

Royal Decree No. (M/2) Dated 15/1/1390H (corresponding to 23/3/1970)

WE, FAISAL BIN ABDUL-AZIZ AL-SAUD, KING OF THE KINGDOM OF SAUDI ARABIA,

After reviewing the articles (19) and (20) of the Law of the Council of Ministers of Saudi Arabia, issued upon the Royal Decree no. (38) dated 22/10/11377H (corresponding to 12/5/1958),

And after reviewing the Commercial Law issued upon the Royal Decree No. (32) dated 15/1/1350H (corresponding to 2/6/1931),

HEREBY DECREE THE FOLLOWING:

First:an Article numbered (169/A) shall be added to the Commercial Law issued in 1350, stipulating:

The arrested vessels,feared to expose to damage, destruction, or to any other risk that may cause the value thereof to be completely wasted or decreased,or result in stranding of the vessel in such a way that hinders the waterways,making it technically difficult to restore it, without paying extravagant expenses, to a safe anchorage, or in a manner harmingor threatening to harm the port facilities including the other vessels and buoys, shall be excluded from the provisions of sale procedures set forth in this chapter whether such risks are existent at the time of attachment or occurred afterwards. Any of the above-mentioned cases shall be recorded pursuant to a grounded decision issued by the authority considering the claim after having a look at the vessel, taking the opinion of the technical body supervising the port, orassigning expertsto determine the current case of the vessel. The sale shall be conducted at public auction in any of such cases after publishing an announcement in a local newspaper at least 1 week before the scheduled date to hold the auction. In absolutely necessary conditions, the sale may be conducted after publishing the announcement by 24 hours.

The sale officer shall award the auction to the bidder who offers the highest price at the auction session. In all cases, the authority initiating the sale procedures shall have the right to suspend or delay the auction again with the aim ofraising the price after it publishesan announcement in accordance with the provisions of the above-mentioned paragraphs as required by circumstances. If no biddings are conducted or no higher bidsare offered, the authority initiating the sale procedures must award the auction to the person who has offered the highest bid before the said suspension.

Secondly: the Deputy Prime Minister and the Minister of Commerce and Industry, each within the scope of his jurisdiction, shall bring this Decree into force.

Faisal

Council of Ministers' Resolution No. (241) Dated 26/10/1407H (corresponding to 23/6/1987)

THE COUNCIL OF MINISTERS,

After reviewing the Council of Ministers' message no. 7/F/23268 dated 29/9/1402H (corresponding to 21/7/1982) including the Letter no. 487/S dated 14/9/1402H (corresponding to 6/7/1982) submitted by His Excellency the Minister of Justice concerning the Draft Laws of Specialized Courts,

After reviewing Article (232) of the Law of Companies issued upon the Royal Decree no. (M/6) dated 22/3/1385H (corresponding to 22/7/1965), stipulating establishment of a Commission to settle the disputes arising from application of the Law of Companies and apply the penalties prescribed therein,

After reviewing the Law of the Board of Grievances issued upon the Royal Decree no. (M/51) dated 17/7/1402H (corresponding to 11/5/1482),

After reviewing the Law of the Commercial Court issued upon High Order no. (32) dated 15/1/1359H (corresponding to 24/2/1940),

After reviewing the Council of Ministers' Resolution no. (186) dated 5/2/1387H (corresponding to 15/5/1967), stipulating establishment of a Commission to settle the commercial disputes,

After reviewing the Council of Ministers' Resolution no. (1221) dated 7-8/9/1388H (corresponding to 28-29/11/1968), stipulating re-formation of the Commission of settling the commercial disputes and acceptance of its decisions as final,

After reviewing the Council of Ministers' Resolution no. (167) dated 14/9/1401H (corresponding to 16/7/1981), concerning the unification of the tasks of the judiciary,

After reviewing the Council of Ministers' Resolution no. (209) dated 10/10/1404H (corresponding to 10/7/1984), concerning the allowance of the members of the commercial disputes settlement commissions to work full time therein,

After reviewing the recommendation no. (112) dated 28/7/1407H (corresponding to 28/3/1987) submitted by the General Committee of the Council of Ministers,

After reviewing the report no. (201) dated 14/10/1407H (corresponding to 11/6/1987) prepared at the Bureau of Experts,

After reviewing the memorandum no. (200) dated 14/10/1407H (corresponding to 11/6/1987) prepared at the Bureau of Experts,

And after reviewing the recommendation no. (162) dated 19/10/1407H (corresponding to 16/6/1987) submitted by the General Committee of the Council of Ministers,
HEREBY DECREES THE FOLLOWING:

1. Article (232) of the Law of Companies issued upon the Royal Decree no. (M/6) dated 22/3/1385H (corresponding to 22/7/1965) shall be cancelled.
2. A Royal Decree Draft, implying that, has been prepared, and its form is attached hereto.
3. The competences of the commission of settlement of commercial disputes set forth in laws and resolutions including the disputes arising from the application of the Law of Companies and imposition of sanctions set forth therein starting from the fiscal year (1408H) shall be referred to the Board of Grievances until the provisions of the Council of Ministers' Resolution no. (167) dated 14/9/1401H (corresponding to 16/7/1981), mentioned above, are implemented.
4. The Commission referred to in paragraph (3) shall continue currently considering the petitions filed thereto from the Ministry of Commerce up to the end of the fiscal year (1407/1408) until such petition are decided, provided that the Minister of Justice as well as the Head of the Supreme Judicial Council and the Minister of Commerce shall agree to implement the Council of Ministers' Resolution no. (209) dated 10/10/1404H (corresponding to 10/7/1984), concerning the allowance of the members of the commercial disputes settlement commissions to work full time therein in order to take a final decision in these petition as soon as possible.
5. The Commission shall commit to referring all books, records and files to the Board of Grievances upon an agreement between the Minister of Commerce and the Chairman of the Board of Grievances.
6. The Minister of Commerce and the Chairman of the Board of Grievances shall review the attitude of the existing commissions at the Ministry of Commerce which settle the other disputes to determine the possibility of referring their competences to the Board of Grievances and submitting their recommendations to the Council of Ministers.
7. The Minister of Finance and National Economy as well as the Chairman of the Civil Service Board, in coordination with the Chairman of the Board of Grievances, shall adopt the necessary measures to support the judiciary system of

the Board of Grievances in such a way that enables the Board to assume the responsibilities assigned thereto, including the judicial and specialized cases which need the best cadres in this field as well as the other required administrative vacancies.

8. The Minister of Finance and National Economy as well as the Chairman of the Civil Service Board and the Chairman of the Board of Grievances shall establish the appropriate rules for rewarding the specialized personnel brought by the Board of Grievances as well as the other distinguished employees working in the Board of Grievances.
9. This Resolution shall rescind any contrary decisions.

Prime Minister

The Law of Commercial Court

Commercial Law

Part One

Land Trade

Chapter One

Merchant (Conditions–Capacities–Types)

Article (1)

A merchant is a person engaged in the commercial transactions, making such engagement his profession.

Article (2)

The commercial activities include the following:

- a. Any purchase of commodities or yields (foods or other products) in order to sell them as they are or after manufacturing or working on them.
- b. Any contract or pledge to provide items or objects related to trade in return for a fee or by transportation by land or sea, or any provision of items or objects with regard to the commercial offices and shops as well as flea market.
- c. All matters related to the different kinds of bills, banking, and brokerage.
- d. All contracts and pledges signed between merchants, middlemen, brokers, bankers, and agents, whatever their kinds, as well as all contracts related to establishment of buildings and the like as long as the contractors is committed to providing the supplies and the required equipment.
- e. Any action related to establishment, repair, sale, or purchase of the commercial and sailing vessels inside and outside. The commercial activities include also rental, lease, sale, and purchase of the equipment, instruments, and gears used on the board of such vessels, in addition to the wages of the workers, the salaries of the crew, and servants. That's to be added to any lending or borrowing action or shipment carried out on the vessel or as well as all related guarantee contracts and all contracts related to the other matters of maritime trade.

Article (3)

If the owner or the farmer of the parcel has sold the yield on his own or if the landlord has sold his property or if a person has bought a property or anything else with the aim of using it not to sell or rent it, this shall not be deemed as a commercial

activity. The claims of properties and rental thereof shall not also subject to the commercial activities.

Article (4)

Any adult, or any person who reaches adulthood, shall have the right to engage in all types of commercial activities.

Article (5)

A merchant must practice the commercial activities honestly and in good faith, therefore, he must not be engaged in any form of fraud, deceit, deception, injustice, betrayal, violation, or any other behavior breaching the principles of honesty and good faith. In case of committing any of the stated actions, the merchant shall subject to the deterrent penalty set forth in this Law.

Article (6)

Each merchant must use the following books:

- a. TheJournal: a book that includes a statement of all borrowed and lent funds on a daily basis, as well as a statement of the commercial activities of the merchant, including the commodities sold, bought, borrowed, and lent, as well as the funds paid in cash, belongings, securities, and commercial papers. The journal shall also include a statement of the total funds paid to the home or shop of the merchant on a monthly basis.
- b. Letter–book: a book that includes photo–copies of the messages and records issued by the shop with regard to the commercial activities, given that, all the related messages and records must be kept in a unique file.
- c. Inventory Book: a book that takes stock of all movable immovable properties owned by the merchant and counts all the borrowed and lent funds.
- d. Documentation Book: a book where the merchant records the sales and transactions, stating the necessary information. The merchant shall have such a book signed by the buyer or transaction owner in order to document the transaction and to use it as proof against the in case of review and prosecution.

Article (7)

The journal as well as the inventory and documentation books must be edited regularly, given that, the sheets thereof must be free of any indentation, blanks, abrasion, deletion, words above others or writings amidst the lines. They must be also numbered by serial numbers from the very beginning to the end.

Article (8)

Such books must be recorded at the Register Office of the Commercial Court before their usage in accordance with the applicable traditions

Article (9)

Any book not meeting the above-mentioned conditions shall not be submitted to the court as proof in procedures.

Article (10)

A merchant shall be liable for his business, regularity of his commercial books, and the actions of his employees in all matters related to the commercial contracts. The merchant shall be considered a partner of the violating employees unless his innocence is clearly proven.

* Articles (6) to (10) have been rescinded pursuant to the Law of Commercial Books issued upon the Royal Decree no. (M/61) dated 17/12/1409H (corresponding to 21/7/1989).

Chapter Two

Companies*

Article (11)

A partnership is defined as a contract under which two or more persons undertake to participate for a legal profit. There are three types of partnerships, i.e. the General Partnership, Equal Partnership, and Speculation Partnership.

Article (12)

General Partnership is a company established under the signature of the whole partners' upon equal and specific capital. All the partners shall be jointly liable for all pledges and contracts set forth in the bonds signed by the permitted partners in all commercial activities.

Article (13)

Equal Partnership is a company established between two or more persons with specific capital. Each partner shall have a specific share in such capital and shall not be responsible for any loss, or damage that exceeds the share of his capital.

Article (14)

Joint-Stock Company is a branch of the Equal Partnership. It is a company established upon specific capital divided into shares, and the shares are divided into equal funds

without nominating the stakeholders. The administration of such companies shall be assumed by selected agents who may be nominated or dismissed. The Directors shall be liable for the actions assigned to them but they shall not be liable for the financial pledges of the company.

This Chapter has been rescinded pursuant to the Law of Companies issued upon the Royal Decree no. (M/6) dated 22/3/1385H (corresponding to 22/7/1965)

Article (15)

Speculation Partnership is a company under which one party undertakes to pay the capital and the other party undertakes to assume the commercial activity. Both parties shall share the profits.

Article (16)

Except for the above-mentioned companies, there are other types of companies known by the merchants and have their own rules.

Article (17)

All the companies shall share the profits in the manner agreed thereupon by the partners.

Chapter Three

Commission Agent and Trustees Assigned to Transport Items by Land or Sea

Article (18)

The commission agent is a person engaged in the commercial activities upon trust or on behalf of others. The transactions of such agents shall be conducted in their names or by stating the address of the company of their authorizer.

Article (19)

The commission agent shall have the right to request to obtain all funds paid to receive belongings sent from another shop by submitting the sale bill to the authorizer if such belongings are in his possession, deposited in the customs store, or sent to the agent upon a consignment list.

Article (20)

If the agent has transferred the commodities and items sent to him, to another party, he shall be liable for the any damage arising as a result of taking such measure. However, if the commodities are sent to another agent for the same authorizer or upon his request, the agent shall not be liable for guaranteeing the commodities.

Article (21)

Each agent and trustee must record the category, amount, and prices of commodities needed to be transported by land or sea in the journal.

Article (22)

When sending the commodities, the agent and trustee must enclose the consignment list, i.e. a statement that meets some conditions that shall be mentioned later.

Article (23)

The consignment list shall include the amount and category of the transported commodities, the type of parcels, the delivery period, the name and nickname of the agent and the trustee assigned to transport the commodities, the name of the packer, as well as the name and nickname of the receipt of the commodities, the value of freight, and the penalty clauses that shall be imposed in case of non-delivery of the commodities within the specified period. Such a list shall include the signature of the sender, as well as the number of the entry of the list and a sign of items enclosed with the consignment. This list shall be recorded later in the journal.

Article (24)

The agent, trustee, and packer shall guarantee the delivery of commodities within the period stated in the consignment list. They shall be liable for any damage resulting from any delay unless it is caused by a reason out of their control.

Article (25)

The agent and trustee shall guarantee all lost and damaged commodities sent to each after such commodities are in their possession, unless the consignment list includes a provision that makes the agent and trustee irresponsible for the loss or damage of the commodity or if such loss or damage is caused by a reason out of their control.

If the commodity is lost or damaged on the way before it becomes in the possession of the agent or trustee, they shall not be liable for guaranteeing it and, instead, the provisions of the contracts and pledges signed by them in this regard shall be applied.

Article (26)

The packer shall be liable for all damaged commodities in his possession if such commodities are under his guardianship or the damage is caused by negligence thereof, otherwise, no liability shall be imposed on him. If damage or loss has occurred due to the nature of the commodities such as the rapidly-rotten vegetables and fruits whose

delivery deadline is not satisfied without giving an acceptable reason, the packer shall be liable for such commodities, otherwise, no liability shall be imposed on him.

Article (27)

The receipt of commodities from the packer, after giving him the total or remaining wage, shall be deemed as an acknowledgment of receiving the commodities free of any defect, consequently, the recipient shall not have the right to sue the packer claiming his rights. But if the acknowledgement of receiving commodities is not established, the recipient shall have the right to sue the packer within 3 months if damage or loss has occurred inside the Kingdom of Hejaz or within a lunar year. However, if damage or loss has occurred outside the Kingdom or after the elapse of the two periods, the claim shall not be considered.

Article (28)

The two periods referred to in Article (27) shall start from the date of receiving the commodities or the last batch thereof. If it is turned out that the damage or loss has occurred as a result of a trick or betrayal of the same packer, the recipient shall have the right to file the claim anytime without adhering to the aforementioned two periods.

Article (29)

The provisions and conditions set forth in this chapter shall be applicable and enforceable against the captains of vessels, the managers of car companies and motor shows, the managers of flea markets, and transporters as well.

Chapter Four

Brokers

Article (30)

Broker is a person who mediates between the seller and buyer in order to accomplish sale in return for a fee.

Article (31)

The established customs and habits shall determine the rights, obligations, and fees of the broker.

Article (32)

Any broker engaged in exchanging the commercial commodities among merchants, shall commit to holding a journal to record therein his commercial activities on a daily basis in a clear manner, stating the name of the seller and buyer, the date of contract,

the delivery date, as well as the amount, nature, and value of the commodity, and all conditions related thereto. The sheet of this journal must be free any blanks, abrasion, words above others or writings amidst the lines.

Article (33)

The brokers must submit their books as well as any other illustrations if the Commercial Court has ordered so, given that, they shall not have the right to object in any way.

Article (34)

If the commodity is sold through a broker by use of a known sample of such commodity, such a sample must be kept till the date of delivery thereof and marked in such a way that leads to recognize it without suspicion.

Chapter Five

Bankers

Article (35)

Banker is a person liable for exchanging currency (money or banknote).

Article (36)

A person shall have the right to open a currency exchange only after obtaining a license from the Commercial Court.

Article (37)

Any person desiring to open a currency exchange must submit an application to the Chairman of Municipality, who shall order the Municipality Department and Bankers Association to conduct the required investigations thereon. After providing a legal guarantor and having such guardianship certified by the notary public, the applicant shall have the right to register his name in the commercial court and obtain a license.

Article (38)

The Bankers Association shall have a chairman in each municipality. Such a chairman shall be appointed by the election in the commercial court. The result of the election shall be submitted by the Commercial Court to the Chairman of Municipality who shall appoint the winning candidate.

Article (39)

Each banker must have a book. Such a book shall be signed by the Board of Commerce and divided into two fields (From and To) where the banker shall record all the paid and received funds in accordance with the provisions of Article (7) of the Law.

Article (40)

The banker must not receive or pay any worn-out, light-weighted or false funds.

Article (41)

Each merchant shall be liable for his business, regularity of his books, and the actions of his employees in the cases where the application of violations is necessary pursuant to the chapter of violations.

- a. Both parties must adhere to any governmental order if the government has received a notification from the Finance Department with regard to the coins exchange by means of equality and distribution between the two parties, taking into account the time factor and the case.
- b. The Finance Department shall not receive any thing from the parties by means of exchange except for funds. The delivery shall depend on receipt.
- c. The price of the pound or riyal shall be determined pursuant to the price of the day when the Financial Department wants to exchange coins without any increase or decrease.
- d. The Financial Department shall not assign the bankers to exchange coins all the time, but the assignment shall be when necessary and after obtaining the approval of the Board of Agents.
- e. In countries where no commercial court is established, the municipal council shall apply the articles related to bankers instead of the Commercial Court.

