claim for delayed arrival after the lapse of three (3) months immediately following the day on which the passenger leaves the ship.

Article (220)

1. If the maritime carriage is implemented pursuant to a tourist program, the Carrier may grant the program organizer a collective ticket, which includes the data specified in the Executive Regulations.
2. The Executive Regulations shall regulate the controls and procedures for issuance of the collective ticket referred to in Clause (1) of this Article.

Section Seven

Marine Accidents

Chapter One

Management of Marine Accidents

Article (221)

1. The captain, shipowner, ship's husband and ship's agent of a ship that carries the flag of the State shall report to the Ministry any maritime accident that occurs in the high seas by any of the available means.
2. The ship's captain and agent shall immediately report to the nearest port authority in the State and the Ministry any situation in which the ship experiences a maritime accident in the ports or territorial waters of the State or where the ship is the cause of any accident.

Article (222)

1. The captain or any pers on acting on his behalf shall take the following actions upon occurrence of a marine accident:
 - a. Promptly assess the damage sustained by the persons and property aboard the ship and the marine environment, take the necessary measures to prevent deterioration of the damage, and request assistance, if necessary.
 - b. Draw up and send to the ministry a report on the marine accident, and send a copy thereof to both the ship's husband and the nearest port.

2. Every captain, who becomes aware of the occurrence of a marine accident in the territorial waters of a neighboring country and which causes contamination of the marine environment, and is heading for the State, shall report the same to both the Ministry and the nearest port.

Article (223)

Whoever watches or becomes aware of the occurrence of a marine accident or receives a request for help shall either report the same to the nearest port in the State or provide the Ministry or the Competent Authority with all available information about the accident.

Article (224)

Immediately upon receiving a notice indicating the occurrence of a marine accident to any ship that carries the flag of the State or any ship sailing in the territorial waters of the State, the Ministry and the Port Authority shall notify the bodies in charge of search and rescue of the place of the accident, according to the controls prescribed by the Executive Regulations.

The competent authorities shall promptly take all search measures to rescue the lives and the ship and safeguard the marine environment of the consequences of the accident, and shall notify the health authorities in the State for taking the necessary measures.

Article (225)

The Ministry shall coordinate with the competent bodies that are in charge of searching for the ships that carry the flag of the State and which are likely to experience any marine accident and shall supervise the salvage activities, in cooperation with other countries pursuant to the provisions of the international conventions on search and salvage that are applicable in the State.

Article (226)

1. The ships that carry the flag of the State shall be required to provide equipment for transmission and receiving of the call for help, pursuant to the provisions of international agreements issued in this respect.
2. The Ministry shall supervise the system for remote tracking of ships and monitoring of

their navigational routes.

Article (227)

1. The Ministry shall investigate the marine accidents experienced by the ships that carry the flag of the State wherever they are, and may seek the assistance of the consul of the State or any officer authorized by him, in the event that the accident occurs within the territorial waters of any other country.
2. The Ministry shall, in coordination with the competent authority, investigate the marine accidents that occurs within the ports or territorial waters of the State.
3. The Ministry shall coordinate with the competent authorities in the other countries in respect of any investigation conducted by such countries into the marine accidents experienced by the ships that carry the flag of the State or which are caused by such ships in association with any other ship that belongs to any other country or within its territorial waters. The Ministry may engage any specialist entity to conduct or get involved in such investigations.

Article (228)

The maritime accident shall be investigated if it gives rise to any of the following situations:

1. Death, serious injury or missing of any person from the ship;
2. Jeopardizing the ship or the persons in charge of its operation;
3. Material damage to the ship;
4. Loss or abandonment of the ship;
5. Ship grounding which makes it unable to move, evacuation of the ship or the ship's involvement in a collision;
6. Material damage to the port or any other port facilities to such an extent that would jeopardize the ship or any other ships or persons; or
7. Serious damage to the marine environment or the potential serious damage to environment.

Article (229)

1. The Ministry may inspect or examine the ship and collect evidence for investigation purposes, and may suspend the navigation license of the ship for the period of time determined by the Ministry.
2. The Ministry may prevent the ship from completing the voyage if the investigation interest so requires.
3. The Ministry shall have the right to dispose of the shipwreck for the purposes of investigating the marine accident, and may, in particular, seize the wreck and deny third parties' access to its whereabouts or take samples or part of the ship wreck or its components.

Article (230)

The Ministry shall draw up a detailed report on the investigation conducted thereby into the marine accident, indicating the name of the ship that experienced or caused the accident, the time and place of occurrence of the accident, an initial estimation of the damage caused and its nature, the seaworthiness condition of the ship and its components upon sailing prior to the accident, all investigation work conducted by the Ministry, the causes the led to the occurrence of the accident or the circumstances that kept the cause of the accident unknown. The report shall also include the recommendations on the measures required to be taken to prevent reoccurrence of the accident.

The Minister shall determine the marine accident investigation procedures under a resolution to be issued by him.

Article (231)

A note shall be inserted in the registration margin of a ship that carries the flag of the State indicating that the investigation has been kept with the Ministry for access by the interested parties, and the Executive Regulations shall determine the relevant conditions and procedures.

Chapter Two

Shipwreck

Article (232)

1. Any ship or part thereof that is abandoned or sunk or stranded in the territorial waters of the State, any item lost therefrom at sea and swept by the current into the territorial waters of the State or any ship that is about to sink or is, based on reasonable grounds, be expected to sink or run aground in these waters, where there are no effective measures to address the same, shall be considered shipwreck.
2. The violating ship shall be considered shipwreck in any of the following cases:
 - a. When it causes damage to the interests of the State in terms of security or maritime safety or violates the preservation of the marine environment and the protection of lives.
 - b. When it anchors in places other than those designated for anchoring ships in the territorial waters of the State or without a permit from the competent authorities.
 - c. When the shipowner or ship's husband fails to pay fees and expenses for towing, insurance and mooring.
 - d. Expiration of its insurance policies against marine damage and liabilities.
 - e. It is not registered under the flag of a specific country, or its registration documents and papers are proven to be forged.
 - f. Any other case specified in the Executive Regulations.

Article (233)

1. If the ship becomes a wreck in the territorial waters of the State, its owner or the ship's husband shall remove the wreck within (60) sixty days from the date it becomes a wreck.
2. The Ministry may shorten the aforementioned period if the shipwreck obstructs maritime navigation, poses a threat to maritime safety or the marine environment, disrupts operational traffic in the port or fails to take into account the humanitarian situation of seafarers.
3. If the shipowner or ship's husband does not remove the shipwreck within the period specified in Clause (1) of this Article, the Ministry or the competent authority may, as the case may be, take the necessary measures to remove the wreck, in coordination with the

competent authority.

4. In all cases, the shipowner or the ship's husband shall remain liable for all expenses of removing shipwreck and the items connected therewith and for any compensation arising therefrom.

Article (234)

The Ministry or the competent authority may sell shipwreck depending on the mechanism determined by the Cabinet to collect the amounts owed thereto or to the relevant authorities and deposit the remainder in the treasury of the competent court. If the deposited amount is not claimed within (3) three years from the date of deposit, it shall be considered State revenue.

Imposing a Prejudgment attachment on the ships referred to in Article (232) of this Decree-Law shall not prevent the Ministry or the competent authority from exercising its right to sell the same.

Chapter Three

Ship Collision

Article (235)

1. If a collision occurs between ships or between ships and vessels navigating inland waters, the compensation due for damage to the ships, objects and persons on board the ship shall be settled in accordance with the provisions contained in this Chapter without regard to the laws of the waters in which the collision occurred, with the exception of floating ships restricted to a fixed anchorage, as every floating ship is considered, under the provisions of this Article, a marine ship or an inland navigation vessel, as the case may be.
2. The aforementioned provisions shall apply, even if a physical collision does not occur, to compensation for damage caused by a ship to another or to the onboard objects or persons if these damage result from action, omission or negligence in the movement of the ship or from failure to observe the provisions of applicable legislation or ratified international agreements.
3. The provisions of this Chapter shall apply, even if any of the ships collided was a military facilities or was designated for public service.