Chapter Six

Bills– Bills Used among Merchants

Article (42)

The bills issued by a shop in favor of another shop must be dated; manifesting the sums transferred the name of the beneficiary, as well as the place and date of payment, and identifying whether such funds are a value of a commodity, compensation for sums, or paid to an account. The value receipt must be stated therein. If the drawer has drawn up many photo-copies of the bill, he must mention the total number of bills on each of

them so that each of them can stand for the whole bills. Also, the entire bills shall be treated as one; given that, the signature stamp of the drawer must be existent.

Article (43)

Bills may be drawn up against a person, and in this case the payment must be conducted at the address of another person. It can be also paid upon order of a representative person.

Article (44)

The bills that violate the afore-mentioned conditions shall be deemed as ordinary bonds.

Article (45)

When bills are due, the assignee must be in debt to the assignor or the order of payment for an amount of not less than the value stated in the bill.

Article (46)

The endorsement of acceptance on the bill shall be considered as sufficient evidence that the receipt thereof is in debt to the drawer or the order of payment for the amount of consideration. In case of denial or refusal to pay after acceptance, only the drawer shall have the right to establish that the assignee owes him for the consideration amount at the time of satisfaction. If not established, the drawer shall be liable for paying the complete value of assignment even if notices are submitted when bills are due.

If established, the drawer shall be freed from a debt for the amount mentioned in the assignment unless such it is used in a useful thing.

Article (47)

If the drawer turns belly up after the approval of the assignee to pay the consideration amount, the holder of the bill shall have a privileged right to receive the consideration amount from the assignee even if the maturity date has not been due. If the assignee goes belly up after approving to pay the consideration amount, the holder of the bill shall be dealt with as other creditors if the consideration amount is a debt, but if the consideration is a piece of real estate, commodities, valuable papers, or deposited cash, the holder shall have a privileged right to receive such properties.

Article (48)

Whoever approves the bill shall be committed to paying its value. If the drawer turns belly up unknowingly before approval, he may not have recourse after approval.

Article (49)

The approval form must be clear and signed by the signature or seal of the receipt as well as the date.

Article (50)

The approval of a bill cannot be linked to a specific condition. However, the approval may be limited to a specific amount less than the value of the bill. In this case, the holder shall issue the notice claiming the other amount.

Article (51)

The drawer of the bill as well as the assignors thereof shall be jointly liable for approval and payment of the bill amount on the maturity date. Also, they shall be jointly liable for paying the consideration amount to the bill holder.

Article (52)

If the assignee declines to approve the bill, the holder shall have the notice expressed as “notice of protest” drawn up in the office of the notary public. This notice shall be sufficient enough to prove objection.

Article (53)

After showing the bond of notice, the holder of the bill shall have the right to force his assignor to provide a guarantor in order to guarantee the bill value on the scheduled date. All the assignors of the bill shall be requested to provide a guarantor in succession till the matter ends up to the drawer. The person who rejects to provide a guarantor shall be liable for paying the value of the bill as well as the expenses of the notice and recourse.

Article (54)

The bill must be approved once submitted or within a period of not more than 24 hours from the date of submission. If the holder thereof has not received it after the lapse of 24 hours regardless of approval or rejection, the person holding such a bill shall be liable for any damage or loss resulting therefrom.

Article (55)

If the notice is enforced due to the rejection of payment, the bill may be delivered by another person who acts as a middleman between the holder and the drawer or one of the assignors. Such mediation shall be stated in the bill and the bond of notice. The middleman shall sign or stamp a seal on the bond and the bill and shall promptly declare the party to whom he has mediated.

Article (56)

All the rights of the holder of the bill shall be reserved against the drawer as well as the assignors due to the rejection of payment by the assignee even if the middleman has expressed the approval.

Article (57)

The afore-mentioned middleman may pay the value of the bill on the maturity date only after the notice of non-payment on the scheduled day is issued.

Article (58)

The bills payable at sight shall be satisfied once submitted. If it includes a date or a deadline for payment, the bill cannot be satisfied prior to such a date or deadline.

Article (59)

If the deadline of paying the value of the bill corresponds to an official feast day, the bill must be paid 1 day before the maturity date.

Chapter Seven

Transfer of Bills Expressed as Endorsement

Article (60)

The ownership of bills shall transfer from a person to another by endorsement.

Article (61)

The transfer of the bill shall be dated, stating the satisfaction of the value mentioned therein, as well as the name and nickname of the person to whom the ownership of the bill has transferred. The assignor shall sign or stamp his seal.

Article (62)

If the transfer of a bill has not satisfied the provisions mentioned in the afore-mentioned Article, such endorsement shall not transfer ownership but it shall be an ordinary empowerment to receive its value.

Article (63)

It is prohibited to change the date of transfer into an earlier date. If somebody changed the date, this shall be forgery.

Article (64)

Although the payment of the bill amount is secured by acceptance and transfer, it can be also secured collaterally by a person through stating such guarantee in the bill or in a separate paper.

Article (65)

The collateral guarantor, whether an owner or assignor of the bill, shall replace the drawer and the assignors regarding to the satisfaction of the bill amount, unless agreed otherwise.

Article (66)

The value of bills must be paid from the type of properties stated therein.

Article (67)

The holder of the bill shall not be forced to receive its value prior to the maturity date.

Article (68)

Whoever pays the bill amount prior to the maturity date shall be liable for the validity of such payment.

Article (69)

Whoever pays the bill amount on the maturity date without receiving any objection from any person, his payment shall be valid and he shall be freed from the debt.

Article (70)

If the bill amount is paid upon the second, third, or fourth photo-copy or any other photo-copy, the payment shall be valid if such a photo-copy includes a sentence stipulating that the payment cancels the other photo-copies.

Article (71)

If the bill amount is paid upon the second, third, or fourth photo-copy or any other photo-copy without restoring the photo-copy that bears the form of approval, the payment shall not be valid and the drawer shall remain liable for payment to the holder of the photo-copy that bears the form of approval.

Article (72)

The refusal to pay the bill amount shall be approved only if the bill is lost or the holder thereof turns belly up.

Article (73)

If the bill that does not include the form of approval is lost, the beneficiary may claim his right by any other photo-copies.

Article (74)

If the bill that includes the form of approval is lost, the beneficiary may claim his right using other photo-copies only after providing a guarantor of a 3-year temporary guardianship and obtaining the approval of the Board of Commerce.

Article (75)

If the bill, whether it includes the form of approval or not, is lost and the beneficiary is unable to submit any other bills, he may file a petition to the Commercial Court and claim the value of the lost bill. The Commercial Court shall order to pay the beneficiary the value of the lost bill after proving the ownership of the bill and providing a guarantor of a 3-year temporary guardianship.

Article (76)

The owner of the lost bill may ask the assignor to issue another photo-copy. The aforementioned assignor must help and authorize the owner to use his name in order to take the necessary measures against the assignee to whom the right of payment has transferred. The same matter shall be applied to all assignors in favor of the owner. All the expenses shall be incurred by the owner of the lost bill.

Article (77)

If a portion of the bill value is offered to the bill holder, he shall not have the right to reject such a portion even if the form of approval stipulates the payment of the whole value. The paid portion shall be removed from the total amount due from the drawer and assignors, given that, the holder of the bill shall send the notice for the remaining portions.

Article (78)

The Commercial Court may not provide a deadline for the payment of the bill value on its own.

Mediation in Paying the Bill Value

Article (79)

Any middleman shall have the right to pay the bill value on behalf of the drawer or one of the assignors after issuing the required notice. This mediation as well as the way of application thereof shall be recorded in the same notice or in its appendix.

Article (80)

A man who mediates to pay the bill value shall enjoy all the legal rights and obligations imposed on the holder of the bill.

Article (81)

If the man mediates to pay the bill value on behalf of the drawer; all the assignors shall be acquitted. But if the man mediates to pay the bill value on behalf of one of the assignors, the other sequent parties shall be acquitted.

Article (82)

If there is more than a middleman, the one whose engagement shall discharge the persons in charge of debt shall have priority over the other middlemen. If the assignee, against whom the notice is issued, has offered to pay the bill value, he shall have priority over the others.

The Rights and Obligations of the Bill Holder

Article (83)

The holder of the bill drawn up in the whole countries of the Arabian Peninsula, the Egyptian Kingdom, Sudan, British India, Turkey, and the coast of the Mediterranean Sea and the Red Sea, may request to have such bills approved or paid within 6 months from the date of issuance thereof if such bills are payable inside the Kingdom of Hejaz or after a lapse of a specific period. If the bill is drawn up in different countries other than those mentioned above, the holder may request to have such bills approved or paid within 1 year. The schedule of such periods shall be considered in the bills drawn up in the Kingdom of Hejaz and payable outside the Kingdom. The right of the bill holder against the assignors shall terminate if the request is submitted after the aforementioned periods due to naval warfare that doubles these periods.

Article (84)

The provisions of the aforementioned article shall not apply to other contrary conditions with regard to the holder of the bill as well as the drawer and the assignors thereof. Such conditions shall be considered and their requirements shall be executed.

Article (85)

The bill holder must request the payment of the bill value when due.

Article (86)

The objection of payment must be established by issuing the notice one day after the deadline of payment. The duration taken in the distance between the residence place of the bill holder and the center assigned to draw up the notice (notary public) shall be added to this period. The official feast days shall be excluded from this period.

Article (87)

Even if the holder of the bill has made a notice due to non-approval, the lapse of the period given to the assignee or his bankruptcy, he shall have the right to make another notice due to non-payment. If the owner of the bill has stated that the bill may be

returned without any charges, the notice as well as the reviews of the previous periods and the related procedures shall not be required.

Article (88)

The holder of the bill, after issuing the notices of non-payment and non-approval, may claim the drawer and any assignor individually, jointly or some of them. Each assignor shall enjoy this right vis-à-vis the parties preceding him. This claim shall be effective after issuing the notice. If the bill value is not paid, the claim shall be filed to the Commercial Court within 15 days from the date of receiving the notice bond. The duration taken in the distance between the residence place of the bill holder and the Board of Commerce shall be added to this period.

Article (89)

After issuing the notice of the bills drawn up in the Kingdom of Hejaz and payable outside the Kingdom, the holder may claim the drawer and the assignors in the Kingdom within the following periods:

- a) 3 months for the countries of the Arabian Peninsula, Egypt, Turkey, and the coast of the Red Sea.
- b) 6 months for the coast of the Mediterranean Sea.
- c) 1 year for the other countries.

Article (90)

If the bill holder has claimed all the assignors as well as the drawer, the periods mentioned above shall be applied to each of them.

Article (91)

Each assignor may claim the person against whom he has recourse individually or jointly on the specified periods. Such periods shall start from the date of filing the claim.

Article (92)

The bill holder may not have recourse against the assignors in case of ending the periods prescribed for submitting the bill, issuing the notice, or filing the claim. Also, the claim shall not be considered.

Article (93)

The bill holder and assignor may not have recourse against the drawer if it is proven that the assignee is in debt to the drawer of the consideration amount on the maturity date. In this case, the bill holder may have recourse only against the assignee.

Article (94)

The bill holder shall recover his right in claiming the drawer and the assignors if they receive, after the termination of the afore-mentioned periods, the consideration amount whether such funds are received via a bank account, clearinghouse, or in any other mean. In this case, the bill holder may claim the party who receives the funds.

Article (95)

After issuing the notice of non-payment, the bill holder may, in addition to the rights mentioned above, attach the chattel and funds of the drawer or the approving assignee through the Board of Commerce.

Chapter Eight

Transaction of the Notice

Article (96)

The notices of non-payment and non-approval shall be drawn up by the notary public in accordance with the respective Law. If there is no a notary public, this task shall be referred to the senior clerks of the Shari'ah Court.

Article (97)

The sheet of the notice must include a photo-copy of the bill verbatim as well as a photo-copy of the form of approval (if approval is stated herein), all assignments, in addition to any necessary writings, and the legal notice of payment of the bill value.

Article (98)

Any paper drawn up by merchants or others shall not supersede the certificate of the notice bond.

Chapter Nine

The Right of Recourse

Article (99)

The bill holder, after issuing the notice, may draw up a new bill against the drawer of the original bill or against one of the assignors in order to obtain the original value of the bill as well as the expenses. The new bill shall be named as "Recourse Bill".

Article (100)

The recourse bill shall be enclosed with the list of recourse account that includes the value of the original bill as well as a statement on the notice expenses and the

other expenses arising from the original bill. Such a bill must also include the testimony of two well-known merchants.

Article (101)

It is not allowed to allocate many lists for a recourse account of a bill. Such an account shall be requested to be paid sequentially from an assignor to another until the bill value is finally paid by the drawer.

Article (102)

Any claims related to the different kinds of bills shall not be considered after the lapse of 5 years as from the date of issuing the notice of non-payment or from the date of the last pleading before the court in case of not issuing a decision or admitting the pleading. The defendant must swear before the Commercial Court upon the request of the plaintiff in order to be discharged of debt. Also, the heirs may swear before the Commercial Court upon his request.

Chapter Ten

Bankruptcy

Article (103)

Bankrupt is a person whose debts are more than all his funds, so he declares inability to pay such debts.

Article (104)

There are 3 types of Bankruptcy:

1. Real Bankruptcy
2. Negligent bankruptcy
3. Fraudulent bankruptcy

Article (105)

The real bankrupt is a person who works in commercial activities with specific capital that is seen sufficient by the custom of trade to work in commerce, has organized books, and pays funds improvidently, and whose funds were burned, sunk or damaged in a clear manner. If such conditions are met in a person, he shall be adjudged as a real bankrupt.

Article (106)

The negligent bankrupt is a merchant who pays funds improvidently, conceals the inability to pay his debts from the creditors, and who persists in working in commerce until his capital is finished even if he has organized books.

Article (107)

The fraudulent bankrupt shall be adjudged as a bankrupt only after distributing his funds to the creditors, otherwise he is fraudulent. The fraudulent merchant is a person who uses tricks and intrigues in his capital, records debts due from him in a name of another person within his books falsely, draws up bonds of such falsified debts, transfers the ownership of his fund and properties completely to another person, conceals some of his funds, or works in commerce by means of camouflaging, defrauding, or cheating merchants whether he is improvident or not, or he has organized books or not. The above-mentioned merchant shall be adjudged as fraudulent as long as he wastes the rights of citizens.

Article (108)

The declaration of bankruptcy shall be issued upon the request of the bankrupt himself or one of the creditors.

Article (109)

The bankrupt must submit his books along with the bond of debts due from him to the Board of Commerce, supported by a schedule including the original capital starting from the date of working in commerce up to the date of declaring bankruptcy, as well as the losses incurred by him and all his rights and obligations. The Board of Commerce shall immediately issue an order of arrest or place him under the supervision of the police.

Article (110)

After reviewing the papers submitted by the bankrupt as well as schedules and books mentioned in the previous article, and after reviewing the petition filed by the bankrupt or one of his creditors to declare bankruptcy, the Court shall seize his properties and declare his bankruptcy. His physical and verbal actions shall not be effective as from the date of declaring bankruptcy. As for the General Partnership, the court shall seize, in addition to the properties of the partnership, the funds owned by the joint partners because they are jointly liable for bankruptcy.

Article (111)

The declaration of bankruptcy shall be made by making the court draw up announcements as much as possible to be stuck in the roads through which people pass by. If the bankrupt has transactions in another country, a sufficient number of the afore-mentioned announcements shall be submitted to the commissioner of this authority amidst a memorandum submitted by the Chairman through the municipality in order to be stuck in the roads as mentioned above. The declaration of bankruptcy shall be published also in the Gazette. The residents in the municipality where the Court is located shall be given a period of not more than 10 days. As for the people living outside, the period shall vary according to the distance and middlemen. Any person loaning the bankrupt may have recourse to the secretariat of the Board and creditor trustees elected by the Court for investigating their demands within the mentioned period.

Article (112)

The Commercial Court shall appoint a commissioner from among its members who shall be expressed as "Secretary of the Board". The creditors shall also choose members from among themselves or from among the advocates who are known for knowledge and sincerity in the Court. Such members or advocates shall be expressed as "Creditor Trustees" and they shall be informed of the appointment declaration upon an official memorandum. The Court shall also allocate a specific place for meeting and investigating the rights and obligations of the bankrupt.

Article (113)

The Secretary of the Board as well as the Creditor Trustees shall pay close attention during the investigation of the debts due from the bankrupt and satisfaction all the debts due to him. They shall also record such debts in a unique book. The Secretary of the Board and the Creditor Trustees or their advocate shall have the right to refer any person, who rejects to pay the due debt to the bankrupt or insists on non-delivery to the secretary or the trustee, to the Commercial Court. On its part, the Court may bring, investigate and take information from the bankrupt, if necessary. The bankrupt shall have the right of choosing an advocate for himself such as the Secretary of the Board and Creditor Trustees, if needed.

Article (114)

The Secretary of the Board as well as the Creditor Trustees shall be liable for attaching all movable immovable properties owned by the bankrupt and selling such properties at

a public auction as mentioned above and after obtaining the approval of the Commercial Court. The properties prevented to be attached in the Chapter of Attachment shall not be attached in the Articles of bankruptcy.

Article (115)

During such transactions and investigation on bankruptcy, if the bankrupt, who had performed his duties pursuant to Article (113), has requested to be released from arrest after obtaining the approval of the Secretary of the Board and the Creditor Trustees, the Court may temporarily release him in his presence, if required, until the emergence of the last result after providing a guarantee that he shall not leave the municipality.

Article (116)

If the creditor has not attended within the period specified for in the previous articles to record his rights before the Secretary of the Board or the Creditor Trustees, he shall not be able to record anything else after the lapse of such periods; instead, he may file the lawsuit before the Board in the presence of the Creditor Trustees or their advocates. After trial, the Commercial Court shall issue its judgment pursuant to the facts submitted thereto.

Article (117)

If the creditor who was absent during the specified period has contacted with the Board upon a telegram, or memorandum or through an agent and ensured of registration of his debts in the bankrupt's books, his debt shall be registered and his share shall be kept till he or his representative attends. If such a creditor has not contacted during the mentioned period, the provisions of Article (116) shall be applied.

Article (118)

The bankrupt as well as his required properties placed under the guardianship of the Secretary of the Board and the Creditor Trustees shall be subject of expenditure if he is a real or negligent bankrupt till his debts are satisfied.

Article (119)

The rents of housing and commercial shops as well as the charges of servants and scrivener and the wife's dowry shall have priority in payment over the whole creditors.

Article (120)

The deposit found amidst the bankrupt's properties bearing the name of its owner shall be delivered to such an owner in kind.

Article (121)

As for the creditor who holds a mortgaged property, whether a movable or immovable property, the said property shall be sold and the creditor shall receive all his funds. If there are funds after giving the mortgagee his right, the remaining funds shall be added to the belongings of the bankrupt. If the funds are not enough, the mortgagee shall have the right to have recourse to the bankrupt claiming for the remaining funds.

Article (122)

After executing all the procedures mentioned in the above-mentioned articles, the prices of sales as well as the obtained funds and debts shall be collected; given that all the expenses and fees shall be deducted. The remaining funds shall be distributed to the creditors upon a schedule depending on the share of each of them after calculating the fines. The schedule shall be signed by all creditors and it shall be certified pursuant to a decision by the Board.

Article (123)

The said schedule shall be made up of 3 photo-copies; a photo-copy for the Creditor Trustees, another one for the bankrupt and the last one shall remain at the Court.

Article (124)

If a creditor has refrained from obtaining his share from the belongings of the bankrupt, his share shall be deposited with the Board till it is delivered to him or his heirs after death.

Article (125)

If all the creditors as a matter of destiny have reconciled with the bankrupt, they must prepare a detailed report on the way of reconciliation including the reconciliation and whether it has been reached for a specific fund and paying the remaining funds by installment or through delivering something and paying the remaining funds by installment. The report must also state the periods of paying installments. The Court shall later receive and certify such a report to be enforced in accordance with the applicable traditions.

Article (126)

The reconciliation paper mentioned in the previous Article shall be made up of 3 photo-copies, signed by the bankrupt as well as his creditors and dated on the day and month of signature. After satisfying the conditions mentioned in the previous Article, a photo-copy of the reconciliation papers shall be delivered to the Creditor Trustees,

while the second photo-copy shall be delivered to the bankrupt and the last photo-copy shall remain at the Court.

Article (127)

After executing all the above-mentioned procedures, the papers as well as books and any other belongings resulting from bankruptcy shall be delivered to the bankrupt. In return, the bankrupt shall provide a bond of receipt. The Secretary of the Board as well as the Creditor Trustees shall draw up a report and submit it to Court, thus, their task shall be finished. Afterwards, the Court shall cancel the attachment order. If a person has filed a lawsuit or any other bankruptcy-related objection, the Commercial Court shall be liable for issuing the final judgment in this regard.

Article (128)

Any lawsuit or objection filed by creditors against the Secretary of the Court or the Creditor Trustees shall be settled by the Commercial Court. If necessary, the Court may replace the Secretary of the Court and the Creditor Trustees and elect others.

Article (129)

If reconciliation is approved by some creditors and rejected by others, whether their shares are equal or not, the share of the creditor rejecting reconciliation shall be deposited with the Court. The creditor who rejects reconciliation may claim his rights at any time.

Article (130)

Each creditor may claim the remaining funds after distributing the belongings of the bankrupt to the creditors once the bankrupt holds funds unless the reconciliation bond or debt schedule includes a private or public exemption with regard to bankruptcy. If there is exemption, his lawsuit shall not be considered.

Article (131)

After 15 years of bankruptcy, the bankrupt shall not have the right to file a petition to declare his bankruptcy.

Article (132)

The fraudulent bankrupt as well as any person condemned of robbery, betrayal, or concealment and rejected to provide his bank account pursuant to the provisions of Article (109) shall not be rehabilitated. The negligent fraudulent may be rehabilitated after paying all debts and executing the punishment in accordance with the Chapter of penalties.

Article (134)

A person who desires to rehabilitate his financial situation must submit a petition to the office of the Attorney General along with a photo-copy of the bonds of settling his situation with the creditors in order to be referred to the Commercial Court for enquiry and investigation. The Court shall publish such a petition at the address of the bankrupt by sticking and publishing a declaration in the newspapers. A creditor who has not received his debt and any other litigant concerned with rehabilitation may file a petition to the commercial Court within 2 months from the date of declaration. If nobody has filed a lawsuit within the mentioned period, the Court shall issue a judgment rehabilitating his situation. The said judgment shall be published in the newspapers.

Article (135)

If the merchant passed away before issuing the decision of bankruptcy, the validity of attaching and dividing his patrimony as well as establishing its debts shall be assumed to the Shari'ah Court. On the other hand, if the merchant passed away after issuing the decision of bankruptcy, the validity of attaching and selling his patrimony shall be assumed to the Commercial Court as mentioned above because his patrimony is fully exhausted by his debts, thus, the heirs shall not have a share in it.

Chapter Eleven

Penalties

Article (136)

The fraudulent bankrupt set forth in Article (107) of this Law as well as any person engaged in concealing funds and executing tricks shall be punished by imprisonment for a period ranging between 3 years and 5 years.

Article (137)

The negligent bankrupt shall be punished by imprisonment for a period ranging between 3 months and 2 years. The same penalty shall be applied to the real bankrupt in case of refraining from submitting what is required from him pursuant to the Article (109).

Article (138)

A merchant who sells something of his properties or the property of his principal placed under his disposal in a proper way and delivers the clearance order to the buyer in order

to receive it from the storehouse, but later he violates the provisions of sale and rejects to deliver the sold item to the buyer by colluding with the storekeeper with the aim of increasing its price or any other illegal action, shall be considered a violator of the commercial principles and traditions. Furthermore, the seller shall be forced to deliver the sold item in kind without any shortage. If the sold item lacks something due to a behavior of the seller, he shall be liable for paying the price differential. The seller and the colluding storekeeper shall be punished by imprisonment for a period ranging between 1 month and 3 months.

Article (139)

A merchant who tricks a distinguished boy in order to take a document from him by any means whether through borrowing dirhams, or things or giving him papers, release, or confession in a manner causing harm to the boy, shall be punished by imprisonment for a period ranging between 3 months and 1 year, or a fine ranging from 50 pounds to 100 pounds.

Article (140)

A merchant who misuses a bond or a paper containing a signature or seal, or misuses a commercial book by replacing words or inserting phrases which stipulate a pledge or release using fraud and forgery means, shall be punished by imprisonment for a period ranging between 3 months and 1 year, or a fine ranging from 50 pounds to 100 pounds.

Article (141)

The general agent and broker may be authorized to sell a property owned by the principal from himself to himself only after obtaining permission from such principal. If the agent or broker has done so without informing the principal or the owner due to the increase of the price of the property or any other illegal action, he shall be considered embezzler and shall be punished by imprisonment for a period ranging between 1 month and 1 year, or a fine ranging from 10 pounds to 50 pounds.

Article (142)

Any merchant or broker dares to publish misleading information among people with the aim of confusing them and increasing or decreasing the price of a property, shall be punished by imprisonment for a period ranging between 1 month and 3 months, or a fine ranging from 10 pounds to 50 pounds.

Article (143)

A broker, who uses tricks or fraud to sell or buy commodities or conceals the real prices of commodities either by increase or decrease, shall be considered dishonest and shall be punished by imprisonment for a period of 1 month, or a fine ranging from 5 pounds to 10 pounds if it is the first time. In case of repeating such behavior, the broker shall be prevented from working in brokerage and shall be punished by imprisonment for a period of 1 year.

Article (144)

A broker who violates the provisions of articles (32-33-34) shall be prevented from working in brokerage for a month. In case of repeating such behavior, the period shall be doubled. After the third time, the broker shall be prevented totally from working in brokerage.

Article (145)

A banker who pays any worn-out, light-weighted or false funds or commits any type of fraud, or embezzlement shall be punished by closure of his shop for a month if it is the first time. In case of repeating such behavior, the banker shall be punished by imprisonment for a period ranging between 1 month and 3 months.

Article (146)

A banker who pays or receives false funds with the intent of fraud shall be punished by imprisonment for a period ranging between 3 months and 1 year.

Article (147)

A merchant who violates the provisions of Article (5) shall be punished by imprisonment for a period ranging between 10 days and 3 months or a fine ranging from 10 pound to 50 pound in accordance with the nature of his crime and his cases.

Article (148)

If it proven that the trustees who are assigned to sell, store, or transport items by land or sea have used tricks or fraud in a manner leads to damage or lose the kept commodity, they shall be punished by imprisonment for a period ranging between 1 month and 6 months and shall also guarantee the damaged or lost commodity.

Article (149)

A merchant who commits a trick by showing a legal contract with the intent of obtaining an illegal benefit such as usury as in case of selling a commodity for a deferred price, then buying the same commodity by the merchant himself, agent, or another person for a amount less than its sale in cash or lending something to a person who sells

it in a great increase in value, shall be considered usurer and shall obtain his capital, otherwise he shall be punished by imprisonment for a period ranging between 3 months and 1 year and shall be defamed.

Part Two

Maritime Trade

Chapter One

Vessels and Other Commercial Boats

Article (150)

Only the persons affiliating to the Kingdom of Hejaz may own or dispose of a vessel that bears the flag of the Kingdom of Hejaz in whole or in part; given that the whole vessel owned by any person affiliating to the Hejaz government may be sold to any foreigner after delivering the patents and papers that proven the affiliation to the Kingdom of Hejaz.

Article (151)

Persons affiliating to the Kingdom of Hejaz shall have the right to depose of the foreign vessels and travel on the board of them baring the flag of the Kingdom of Hejaz in accordance with the conditions of the vessels affiliating to the Kingdom of Hejaz. The title of the vessels drawn up by both parties to buy such foreign vessels cannot include any condition or contract for the interest of the foreign party that violate the provisions of the previous article, otherwise such vessels shall be seized by the governmental authorities.

Article (152)

Whether before or after its voyage, if the vessel is to be sold in whole or in part inside the Kingdom of Hejaz, the sale procedures must be conducted upon an official contract. But if the vessel is to be sold outside the Kingdom, the sale procedures must be conducted in the presence of a representative of the Kingdom of Hejaz. In case of violating such provisions, the sale shall be considered null and void. If the vessel is to be sold inside the Kingdom of Hejaz in a city that has no a port chairman, the sale procedures shall be conducted in the City Council; given that, the port chairman residing in the nearest city must be informed. But if the vessel is to be sold outside the Kingdom of Hejaz in a city that has no a representative for the Kingdom of Hejaz, the sale procedures must be conducted at the sight of the commissioner of the said city;

given that, the representative of the Kingdom of Hejaz residing in the city must be informed.

Article (153)

All types of vessels are considered moveable properties. But if the owner of the vessel is in debt due to this vessel and decided to sell it to a third party as an immovable property, the creditors may seize the vessel from the third party and sell it in order to satisfy their debts especially the legally-privileged debts.

Article (154)

The debts mentioned below may precede each other and shall be considered privileged according to the following order:

First: the expenses of claims as well as the other expenses resulting from the sale of the vessel and distribution of its price.

Second: the charge of the pilot, as well as fees due to the escalas for each ton or measure on the board of the vessel, and the fees of anchorage and dock.

Third: the charge of the watchman, as well as the other expenses of keeping the vessel from the date of entering into the port till its sale.

Fourth: the charge of the store where the tools and devices of the vessel are stored as a deposit.

Fifth: the expenses of maintaining the vessel and its tools during the last voyage and at the time of entering into the port.

Six: the charge of registration as well as the pensions of the seafarers who were administering the vessel during the last voyage.

Seventh: the dirhams borrowed by the captain during the last voyage as well as the price of the sold commodity from the vessel in order to satisfy its needs.

Eighth: the dirhams owed to the seller due to the sale of the vessel that has not traveled yet as well as the dirhams given as a loan, the fees of workers assigned to pull the vessel, the current debts for the foreign party that were paid to repair and satisfy the needs of the vessel, the charges of workers and asphalting, and the fees of placing the tools and seafarers before the departure of the vessel.

Ninth: the maritime loans paid on the vessel and its devices before departure in order to reconstruct, supply, and decorate it in the last voyage.

Tenth: the charges of insurance on the vessel as well as its devices, decorations and the other things during the last voyage.

Eleventh:the insurance that must be paid for the damaged and lost commodities and properties in the vessel that have not been delivered to their owner due to the fault of the captain and seafarer, i.e. the losses arising from the sale of the vessel for satisfaction of the debt. If the insurance does not satisfy the whole debts, the creditors shall gather to take their shares with specific percentages with due regard to the provisions of Article (311) mentioned below.

Article (155)

The privilege of debts mentioned in the previous Article shall be accepted only if it is established as follows:

First: the expenses of claims shall be established by items lists certified by the Board of Commerce which has jurisdiction to issue the decision of seizing and selling the vessel.

Second:the charge of the pilot, as well as fees due to the escalas as well as anchorage and dock shall be established by records delivered by the recipients.

Third: the debts set forth in the 1st, 3rd, 4th, and 5th paragraphs in Article (154) shall be established by items lists certified by the Commercial Court.

Fourth: the fees and charges of the seafarers shall be established by muster rolls drawn up in the port's facilities or in the commercial offices in the places where there are no facilities.

Fifth: the borrowed dirhams as well as the prices of properties and commodities sold from the vessel in order to satisfy its needs during the last voyage shall be established by records drawn up by the captain and the employee seafarers.

Sixth: the sale of the vessel, whether in whole or in part, shall be established by an official bond regulated in accordance with the provisions of Article (152) mentioned above. The dirhams and the other funds paid to establish, decorate, or supply the vessel shall be established by lists made up of two photo-copies signed by the owner of the vessel and certified by the captain. A photo-copy shall be deposited with the office of the Board of Commerce or the Commercial Court before the departure of the vessel or after 10 days from the date of departure as maximum.

Seventh:the maritime loans and dirhams paid on the vessel and its devices, and decorations before departure shall be established by a contract made up of two photo-copies between two parties. The second photo-copy shall be deposited with the office of the Board of Commerce or the Commercial Court within 10 days as maximum.

Eighth: the charges and fees of insurance shall be established by the lists of the bonds of insurance agencies or the lists of the wholesale as mentioned in the regulated books.

Ninth: the insurance of losses and damages to be delivered to the tenants of the vessel shall be established by the bonds of the Commercial Court or the papers of the privileged parties if both parties agree to resort to such parties for settling their dispute.

Article (156)

The privileges of the afore-mentioned creditors shall be rescinded upon the sale of the vessel in accordance with the conditions to be mentioned in the next chapter. If the vessel has been sold upon the approval of the creditors without filing any objections against its sale and traveled by sea bearing the name of the bearer, this shall be considered a basic reason to rescind the usual pledges. But if one of the creditors has filed objection with regard to the fees and rules applicable in this regard, only the objecting party shall be the beneficiary.

Article (157)

After the lapse of 30 days from the date of departure of the vessel, receipt of the permission of travel, or arrival to two separate escalas, or after the lapse of a period of more than 60 days from the date of arrival to the anchorage without passing by any escalas, or travel aboard for a period exceeding 60 days without receiving any claim from the creditors, hence the vessel shall be considered in a voyage.

Article (158)

The sale of the vessel during its travel and after obtaining the approval of creditors shall not cause any breach to the rights and privileges of the creditors; consequently, the creditors shall maintain their rights against the seller. In the other cases, the creditors referred to may request to rescind the sale procedures claiming that such sale has been conducted using fraud and deception to revoke their rights and privileges.

Chapter Two

Seizure and Sale of Vessels

Article (159)

Any type of vessels and maritime ships may be seized and sold upon the judgment and notification of the Commercial Court. The privilege of the creditors shall be revoked.

Article (160)

After issuance of the judgment and notification of the Commercial Court as required by the creditor who requested to seize the vessel, the debtor shall be officially ordered to satisfy his debt. If declined, the vessel shall be seized as long as the request is submitted within 24 hours.

Article (161)

The order set forth in the previous Article shall be made at the sight of the government. If the due dirhams are not privileged debts, the order must be submitted to the owner of the vessel or to his place of residence. But if the dirhams are privileged debts as mentioned in Article (154), hence the order shall be submitted to the owner of the vessel or the captain.

Article (162)

If the creditor has managed to claim his right within (24) hours, the government may seize the vessel in accordance with the following rules:

The commissioner, who is assigned especially to perform this task, shall come along with an engineer and two witnesses and shall head to the vessel in order to draw up the record of seizure, where he shall record the name, nickname, profession, and residence place of the creditor who requested the seizure. The record shall also include the notification, which is considered the base to conduct a commercial transaction, as well as the amount of the due dirhams, the address of the Commercial Court that offers the vessel for sale, and the residence place of the person appointed by the debtor where the vessel is anchored. Furthermore, the record shall include the name of the vessel owner and captain as well as the vessel fame name, type, and the amount of cargo, either by tons or measure. The commissioner shall record also the boats, equipment, instruments, weapons, fittings and supplies found on the board of the vessel, and shall state that an employee has been assigned for recordation.

Article (163)

The employee seizing the vessel must inform the debtor if such a debtor resides in the same city of the Commercial Court that has issued the decision of seizure or within 6 hours far from it. Furthermore, the employee must provide the debtor with a photo-copy of the record of seizure within 3 days and order him to attend to the premises of the said court within the period set forth in the procedures of trial in the Commercial Court in order to verify the sale of the seized vessels as well as its items. If the debtor resides in a far place, the photo-copy of the record of seizure as well as the order to

attend to the premises of the court shall be delivered to the captain of the vessel. If the captain is not present, the photo-copy and order shall be delivered to the agent of the owner of the vessel or the captain. If the owner resides in the wide lands of the Kingdom of Hejaz, a day shall be added to the mentioned period. If he resides in a country other than the Kingdom of Hejaz, the order to attend to the court shall be conducted within the period set forth in the provisions of Article (423) of the Law of Commercial Board. Article (429) of the said Law may be revised also, if necessary.