Article (236)

1. The captain of every ship or the commander of any other floating facility that has been involved in the collision shall take the initiative to provide salvage services to a ship or other floating facility and to its onboard seafarers and passengers, whenever possible, without exposing his ship, facility, seafarers or passengers to serious danger. Moreover, he shall inform the ship or other facility of the name of his ship, its port of registration, the departure port from which it is coming and the destination to which it is heading.
2. The shipowner and the ship's husband shall not be liable for the captain's violation of the provisions of Clause (1) of this Article, unless the abstention was in implementation of explicit instructions from him.

Article (237)

1. If the collision results from the fault of any of the ships or floating facilities involved in the collision, it shall be solely obligated to compensate for the damage resulting from the collision.
2. Legal presumptions shall not apply to errors that give rise to liability arising from a ship collision.
3. The ship's husband shall be liable for the damage caused by his ship to third parties if they result from a fault on the part of the pilot, even if the piloting is compulsory.

Article (238)

1. If the fault was shared, the liability of each ship or floating facility involved in the collision shall be determined in proportion to the fault that occurred from them. However, if circumstances prevent the determination of the proportion of fault that occurred from each ship or floating facility involved in the collision, the liability shall be distributed equally among them.
2. The ships or floating facilities involved in the collision shall be liable, within the limits of the percentage referred to in Clause (1) of this Article, and without joint liability between them vis-à-vis third parties, for the damage caused to the ships or floating facilities involved in the collision, or to the cargoes, luggage, or other property belonging to the

seafarers or to any other person on board the colliding ship or floating facility.

3. Liability shall be joint liability if the damage results in the death or injury of a person on board the ship or floating facility involved in the collision, and the ship or floating facility involved in the collision, paying more than its share shall have the right to recourse against the other ships or floating facilities involved in the collision.

Article (239)

If the collision occurred as a result of force majeure, or its cause is unknown, or there is doubt about its causes, every ship or floating facility involved in the collision shall bear the liability for the damage it sustains, even if the ships or floating facilities, or any of them, were anchored at the time of the collision.

Article (240)

1. The plaintiff may file a case arising from the ship collision with any of the following courts of the State:
 - a. The court within the jurisdiction of which the defendant's domicile is located.
 - b. The court within the jurisdiction of which the defendant's ship's port of registration is located.
 - c. The court within the jurisdiction of which the place where the collision occurred is located.
 - d. The court within the jurisdiction of which the attachment of the defendant's ship or another ship owned by the defendant is located, if the attachment is admissible, or the place where the attachment may be imposed, and the defendant has provided the financial guarantee in accordance with Article (57) of this Decree-Law.
2. The opponents may agree to assign jurisdiction to a court other than the ones referred to in Clause (1) of this Article or agree to resort to arbitration.
3. After filing a case before any of the courts referred to in Clause (1) of this Article, the plaintiff may not file a case before another court except after discontinuing the first case.
4. If there are multiple plaintiffs and one thereof files a case before a court competent to adjudicate it, other plaintiffs may intervene therein or file cases arising from the collision before the same court, without taking into account any conditions or restrictions on

intervention determined by any other law.

Article (241)

In the event of denial and absence of a legally-admissible excuse, the following cases shall not be heard:

1. Compensation cases arising from a ship collision after one year has lapsed from the date of the incident.
2. Cases for recourse in application of the provisions of Article (238.3) of this Decree-Law after one year has lapsed from the date of death or physical injury.

Chapter Four

Marine Salvage

Article (242)

The provisions of this Chapter shall apply to the salvage services provided to the ships experiencing danger, the onboard persons, the carried objects and freight rate.

It shall further apply to services of the same type that are performed between ships and vessels that navigate in internal waters, without regard to the laws of the waters in which these services are provided. The provisions of this Chapter shall also apply to ships and naval military units, as well as the vessels designated by the State for public service.

Article (243)

Any captain or his representative shall, within the limits of his ability and without exposing his ship or its onboard seafarers or passengers provide salvage services to any ship encountering the danger of sinking and to any person found at sea encountering a dangerous situation. The shipowner or the ship's husband shall not be liable for violating this obligation unless the violation occurs based on explicit instructions from him.

Article (244)

1. Any act of salvage and rescue shall result in the entitlement of a fair reward if it leads to a beneficial result, provided that the reward does not exceed the value of the objects saved.

2. The reward shall be due even if the salvage services are provided between ships or marine units owned by a single person.
3. If the salvage services do not lead to a beneficial result, the ship to which these services were provided shall bear the expenses incurred in this regard.
4. Persons who contributed to the salvage services shall not be entitled to any rewards if the ship to be salvaged expressly refuses to receive their services and for a reasonable reason.

Article (245)

The captain of the ship shall act on behalf of the ship's husband with respect to concluding salvage and rescue agreements without regard to the location of the ship or the unit at risk.

Article (246)

A towing or pilotage ship is not entitled to any reward for the salvage services it provides to the ship requesting its services unless it provides the same with exceptional services that are not normally included in towing or pilotage.

Article (247)

1. The parties agree on the amount of the reward that is due for the salvage services. If there is no agreement in this regard, the court shall determine the amount of the reward and shall further determine, in the appropriate mechanism, the percentage of distribution of the reward among the ships that contributed to the salvage services, as well as the percentage of distribution between the owner, captain and seafarers of each ship.
2. If the salvage services are carried out in the territorial waters of the State and the ship that carried out the salvage is a foreign ship, in this case the reward shall be distributed between its owner and the crew thereof in accordance with the law of the State of nationality of the ship.

Article (248)

1. If the conditions for entitlement to the reward are not met, or if the reward is estimated at less than the expenses incurred by the person who provided salvage services to a ship where it or the onboard cargo poses a threat to the marine environment by causing

damage, a special compensation shall be allocated to him, not exceeding the value of the expenses incurred.

2. The value of the special compensation referred to in Clause (1) of this Article may be increased if salvage efforts prevent or limit damage to the marine environment. However, the increase in special compensation (30%) may not exceed thirty percent of the value of expenses unless the court determines otherwise.

Article (249)

1. When determining the reward, the court shall take into account the following two basic criteria, according to the circumstances and the order of their mention:
 - a. The extent of benefit arising from the salvage process, the efforts and efficiency of the salvagers, the danger faced by the salvaged ship and its passengers, seafarers and carries cargo and by the salvagers and the ship that performs the salvage, as well as the time taken for salvage, the expenses and damage arising therefrom, the risks of liability and other risks to which those carrying out the salvage are exposed, as well as the value of the tools they use, taking into account the extent to which the ship is prepared for performing the salvage activities, if necessary; and
 - b. The value of the salvaged items and the freight rate.
2. The criteria set out in Clause (1) of this Article shall be observed upon distributing the reward in the event of multiple ships engaged in the salvage process.
3. It may be decided to reduce or cancel the reward amount if it is convinced that the persons performing the salvage commit thefts, embezzle any items or commit fraud or any other illegal acts, without prejudice to the imposition of penalties thereon or compensation therefor from the competent authority.

Article (250)

A reward is not due against rescuing people. However, persons who saved human lives may receive a fair share of the reward stipulated for salvaging the ship or the onboard items for the same incident.

Article (251)

1. The competent court shall, upon the motion of either party, invalidate or amend any agreement on salvage and rescue made at the time of danger and under its influence, if it finds that the terms of the agreement are unfair.
2. In all cases, the court may, upon the motion of the parties concerned, invalidate or amend the aforementioned agreement if it becomes apparent that the consent of any of the parties was tainted by fraud or that the reward was exaggerated, more or less, in a way that is not commensurate with the services performed.