Article (164)

The vessel licensed to be sold by the Commercial Board shall be sold by public auction at the sight of a commissioner who shall be chosen pursuant to the below-mentioned conditions after the sale procedures are published and declared by a caller as well as printed papers and notices.

Article (165)

If the seized and sold vessel weights more than 10 tons, namely 400 containers, the sale procedures shall be declared and published in three batches by a caller as well as printed papers and notices. Such calling, publication and declaration shall be conducted once every 8 eights consecutively in the places where the vessel is anchored as well as the places where people gather and markets. If there are no newspapers published in the city, the sale procedures shall be declared in the newspapers published in the closest place.

Article (166)

After implementing the call and publishing the declaration, papers shall be fixed within 2 days to the topmast of the seized vessel and to the door of the Commercial Board which has issued the permission to seize and sell the vessel. Furthermore, the papers shall be fixed to the site where the vessel is anchored, as well as the most famous place in the city port, and markets, if found, otherwise the papers shall be fixed to the door of the municipality.

Article (167)

The call declaration as well as newspapers and papers shall state clearly the name, nickname, profession, and residence place of the creditor who has requested the sale as well as the funds requested by him, and the basic bonds for the sale of the vessel. Furthermore, the address of the Commercial Court that offers the vessel for sale shall be stated. The call declaration as well as newspapers and papers shall state also the

name, nickname, and residence place of the owner of the seized vessel as well as the name of vessel and the captain if the vessel is equipped or under equipment, and the amount of cargo, either by tons or measure. Also, the name of the place where the vessel is anchored as well as the name of the commissioner, the price paid in advance, and the end days of the auction shall be stated.

Article (168)

After the call, the auction shall be conducted on the days mentioned in the declarations. The addenda of the auction shall be conducted on a day to be specified once every 8 days after the auctioneer calls for the auction.

Article (169)

The auction of the vessel shall be awarded to the person who offers the highest bid in the last auction session taking place after the third call when the candle flame gets extinguished. If no decision is taken on this day, the commissioner may suspend the auction session and postpone it once or twice for other 8 days in the hope of increasing the price. Such suspension shall be published by the newspapers and declaration. If no higher bids are offered within the last days, the vessel auction shall be awarded to the person who has offered the highest bid before the said suspension.

Article (169/A)

The arrested vessels, feared to expose to damage, destruction, or to any other risk that may cause the value thereof to be completely wasted or decreased, or result in stranding of the vessel in such a way that hinders the waterways, making it technically difficult to restore it, without paying extravagant expenses, to a safe anchorage, or in a manner harming or threatening to harm the port facilities including the other vessels and buoys, shall be excluded from the provisions of sale procedures set forth in this chapter whether such risks are existent at the time of attachment or occurred afterwards. Any of the above-mentioned cases shall be recorded pursuant to a grounded decision issued by the authority considering the claim after having a look at the vessel, taking the opinion of the technical body supervising the port, or assigning experts to determine the current case of the vessel. The sale shall be conducted at public auction in any of such cases after publishing a declaration in a local newspaper at least 1 week before the scheduled date to hold the auction. In absolutely necessary conditions, the sale may be conducted after publishing the declaration by 24 hours.

The sale officer shall award the auction to the bidder who offers the highest price at the auction session. In all cases, the authority initiating the sale procedures shall have the right to suspend or delay the auction again with the aim of raising the price after it publishes a declaration in accordance with the provisions of the above-mentioned paragraphs as required by circumstances. If no biddings are conducted or no higher bids are offered, the authority initiating the sale procedures must award the auction to the person who has offered the highest bid before the said suspension.

Article (170)

If the order of seizure and sale is applied to vessels weighting 10 tons, the aforementioned procedures shall not be required. The call declaration shall be conducted by the auctioneer on the port beach for only three consecutive days. If the vessel is equipped with a topmast, the order of seizure and sale shall be fixed thereto, otherwise it shall be fixed to an apparent place therein. The auctioneer shall also fix declarations to the door of the Commercial Court that will determine the method of sale. Afterwards, the vessel shall be sold at an auction. A period of 8 days must separate between the seizure of the vessel and its sale.

Article (171)

The liability of the captain shall terminate once the vessel is sold at the auction. If necessary, the aggrieved captain may claim damage from the owner of the vessel or his agents or contractors.

Article (172)

Persons who win the auction shall be forced to pay one third of the price to the commissioner appointed by the Commercial Court and provide a legal guarantor affiliating to the Kingdom of Hejaz to guarantee the other two thirds within 24 hours from the date of ending the auction. The appointed guarantor and buyer shall be jointly liable for paying the two thirds within 11 days from the date of selling the vessel. Both the guarantor and buyer shall be forced to pay the two thirds, otherwise they shall be imprisoned. The buyer shall have the right to receive the vessel only after paying the third and providing a party who shall guarantee the other two thirds within 24 hours as mentioned above. The acknowledgement of sale shall not be given to the buyer in case of refraining from the payment of the two thirds. If the buyer has not paid the third of the price within 24 hours or has not provided a party to guarantee the other two thirds, the vessel shall be offered again for sale in an auction.

After three days from the date of publishing and declaring the sale of the vessel through the calling, as well as the printed papers and declarations, the vessel shall be sold for the interest of the afore-mentioned buyer and his guarantors. If the offered price is less than the first-prescribed price, the buyer who has won the auction firstly as well as his guarantors shall guarantee such lack as well as any losses or damages arising there from and expenses. If the buyer had previously paid the third of the price, such amount shall be deducted from the mentioned guarantee. If there is an addendum, it must be given to the buyer.

Article (173)

The claims objecting the sale of a part of the vessel shall be filed before opening the auction and shall be recorded in the Commercial Court. In case of signing the mentioned claims, the sale process that has been conducted may not be cancelled; instead, it shall be deemed as a legal action taken to prevent the person liable for seizure and sale from obtaining the price of sale.

Article (174)

A three-day grace is given to the person who submitted the suit to prevent the sale or stop giving his total prices in order to indicate his reasons, evidences and opposition on that, and the same grace is given to the defendant i.e. the person who was the cause of the seizure and sale in order to give the answer too. Then, the two parties are brought to the Court of Trade, according to the summoning which is made in order to see the existing suit.

Article (175)

If the prevention claim is made with regard to not giving the allowance of the auction after a decided order within three days, it is approved. But if it is made after that, it is not approved, but only if the total prices are more than the demands of the people who caused the seizure and sale, then the prevention claims made after three days are considered as edited with respect to an increase of the price and its left over only.

Article (176)

Liability owners who show reluctance shall be forced to bring out their bonds to the Registry of the Court of Trade. And if not, it shall be the court which rendered the award of selling and this shall be within three days from the day on which they are called and assigned to prove demands from the liability owners who caused the

seizure and sale or from the person whose ship is seized or his agents, or his heirs. If they do not do that, their share is not counted but the total prices shall be divided and distributed to those who are concerned according to what has been prefaced above.

Article (177)

The issue of distributing and dividing the dirhams on the liability owners is carried out by a fine against the concession holders based on the difference and arrangement set out in Article (155) prefaced before, and against the liabilities owners according to the demand of every one of them. And every one of the mentioned liabilities owners gets his demand upon the origin of his money and also his expenses in this account.

Article (178)

The ship prepared to travel shall not be seized but can be seized for the authority of the debts made for that travel. But nevertheless if a warrantor is provided to pay the mentioned debts, the ship is free from seizure and the readiness of the ship for travel is shown once the shipmaster receives the documents of the passage of the ship.

Chapter Three

Concerning ship owners

Article (179)

Every ship owner is responsible for the ship master's movements and legal transactions, i.e. he shall be obliged to ensure the damages or losses arising from the ship master's movements and transactions and to fulfill the contracting and pledges whose work is concerned with the ship movement and traveling. But if these pledges have not been made ad hoc for him, then the ship owner can leave the ship and its freight and get rid of, in each case, those pledges. But if the shipmaster is the owner independently, he cannot get rid of that by leaving the ship and freight. Therefore, if he owns the ship in partnership with other stakeholders, he shall be personally liable to the extent that affects his share only concerning the contracting and pledges held regarding the movement of the ship and its traveling as well.

Article (180)

The ship owners are responsible as far as the amount of money that they sponsor on the part of providing sponsorship and on the part of what is happening in the ships

equipped for war with permit of the government while traveling concerning misdemeanors and felonies, rape and raids of the soldiers and navigators who are found on board, and they are not asked about what exceeds these matters as long as they did not commit them by themselves, through an intermediary. The mentioned security is two hundred thousand piasters for the ships whose soldiers and navigators are about one hundred fifty people, and also four hundred thousand piasters for what exceeds that.

Article (181)

The ship owner can dismiss the ship master in every case, even if there is a provision in the contracting that provides not to dismiss and oust him of the ship. And therefore, the dismissed ship master may not ask for a warranty from the ship owner who dismissed him unless there is an issued contracting with that solely. And if the ship master is dismissed in a place different from the place where he was appointed, he has the right to get the necessary expenses for returning to that place only.

Article (182)

If the dismissed shipmaster has a share in the ship's shares, he has the right to leave his share and take its price. The amount of the mentioned charge is estimated by the people of experience and knowledge. Also, appointing the experts shall be done by mutual agreement, or by joining the opinion of the Court of Trade.

Article (183)

If no agreement is reached in the notes of the owners of the ship shares concerning the measures necessary its public benefits, the decision shall be made by the majority opinion. This majority is not in relation to the number of people who give an opinion but for the opinions of those whose shares are more than the value of half of the ship. And if the ship is owned by participants and it is to be sold by auction with an agreement among them officially and the prices are bid, this shall be done based on the call of stakeholders whose shares are equal to the half unless there is a contracting issued among them on another type.

Chapter Four

Concerning Shipmasters

Article (184)

Every shipmaster or head of a ship, or any kind of ships, in case he has full management and custody, he shall be responsible for every mistake he may make during his duty whatever the mistake is slight and shall also guarantee the damages and losses.

Article (185)

The shipmaster shall be responsible for the loss, damage and destruction of objects and goods which he undertakes to transport and he shall give a bond for taking hold receiving them, and this bond is called a bill of lading or a cargo bond.

Article (186)

Catching the shift of the ship and electing all the navigators, appointing them and setting their pensions and wages are the prerogative of the shipmaster. But if this is done in the place where the owners of the ship exist, he shall do that with their (the owners) joined opinion.

Article (187)

The shipmaster shall make a daily book to be called the journal of the ship with written numbers and the check marks (✓) made by a head of a locality port or by a bailiff of a town council and certified at the foot by the head of the port and the town council above mentioned, and that journal shall contain:

First: The conditions of air per day.

Second: The movement of the ship in the advance or delay every day.

Third: The degrees of longitude and latitude where the ship passes every day.

Fourth: The damage and losses, that happens to the ship and the cargo, and their causes.

Fifth: The details, as much as possible, of what is damaged or cut or left of objects.

Sixth: The road where the ship passes and the reasons for leaving that road, whether willingly or unwillingly.

Seventh: The measures and decisions taken via a council meeting through the crew officers of the ship and their superiors and the shipmaster together.

Eighth: The names of those who get their release from the navigational officers of the ship and individuals and the reasons for that release.

Ninth: A countryment of all the matters and incidents that cause disputes and allegations regarding the ship and its cargo besides stating the complete revenues and expenses.

Article (188)

The shipmaster shall also make another small book, other than the aforementioned journal, called Libretto in which he registers the marine loan especially according to the rule set out in the beginning of the article above.

Article (189)

The shipmaster shall detect and inspect the ship by people of experience appointed especially before loading by the head of the port, if not it is by the town council in order to find out the tasks necessary to the ship for the time of travel and if it is ready or not, and is he in a status that allows him to travel or not. The minutes of this countryment shall be placed at the head of the port or in the town council and a certified copy shall be delivered to the shipmaster. And if the ship owners dismissed the idea of detecting and inspecting the ship, the shipmaster cannot get the passing ticket unless the mentioned detection minutes is displayed and the experts detect and express the rights of marine trade, and this is carried out by the Court of Trade.

Article (190)

The shipmaster shall bring with him, other than the above mentioned books and copy of the minutes, the following:

First: His marine bond that shows to whom the ship belongs or a certified copy.

Second: A certificate of knowledge that shows that he is raising the flag of the Arab Hejazi government.

Third: The navigators' book.

Fourth: The bills of lading the shipping with freight documents.

Fifth: The cargo list expressed as manifesto.

Sixth: The customs ticket and the document that shows paying the necessary fees for loading the ship and that a warranty has been taken to ensure that the loading shall not be moved from the port, intended to be sent to, to another port.

Seventh: The permission of the ship.

Eighth: The quarantine ticket.

Ninth: One copy of the law of marine trade.

Article (191)

The shipmaster shall be found himself on the ship since commencing the travel until the arrival to the destination coast or one of the safe ports. And if it becomes necessary to enter a port or a bay or a river that he or any of his navigators have

never entered and there are knowledgeable guides with them, the shipmaster shall use a guide the expense of the ship.

Article (192)

If the shipmaster gives an order that is contrary to the provisions of the above-mentioned five articles, he shall be responsible for all the damages that result from it either for ship or the cargo.

Article (193)

Also, the shipmaster is responsible for all the types of losses that affect money and stuff that are loaded on the deck without the written consent of the loader. But the provision of this article is not valid in the right of small ships or feluccas that go to and fro at the locality ports nearby known as short coastal tourism.

Article (194)

The shipmaster cannot get rid of the responsibility unless it is proved that he has a severe hindrance.

Article (195)

The shipmaster and the navigators who are on the ship, or on a felucca going to a ship, and ready to travel shall not be arrested or caught for paying off the debt unless that debt is made for the sake of that travel. Also, in this case, if they provide a guarantor for paying off the debt, they get rid of the issue of catching and arrest.

Article (196)

It is not permissible for the shipmaster to proceed, in the place of where the ship owners or their agents exist, reconstructing the neither ship nor buy sails and ropes and other necessary objects nor borrow one dirham for the account of the ship nor lease the ship itself unless he has their consent.

Article (197)

If the ship is leased with the consent of the owners and some of them declined to pay their share of the expense needed for preparing the ship for travel, the shipmaster shall notify them officially and charge them to provide their share of these expenses. And then after twenty-four hours of that, he may make a marine loan on the proportions of their shares in the ship with a license from the Court of Trade or from the town council in the country where there are courts of trade.

Article (198)

If it is found necessary for reconstructing the ship during travel or buying sails or ropes primary objects or equipment or other objects necessary and it is not possible for the shipmaster, because of the time and condition and the far distance of the existence of the ship owners and load owners, to get an order for that from them, then he can give an order signed and sealed by him and his major navigators proving this severe disorder. Then, he can make a marine loan by the license from the Court of Trade if he is found in the kingdoms that do not have boards of trade or from the commissioner of Country – if he is in a foreign country – or the government in charge in the locality ports where there is no commissioner. And this loan is made on the ship and its divisions, and if needed, it can be made on its physical capacity, too. It is allowed, if he can now do that completely or partly, for him to pledge the goods of the load as much as what proves necessary or to sell by it auction. And then, the owners of the ship or the shipmaster, who is like their agent, shall pay expenses of sold goods and stuff as recorded when the ship arrives to the meant destination according to the salable categories of goods and stuff which are of the same gender and type out there. If the ship has a single lessee or several owners of the load and they all agree all among themselves, they can give required freight according to the distance which the ship has crossed and they take out their money and goods and prevent selling and mortgaging it. If the owners of the loading do not agree on that, then those who want to take out their money and stuff of the ship shall give the freight, which affects their stuff on optimal travel.

Article (199)

The shipmaster shall send to the owners of the ship or their agents a shipping list and accounting countryment, signed by him, showing prices of goods and stuff that have been purchased and shipped to their account and the amounts of money that he borrowed or names of those who borrowed and their nicknames and their place of residence. This shall be done leaving the port located in the foreign country or in the Gulf of one of the kingdoms returning to the rest of the coasts of the Arab Hejazi Kingdoms. But if the load is loaded in the mentioned ports by commission agents for the account of the ship lessees, then be the shipmaster shall send to the owners of the ship or their agents the cargo list under the bills of lading that he signed and the amounts of money that he has borrowed and its quantity with the names of those who borrowed, their nicknames and place of residence.

Article (200)

If the shipmaster takes Dirhams unduly to the account of the ship or the foods, or ammunition and other supplies or tools, if he mortgages or sells any of the goods, stuff or ammunition or he puts spoiled money in the account and illusionary expenses, he becomes responsible for all that and he shall, in particular, refund the dirhams that he has taken and return them and guarantee the objects that he has mortgaged and sold. And it is, if necessary, possible to produce a claim against him against him to have the necessary punishment.

Article (201)

The shipmaster cannot sell the ship on any country it is unless he gets a specific license when he has proven a system of being not susceptible to travel and if he does so, the sale is considered invalid and the shipmaster shall ensure the damages and losses. And the issue of non-viability of the ship to travel, it is proved by the authentication of the experts who are appointed for that and they swear for that. This is regulated through minutes and signed by them. And the issue of appointing the penalty, it is done in the Arab Hejazi kingdoms by the boards of trade, and if they are not present, it is done by the town council. While in the foreign countries, it's done by the commissioners of the Arab Hejazi government, and if there are no commissioners, it is done by the local government. And if it is necessary to sell the ship due to the lack of amenability proved as recorded and the non presence of a license of the owners and their instructions, then a bid shall be made in the market publicly.

Article (202)

The shipmaster shall complete the travel that he pledged, and if he does not do it, he is judged to undertake all the expenses of the ship owners and lessees and he shall also ensure the damages and losses.

Article (203)

The shipmaster who travels to be a partner with the profit earned from shipping cannot take or give or trade for his own account unless held by a specific contracting on another type.

Article (204)

The goods and stuff that the shipmaster loads on the ship for his own account in violation of the provisions set in the previous article are controlled by the provision

of the Council of Trade and its decision is for the benefit of all those who remain from the owners of the shares.

Article (205)

The shipmaster shall not leave the ship or resign while traveling whatever danger there is unless he gets the opinion of the officers of the navigators and their representatives. But this is permitted as decided; he shall save the amount that enables him from the prices of the goods and stuff of the loading with documents of freight, bills of lading and the passage ticket and all equivalent documents and existent money. And if he does not do that, he himself shall be responsible for what is lost or damaged of them, but if they are extracted from the ship as decided and then they are lost or damaged, then the shipmaster is not responsible anymore.

Article (206)

The shipmaster is assigned to submit, within twenty-four hours from the arrival of the ship to the port, his countryment book (journal) for inspection with his report to the locality ports set forth in the two Articles set below and then he gets a certified copy thereof. The shipmaster shows in his report the place where he started his travel, the time, the road he took, the dangers that he encountered the unexpected objects that occurred in the ship and every issue that happened while traveling and deserves to be recorded.

Article (207)

The mentioned report shall be submitted in the Arab kingdoms of Hejaz to the President of the Court of Trade, and in the locality ports where there is no court of trade it shall be submitted to the official of the Trade Office, and in the places that do not have this position, it shall be submitted to the head officer of the local government. And if it is submitted to the bailiff trade and to the local government, it shall be sent, after being signed by them, to the nearest President of a Court of Trade and it shall be placed in – each case – and kept as a deposit at the Registry of mentioned Court of Trade.

Article (208)

The said report shall be given, in the foreign country, to the commissioners of the Arab Hejazi government, and in the locality ports, where there are no commissioners; it shall be given to the local government. And the shipmaster gets a

mark of knowledge showing the date of arrival to that place and departure, too, and the country of the load and its types.

Article (209)

If it is necessary for the shipmaster to approach one of the Arab or foreign ports off his track while traveling, he shall indicate the reasons for this to the officers (commissioners) set forth in Article (207 and 208) above according to his place.

Article (210)

If the ship sinks and the shipmaster survives alone or with some of the crew, he shall – after that – go to the officers (commissioners) set forth above, according to their places and gives his report and certifies that report stating the navigators who were with him and he has the right to take a certified copy thereof.

Article (211)

The witness of the navigators shall be heard as well as those of the passengers, if possible, by the officers mentioned before without defect in all what can be reported of the evidences matching this report. The reports that are not certified are not likely to be accepted in the matter of ridding the said shipmaster of responsibility and proving his claims at the time of trial, unless he escaped drowning alone in the place where he gave his report. In all cases, those who are claimed against have the opportunity to prove the opposite of the articles that he has shown.

Article (212)

The shipmaster shall not take goods out of the ship, originally, at any time unless he submits his report. And if he does so, then the claims can be made against him extraordinarily unless the goods and stuff are in case of loss and quick damage by a very close destruction.

Article (213)

If the supplies of ship have finished while traveling and there are other foods for some of those who are there, the shipmaster shall be authorized to makes them provide the mentioned foods after obtaining the opinion of the major navigators provided that the food id paid for.

Chapter Five

Concerning all the navigators who are used in the ship and their wages

Article (214)

The conditions of using the shipmaster, officers and all navigators are ratified and recorded in the book of navigators or in the countryments decided between both sides. But if the contracting is not written and not mentioned, or anything that is related, in the book of navigators originally, then the application of the movement is done in accordance with the asset and rule applied in the place where the navigators are taken for service and the aforementioned book of navigators is regulated, if in the Arab kingdoms, by the officer of the port. And when he is not existent, it shall be done by the Office of Trade, and at the absence of this also, it shall be done by the town council. But if he was in a foreign country, it shall be done by the commissioners of the Arab government or their agents, and when those are not existent, it shall be done by the local government.

Article (215)

The shipmaster, officers and navigators shall not hold in the ship goods and stuff of any kind for their own account with any excuses or reasons unless they get the consent of the ship owners, or its lessees if the ship was leased, after paying the freight too. And if they violate the above said, their goods and stuff may be seized for the benefit of the ship owners or lessees unless there is a special contracting contradicting with the ship owners in the first part and with the lessees in the second part.

Article (216)

If the travel is postponed before the ship leaves for reasons that happened by the owners or the shipmaster or the lessees, a guarantee shall be given to the heads of navigators and the individuals with month pension – if they are bound to monthly payment – or a quarter of the set wage if they are bound to a full travel except for the wage for the days they have worked in the preparation of the ship. But if they have taken an advance on the account of their pension or wage, they have had the choice either to be satisfied to do so or to take a month pension or a quarter of their wage as decided and they deduct it from that. But if leaving the travel happened after the ship has moved, they shall be given for the time, that they worked, from pensions and wages as much as the double of the amount given to them in the previous paragraph and what they require from transportation expenses as they have not been sent on another ship in order to return to the place from which the ship has moved. However, the amount of the mentioned wages and guarantees shall not

exceed, sometime, originally the amount of dirhams provisioned to be given at the end of the travel while the transport expenses of returned navigators shall be allocated and given according to the workmanship of each one his whereas.

Article (217)

If the ship is ordered not to move by the government before the start of traveling to the place it shall go to and trade there, or it is ordered to take out the goods and stuff that the ship is hired to transport from the Kingdom, or it is stopped by the order of the government, then the daily wage shall be given to the navigation officers of the ship and its individuals for only the days on which they have served ship the and then they are released.

Article (218)

If preventing traders or stopping the ship has occurred while traveling, the officers and crew of the ship and its individuals shall be given – in the case of prevention – the wage of the days on which they have served the ship and the expenses of their return to their places. In the case of stopping, half of the salaries shall be given to those who were at the monthly during the period of stopping the ship, while those who took the full trip are not given anything for the period of stopping, but they are given their rights and wages conditioned for full travel only.

Article (219)

If the travel of the ship takes longer than what was intended, then the wages of navigators who are used in the full travel shall increase base on the increase of time that happened.

Article (220)

If ship is intentionally unloaded at a place nearer than the place set out in the contract bond, the wage decided for the navigators – who are associated with the complete travel – is not reduced because of that.

Article (221)

Navigators, who are used for having a share of the freight of the ship or a profit of the yield, shall not be given a daily wage or any kind of guarantees for the matter of leaving the travel or terminating it or delaying or increasing due to an obliged reason but if leaving the travel or terminating it or delaying or increasing happened by the owners of loading of the ship, the navigators shall also have a share of the guarantees of the damages and losses judged to be given to the ship by them. If these guarantees

are conditioned that the ship owner and navigators shall have shares – whatever the amount is – of the profit and freight, they shall be distributed and divided among them according to that share. But if leaving the travel or terminating it or delaying or increasing happened by the shipmaster and his companions, they shall give each of the navigators an allowance for the damage and loss by an appropriate amount according to their provisions and contracting.

Article (222)

If the ship is seized or confiscated or hit and broken or sank or lost, and the load is damaged completely, the navigation officers and their individuals shall not ask for any wage for this travel, but if they have been given a part of their wage, they are not obliged to return it.

Article (223)

If the ship or some of its divisions survived drowning or damage, the navigators used on that ship shall have the right to get their wage out of the net yield of the objects they saved. If the mentioned yield fulfills their wage or nothing was saved of the stuff, then the navigators have the authority to take from the freight these saved goods and stuff what fulfills the remainder of their wage.

Article (224)

The navigation officers and their individuals who are used for shares of the freight can get their pensions and wages of the freight of the ship only according to the share taken by the shipmaster and the lessee.

Article (225)

The employee and ordinary navigators with any provision and contracting they have been used for taking, separately, the wage for the days spent on saving the pieces of the sunken ship and its related objects.

Article (226)

All who get sick from the navigators during travel or be absent or get delayed whether due to the service on the ship or because of fighting against enemies or pirates, he has the right to get his complete wage as decided and apart from that he also gets the expenses of the physician and the surgeon for his illness and wounds. And if he remained unemployed, he then gets with these said expenses a suitable amount of dirhams under the name of a guarantee. And if the two parties do not agree concerning that guarantee, the injured man shall get the amount of money

decided in the Board of Trade. The expenses of the wounds and the guarantee of not working if the illness or injury or disruption caused by the service, he shall be given these expenses from the ship freight. And if that occurred due to a fight for protecting the ship, this is deemed a major disruption of serious marine losses and needs a fine from the ship, its freight and loading.

Article (227)

If the ill or injured or non employed (due to injury) navigator cannot attend travel fearing danger, the shipmaster shall - before the ship leaves - take out the injured navigator from the ship to the hospital or another place where it is possible to treat him and when he returns, the shipmaster shall afford the expenses of his illness and his own expense if recovered. And if the navigator dies, the shipmaster shall afford the expenses necessary for burial, and if the shipmaster is present in the Arab kingdoms, he shall be given for that dirhams enough to cover these expenses as a deposit, or a guarantor that undertakes to give it to the Office of Trade. And in the places where they are not existent, it is given to the big officer of the large town and if that was in a foreign country, it shall be taken along to the commissioners of the Arab governments, and in the places where they exist; it shall be taken along to the head officers of the local government. However the wage of the injured navigator remains listed until he gets recovered. Apart from that, he shall be given his account from the day when he traveled on the ship from any port to the day when he can return to the port with the expenses of his way as well.

Article (228)

If the navigators came on the ship and got out of it with a license and had a quarrel or fight and got injured or sick due to improper action of him, he shall be supplied with the expenses of the ship as set, but a claim can be issued to return these expenses from him. But if the navigator got off the ship without a license and got injured or ill due to quarrel or fight or because of improper actions done by him, then the expenses of the physician and surgeon shall be at his own expense. And if it is agreed that the shipmaster sent him out of the service, his wage shall be accounted only till the day when he was last used.

Article (229)

The wage of the navigator who died on the ship shall be given to his heirs as follows: If he was used by monthly wage, they shall be given his pension the day he

died. And if he was used for a full travel and he died while traveling in the port where he was going, they shall be given half of the wage only. But if he died while returning, they shall be given his full set wage. And if he was a lessee with a share to have a profit after completing the travel or the ship freight and he died after commencing the travel, they shall be given his full set share. And by any way was navigator used and died during fighting against enemies or pirates for the safety of the ship and it arrived safely to the port, then he shall be considered not dead until the day of arrival and his full wage shall be given.

Article (230)

The navigator who gets captured while being on the ship shall not ask for anything, from the shipmaster or the ship owners or the lessees, to save his neck, but he only shall have the right to get his wage till the day when he was captured.

Article (231)

If the navigator who is sent by sea or land for the service of the ship gets captured, he shall have the right to get his full wage. And except for that, if the ship arrives to the port safely, he has the authority to ask for guarantees for his neck.

Article (232)

If the deceased was sent by sea or land for the service of the ship, he shall be given the guarantee provided by the owners of the ship only, but if he was sent for the necessity of the ship and loading, they shall be fulfilled by the ship owners and the owners of the load, too.

Article (233)

The said guarantee allowance, i.e. emancipation, is thirty gold pounds.

Article (234)

If a ship is sold during the period of the use of the navigators, the navigator who does not accept some contracting on the type has the right to take the expenses of the ship and its wage to deliver to his place completely.

Article (235)

The employee and ordinary navigators who are expelled from the service based on reasons accepted legally while traveling, the shipmaster shall account them for their decided wage to only the day when they were expelled according to what they have finished of the way and give it to them. But the navigators who are expelled before

the start of the travel, they shall be given the wage for the days which they already served and they shall not be given anything more than that.

Article (236)

The reasons that are considered acceptable legally to expel the navigators are:

First: The lack of ability to serve.

Second: Disobedience.

Third: Addiction to drunkenness.

Fourth: Treatment by compulsion and beating on the ship and the other of bad morals totally that are a cause for prejudice to the regularity of the ship.

Fifth: Leaving the ship and departing without permission.

Sixth: Refraining from travel for forced or allowed reasons legally.

Article (237)

Every one of the navigators enrolled in the book of shipmen if he could prove that his expulsion from the service was due to an unacceptable reason legally, he shall have the right to issue a claim against the shipmaster asking for the guarantee. This if the expulsion happened before commencing the travel, so this guarantee shall be a third of his wage estimated that he would acquire from traveling. And if he was expelled while traveling, the wage shall be as taken if he remained from his expulsion day and he was not expelled to the end of the travel and the expenses of his return, too. The shipmaster sentenced against by the mentioned guarantees has no right to take them again (or substitution) from the ship owners, in any way, as aforementioned unless he is authorized by them in this regard.

Article (238)

The ordinary employee navigators cannot generally by anyway, with the exception of the five following cases, leave the ship and resign of the service after being enrolled in the book of the navigators. These cases are:

First: If the shipmaster wanted to go by that ship to a port that is not decided for them to reach before commencing the travel that they have vowed to serve.

Second: If a marine fight happened against the Arab government before commencing the travel as well, or the ship has arrived to a port and a war happened between the Arab government and the government of that place where the ship is decided to reach it was likely that the ship may be in severe danger due to that, or the decided port become under marine siege.

Third: If there is true news, before commencing travel or when the ship already has reached one of the ports, that there is plague or biliary fever or any similar infectious diseases in that place.

Fourth: The entire transmission of the ship before commencing the travel to other owners.

Fifth: The death of the shipmaster before commencing the travel or being ousted by the ship owners.

Article (239)

The ship and its freight are considered an ad hoc mortgage to give the navigators their wages and guarantees with the return expenses.

Article (240)

The ship and its freight are considered a mortgage for the guarantees, damages and losses incurred to the owners of the load arising from the lack of care of the navigators and the ordinary staff and their fault. The ship owners have the right to claim for retrieving these guarantees from the shipmaster and he also has the right to claim against the navigators.

Chapter 6

Concerning the Bills of freight contracting (Qundrato), i.e. renting and hiring ships

Article (241)

Each contracting is expressed as (Qundrato) freight concerning renting one of the ships, and that shall be written and show:

First: The name and the full amount and weight of the cargo and under the flag of which country.

Second: The name of the shipmaster and his nickname.

Third: The name of the lessee and the lessee and their nicknames.

Fourth: The place decided for the loading and unloading and the duration of them.

Fifth: The amount of wages, i.e. the allowance of the freight and its quantity.

Sixth: Whether contracting includes all of the ship or a section or a specific load with a certain amount.

Seventh: The guarantees that are allowed to be given due to a delay in unloading.

Article (242)

If the days of the stopping ship, i.e. the duration of loading and unloading, and not specified in the contract between the parties, then it is looked at the conventional matters of that concern, otherwise the duration shall be a period of fifteen consecutive days except for the days of holidays from the day when the shipmaster shows his readiness for loading and unloading.

Article (243)

If the contracting has been made that a part of the loading to be loaded or unloaded in a place and the rest in another place, the period of the ship moving from one place to the other is not counted from the conditioned period for loading and unloading.

Article (244)

If the ship is rented per month and the contracting is not made by another type in the presence of the rent allowance, the monthly wage shall be accounted from the day the ship moves.

Article (245)

Before the ship moves, if there is something that prevents trade with the decided place, then the contracting shall be terminated and none of the parties has the right to ask the other for a guarantee for the damage. The owner of the load shall pay the exact expenses for loading his goods and stuff and unloading them.

Article (246)

If there is a blocker in the course of the road that prevents the ship from entering the port of destination or take out the load there and the shipmaster has no other instructions, then he shall go another port of those that are not prohibited to reach and makes his communication concerning the issue of the load or the delivery as required by the situation and he shall wait for the answer.

Article (247)

The compulsory reason which cannot be removed if the ship refrained temporarily from getting out of the port so the rent contracting remains conducted, but no one shall have the right to ask for damages or losses due to the delay of this travel. Also, if a compulsory reason like this arose while traveling; it does not require terminating the rent contracting or annexing the rent allowance.

Article (248)

The ship is authorized and has the choice to decide the period of stopping resulting from the above-mentioned compulsory reasons and to take out of them at its own expense the goods and stuff loaded on board. But after the ship gets rid of this stopping, it is compulsory for it to load again or give the wages that are required from that.

Article (249)

The ship and its machinery and equipment with the freight allowance as well as the loaded stuff are in a position of a mortgage for the implementation of the set contracting between the parties.

Chapter 7

Concerning the Bills of Lading – Policies

Article (250)

Organizing the bill of lading with the name of a specific person or to the order or to the bearer and the type of the goods and loaded objects is decided upon it as well as the amount, the types and forms. This bill includes:

First: The sender's name and nickname.

Second: The name of the addressee, his nickname and his residence address.

Third: The name of the shipmaster, his nickname and his residence address.

Fourth: The name of the ship and its load amount and weight and under the flag of which country it is.

Fifth: The decided place of its departure and arrival.

Sixth: The amount of the freight, and the brands and numbers of the goods and transported objects shall be written in the notes.

Article (251)

Every bill of lading is regulated by four copies at least; one shall be given to the shipper, the second to the shipped for, a third one to the shipmaster and the fourth to the ship owner or the one who prepared it. The four copies shall be signed by shipper and the shipmaster within (24) hours at most from shipping the goods. Also, the shipper shall give, within the said period, and deliver to the shipmaster clearance tickets of the goods and loaded objects given to him by the customs.

Article (252)

The bills of lading organized as decided, as they are suitable for claiming among all the people who have shares them and a relationship in the load they are also suitable for claiming among themselves and the owners of the insurance, too. But if these alleged its corruption, their claim shall be heard.

Article (253)

If there is a difference between the copies of bills of lading of one of the loads, the consideration shall be to the copy in the hands of the shipmaster if the handwriting there is by the shipper (the loading person) or the commission agent, or to the copy in the hands of the shipper (the loading person) or the recipient if it is in the shipmaster's handwriting.