Article (252)

Any agreement that confers the jurisdiction upon a foreign court to hear the legal proceedings arising from the marine salvage, or which provides arbitration in such proceedings be conducted outside the State, shall be deemed null and void in the event that the salvage is carried out in the territorial waters of the State, and both the salvaging ship and salvaged ship are holding the State's nationality.

Article (253)

In the event of denial and absence of a legally-admissible excuse, cases for a reward for salvage shall not be heard after one year has lapsed from the date of completion of these works.

Chapter Five

General Average Losses

Article (254)

The provisions referred to in this Chapter apply to the General Average Losses unless there is a special agreement executed between the parties concerned. If there is no agreement or provision in this Decree-Law, the maritime customary practices shall be applied.

Article (255)

It is assumed that the average loss is deemed a private marine loss, and whoever claims that

it sustains a general average loss shall prove the same using all means of proof.

The private loss shall be borne by the owner of the item damaged or by the person who incurred the expenses, without prejudice to his right of recourse against the person who caused the damage or who benefited from the expenses incurred.

Article (256)

1. Only the following are classified as General Average Losses:
 - a. Physical damage to the ship.
 - b. Damage to property on board the ship.
 - c. The amounts incurred for the ship or the onboard property.
 - d. The wages of the captain and seafarers and the value of the fuel and supplies consumed during the extended voyage due to the ship resorting to a port or anchorage to take shelter or to carry out repairs are considered General Average Losses within a reasonable period for the ship to become fit to resume the voyage.
 - e. Ship salvage and towing expenses.
 - f. General loss settlement expenses.
2. It is required for classification in General Average Losses that the damage or amounts arise directly from the sacrifice that the captain decided to make or the expenses that he decided to spend. However, damage arising from delay, such as disabling the ship, and indirect damage such as the difference in the prices of cargoes, are not classified as General Average Losses.

Article (257)

1. The loss is considered general if the incident occurred due to the fault of any of the parties concerned during the voyage, without prejudice to the right of the other parties concerned to have recourse against the person who committed the fault.
2. A general loss is considered to be expenses that were incurred in lieu of other expenses that would have been classified as the General Average Losses had they been incurred, provided that they do not exceed the expenses that were not incurred.

Article (258)

1. The cargoes loaded on board the ship contribute to the General Average Losses if they are salvaged, but if they are thrown into the sea or damaged, their owner may not consider them a general loss unless he proves that he did not agree to ship them on the deck of the ship or if maritime customary practices in the shipping port does not allow such cargoes to be shipped in this manner.
2. The provision of Clause (1) of this Article shall not apply to coastal navigation.

Article (259)

Loss or damage to cargoes for which a bill of lading or receipt has not been issued by the carrier or his representative shall not be considered a general loss, and these cargoes shall contribute to the General Average Losses if salvaged.

Article (260)

1. The cargoes, for which a statement was submitted for less than their true value, shall contribute to the General Average Losses on the basis of their true value, and they shall not be accepted in these losses if they are lost or damaged except on the basis of the value mentioned in the statement.
2. The luggage of seafarers and the luggage of passengers, for which a bill of lading or receipt has not been issued by the carrier or his representative, as well as mail letters of all types, shall not contribute to the General Average Losses if salvaged, and they shall be accepted in these losses at their estimated value.

Article (261)

The rights arising from General Average Losses shall give rise to a credit group and the obligations arising therefrom shall give rise to a debit group.

Article (262)

Expenses and damage considered part of the General Average Losses shall be recorded under the credit group as follows:

1. The value of damage to the ship at the destination port, which shall be estimated either

based on the expenses actually incurred for repairing the damage to the ship or based on the estimated expenses in the event that no repairs are made to the ship. In the event that the ship is completely destroyed or presumed to be completely destroyed, the amount to be included in the General Average Losses shall be determined on the basis of the value of the ship intact before the marine incident occurs and after deducting the estimated value of repairs that are not classified as General Average Losses, and the price obtained from the sale of the wreck, if any.

2. The value of the damage to the cargoes in the event of loss or damage shall be estimated on the basis of the commercial value on the last day of unloading the ship at the port specified in the bill of lading or on the day the voyage ends if it ends in a port other than the port specified. If damaged cargoes are sold, the damage included in the General Average Losses shall be determined on the basis of the difference between the net price resulting from the sale and the net value of the intact cargoes on the last day of unloading the ship at the port specified in the bill of lading or on the day the voyage ends if it ends in a port other than the one specified.

Article (263)

The ship, the freight and the cargoes loaded on the ship shall be included in the debit group as follows:

1. The ship is determined at its true, net value at the port where the voyage ends, plus, if necessary, the value of the sacrifices it has made.
2. The total ship fare and passenger fare rate shall be divided by two-thirds, except for the ship fare, which is required to be due in all cases.
3. Salvaged cargoes and sacrificed cargoes shall be determined according to their true or estimated commercial value at the port of discharge.

Article (264)

The ordinary expenses of claiming sums of money that are not paid by any of the parties concerned to contribute to the General Average Losses are included in the General Average Losses.

Article (265)

1. If the cargo owners provide cash amounts to guarantee their contribution to the General Average Losses, they shall be deposited immediately in a joint account opened in the name of a representative on behalf of the ship's husband and a representative on behalf of the cargo owners who provided the aforementioned amounts in any of the banks agreed upon by both parties. These amounts shall be retained to ensure the fulfillment of the rights of the parties concerned in respect of the General Average Losses. Payments of these amounts may not be released or refunded to the person who paid them without obtaining the written permission from the settlement expert, without prejudice to the rights and obligations arising from the final settlement.
2. In the event of a dispute, the judge of urgent matters or the arbitration tribunal shall appoint a representative on behalf of the cargo owners and the bank in which the amounts are deposited.

Article (266)

The General Average Losses shall be distributed among all parties concerned on the sea voyage in proportion to the share of each of them in the debit group.

Article (267)

The application for the involvement in the settlement of General Average Losses arising from damage to the cargoes shall not be classified unless the captain is notified in writing of the application within (10) ten days from the day of the end of the voyage and the delivery of the cargoes. If the application is related to the damage to the ship, the cargo owners shall be notified thereof within the aforementioned period.

Article (268)

The captain may refrain from delivering cargoes that should contribute to the General Average Losses or request that they be deposited with a third party unless their owner provides sufficient guarantee to pay his share of the losses. If both parties do not agree on the guarantee, the matter shall be referred to the judge of urgent matters in whose jurisdiction the port of unloading is located for his assessment or to the arbitration tribunal.

Article (269)

1. The General Average Losses shall be settled by one or more settlement experts to be appointed by the parties concerned. If no agreement is reached between the parties on the said appointment, the expert shall be appointed by the judge of urgent matters at the court in whose jurisdiction the last port of unloading is located. However, if this port is located outside the State, jurisdiction shall be given to the court in whose jurisdiction the ship's port of registration is located.
2. The settlement expert may resort to marine experts to determine the elements of the credit group and the debit group with respect to the General Average Losses.
3. The settlement expert shall draw up an preliminary report on the causes of the incident resulting in the General Average Losses and deliver a copy thereof to all parties concerned within a maximum period of a month from the date of his appointment.
4. If the settlement expert refuses to deliver the preliminary report to the parties concerned, any of them may request the judge of urgent matters at the court in whose jurisdiction the port of unloading is located to appoint a marine expert to draw up the preliminary report. Both the ship's husband and the settlement expert shall hand over all papers and evidence in relation to the incident. The failure of the ship's husband or the settlement expert to this obligation shall result in the losses being considered private.
5. The settlement expert shall submit his final report on the settlement to all parties concerned immediately after its preparation.