Article (254)

The commission agent or recipient shall give, as requested by the shipmaster, a notified note for receiving the goods and stuff included in the bills of lading or the freight contracting. And if they do not give it, they shall give him his expenses and guarantee the damages and losses incurred due to these reasons or due to his delay. Also, the shipmaster shall ask the recipient for a note denoting the receipt of the stuff sent over to him. And if he cannot take that from him, he shall get a certificate from the customs showing that he took the stuff out of the ship under its bill of lading, otherwise he shall guarantee the damages and losses that can occur as a result.

Chapter 8

Concerning Freight

Article (255)

The fare of the ships and the other kinds of boats are called (freight), and it is estimated by the contracting of the two parties and it is recorded by a (Qundrato) or (policies) bills of lading and the freight can be set on the total of the ship or on a particular spot. And it can be contracted for a complete travel or for a certain period and at the account of the quantity or weight or the train or the county or on a variety of cargos or on any case it was necessary to be indicated in the contracting (Qundrato of the freight) and the amount of the cargo of the ship as for the quantity and weight.

Article (256)

If the freight is scheduled to the full ship and the lessee does not complete loading, the shipmaster shall not load any other stuff unless he gets a license for that. And the fare of the other stuff, that he loads for completing the cargo of the ship, shall be for the lessee who has rented it all.

Article (257)

If the lessee does not load anything of that is in the contract of the freight (Qundrato) or within the specific duration of this system, the lessee shall have two options: he has the right to ask for the guarantees conditioned in the contract (freight) (Qundrato) due to delay or what is estimated therefore, by one of the experts if there is no condition. Or he may terminate the Qundrato of the freight and ask the lessee for half of the freight and the other conditioned benefits. Also, if nothing is loaded in the mentioned period, the lessee may terminate the contracting before the days of stopping begin (i.e. the days of Fontra Istarya). Istarya means the days of stopping and they are certain days without a fare for loading and unloading the ship. And the Fontra Istarya is the days that are included to the days of Istarya days for a certain fare provided that the lessee of the ship or the shipmaster shall have half of the freight and half of the benefits conditioned in the contracting.

Article (258)

If lessee loaded, within a specific duration, a part of the stuff that the contracting has got in the contracting of the freight and did not load the remainder, the lessor shall have the right to choose two sides; either to ask for the written guarantees in the first paragraph of the article above OR to travel with the loaded amount of the stuff and have the authority to take his freight in full.

Article (259)

If the lessee loaded stuff exceeding the amount agreed upon, he shall then give the extra freight compared to the fare set in the freight contract.

Article (260)

If the lessor of the ship or its shipmaster increases the measurements of the ship out of the original amount of its cargo, he shall take the freight down as can be shown from the differences and the disparity between the amount declared and the origin of the amount of the cargo of the ship with no more than three per cent or it is agreeing to the set amount in the ship certificate, then all the difference shall be regardless.

Article (261)

If the lessor of the ship which is prepared for loading different goods its shipmaster has decided its waiting period for loading and he did not contract the owners of the load on another waiting period, he shall leave and move at the first chance when the weather is suitable after the expiry of the said period.

Article (262)

If the ship is leased for different cargos and the shipping duration is not decided, then each of the owners of the load are permitted to return the bonds signed by the shipmaster and if some of them have been sent to their places, he shall provide him a guarantor and pay half of the conditioned freight except for the expenses of loading and unloading the goods and stuff and what is necessary to take them out of this ward to Al kortah and may be to the outside and put them repeatedly in his places of his other stuff and then he retrieves his goods. But if he loaded in a ship with the amount of three quarters of the loading and most of the owners of the load asked for lifting it, the shipmaster shall travel in the suitable weather after eight days from their official informing to him. None of the owners of the loading shall, originally, ask to retrieve his goods.

Article (263)

If stuff has been loaded on the ship without the knowledge or observation of the lessor or the shipmaster, and the shipmaster is still in the place of loading, he shall charge the owners of the goods officially to take back their stuff. And in this case, he has the right either to take out the stuff to the land or to take the freight according to the lowest value of such type in that place. But if he knew the presence of the said stuff on the ship after departing only, he shall not take it out to another place except the consignee place, but he is entitled to get the freight, according to the foregoing categories.

Article (264)

The loader who rejects goods while traveling shall give its freight in full and all included expenses due unloading. But if the goods are rejected like that because of the shipmaster and his own fault, the mentioned person has no right, by anyway, when he gets the freight but also he ensures what may be included from the expenses, and if necessary also, to ensures the damage and losses that may happen due to his failure to perform the contract of the freight.

Article (265)

If it stopped while departing or traveling or at the place of unloading due to an error or laziness of one of the lessees or the owners of the load, the lessee shall fulfill the expenses arising from the delay with the damages and losses to the lessor of the ship or its shipmaster or the other owners of the load. And if the ship is rented for a round trip (back and forth) and then it returned without the load or incomplete load, the shipmaster shall have the right that to get the load completely and meet the losses arising from the delay if the ship was delayed.

Article (266)

Also, if the ship stopped or was delayed while departing or while traveling or at the place of unloading due to an error or laziness by the lessor or the shipmaster, they shall guarantee the damages and losses resulting thereon to the lessee, and the amount of this guarantees – whether the mentioned in this article or in the article before – shall be decided and allocated by the experts.

Article (267)

If there is a necessity to reconstruct the ship, i.e. preparing it, while traveling, the lessee or the loader shall wait this preparing or give the freight even the allowance for the grave losses if there are and returns his goods and stuff. But if the ship was rented per month, he may not give the freight for the period of reconstruction (preparation) or increase the freight if the contract was on a full travel, and if the reconstruction (preparation) is not possible, the shipmaster shall hire a ship or several ships for transferring the loaded goods to the place agreed upon to send the goods there on condition that he gives its expenses and shall not increase the freight. If he cannot do that, he may be given from the set freight as the distance that he crossed requires. Then the transport matter is left for each one of the owners of the load if they cannot hire other ships to transport the loaded stuff with him. But he shall show them the reality of the situation and take the necessary measures to protect the load during that and all the indicated matters shall be taken into account if there is no other agreement between the parties. And then, it is necessary to refer to the decided contracting.

Article (268)

If the lessee could prove, while the ship departs, that it is not ready for traveling, then the shipmaster loses his right of the freight. And except this, he shall give the

damages and losses to the lessee and the issue of the evidence shall be heard and accepted and if detection has taken place on the ship at departing and a testimony has been taken to show that it is valid for travel.

Article (269)

Fulfilling the freight of the stuff which the shipmaster is forced to sell for supplying the ship or reconstructing it or meeting all the compulsory objects, but the shipmaster shall give the value of this stuff when the ship reaches safely to the port according to the categories of what is sold of what remained of it or of any other goods that are of the same type, and vice versa if the ship sank and got ruined, the shipmaster shall be given the value of the mentioned stuff by the categories which he sold out. And he may keep of the money out of selling the freight of the ship as much as it is until the place it reached. However, in both cases there shall not be imbalance in the rights and powers given to the ship owners under the second paragraph of the Article (179) of this law. Nevertheless, if any harm that arose out of that freight and affected the people whose stuff is sold or mortgaged, it is necessary then that the said harm shall be distributed as a fine on the prices of goods that arrived their place safely and the prices of all the stuff that was saved from the drowning, that happened as a decree of fate on the sea, and which enjoined the issue of sale or mortgaging.

Article (270)

If there is prevention concerning a matter of trading with the conditioned place for the ship to reach and it was necessary to return it with its load and the ship was leased back and forth, the shipmaster shall have the right to get the freight for its going only.

Article (271)

If the ship stopped during the travel period only by the order of one of the countries and the ship was leased per month, it is not necessary to neither give the freight originally for the duration of stopping nor increase the freight, too, if the ship was leased for a complete travel. But the wage of the navigators in the period of stopping is considered one of the marine losses, and within the mentioned period the loader is permitted to take out of the ship his stuff that was transported at his own expense, and if he took it out, he shall load it again at his own expense or to give the needed guarantees to the lessor of the ship or the shipmaster.

Article (272)

The freight of the stuff that is thrown into the sea for the public safety shall be given to the shipmaster and it is distributed as a fine is to the public.

Article (273)

The freight for the stuff that is lost or damaged, due to drowning or breakage or an attack of a pirate and arresting enemies, shall not be given originally, but the shipmaster shall return the dirhams that he took in a hurry for the freight of those goods if there is no contract that violates that.

Article (274)

If the ship was saved from the hand of the enemies and goods were saved from drowning and damaging thanks to the efforts of the shipmaster or his courage, enthusiasm and assistance and he was given dirhams or a pledge or any possible transported goods to the conditioned place, the shipmaster shall get of its freight until the place where it was attacked or seized or sunk. But if the stuff was saved by his assistance and then transported with him to the place where he has vowed to deliver, he then can get its complete freight, but he makes shares by giving the expenses of the clearance. Nevertheless, if the shipmaster had no role in saving the stuff and damage, but they have been saved on the surface of the sea or the coast, it is necessary then to give him originally the freight of what comes finally of the stuff and it is given to its owners.

Article (275)

The stuff, the ship and the freight all have shares among them while disbursing dirhams on saving the stuff from the pirate and enemies. But the pension and wages of the navigators are not included in these expenses. And these dirhams are distributed and divided as a fine on what remains from the money of selling the stuff according to its current category in the place of unloading after deducting their expenses, and on half the price of the ship as it equals in that place, and half of the freight as well.

Article (276)

If the recipient refused to take the stuff, the shipmaster has the right to charge him officially to receive it by a summon to be produced before the Court of Trade, and he can sell under its award an amount of the mentioned stuff or all of it until he meets his freight and marine loss and the rest of his incurring expenses. And if

anything remains from that, he shall deposit in a safe place. But if all the stuff is sold by the legal way and the freight does not remain or anything else completely, the shipmaster shall not be deprived of the right to claim the owners of the load to get the rest of his demands.

Article (277)

The shipmaster shall not stop the goods on the ship due to not giving the freight and the gross marine losses and other expenses, but he has the right to deliver it as a deposit to someone else while unloading until he gives him that or asks to sell it if it was something that can be damaged over time unless a sponsor from the side of the recipient attended. If his demands were serious marine losses that he can not estimate or settle immediately, he may ask for an amount of money to be put and set by the Court of Trade as a deposit in the fund of the court or provide a significant sponsor.

Article (278)

If the goods sank from the ship and were not placed as a deposit but were delivered to the owner as shown in the previous article and they did not come to the hands of someone else after that, they shall be in a position of mortgage on what is requested by the shipmaster of the freight and the marine losses and other expenses more likely than the demands of the rest of the debt owners.

Article (279)

If a bankruptcy happened to the loader of the goods or the recipient before the passage of the fifteen days according to the previous way, the shipmaster shall not be deprived of the concession for the said goods for collecting the required freight and damaged stuff and the rest of the expenses more likely than all those of demands.

Article (280)

If the freight was conditioned on the number of stuff or its amount or weight, shipmaster shall have the right to request its number and amounting or weighing when unloaded. But if he did not do, then the word shall be to the recipient and he has to prove that the goods as are those goods or the number or amount or weight. The issue of this proving can be done by a testimony under an oath of the people who have been used in unloading the load.

Article (281)

If a strong suspicion happened regarding the damage of the goods, theft or lessening of its quantity, then the shipmaster and the recipient and each one of any relation with the goods can ask for an estimation for what happened to the goods of damages and losses by detecting and inspecting by the Board of Trade while the goods are in the ship before unloading. And if the losses and breakage and lessening of that happened to the stuff cannot be seen, and then a detection can be made also after delivering to the recipients. However, that shall be done before the passage of more than 48 hours from the date of delivery. And then it becomes that bringing those goods as they are those very goods as indicated in the article above or by another regular manner. If the recipients received the goods and the discharge and the bills of lading and returned them and gave a statement of receipt other ones and they have stated the strong suspicion regarding the damage or the theft or the lessening of the amount of the goods in the discharge or the statement of receipt, they do not lose their apparent right to the detection and inspection until the passage of forty-eight hours from delivering to them.

Article (282)

If the lessor of the ship and its shipmaster performed, by their side, the full provisions of the freight contract (Qundrato) which is due on him, the lessee or the loader cannot ask for unloading anything from the freight or claim for it.

Article (283)

The loader shall not ask to leave the freight allowance for what has been damaged of the goods, of course, or because of actions of fate or what has become low of prices, but he can ask to leave the freight for what was empty or leaked or spilled until it became almost emptied from the barrels of oil, honey, and other similar liquids.

Chapter 9

Concerning passengers

Article (284)

The shipmaster cannot be forced to accept passengers that have nothing to do originally with the load of a ship that is not specified for transporting passengers like mail steamers.

Article (285)

The passenger on the ship shall be subjected to all the alerts and warnings related to the ship by the shipmaster.

Article (286)

The amount of freight shall set in the contract (Qundrato) or the ticket of travel (pallet) that is given to the passenger with his name or open to the bearer, but if the passenger came on the ship and traveled without setting the allowance of the freight by a contracting, he shall give an allowance of the same. And if the parties do not agree on it, it shall be shown from the Council by the experts.

Article (287)

If the paper of travel is organized by the name of the passenger, the passenger cannot transfer his right to another person unless it is approved by the shipmaster.

Article (288)

If the passenger did not attend to the ship before commencing the travel at the set time and hour for the departure of the ship, or he went out on his way and did not return, the ship master is not forced to wait for him but he can travel and force the passenger also to give the freight allowance in full.

Article (289)

If the passenger wanted to terminate the contract before commencing the travel and he showed this desire or did not show it but it turned out that his not coming to the ship was due to his death or illness, or the appearance of other legitimate excuse related to him, he shall then give half of the freight only. But if these matters occurred on the way, he shall be owed to pay the freight in full.

Article (290)

If the ship got lost and damaged due to a marine act of fate, the contracting of the passengers shall be terminated in full (i.e. Qundrato).

Article (291)

If the ship get seized because of war and it is no longer possible to consider it a free ship and its travel have been crashed or delayed completely before commencing the travel or after it by compulsory causes that are beyond the control of the shipmaster or the company that he is related to, then he may terminate the contracting with him as well as the shipmaster or the company that he is related to if one of them was forced to leave the travel upon the occurrence of one of the mentioned cases or anyone who sees a necessity to leave the travel if the ship was limited to the transfer

of the goods especially and what it could transfer and was not done by mistake or laziness by him, so this team also is authorized to terminate the contracting.

Article (292)

If the termination of the contracting occurred due to one of the cases described in previous articles, none of the parties shall be forced originally to give the damage or loss to the other. However, if the termination of the contracting occurred after commencing the travel, the passenger shall give the freight according to the distance that he crossed, and this also shall be set as prescribed in **Article (267)**.

Article (293)

If the ship needed reconstruction while traveling and the passenger did not want to wait to complete that, he shall give the freight in full. But if he accepted to wait, shipmaster shall give him a free place for his stay until he starts the travel again. If it was assigned in the contracting or his paper of travel with his food and drink, he shall charge all that. However, if the shipmaster charges the passenger to transport him to the conditioned place and perform for him his other contracting and commitments by another ship like this and the passenger did not accept, then he has no right to ask for accommodation or food until the ship resumes its travel.

Article (294)

If the contracting and commitments had nothing with regard to foods, then the passenger shall bring in the objects that he needs for his living. But if his supplies finished due to a reason that he did not feel before or due to the length of the travel, then, as he is compelled to leave the ship what exceeds his expense under the article (213), also the shipmaster shall give him the necessary supplies for a reasonable allowance.

Article (295)

The passenger is not forced to pay freight for the objects that he is authorized to bring with him on the ship under the contracting unless there is another contracting to give its freight.

Article (296)

The passenger is looked at by the objects he brings on the ship for a loader, thus if he handed these objects to the shipmaster, he shall give him a notified and accepted bond for receiving them. The obligations and rights contained in the articles set out in this law are applicable on him and his objects for the right of the owners of the

loading. But if he did not deliver these objects to the shipmaster or to the person in charge to receive them and he kept them with him, then he has no right to ask the shipmaster for a damage or to guarantee the loss originally if they were lost or damaged or lost unless the occurrence of this damage and loss was because of the shipmaster or the navigators or by their mistake.

Article (297)

If the passenger died while traveling, the shipmaster shall take the necessary measures according to the time and the case in order to maintain his objects in the ship and give it to his heirs.

Article (298)

The shipmaster has the right of timing and privilege on the objects of the passenger on the ship to take what was due on the passenger of the freight and expenses allowance, but this right and privilege that remains his as long as the mentioned objects remain on the ship or in the position of him in a place for keeping the deposits only. But if they are taken by their owner or taken out somehow, this right and privilege are invalid.

Article (299)

The shipmaster cannot be forced, while traveling, to enter a port that is unconditioned or wait for an extra period at the request of one of the passengers for his own benefits, but he is authorized to enter the first inhabited port that he can approach to and take out the passenger that had an infectious disease.

Chapter 10

Concerning contracting of marine borrowing

Article (300)

The contracting of marine borrowing is a borrowing contracting working on the ship or its loading or both of them. And the mortgaged ship and its load, as mentioned, if they have been lost or damaged by a marine action of fate, then fulfilling the borrowed dirhams is not valid. But if they reached safely, then it is necessary to fulfill them with the marine enjoyment, i.e. the profit obtained by the contracting and this profit shall be in full even if it exceeds the amount due legally.

Article (301)

The ship, its equipment, machinery, apparatus, supplies and gained freight also are all subject to the concession on dirhams and their profit given to an entity as a marine loan on the ship as well as the load is considered a mortgage on the dirhams and their profits that are given as a marine loan on the load. But if the marine borrowing occurred on a piece of ship or its load, the concession shall be on that piece and according to the amount of the borrowing only.

Article (302)

If a contract of marine borrowing is needed to be set officially, and that was in the Arab Hejazi Kingdoms, it shall be set by its assets and shall be regulated in the Court of Trade or with the presence of the town council. And if it is in the foreign kingdoms, it shall be in the departments of the representatives of the Arab Hejazi government, and if they do not exist, it shall be in the council of the local government.

Article (303)

If a contracting of marine borrowing was set between the parties only, the lender shall approve and register it in his place or in one of the listed places according his consent within a maximum of ten days from the date of the contracting.

Article (304)

If the provisions of these above articles are not applicable, then the contracting of the marine borrowing is invalid from its whereas and regarded as usual borrowing and therefore that the lender loses his concession in the right of the objects that he lent for as well as the borrower who shall, in person or financially, give his dirhams and regular profits as well.

Article (305)

The bond of the contracting of the marine borrowing can be set to the order of the lender himself, and then it may be forwarded in a compulsory way and according to the promissory assets and when it is directed in a compulsory way to the assignee person to the place of the transferor person in the matter of profit and loss. But if he reached the safety, then the bill is not of the transferor who is by the assets of compulsoriness and occurred to fulfill the marine enjoyment with the conditioned profit itself, but it refers to giving out money asset unless there is a contract that is set to the contrary of that.

Article (306)

The marine borrowings can be done by the mortgage way on the structure of the ship or its equipment or crew or machines or the supplies or the cargo or all of that or on each piece and share that are specialized of all the that was said.

Article (307)

It is forbidden to make marine borrowing by dirhams exceeding the value of the mortgaged objects. And if this is made and then the lender proved by his claim the occurrence of a trick or intrigue by the borrower, it can then be judged to terminate that contract and give the regular profit.

Article (308)

If a marine borrowing occurred as decided and not by a trick or intrigue by the borrower, this shall be put into consideration when a contract is made. It is considered by what both parties agree on of the value of the mortgaged objects or as estimated by experts. But increasing the dirhams shall be refused obtained from the regular profit.

Article (309)

The marine borrowing, on a ship freight that is not achieved or on enjoyments hoped by loading them, is forbidden. If this occurs, the lender has the right only to take his dirhams without profit.

Article (310)

Also, the marine borrowing by navigators on their pensions or wages is forbidden. If it occurs, nothing can be asked for than the retrieval of the dirhams.

Article (311)

The ship, its equipment, machinery, apparatus, supplies and gained freight also are all mortgaged to the concession on the dirhams and their profits given for the authority of the marine loan on the ship. Also, the load is mortgaged to the dirhams and their profits given as a marine loan on the load. But if the marine borrowing occurred on a piece of the ship or its freight, the award of the concession shall be on that mentioned piece only and as much as the borrowing.

Article (312)

The marine borrowing made by the shipmaster, if occurred at the domicile of the ship owners or their agents without getting license from them officially or they did not mediate in the contracting but was done out of the residence and did not meet the conditions set out in Article (198), then the lender person shall have the right to

claim and get privilege on the share of the shipmaster in ship and the freight, and he has no authority to ask for something more than that.

Article (313)

If the ship owners do not give their shares in order to prepare the ship for the travel within (24) hours of assigning them officially under the previous Article (197), their shares of the mentioned ship shall be subject to the lent dirhams in their place of residence for reconstructing and supplying the ship.

Article (314)

The lent dirhams for the travel of the ship, even if there is a contract that they are used in another travel, the borrowing made for the travel of the last ship shall be paid as a preference. And the borrowings that occur while traveling are preferred to those that occur before the departure of the ship. If many borrowings occurred during the one travel, the latter one is preferred to the precedent one. And if the ship had, in one of the travels, to approach one of the ports and stop there for a while, the borrowed dirhams in that period shall be paid equally.

Article (315)

If the marine borrowing was made on the freight of the mentioned ship in the contracting, and this freight has been transferred and loaded on another ship and got lost and damaged, due to a disaster or otherwise, and it was not proven legally that the transfer and its freight were due to a compulsory reason, the place shall not be affected by any damage from losing and damaging the mentioned load.

Article (316)

If the objects, that the marine borrowing was made upon, were lost or totally damaged robbed by a pirate or seized and lost and damaged or the matter of its robbery arose by a disaster and compulsory reasons and they occurred at the time and in the place set in the bill of marine borrowing, it is not permissible then to retrieve the borrowed dirhams. But if saving the side of the mentioned objects, the rights of the lender do not waste on these objects that have been saved.

Article (317)

The lender shall not afford the losses result from the descent of the prices due to the poor type of the objects or falling down or decreasing its value or and damage or due to reasons happen by the borrower or an error of the shipmaster and navigators.

Article (318)

Upon the occurrence of drowning and breakage, the expenses of saving the objects shall be deducted of the mortgaged objects and the marine loans shall be paid off according to the due value.

Article (319)

If the time of the marine hazards was not set in the contracting of the marine borrowing, it is considered then for the ship, its equipment, machinery, apparatus since its departure until reaching the conditioned port and docking or linking its anchor in one of the places and it is considered for the goods since loading on the ship or placing it in the feluccas for sending them to the ships. But if the marine borrowing occurred on the loaded stuff while traveling, it is considered from the beginning date of the contracting until the uploading on the land in the conditioned place.

Article (320)

If the marine borrowing occurred on certain travel and the travel did not happen, the lender cannot take the enjoyment conditioned for him, but he can retrieve the dirhams he gave by the legal profit with the concession. But if the starting of what was for a certain account of the time of the marine hazards as identified in the preceding article, then he has the right to collect the marine enjoyment that the contracting got.

Article (321)

The person who makes a marine borrowing on his goods cannot get rid of the debts when the ship and its freight are lost unless he can prove that he had goods loaded on the ship that equal the amounts that he borrowed.

Article (322)

Those who lend a marine loan shall have shares between themselves with what occur of the serious marine losses even if there was a contracting to the contrary of that. And as their shares are affected, the borrowers get rid of their debts, too, and the lenders have share also of the normal marine losses if there is no contract to the contrary. And the mentioned sharing is accounted according to the borrowed capital and the total conditioned marine enjoyments.

Article (323)

If the ship and load with a marine borrowing and insurance on them finally sank and broke and it was possible to save some objects from them, the price of the saved

objects shall be divided as a fine between the lender and the owner of the insurance according to the capital of the lender only and the amounts that guaranteed by the owner of the insurance provided that no defects occur in the privileges set forth in the above article.

Chapter 11

Concerning the method of the insurance

The first section

Concerning organizing the insurance contracting and its sequences

Article (324)

The insurance contracting is a marine contracting that includes a pledge to give the guarantee completely to the guarantor for the insurance allowance taken by the insurance owner on the amount losses and damages that can occur due to a marine disaster on objects cared for against any marine travel hazard.

Article (325)

The insurance contracting is regulated officially or between the parties only and there shall not an empty place left, it shall contain:

First: The year, month, day and time when it is signed and sealed.

Second: The guarantor's name, nickname and residence with his statement if he was the owner of the money or the commission agent.

Third: The type of guaranteed goods and stuff, their price or estimated value and the amount of dirhams that have been insured by.

Fourth: The hazards undertaken by the insurance owner.

Fifth: The starting date and time and the end of this notification for the insurance owner.

Sixth: The insurance allowance.

Seventh: The shipmaster's name and the name and type of the ship.

Eighth: The place where the goods are shipped or will be shipped to.

Ninth: The port where the ship went or will go to.

Tenth: The ports and locality ports where the ship takes the goods and takes them out or where the ship enters and approaches.

Eleventh: If the contracting between the parties occurred upon the occurrence of a conflict, it shall be judged and settled by experts, this contracting shall be listed as well.

Twelfth: All the provisions agreed upon by the two parties shall be mentioned.

Article (326)

The insurance bond can contain a group of insurances according to the diversity of the stuff and the varying of the amount of the insurance allowance and multiplicity of the insurance owners.

Article (327)

The objects that can be insured are:

First: The ships which travel alone or in combination with other ships loaded or empty, prepared or without preparing.

Second: The equipment and machinery of the ship.

Third: The apparatus of the ship.

Fourth: The supplies of the ship.

Fifth: The borrowed dirhams according to the marine assets.

Sixth: The gender of the load and its types.

Seventh: Everything that may have a price and can be prone to marine hazards.

Article (328)

The insurance is done on the mentioned objects completely, or on a side of them, or its total, or on each and every one of them alone. The insurance can also be done in the time of peace or war, and before the traveling of the ship or while traveling, and on the going of the ship and coming, or on the going only or on the coming only, on a full travel or for a specified time by sea or by river or a small stream, and on what occurs of the matters of moving and traveling and transporting goods. And the summary of it that it can be applied to everything related to marine hazards that occur in the seas, rivers, lakes and canals.

Article (329)

If trick has been used in reporting the value of the guaranteed goods and stuff or false advices have occurred in the quantity and the amount, and there has been fraud in the bill of lading, then the owners of the insurance have the right to reveal those goods and inspect them and estimate its value. And he is entitled to, except it, raise

his claim against the guarantor whether by guaranteeing or disciplinary or penalty for his felony or offense.

Article (330)

If the guarantor does not know on any ship were his goods and objects loaded that he waited from foreign countries, then he is exempted from the stating the name of the ship and the shipmaster. He only shall mention in the bond his lack of knowledge of that and show the date of the last note and the signature of the competent person according to its coming or order. And then it is necessary that the insurance be for a specified time.

Article (331)

If the guarantor does not know the genus of the goods and the value of the objects delivered to him, it is estimated that he guarantees them by their public name; goods only, without mentioning those goods and objects or specifying them otherwise in the bond. But it is necessary to mention the shows in the bond to whom they are sent or delivered unless it is mentioned in the bond a contracting to the contrary. And the insurance like this, i.e. with the public name, cannot include gold and silver coins nor bars nor diamonds, pearls and jewelry and military supplies.

Article (332)

The goods and objects whose prices are estimated by foreign currency in the insurance contracting are accounted according to the coins of the Hejazi Arab government, and it is decided according their current value in the place and date of signing the bond of contracting.

Article (333)

If the value of the goods and stuff is not set in the bond of the insurance contracting, the proof then is from the list of goods and books. And if there are not lists or books, it is also estimated and evaluated according to the current value in the place and at the time when it is shipped two in addition to the customs fees and the rest of the expenses occurred until its transfer to the ship.

Article (334)

If the insurance occurred during the return of the ship from country that trades with the barter system only and the value of the goods and objects loaded is not mentioned in the bond, then the transportation expenses are added to the value of

the goods and objects sent by exchange and the value of those goods and stuff shall be estimated regardless of the amount of this ratio and shall be paid.

Article (335)

If the time of the marine hazard is not set in the insurance contracting, then it shall begin and end at the time that was set and allocated to the contracting of the marine borrowing in Article (319) listed above.

Article (336)

The person who once guaranteed goods and objects for their full value cannot guarantee them again at that time and for those hazards also. And if he did so, it is considered as if he did nothing. But the owner of the insurance can guarantee in each case at the owner of the insurance the last objects, on which he held the insurance, and the guarantor can guarantee the insurance allowance and it is permitted that the second insurance allowance be more or less than the first one.

Article (337)

It is permitted to include anything when there is a fight on the insurance allowance contracted upon in the time of peace or reduce the insurance allowance obtained by the contracting in time of war when the reconciliation finally occurs unless the parties had a contracting in this regard and ran counter to it. And if the contracting occurred in the bond of the insurance contract with the possibility of annexing the allowance or decreasing it and there was no amount set for the annexation and decreasing, then it shall be set by the Court of Trade and the distinctive to consider the occurring danger, time, case and provisions of the contracting (Qundrato).

Article (338)

If the goods that the shipmaster has loaded for his account on the ship which he is a rider on or to the account of the ship got lost and damaged and he had conducted their guarantee, he then shall prove to the insurance owner that he has bought the mentioned goods, and a bill of lading signed by two major navigators shall be made for him.

Article (339)

All those who conduct the insurance of navigators or passengers in the Arab Hejazi kingdoms shall deliver the bill of lading of the stuff he brought from the foreign kingdoms to the representatives of the Arab government in the place from which he

shipped it and if not, it shall be delivered to the major dealers of the Arab Hejazi government or to the local government.

Article (340)

If the owner of the insurance declared his bankruptcy before the end of the conditioned marine danger, the guarantor has the right to ask him for a guarantor to fulfill what is needed to be discharged or to terminate the provisions of the contracting. Also, if the guarantor became bankrupt before giving the insurance allowance, he has the validity to ask for a guarantor or to terminate the provisions of the contracting as set.

Article (341)

The insurance cannot be conducted on the freight of the existing goods on the marine ship and the marine enjoyment occurred by it, and if this occurs, it is deemed as null. It is also the same on the profits noted from it nor the wages and pension of the navigators nor the dirhams of the borrowing.

Article (342)

The objects that need to be stated in bond of the contracting by the guarantor if he did not mention them or told about them otherwise or if had a difference of what is given in the bill of lading, and the owner of insurance the fact of its case whether it does not contain a hazard as far as the degree to which it shows the fact of this silence and advice or another hazard occurs other than the thought hazard and the hazard of voiding the contracting or his contract with other terms, then the regulating bond of contracting is considered as not found in the right of the owner of the insurance and this insurance is the fact. And the different advice or the distinguishing will void the provision of the insurance even if it did not occur with them by a reason that requires the loss of the guaranteed objects or loss and damage.

The second section

Concerning the duties on the guarantors and the insurance owners

Article (343)

If there is a refraining from travel before the start of the marine hazard according to the Article (319), then the insurance contracting shall be terminated even if that was because of the guarantor and the insurance allowance shall be retrieved if it was given, but the owner of insurance shall have the right to take a half per cent of the

value of the guaranteed objects in the position of guaranteeing the damage or half of the insurance allowance if it is less than one percent.

Article (344)

All that occurs of losses to the guaranteed objects shall return on the owner of the insurance whether it is a matter of heavy rains and storms, drowning, breakage, getting stuck or disjoining or what makes it necessary to replace the way of the travel and replace the ship, transferring it or throwing the goods into the sea, or fire or seizure or extortion or arresting the ship by the order of the government or the declaration of war or an facing the opponent with what he did, and other marine perils and sieges.

Article (345)

The losses that occur because of the change of the way or the travel or the ship unnecessarily or because of the guarantor himself does not harm the insurance, but if the start of the occurrence of marine hazard for him, then he will have gained the insurance allowance, too.

Article (346)

The descent of values and decreasing of the amount and the losses to the poor genus of the guaranteed objects and dropping them with what occurs of losses due to reasons of the owners of the objects and the lessees of the ship and the loaders, all that requires no harm nor loss on the insurance owner.

Article (347)

The insurance owner is not responsible for tricks and corruption of the shipmaster and navigators and the rest of their carelessness and corruption such as the sale or the lack of the goods claiming they were damaged by a disaster unless the contracting was conducted to the contrary. However, if the guaranteed objects are the ship and the shipmaster owns the ship as a whole or a share of it, then the provision of the mentioned contracting is dropped according to the amount of his share in the ship.

Article (348)

The wage of the guide and companion and guides who are used at the ports and rivers, and all the fees obtained from the ship and its freight are not necessary to be paid by the insurance owner unless it happened by forcing reasons.

Article (349)

It is necessary to mention in the bills of lading the objects that are prone to perish as wheat, or melting as salt, and the objects that oozes as honey and vinegar and they turned out to be of that genus, otherwise the owner of insurance is not responsible for the losses and damages that occur to these objects unless the guarantor has no knowledge about the genus of the loaded goods when the mentioned bond was set.

Article (350)

The case of the insurance if it is conducted on goods loaded in the ship back and forth and then after the arrival of the ship to the conditioned place and it came back without loading or the its load was not full or it was loaded but its loader was not full, the owner of the insurance shall then have the right to take two thirds of the output which was obtained by the contracting only unless there is a contracting to the contrary.

Article (351)

If the insurance contracting contracts is conducted on an amount in excess of the value of the loaded objects on the ship, and it was verified that it was a kind of tricks and intrigues by the guarantor, then the regulating contracting like is considered null.

Article (352)

If the above said case of insurance had no trick or intrigue by the guarantor, then the regulating bond of the contracting shall be considered as the value decided to freight by the consent of both parties or it shall be estimated by the experts and it is allowed for what increased about that. And if the mentioned objects have been lost and damaged, each one of the insurance owners shall be vowed by the ratio of the amount that he guaranteed. However, they cannot get the insurance allowance amount in excess of the value of objects, but they shall have the right to take the clarified guarantees that are set forth in Article (343) of the aforementioned.

Article (353)

If several insurance contracting were conducted to one load without the occurrence of a trick nor intrigue and the value of the mentioned objects entirety was included in the first contracting, then this contract shall be considered and the owners of the insurance, who have fulfilled the rest, are discharged and shall have the right to take a guarantee under the Article (343). But if the value of the objects were not included entirely in the first contracting, then the insurance owners shall be responsible

consequently for increasing the value according to the order of the date of its contracting (i.e. their Qundrato).

Article (354)

If the load was as much as guaranteed and a part of it got lost and another part remained, then all the insurance owners shall give the value of what is lost according to the ratio of each one's share.

Article (355)

The insurance is conducted for the goods that are shipped by ships with numbers and names and also a shown amount of what is guaranteed for each and every one of them. And if the load was loaded by one or several of them only, then the owner of insurance shall be responsible as much as he guarantees on every one of the ships on which the goods were loaded even if all the conditioned ships have been lost and he has the right to terminate the Qundrato of the insurance and he gets the guarantee set in Article (343) mentioned above.

Article (356)

If the shipmaster is authorized to enter into a group of local ports to make his load or supplement it, then the owner of the insurance shall not responsible for what occurs of losses and damages unless the guaranteed objects were found on the ship or put in the feluccas for delivering them to the ship or taking them out of the ship to land unless there is a contracting to the contrary.

Article (357)

If the insurance was for a certain time and the owners get rid of it at the end of that time, and then the guarantor can guarantee his goods away from any dangers that can occur in the future.