Article (270)

If all parties concerned are not satisfied with the settlement, the matter shall be presented to the judge of urgent matters upon the request of a party to ratify the same. If he refuses to ratify the settlement, one or more settlement experts shall be appointed to conduct a new settlement, provided that the case is finally adjudicated within (6) six months.

Article (271)

The parties concerned may appeal the invalidation of the consideration of the losses as General Average Losses, and filing the case for invalidation shall not result in the suspension

of the settlement activities.

Article (272)

1. Debts arising from General Average Losses shall be considered preferred debts, and this preference applies to the amounts owed to the ship's husband for the salvaged cargoes or the price received from their sale.
2. As for the amounts owed to the cargo owners, the preference applies to the ship that was salvaged, its fare rate and its relevant charges.
3. The expenses of settling General Average Losses shall be collected in preference over any other debts.

Article (273)

There is no joint liability between the parties obligated to contribute to the General Average Losses. However, if any thereof fails to pay his share in these losses, the share shall be distributed among the other parties in proportion to the share thereof to pay in the General Average Losses.

Article (274)

Administrative expenses shall be counted at the rate of (5%) five percent of the total amounts included in the General Average Losses, from which settlement experts' fees are paid, and they shall be charged and added to those amounts up to the date of the final settlement, taking into account the amounts paid to any eligible bodies before settlement.

Article (275)

Administrative expenses shall be distributed among all parties concerned in the voyage in proportion to the share of each of them in the debit group.

Article (276)

Any party concerned may absolve himself of liability for contributing to the General Average Losses, by abandoning his property included in the debit group before receiving the same.

Article (277)

1. In the event of denial and absence of a legally-admissible excuse, a case for engagement in the General Average Losses shall not be heard after one year has lapsed from the day the ship arrived at the destination port or at the port where the sea voyage was interrupted.
2. The period referred to in Clause (1) of this Article shall be interrupted, in addition to other reasons according to which the period for not hearing the case shall be interrupted in accordance with the general rules concerning appointing a settlement expert. In this case, a new period of the same timeline shall apply from the date of signing the settlement of the General Average Losses or from the date on which the settlement expert retired.

Section Eight

Marine Insurance

Article (278)

1. The provisions of this Part shall apply to the insurance contract whose subject matter is insurance for things exposed to risks at sea and to liabilities arising from sea voyages.
2. The wages of the captain and seafarers, the ship's fare and the carriage fare shall be included among the things exposed to the risks at the sea.
3. The provisions of this Part shall apply to insurance on insured items and to marine insurance, with the exception of the provisions relating to insurance premiums and assignment. Its provisions shall further apply to reinsurance unless otherwise agreed upon.

Article (279)

The insurer shall have the right to reinsure the property he insured. In this case, the insured shall not have the right to adhere to the reinsurance contract concluded by the insurer unless otherwise agreed upon in the reinsurance policy.

Chapter One

Execution of Marine Insurance Contract

Article (280)

1. The marine insurance contract is the contract whereby the insurer shall compensate the insured for marine losses resulting from marine risks.
2. An insurance contract may be concluded for the benefit of a specific or non-specific person.
3. The insurance broker may enter into contract insurance for the benefit of the insured.
4. No party may get benefits from the marine insurance unless he has a legitimate interest in case of no risks.

Article (281)

1. The marine insurance contract or any amendment thereto may only be executed in writing.
2. The temporary insurance contract issued by the insurer shall constitute evidence vis-à-vis both parties until the final contract is issued.
3. The marine insurance contract shall be issued in the name, or to the order, of the insured, or to its bearer.
4. The Executive Regulations shall specify the data required to be included in the insurance contract.

Chapter Two

Multiple Insurances and Insurance Value

Article (282)

If the risk is insured in a single contract by several insurers, each of them shall commit to the proportion of his share in the insurance amount and within the limits of this share without joint liability between them.

Article (283)

1. If a number of insurers contribute to different contracts to insuring the insured item

against the same risk, and the total insurance amounts exceed the value of the item by an exaggerated amount as a result of the fraud of the insured or his representative, any of them may request the termination of the insurance contract while being entitled to the full insurance premium.

2. In the event of no fraud, insurance contracts are valid, and the insured may demand from any of the insured, not jointly, his share in the insurance amount within the limits of the true value of the insured item.
3. The insured who requests settlement for the damage he has sustained shall inform the insurer of the existence of other insurances of which he is aware, otherwise his request shall be deemed dismissible.

Article (284)

If the insurance amount exceeds the value of the insured item and the fraud is proven to be committed by the insured or his representative, the contract shall be voidable at the request of the insurer. The latter shall be entitled to the entire insurance premium. If there is no fraud, the contract shall be deemed valid to the extent of the true value of the insured item.

Article (285)

If the insurance amount is less than the true value of the insured item, the insured shall be considered self-insured for the difference and shall accordingly bear, in the event of partial damage, a part of the damage equal to the ratio between this difference and the value of the insured item.

Chapter Three

Obligations of Insurer

Article (286)

1. The insurer shall be held liable for the following matters:
 - a. Material damage to insured items due to the occurrence of a marine danger or an incident considered force majeure if the danger or incident is covered by insurance.
 - b. The share of insured property in the General Average Losses, unless they arise from a

- risk excluded from insurance.
- c. Expenses incurred due to an insured risk to protect the insured property from physical damage or to limit the same.
 - d. Damage caused to insured items due to the fault on the part of the insured or his terrestrial subordinates. However, the insurer is not liable for intentional or serious mistakes due to the faults on the part of the insured.
2. Without prejudice to the provisions of Article (322) of this Decree-Law, the insurer shall be liable for damage caused to the insured items due to the fault of the pilot or seafarer.

Article (287)

1. The insurer shall remain liable for damage arising from the insured risks in the event that there is a legitimate justification for changing the route, voyage or ship transporting the cargo or for making any other change decided by the captain or his representative without the intervention of the ship's husband or the insured.
2. If there is no legitimate justification for changing the voyage or route, the insurer shall only be liable for incidents that occur on the agreed-upon route unless the insurer accepts that the insurance remains valid against an additional premium.
3. In applying the provisions of this Article, the following reasons shall be considered legitimate justifications, for example but not limited to:
 - a. A permit to make a change in the voyage or route in the insurance policy.
 - b. If maintaining the safety and security of the ship requires changing the voyage or route.
 - c. If the flight or route is changed in order to fulfill the obligation to save lives in danger of perishing at sea.
 - d. If the voyage or route is changed in order to provide medical care to a person who has fallen ill or been injured on the ship.
 - e. If the change of voyage or route is made due to disobedience by the captain or seafarers, provided that the disobedience is one of the risks covered by insurance.
 - f. If the change of voyage or route is made as a result of a foreign cause beyond the control of the captain or the ship's husband.
4. When the legitimate justification resulting in the change of the voyage or the route ceases

to exist, the ship shall resume the voyage depending on the instructions specified in the policy.

Article (288)

1. The insurer shall not guarantee the risks of civil or foreign wars, disturbances, acts of piracy, revolutions, strikes, closures, acts of sabotage, terrorism and damage resulting from explosions and nuclear radiation, whatever their cause, unless there is an agreement to the contrary.
2. Without prejudice to the provisions of Article (314) of this Decree-Law, the insurer shall not guarantee, without a special agreement, the damage caused by the insured items to other property or persons.

Article (289)

If it is agreed to insure war risks, this insurance shall cover damage to the insured items caused due to hostilities, retaliation, capture, exploitation, arrest, coercion and harassment issued by governments and authorities, whether recognized or not, or due to the explosion of mines and other war equipment, even if war had not been declared or had ended.

Article (290)

1. If it is not possible to determine whether the damage resulted from a military danger or a maritime danger, it shall be considered to have arisen from a maritime danger unless it is proven otherwise.
2. The burden of proving that the damage resulted from a military risk lies on the insurer.

Article (291)

The insurer shall not be held liable, without explicit agreement, for the following matters:

1. Material damage arising from a defect in the insured item or insufficient packaging or packing. However, the insurer shall be liable for damage arising from a hidden defect in the ship.
2. The normal shortage that occurs in cargoes during the voyage.
3. Material damage arising from fines, confiscation, placement under receivership,

attachment, health measures, sterilization, violation of the blockade, smuggling acts or exercise of prohibited trade.

4. Compensation due as a result of to the attachment or the guarantee provided to lift the attachment.
5. Damage that are not considered physical damage directly caused to the insured items, such as unemployment, delay, price differences and obstacles that obstruct the commercial operation carried out by the insured.

Article (292)

1. It may be agreed to exempt the insurer from compensation for damage within the limits specified in the insurance contract, and the amount of exemption shall be deducted from the compensation amount unless it is agreed that he shall be entitled to the full compensation if the damage exceeds the exemption limit.
2. In all cases, the exemption shall be calculated after deducting the amount of normal damage that befalls the insured item during the voyage.

Chapter Four

Obligations of the Insured

Article (293)

The insured shall be liable for the following matters:

1. Paying the insurance premium and expenses at the agreed upon place and time.
2. Providing, at the time of concluding the contract, all the information available to him that would enable the insurer to estimate the risks against which he provides insurance services.
3. Notifying the insurer during the validity of the contract of any increase in the insured risks as soon as he becomes aware thereof.
4. Exerting reasonable care to preserve the insured item.

Article (294)

1. When the insured danger occurs, the insured shall exercise the utmost care to save the insured items. in this regard, he shall take all necessary measures to preserve the insurer's

right to claim recourse against the responsible third party.

2. The insured shall be liable for the damage caused to the insurer due to his own fault or negligence in respect of performing this obligation.

Article (295)

1. If the insurance contract is concluded through an insurance broker, the insured shall pay the insurance premium to him, and the broker shall pay the premium to the insurer.
2. The payment of the insurance premium to the broker shall constitute conclusive evidence of the insurer's receipt of the premium unless it is proven that the insured and the broker colluded to cause harm to the insurer.
3. The insurance broker has a privilege over the insurance premium in collecting his financial rights from the insured.

Article (296)

1. If the insured fails to pay the insurance premium when due, the insurer may suspend or terminate the insurance contract. The suspension or termination shall not take effect until fifteen (15) working days have passed from the day the insured was notified of order for payment.
2. The notification may be made to the last domicile of the insured through registered mail or any modern technological means.
3. The notification for payment and the notification for suspension or termination of the insurance contract may be made based on a single procedure.
4. The insurance contract that was decided to be suspended shall be made valid and effective as soon as the insurance premium and expenses are paid.
5. The effect of suspension or termination shall not extend to bona fide third parties to whom the insurance contract was transferred before the occurrence of any incident and before being notified of the suspension or termination.
6. In the event of the occurrence of the insured risk, the insurer may claim, vis-à-vis third parties, a set-off within the amount of the premium due.

Article (297)

1. If the insured becomes insolvent or goes bankrupt, the insurer may terminate the insurance contract after notifying the insured or the bankruptcy trust to pay, and the termination shall not take effect until five (5) working days have passed from the day of notification.
2. The effect of termination shall not apply to bona fide third parties to whom the insurance policy was transferred before the occurrence of any incident and before serving the notice of termination.
3. The insured has the same rights stipulated in Clause (1) of this Article, if the insurer becomes bankrupt.

Article (298)

1. The insurer may request invalidation of the insurance contract if it is proven that the insured intentionally provided an incorrect statement or neglected to disclose the information required to be stated, and the same would have led to the insurer's estimation of the insured risk at a value lesser than the true one.
2. If the contract is invalidated, the insurer shall be entitled to the insurance premiums due until the time of the request for invalidation.
3. If the insured provides an incorrect statement or does not disclose the information required to be stated in good faith, and the same would have resulted in the insurer's estimation of the insured risk being at a value lesser than the true one, the insurer shall, in this case, be entitled to:
 - a. Request to invalidate the insurance contract while retaining the insurance premiums, if he proves that he would not have concluded the insurance contract if he had known the true value of the risk.
 - b. Request to invalidate the insurance contract while refunding the insurance premiums, if he proves that he would not have concluded the insurance contract if he had known the true value of the risk.

The contract shall remain valid with a reduction in the insurance amount, if the insurer would agree to conclude the insurance contract under the same conditions but against a higher premium, and the insurance amount shall be reduced by the proportion of the

increase in the value of the premium that the insurer would have been satisfied with if he knew the true value of the risk.

Article (299)

1. The insured shall notify the insurer of circumstances that arise during the validity of the contract, which may lead to the increase of the possibility of the occurrence of the risk covered by the insurer immediately upon becoming aware thereof, unless otherwise agreed upon.
2. If the increase in risk does not result from the action of the insured, the insurance contract shall remain valid with an increase in the insurance premium against the increase in the risk value.
3. If the increase in risk value results from the action of the insured, the insurer may, within (3) three working days from the date of receipt of the notification, either terminate the contract while retaining the right to the insurance premium or keep the contract while demanding an increase in the premium against the increase in risk value.

Article (300)

The insurance contract shall be deemed invalid in any of the following cases:

1. If the insurance contract is concluded after the loss of the insured items or after their delivery, if it is proven that the news of the loss or delivery reached the place where the insured was located before requesting insurance or reached the place of signing the contract before the insurer signed the insurance contract.
2. If the insured becomes aware of the destruction of the insured item after requesting insurance and does not take the initiative to cancel the request before signing the insurance contract.
3. If it is proven that the insured was aware of the destruction of the insured items or that the insurer was aware of their delivery.

Chapter Five

Settlement of Damage

Article (301)

1. Damage shall be settled by way of compensation, unless the insured chooses to assign the insured item to the insurer in the circumstances specified by this Decree-Law or the agreement.
2. It is not permissible to assign insured items partially or based on a condition.
3. The insurer may refuse to transfer ownership of the insured items thereto.

Article (302)

The assignment shall result in the transfer of ownership of the insured items to the insurer along with his obligation to pay the full amount of compensation. The transfer of ownership takes effect with respect to the parties from the day the insured expresses his desire to assign the same to the insurer, without prejudice to his obligation to pay the amount of compensation.

Article (303)

When the insured expresses his desire for the assignment, he shall declare all other insurance contracts of which he is aware. If the insured submits an incorrect declaration in bad faith, his right to benefit from the insurance shall be forfeited.

Article (304)

The insured shall prove that the insured item is exposed to danger and prove the damage caused thereto, and it is assumed that the damage occurred at the time and place in which the insurance applies, unless the insurer provides evidence to the contrary.

If the insured uses his right to assign the insured item, he shall also prove the fulfillment of any of the conditions thereof.

Article (305)

1. Assignment shall be communicated to the insurer by means of a notice by a report or by

mail within (90) ninety days from the date on which the insured becomes aware of the incident that permits assignment or from the expiration date of the dates referred to in Articles (319), (329) and (330) of this Decree-Law.

2. The insurer may not refuse assignment if he is notified thereof within the time referred to in Clause (1) of this Article.
3. Failure to notify the assignment on time shall result in the forfeit of the insured's right to assignment and he shall have no choice but to claim compensation.

Article (306)

The insurer is not obligated to repair the insured items or replace them with other items.

Article (307)

The insurer shall pay to the insured the amount of the contribution of the insured items to the General Average Losses upon their temporary or final settlement, in addition to paying salvage and rescue expenses, in proportion to the value of the insured items, minus the special losses borne by the insurer.

Article (308)

The insurer shall be entitled to the rights and claims of the insured, within the limits of the compensation he has paid, arising from damage covered by the insurance.

Chapter Six

Inadmissibility of Cases Arising from Marine Insurance Contract

Article (309)

1. In the event of denial and absence of a legally-admissible excuse, the cases arising from the insurance contract shall not be heard after the lapse of one year starting from:
 - a. The due date of the insurance premium in relation to the case.
 - b. The date of the incident from which the case is initiated in relation to the claim for compensation for damage sustained by the ship.
 - c. The date of the ship's arrival or the date on which it should have arrived in relation to

- a case for compensation for damage to the cargoes. However, if the incident occurred later than either of these dates, the period shall run from the date of the incident.
- d. The date of the occurrence of the incident in relation to the case for settlement of damage through assignment. If a time limit is specified in the contract for filing the assignment case, the period shall apply from the date of expiry of this period.
 - e. The date on which the insured made payment in relation to the case for contribution to the General Average Losses or the case for the reward due for salvage and rescue.
 - f. The date on which any Third Party files a case against the insured or from the date on which the insured pays the claimed amount in connection with his case against the insurer due to the third party's recourse.
2. In the event of denial and absence of a legally-admissible excuse, a case for the recovery of any amount paid unduly under the insurance contract shall not be heard after one year has lapsed, and this period shall run from the day on which the recovering party becomes aware of its right to claim recovery.
 3. The limitation periods referred to in Clauses (1) and (2) of this Article shall be interrupted by a registered letter or the delivery of documents related to the claim, in addition to other legally prescribed reasons for interruption of limitation periods.

Chapter Seven

Insuring the Ship

Article (310)

The ship insurance contract may be executed for a single voyage, for several voyages or for a fixed period of time.

Article (311)

1. The coverage provided by the insurer under the voyage insurance shall become effective once the loading of the cargo is commenced, ending in either of the following cases:
 - a. The cargoes are unloaded, without the insurance validity period exceeding (15) fifteen days from the ship's arrival at the destination port.
 - b. The time at which the cargo is loaded at the port for a new voyage.
2. If the ship is empty, the insurer's coverage shall apply from the time it sets off for sailing

until it docks at the destination.

3. If the insurance includes several successive voyages, the insurer's coverage shall become effective in accordance with the provisions stated in Clauses (1) and (2) of this Article, and the coverage shall end at the place specified in the insurance contract for the end of the last voyage.
4. If the insurance is for a definite period, the insurer's coverage shall become effective and end on the date specified in the contract, regardless of the place where the ship is located.

Article (312)

The ship shall be covered by insurance without interruption wherever it exists, within the limits of the agreed upon voyage or period and the type of navigation specified in the contract.

Article (313)

1. Without prejudice to the provisions of Article (284) of this Decree-Law, if the insurance contract contains the value of the ship, the parties may not dispute the same, except in the case of recourse due to contribution to the General Average Losses or a reward for salvage or rescue.
2. The agreed value includes the ship's hull, engines and accessories owned by the insured, ship's husband and expenses of preparations.
3. Any insurance, regardless of its date, executed on the ship's accessories alone, shall result in, in the event of total loss or abandonment, a reduction in the agreed-upon value equivalent to the value of these accessories.

Article (314)

1. With the exception of damage to persons, the insurer shall pay the compensation incurred by the insured vis-à-vis third parties in the event of a collision due to the fault of the insured ship or its collision with a fixed, moving or floating object, unless it is agreed to cover a percentage of these compensations.
2. The insured may, even without the insurer's approval, execute supplementary insurances to guarantee his liability arising from damage caused by the ship, which are not covered by Clause (1) of this Article or which exceed the insurance amount.

Article (315)

The insurer shall not be liable for damage resulting from an intrinsic defect in the ship unless the defect is hidden. Likewise, the insurer shall not be liable for damage resulting from intentional faults committed by the captain.

Article (316)

1. If the insurance on the ship is executed for a single voyage or for several successive voyages, the insurer shall be entitled to the full insurance premium as soon as the insured risks begin to take effect.
2. If the insurance is executed for a definite period, the insurer shall be entitled to the premium for the entire insurance period, if the ship is completely destroyed or the insured decides to assign it to the insurer and the liability for the loss or assignment is assumed by the insurer.

However, if the liability for the loss or assignment is not assumed by the insurer, he shall be only entitled to the premium that corresponds to the period between the date of the commencement of the risks and the date of the occurrence of the incident that led to the destruction of the ship or the announcement of its assignment.

Article (317)

1. The insurer shall provide coverage, within the limits of the insurance amount, for the damage arising from every incident that occurs during the validity of the insurance policy, even if there are multiple incidents, unless the parties agree on the insurer's right to request a supplementary premium following each incident.
2. The incidents occurring during each voyage shall be settled on a case-by-case basis, whether the insurance is executed for a single voyage, for several successive voyages or for a definite period.

Article (318)

1. In the event that the insurance is settled by way of compensation, the insurer shall cover the expenses of replacing spare parts and repairs necessary to make the ship seaworthy,

without other compensation arising from the decrease in the value of the ship, breakdown of the ship or any other reason.

2. The costs of replacing the spare parts shall be reduced by the difference in value between the value of the old and the new parts, unless otherwise agreed.

Article (319)

The insured may assign the ship to the insurer in the following instances:

1. Where the ship is completely destroyed;
2. Where there is no news of the ship for a period of (90) ninety days after receiving the latest news about it, and the ship shall be presumed to have been lost on the date of receiving any such news;
3. Where the ship sustains an irreparable damage or if it is not possible to repair the ship's damage due to the lack of the necessary physical means at the place where the ship is located, unless it is possible to tow the ship to any other place for repair; or
4. Where the expenses for repair of the ship are equal to at least three quarters of its value specified in the insurance policy.

Article (320)

The insured may exercise his right to assign the ship if it is captured, attached or arrested based on an order from the public authorities if the insured is unable to recover the ship within (4) four months following the date of notifying the insurer of the occurrence of the underlying incident, if the insurance covers war risks.

Article (321)

1. Marine insurance contracts governing several ships owned by a single husband shall apply as if each ship is owned by a different husband.
2. The cargo and other property owned by the husband shall, with regard to the ship insurer, be deemed as if owned by a third party.

Article (322)

1. The insurance contract shall remain in full force and effect in favor of the new owner or the charterer by operation of law if the ownership of the ship is transferred or if the ship is hired out based on a bareboat charter, provided that the insurer is notified of the same in writing not later than (5) five working days following the transfer of ownership or from the date of chartering. The new owner or the charterer shall perform all the obligations that fall on the part of the insured vis-à-vis the insurer under the marine insurance contract.
2. The insurer may request termination of the contract not later than thirty (15) days following the date of being notified of the transfer of ownership or charter. In which case, the contract shall remain in full force and effect for a period of (15) fifteen days following the date of the request for termination.
3. The first insured shall remain liable vis-à-vis the insurer for the payment of the due insurance premiums before the transfer of ownership or the date of the charter party.
4. In the event that there is no notice of transfer of ownership or of the chartering served within the time limit mentioned in Clause (1) of this Article, the insurance shall be suspended as on the expiry date of such a time limit. The marine insurance contract shall re-enter into force (24) twenty-four hours following the notification date, and the insurer shall refund the insurance premium for contract suspension period.
5. The provisions of this Article shall not apply in the event of co-ownership of the ship unless the transfer of ownership includes the majority of ownership interests.

Article (323)

The provisions of Articles (310) to (322) of this Decree-Law shall apply to the insurance contract for the ship, which is limited to the period of its presence in a port, anchorage, dry dock or any other place. The parties to the contract may agree that the provisions of the aforementioned Articles apply to the ship while it is under construction.

Article (324)

1. It shall be permissible to provide insurance coverage on ships operated by the insured based on a subscription policy that includes the conditions to which both the insurer and

the insured adhere, in particular the duration of the insurance, the total amount insured and the amount of the insurance premiums. As for the insured ships, the voyages, the name of the ship, its nationality and other data, they shall be specified in notices with respect to each voyage on a case-by-case basis.

2. In the subscription policy, the insured shall notify the insurer of the voyages he decides to perform, and the insurer shall, in return, accept to provide insurance coverage therefor.
3. The insurance on a ship within the framework of the subscription policy shall be considered a voyage insurance.

Chapter Eight

Cargo Insurance

Article (325)

The insurance on cargoes shall be executed by virtue of a policy for a single voyage or through an insurance subscription policy for several voyages or for a definite period to be specified in the policy.

Article (326)

1. The cargoes shall be covered by insurance without interruption wherever they exist during the voyage in the manner determined by the contracting parties.
2. If, during the voyage, the cargoes are transported by land, by sea or by air, transport complementary to this voyage, the rules of marine insurance shall apply to all stages of transport unless otherwise agreed upon.

Article (327)

The amount of insurance for cargoes may not exceed the higher value of the following amounts:

1. The purchase price of the cargoes at the time and place of shipment or their current price at this time and place if they were not purchased. The expenses of transporting the cargoes to the port of arrival and the expected profit shall be added.
2. The value of the cargoes at the time and place of arrival, or on the date on which they should have been delivered in the event of their destruction.

3. The selling price of the cargoes if sold by the insured, plus other amounts that may be agreed upon in the sales contract.

Article (328)

The losses to the cargo shall be calculated based on the difference between its value when it is damaged and its value when it is intact as a single time and place, and the value decrease ratio shall apply to the sum insured.

Article (329)

1. The insured may assign the cargo to the insurer in any of the following instances:
 - a. Where there is no news of the ship for a period of (90) ninety days after receiving the latest news about it, and the cargoes shall be presumed to have been lost on the date of receiving any such news;
 - b. If the ship becomes unseaworthy, and no other means are determined to transport the cargo to the destination port within ninety (90) days following the date on which the insured notifies the insurer that the ship is unseaworthy;
 - c. If the cargo is lost or sustains damage equal to at least three quarters of its value specified in the insurance policy; or
 - d. If the cargoes are sold during the voyage due to physical damage.
2. In both cases referred to in Clause (1.C and 1.D) of this Article, if the insurance is limited to guaranteeing damage arising from certain risks, the assignment shall not be acceptable unless the damage results from any of these risks.

Article (330)

The insured may exercise its right to assign the cargo if the ship is captured, attached or arrested based on an order of the public authorities, if the cargo is not put at the disposal of the insured within four (4) months of the day on which the insured informs the insurer of the occurrence of the incident, in case the insurance covers the war risks.

Article (331)

1. If the cargoes are insured under a subscription policy, it shall include the conditions to

which both the insurer and the insured adhere, in particular the duration of the insurance, the amount insured and the amount of the insurance premiums. As for the insured cargoes, the voyages, the name of the ship or ships and other data, they shall be specified in notices with respect to each cargo on a case-by-case basis.

2. In the subscription policy, the insured shall notify the insurer of the cargoes mentioned hereinbelow, and the insurer shall, in return, accept to provide insurance coverage therefor.
 - a. All shipments made on behalf of the insured or in implementation of purchase or sale contracts require him to carry out insurance. The insurance automatically includes these shipments whenever they are exposed to insured risks, provided that the insured provides notification thereof within the time specified in the insurance contract.
 - b. All shipments made on behalf of third parties and for which the insured is entrusted to execute insurance, provided that he has an interest in the shipment in his capacity as a commission agent, custodian of the cargoes, or in any other capacity. Insurance shall not cover these shipments except from the time the insurer is notified thereof.

Article (332)

If the insured deliberately violates the obligations referred to in Article (331) of this Decree-Law, the insurer may request termination of the contract and recover the amounts paid for incidents in relation to shipments subsequent to the occurrence of the violation, and collect as compensation the insurance premiums for shipments of which he was not notified.

Chapter Nine

Liability Insurance

Article (333)

1. All ships operating in the State's ports or in its territorial waters shall carry policies indicating the insurance in respect of liability for marine risks.
2. Insurance for the wages of the captain and seafarers shall be considered liability insurance in respect of applying the provisions of Clause (1) of this Article, provided that the Executive Regulations shall specify the duration of insurance coverage for the wages of

the captain and seafarers.

3. Ships raising the flag of the State shall insure against their liability arising from all voyages they perform.
4. The Ministry shall determine the marine risks covered by insurance and its authority to supervise the same.

Article (334)

Insurance for the liability of the husbands of ships designated for transporting passengers shall be compulsory, and the Ministry shall issue a decision specifying the controls for this insurance.

Article (335)

Entities working in the field of Takaful insurance, such as protection and compensation clubs and other entities, may establish branches in the State. They may also conclude partnership or representation contracts with entities working in the field of insurance in the State. The Minister shall determine the approved bodies to issue letters of guarantee for the performance of marine debts.

Article (336)

1. In the case of liability insurance, the non-insured may not have recourse against the insurer upon the occurrence of the incident mentioned in the insurance contract.
2. The claim for compensation from the insured shall not be admitted unless the third party who sustained the damage has initiated an amicable or judicial claim to the insured.
3. The insurer's obligation to pay the agreed-upon compensation shall be within the limits of the compensation the insurer is obligated to pay to the affected person, unless otherwise agreed upon.

Article (337)

If the subject of liability insurance is to compensate for the damage caused to third parties by the ship in accordance with the provisions of Article (314.1) of this Decree-Law, the insurance shall not have any effect, unless the amount of insurance on the ship is insufficient to

compensate for the damage.

Article (338)

If several insurances are executed to guarantee liability, each insurer shall be liable separately for each incident within the limits of the amount stated in his insurance policy, even if there are several incidents, provided that the total amount received by the insured shall not exceed the value of the damage resulting from the liability.

Article (339)

The person who builds or repairs the ship may execute insurance to guarantee his liability for damage that befall the ship or third parties during shipbuilding or performance of repairs. The provisions of marine insurance shall not apply to this insurance unless their application is agreed upon.

Article (340)

The Ministry may issue decisions obliging maritime navigation crew to insure against the risks arising from carrying out their duties and the resulting liability.

Section Nine

Penalties and Final Provisions

Chapter One

Penalties

Article (341)

The penalties contained in this Part shall be applied without prejudice to any more severe penalty stipulated in another law.

Article (342)

The shipowner or his representative or the charterer or his representative, who provides incorrect data in order to register the ship or maintain this registration in violation of the provisions of this Decree-Law and its Executive Regulations, shall be punished by

imprisonment for a period not exceeding one year., shall be punished by imprisonment for a period not exceeding one year and / or a fine not exceeding (AED 100,000) one hundred thousand dirhams.

Article (343)

Whoever operates a ship raising the State's flag, while being not registered in accordance with the provisions of this Decree-Law, shall be punished by imprisonment for a period not exceeding one year and / or a fine not exceeding (AED 100,000) one hundred thousand dirhams. In the event of conviction, the court may order the confiscation of the ship.

Article (344)

The shipowner or his representative or the charterer or his representative, who violates the provisions of Article (19.2) of this Decree-Law, shall be punished by imprisonment for a period not exceeding (6) six months and / or a fine not exceeding (AED 50,000) fifty thousand dirhams.

Article (345)

The owner of a registered ship or marine facility or the representative thereof, who violates the provisions of Article (21.1) of this Decree-Law, shall be punished by imprisonment for a period not exceeding (6) six months and / or a fine not exceeding (AED 50,000) fifty thousand dirhams.

Article (346)

The owner of a ship registered in the State, who violates the provisions of Article (26.1) of this Decree-Law, shall be punished by imprisonment for a period not exceeding (6) six months and / or a fine not exceeding (AED 100,000) one hundred thousand dirhams.

Article (347)

Whoever causes obstruction of the work of those charged with inspecting or investigating the ship, in accordance with the provisions of Article (69) of this Decree-Law, shall be punished by imprisonment and / or a fine not exceeding (AED 50,000) fifty thousand dirhams.

Article (348)

1. The captain, who sails despite the issuance of a decision preventing the ship from sailing, shall be punished by imprisonment and / or a fine not exceeding (AED 100,000) one hundred thousand dirhams.
2. The captain, who sails without obtaining a sailing permit, shall be punished by imprisonment for a period not exceeding (6) six months and / or a fine not exceeding (AED 50,000) fifty thousand dirhams, in accordance with the provisions of Article (73.1) of this Decree-Law.

Article (349)

The captain, who fails to notify the Ministry of the incident or change made on the ship in its structure or in its devices and equipment in violation of the data contained in the validity certificates issued thereto shall be punished by imprisonment for a period of not more than (6) six months and / or a fine not exceeding (AED 50,000) fifty thousand dirhams.

Article (350)

The captain, who sails the ship despite his knowledge of the unavailability of all or any medical and health services, shall be punished by imprisonment for a period not exceeding one month and a fine not exceeding (AED 30,000) thirty thousand dirhams. The penalty shall be imprisonment if the same results in death or permanent physical disability.

Article (351)

Whoever violates the regulations and decisions regulating maritime security requirements shall be punished by imprisonment and / or a fine not exceeding (AED 100,000) one hundred thousand dirhams.

Article (352)

1. The captain, who abstains from providing salvage services to any ship that is about to sink or to any person found at sea who is at risk of death, shall be punished by imprisonment for a period not exceeding two years and / or a fine not exceeding (AED 20,000) twenty thousand dirhams.

2. The captain shall not be liable for the failure to provide salvage services referred to in Clause (1) of this Article in any of the following cases:
 - a. If providing salvage services surpasses the limits of his ability.
 - b. If providing salvage services would expose the ship commanded by the captain, seafarers or passengers to serious danger.

Article (353)

The captain, who violates the provisions of Article (89.4) of this Decree-Law, shall be punished by imprisonment for a period not exceeding (6) six months and / or a fine not exceeding (AED 50,000) fifty thousand dirhams.

Article (354)

1. Any crew member, who commits any of the following acts, shall be punished by imprisonment for a period not exceeding (3) three months and / or a fine not exceeding three (3) months' wages:
 - a. Leaving the place designated therefor on the ship without an acceptable excuse before his successor takes his place.
 - b. Being absent from the ship if he is responsible for any of the tasks of commanding, steering, maneuvering, or guarding the ship.
 - c. Failing to be present on the ship without an acceptable excuse at the time specified for taking sailing procedures from any port other than the port of registration.
 - d. Refusing to comply with an order issued thereto concerning the conduct of work on the ship or the maintenance of order therein.
 - e. Performing repetitive actions that indicate disobedience.
2. The penalty shall be imprisonment for a period not exceeding one year if any of the crimes referred to in Clause (1) of this Article is committed by more than three people based on a previous collusion between them.

Article (355)

1. Whoever assaults the ship's captain or any of its officers, while performing his duties or resists him by force and the assault results in injuries, shall be punished with

imprisonment.

2. The penalty shall be imprisonment for a period not exceeding one year and / or a fine not exceeding (10,000) ten thousand dirhams, if the result of the assault does not reach the degree of gravity mentioned in the foregoing Clause.
3. The penalty shall be doubled if any of the crimes referred to in this Article is committed by any of the ship's officers or if he is an accomplice therein.
4. The penalty shall be temporary imprisonment for whomever conspires against the safety, freedom or authority of the captain.

Article (356)

1. Whoever comes with an act resulting in the ship sunken, burnt or seriously damaged in a manner that threatens lives or performs an act that would lead to any of such damage shall be punished with life imprisonment.
2. Without prejudice to the provisions of retaliation and blood money, the penalty shall be death if any of the acts referred to in Clause (1) of this Article results in the death of one or more people.

Article (357)

Whoever unduly takes over or attempts to take over a ship shall be punished with temporary imprisonment.

Article (358)

A penalty of imprisonment for a period of not more than (3) three month and / or a fine of not more than (3) three-month wage shall be imposed on any captain, officer or other person with authority on a ship who orders, authorizes or tolerates something that constitutes an abuse of his authority, or who uses, causes, or allows force to be used against one or more persons on board the ship.

Article (359)

The captain, who leaves a sick or injured seafarer without providing him with appropriate means of treatment or deportation, or orders him to disembark the ship in a foreign port

without legitimate justification, shall be punished with imprisonment for a period not exceeding a month and / or a fine not exceeding one-month wage.

Article (360)

Whoever leaves the ship in the port while it is exposed to danger shall be punished by imprisonment for a period not exceeding (3) three months and / or a fine not exceeding (3) three-month wage. If the ship is at sea, he shall be punished by imprisonment for a period not less than (3) three months and not more than two years.

Article (361)

Whoever sneaks onto a ship with the intention of traveling thereon without paying the travel fare and without obtaining the approval of the captain or his representative shall be punished by imprisonment for a period not exceeding a month and a fine not exceeding twice the travel fare to his intended destination.

Article (362)

1. The captain of any ship subject to the pilotage obligation shall be punished with a fine of not less than (AED 10,000) ten thousand dirhams if he seeks the assistance of a pilot while knowing that such pilot is not authorized to pilot or if the ship enters, moves in or leaves the pilotage area, without seeking the services of the pilot, unless he is authorized to do the same by the authority responsible for the emergency pilotage facility as his refuge.
2. In the event of recidivism, the penalty shall be imprisonment for a period not exceeding one year and / or a fine not less than (AED 20,000) twenty thousand dirhams.

Article (363)

1. Imprisonment sentence for a term not exceeding one year and / or a fine of not less than (AED 5,000) five thousand dirhams and not exceeding (AED 20,000) twenty thousand dirhams shall be imposed on whoever conducts ship pilotage work without holding a pilotage license, any pilot who refuses to provide his services or any pilot who provides his services to a ship that he is not permitted to pilot.
2. The penalty referred to in Article (1) of this Article shall be doubled when the pilot who

conducts pilotage while drunk or under the influence of narcotic drugs.

Article (364)

Whoever withholds information or evidence in relation to the investigation of a maritime accident shall be punished with a fine of not less than (AED 5,000) five thousand dirhams and not more than (15,000) fifteen thousand dirhams.

Article (265)

The captain, who does not provide the assistance referred to in Article (243) of this Decree-Law shall be punished by imprisonment for a period not exceeding two years and / or a fine not exceeding (AED 50,000) fifty thousand dirhams.

Chapter Two

Final Provisions

Article (366)

The Cabinet shall issue, based on the Minister's proposal and after coordination with the competent authority and relevant authorities, the Executive Regulations.

Article (367)

1. The Cabinet may, based on the proposal of the Minister and in coordination with the competent authority, delegate any of the powers assigned to the Ministry in accordance with the provisions of this Decree-Law to any of the competent authorities in the State.
2. The Minister and the competent authorities shall, each within its respective competencies, issue the necessary decisions to apply the provisions of this Decree-Law.

Article (368)

1. Federal Law No. (26) of 1981 on Maritime Commercial Law, as amended, shall be repealed. Likewise, any text that goes against or conflicts with the provisions of this Decree-Law shall be repealed.
2. Without prejudice to the provision of Clause (1) of this Article, the regulations and

decisions issued in implementation of Law No. (26) of 1981, as amended, mentioned hereinabove shall continue to be effective until the Executive Regulations and decisions issued in implementation the provisions of this Decree-Law are issued to the extent that they do not conflict with its provisions.

Article (369)

This Decree-Law shall be published in the Official Gazette and shall enter into force six (6) months following its publication date.

Mohamed bin Zayed Al Nahyan
President of the United Arab Emirates

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