Article (358)

If the guarantor sent the ship to a place that is farther than the place set in the Qundrato, then the owner of the insurance gets rid of the liability if the place appointed is on the way to the far place, and he has the right to receive an insurance allowance, too. But if that place was nearer than the place included in the contracting, the provisions of the insurance are applied in full.

Article (359)

If the insurance was conducted after the loaded goods have been lost or damaged or reached the conditioned place and the guarantor knew that they have been lost or

damaged or the owner of the insurance did not know that they reached or it was probably that it could be reported to the guarantor had a knowledge about the loss and damage or to the owner of the insurance that they reached the conditioned place before they sign the Qundrato, then the mentioned insurance shall be considered void.

Article (360)

If the ship is lost or damaged and it was sure that its information can come from the place where it has got lost or where it has reached or where news of its damage may reach to the place of regulating the contracting of the insurance before signing, then it is probably that the assumption mentioned in the article above shall occur.

Article (361)

If the insurance is put on the supposition of good or bad news, then the assumption set in the above articles is not considered, and the mentioned Qundrato shall not be terminated unless it is proved that the guarantor was aware with the loss of those guaranteed objects or the news reached the owner of the insurance about the arrival of the ship to its place before signing the contract, i.e. the Qundrato.

Article (362)

If the manner already mentioned in article (316) above is proven on the guarantor, then he is judged to give the output of the insurance to the owner of the insurance in double. And if this is proven on the owner of the insurance, he shall give also the insurance allowance to the guarantor in double. And apart from that, it shall be considered in the criminal trial to entail their penalties according to the provisions of the penal code.

Section 3

Concerning leaving the guaranteed objects

Article (363)

If the ship sank due to a marine disaster or, got stuck on land and broke, or became in a condition that is not suitable for travel, or got robbed by enemies and pirates, or got seized by a foreign country, or stopped before the beginning of travel by the orders of the Arab Hejazi government, or the guaranteed objects were bereaved or damaged and the amount of the losses and wastes were equal to less than three quarters of the amount by which they were guaranteed, it is possible then to leave

the guaranteed money and objects by the owner to the account of the insurance but it is possible to leave the ship or the goods unless the marine hazards appear according to the provisions set forth in article (319).

Article (364)

All the losses and wastes resulting from the losses and wastes set in the previous article are considered marine and shall be settled among the guarantors and the owners of the insurance according to what they may decide of their own benefits.

Article (365)

Leaving the guaranteed objects unconditionally does not include these guaranteed objects which are in a situation of danger, while the others are not covered by that.

Article (366)

Leaving the objects to the owners of the insurance need to be carried out within six months or a year or two years, according to the places that will be remembered with the following that is if the ship got lost and damaged to at the ports and coasts of Europe, Asia or Africa and in the Black Sea and the Mediterranean Sea, the ship may be left or its guaranteed cargo within six months from the day the guarantor got that news, or from the day on which there is the news of sending the ship to the foregoing local ports and places if it is robbed or seized there, too. But if the ship was lost and damaged or robbed and seized at the islands and coasts located in the islands of Aswar, Canary, Mary and the Western Africa and the eastern America, this shall be done within one year from getting the knowledge of its losing and sending it to those places. And if the ship got lost or seized in the rest of the places distant from land, this shall be done in a matter of two years from knowing the news of its losing and sending it to those parts, then after these periods, it does not come back before renouncing which occurs by the guarantors.

Article (367)

Whenever there are dangers that necessitate leaving the guaranteed objects or that are considered marine perils and they return on the owners of the insurance, the guarantor shall inform his news officially to the owners of the insurance within three days of the arrival of the news to him.

Article (368)

If the below mentioned periods have passed without taking news originally about the ship after its departure and travel or after the day set out in the last reaching news

about it, then the guarantor may leave the objects that he guaranteed to the owners of the insurance and he requests the conditioned guarantees without being forced to prove the loss of the ship. And these periods are six months for short travels occur from one of the other ports of the Arab Hejazi kingdoms from them or to the ports or coasts of Europe, Asia, Africa and the Black Sea and the Mediterranean Sea or from them to these destinations, and one year for the travels that start from the Arab countries to the coast of Assour, Canary, Mary and the rest of the isles located on the coast of Western Africa and eastern America and then to the Arab countries, and one year and a half also for the travels starting from the Arab kingdoms to the rest of the remote countries and then to that part. But if the travel was between two local ports out of the Arab kingdoms, then the period shall be as one of the set periods according to the increased nearness to these ports or any port or place of the above mentioned ports. In any case, it is enough from the guarantors to conduct the order of leaving at once that no news was reported originally neither straight nor through an intermediary about the guaranteed ship or the loaded cargo on it unless it is proven otherwise by the owners of the insurance. The guarantor is entitled, after the passage of the set periods, to abandon the objects with the request of his right of the insurance, but he can produce his claim until the end of the periods prescribed in Article (266) only.

Article (369)

If the insurance has been put for a limited time, it is considered, then, that the ship – after the passage of the set periods in the preceding article for short or long travels – that it got lost within the insurance specific period. But if it is proved that the loss of the ship was out of the period of the insurance, the issue or leaving shall be void and then he shall return all the guarantees given to him with the regular profit.

Article (370)

The travels conducted outside the strait of Gibraltar and in all the coasts and islands of Europe, Africa and Asia, located in the Ocean Sea and the islands located in North and South America and its borders and the travels conducted to these destinations are considered of the long-standing travels.

Article (371)

The guarantor can, if he wants, show in a paper the reporting case already mentioned in article (367) set earlier that he wants to make the case of leaving

immediately and ask the owner of the insurance to give him the guarantees conditioned to be given within the specific duration of the contracting (Qundrato) or he wants to make the leaving within the period planned legally.

Article (372)

The guarantor, when making the leaving, shall give a statement of all the insurances made by him or through an intermediary or the one he ordered to be made on the ship or the cargo with the amounts that he took as a marine loan, otherwise the period needed to be considered from the date of the case of leaving for collecting the necessary guarantees on the date of the mentioned discounts statement shall be suspended, and shall be stopped to that time but it is not necessary for identifying the specific duration of producing the petition of the case of leaving.

Article (373)

If the guarantor showed the mentioned discounts by trick, he cannot then benefit from the insurance but he is forced to give back the amounts that he borrowed as a marine loan even if the ship was lost, robbed or seized.

Article (374)

If the ship sank or got stuck on land and broke, then the guarantor shall exert his effort to save the objects that sank provided that he can do the leaving in the time and place, and he has the right to get the expenses of clearance as much as the value of the saved objects when they were insured after him swear the oath.

Article (375)

If the Qundrato (contracting) did not mention the time of giving the guaranteed amounts, then the owner of the insurance shall give the mentioned amounts within three months from reporting the case of leaving. And if he does not give it, then he shall give the regular profits as well. The left objects are considered a mortgage on these debts.

Article (376)

The guarantor shall deliver the bonds to the owner of the insurance and the rest of the tools that prove the shipping and the occurrence of wastes before he is claimed to get from him the guaranteed amounts.

Article (377)

The owner of the insurance can hasten also to prove what violates the articles and occurrences that the mentioned bonds and papers contain. However, in case a

decision is issued on him to bring his related papers and evidences if the guarantor offers a sponsor that he would give back the amounts requested, then the owner of the insurance is judged to give back the mentioned amounts temporarily and the decided the sponsor gets rid of the bail if the claim is not made by the owner of the insurance until the passage of four years starting on the day of bail.

Article (378)

If the case of leaving is reported in the manner specified above and accepted or judged, the left objects returns to the owner of the insurance from the date of leaving them, and if the coming of the ship or its cargo or the left objects – after he left them – is delayed, he cannot make that an excuse or a reason to escape giving back the guaranteed amounts.

Article (379)

The freight of the goods and cleared objects are also left with leaving the ship even if he was given a recorded number, and become competent to the insurance provided that no defect could occur to the rights of the owners of the marine loan and the wages and pensions of the navigators of the ship while traveling with the expenses of the incident.

Article (380)

If a ship is seized and stopped by one of the countries, then the guarantor shall report the case to the owner of the insurance within three days from getting the news about it. But if the seized objects were seized and stopped in the seas of Europe or the Mediterranean Sea or in the Baltic Sea, then they can be left to the owner of the insurance within six months. And if this was in places far from these places, it needs the passage of one year. And the start of these periods shall be considered from the date of reporting the news of seizure and stopping. But if the seized goods are damageable, then these mentioned periods shall be reduced to a month and a half in the first case and to three months in the second case.

Article (381)

The guarantors shall after all exert their efforts as much as they can in order to get back the seized goods within the mentioned periods as indicated in the previous article. Also, the owners of the insurance are permitted also to do all what is required of the business to save these objects, whether individually or in agreement with the guarantors.

Article (382)

If the ship stranded on land and then it could be repaired and fixed to be able to reach the conditioned place, it cannot be left to the owner of the insurance claiming that it is invalid for travel unless the expenses of repairing exceed three quarters of the amount of the guarantee. But if it is repaired as mentioned, then the right of the guarantors to get – from the owners of the insurance – the damages and losses that arise from that stranding on the mainland is not lost.

Article (383)

If it is known by the experts that the ship is unable to travel, then the person who guaranteed the freight shall notify the owner of the insurance within three days of getting the news.

Article (384)

In that case, the shipmaster shall exert his effort and enthusiasm to reach another ship as soon as possible to transfer the loaded goods to it and take them to the conditioned place to deliver them.

Article (385)

If the mentioned goods have been shipped on another ship, as mentioned in the previous article, the hazards and losses that result on the mentioned stuff in that ship until it arrives and gets unloaded in the conditioned place shall return on the owner of the insurance.

Article (386)

Also, when the goods are shipped in another ship as mentioned, the owner of the insurance shall guarantee that he will meet the loss of the mentioned goods and their damages and the expenses of unloading and the fare of the warehouses and the expenses reloading with all other expenses that may result in order to clear it as much as the guaranteed amount.

Article (387)

If the shipmaster did not find another ship to ship those goods and transfer them to the place conditioned for delivery within the periods specified in Article (380) above, then the guarantor can leave that within the periods specified in Article (366) starting from the expiry of the period assigned for shipping the goods on another ship.

Article (388)

If the guaranteed objects got robbed by a pirate and the guarantor could not tell the owner of the insurance, then he can save it by giving a substitution of it without waiting for an order or a license, but he shall be charged to tell him, as soon as he can, about the amount that would have been paid, to settle the matter with the pirate, and that he was forced to give to him for saving it.

Article (389)

When the owner of the insurance is informed with the how in the above article, he shall be free either to accept – if he wants – this settlement to his account or to reject it. And his choice shall be told officially to the guarantor within (24) hours from informing the issue of. If he accepts the issue of the settlement to his account, then he shall immediately give the share that occurred to the guaranteed objects of the clearance allowance according to the conditions of the settlement. And then, the notification of that ship remains returning to him under the contracting of the insurance (Qundrato). And if he did not know that in the mentioned period of what he has chosen of the two sides, he is deemed then that he did not accept the issue of the settlement for his account.

Chapter 12

Concerning the marine losses

Section 1

The form of the marine losses and their types and showing their settlement

Article (390)

All what may occur at the beginning of the specified period for the marine dangers in Article (319), set above, until the end of all the types of losses and damages that can reach the ship and its loaded cargo, and all what may occur of extraordinary expenses, both on the ship or the load together or on each of them separately is considered of the marine loss.

Article (391)

The marine losses are of two types: one serious and the other usual and private.

Article (392)

If there is no private contracting between the parties, settlement of the marine losses shall be conducted according to the provisions and conditions set forth in the following:

Article (393)

The general marine losses are divided as a fine on all loaded stuff, half of the ship, half of the freight, the stuff thrown into the sea in order to save the ship and its load according to the value of each one of those. However, the private marine losses are the resulting losses and damages or extraordinary expenses on any object and they return to the owner of that thing only.

Article (394)

The general marine losses are:

First: All the money and the rest of the objects given to the pirate as a settlement in order to save the ship and goods shipped on it.

Second: The objects thrown into the sea for public safety or for the benefit of all of the ship and its cargo together.

Third: All of what falls down or breaks, especially for this purpose (set above), and the masts and sails and the rest of the ship equipment and machinery.

Fourth: Also, all of what is left, for the same mentioned purpose, of the sets of ropes and stuff.

Fifth: The damages and losses, resulting from throwing the objects into the sea, on the remaining stuff on the ship.

Sixth: The losses made intentionally on the ship in order to facilitate throwing the objects into the sea and lightening the ship and saving the cargo and draining the water that entered the ship, with any damages that may occur to the stuff because of this work.

Seventh: All the dirhams disbursed to physicians, surgeons, expenses and bandages for people found on the ship and get injured or hurt due the clash against the enemies for saving the ship.

Eighth: The allowance given for saving those who are sent to land or sea with a mission for the ship or its freight and they are caught or captured by the enemies whether the allowance was given from them or from others.

Ninth: The wage of the navigators and the expenses of their food during the stopping of the ship after starting its travel when it is taken by the order of a foreign country or stopped due to war outbreak unless the ship gets rid of its cargo of their mutual commitment unless the ship was leased per month and forced to give something for the freight under Article (271).

Tenth: The expenses of repairing and replacing the ravages that occurred to the ship intentionally and by satisfaction for the public safety, as well as the wage of the guides with the disbursed money when the ship enters one of the ports and gets out of when it is forced to do that to escape a close peril, either heavy rainstorms and a chase by enemies for a mean purpose with the expenses of emptying it in order to lighten it to enter into one of the ports to a bay or a river due to these reasons.

Eleventh: The expenses of bringing the shipped goods to land for the repair and restoration of the damages occurred intentionally and by satisfaction for the public safety and the fare of the warehouses and the expenses of reloading the ship.

Twelfth: The expenses spent by the shipmaster when he requests the recovery of the ship and its cargo if seized, stopped, taken or sent.

Thirteenth: The expenses spent for attaching the ship to land intentionally for fear of losing it completely or arresting it, and then taking it out to sea with the damages and losses incurred by it and its freight in total or separately.

Fourteenth: To sum up, at the time of hazard, all the damages and losses that occur intentionally and by satisfaction to the ship and its load during the period of peril for the benefit of the ship and its cargo and the public safety under minutes organized at the consultation – by the shipmaster and navigators – and containing the reasons and causes for that and as well as all the losses resulting from the mentioned peril with the expenses spent in that case.

Article (395)

As for the private maritime losses, they are:

First: losses and damages resulting from the poor condition of a ship and or not being freight for a long time, or the gales, seizure, usurping, sinking, anchoring, and standing idle ashore.

Second: the expenses related to clearing a ship and the cargo and safety hereof.

Third: all the losses and lost riggings in terms of sails, masts, hawsers, and ships due to gales and other calamities.

Fourth: the entry tolls for any port are necessary whether that is for buying foods, bringing water or maintenance because of a technical snag that happens to occur by some way or other.

Fifth food expenses and wages give to the seafarers when a ship is maintained when they are on voyage, and seized during its voyage and stopped upon an order of some country's authorities.

Sixth: all the sustained losses, damages, and expenses related to freighting a ship, its setting out until reaching its destination, and discharging it or only loading it.

Article (396)

The losses resulting from the freighted goods because of the captain not closing the passengers' cabins, bolts, the rest of the portholes on board of a ship, or not tending the riggings of a ship, or the poor quality of the hawsers used for freighting a ship or discharging it; and all the other befalling calamities due to the captain's negligence or the navy. All the aforementioned come under the private maritime losses, and they are directly related to the owners of the goods. So, they have the right to file a claim to have the captain, ship, and freight included in terms of their losses and damages.

Article (397)

All the duty paid to the guides and escorts having the ship entered into a port, a river or getting it out, along with sign tolls which are put when being examined on laporte, barrels, chains, wedges, lighthouses, quay charges, and the other voyage charges are related to the expenses of a ship are not maritime losses.

Article (398)

If two ships pumped into each other and this fatalistically took place, then the loss that this would ensue would not be claimed from any entity; and the damaged ship is to bear the losses. But if this took place because of oversight of any of the captains of the two ships, then the loss ensued would be paid by the captain who caused the accident. And if this was caused by an oversight from both captains and the cause was unknown as to whom the blame would be affixed, then the value of each ship would be considered a standard and the fixing expenses would be taken from either side according to its single value. When the last two sentences take place, the ensued damage is shown and estimated by the concerned bodies.

Article (399)

Claiming the maritime losses, if they were state-owned losses, is not accepted unless they go beyond one percent of the value of two ships combined and the value of its freighting. And if they were privately-owned losses, then the claim would not be

accepted unless they go beyond one percent of the value of the items upon which the loss has befallen.

Article (400)

If on the bill of lading, the loss-absolving term is included, then the parties who have signed the bill of lading are not liable for the generally and privately-owned losses; except for the cases related to the waiving case, the guarantees are permitted, in such a case, to claim what they choose in terms of waiving case or loss inclusion.

Second Part

With regard to scraping goods in the sea and dividing the fine of generally-owned serious losses

Article (401)

If a captain was forced into scraping an amount of the cargo of the ship in the sea, cutting the riggings and masts of the ship, or deserting their ship, or that they are forced to take exceptional measures for the general safety in terms of gales or being tracked down by enemies, and on board it happens to exist those specialized on freighting, then their opinion and senior seafarers' opinion are taken in that respect. If their opinions differed, then the captain's and the senior seafarers' opinion is favored, and they adhere to what is required to be made.

Article (402)

If it is entailed scraping items in the sea, then a captain will scrap as much as possible of the less required items or the heaviest load and the less-priced of the existing items at a regular pace. Thereafter, they scrap the other items chosen by them on board after taking the senior seafarers' opinion.

Article (403)

Whenever appropriate, a captain is forced to prepare a report including the events which have taken place and the decision made on the things mentioned on it, and the report is to contain:

First: reasons for throwing items in the sea.

Second: mentioning the items which have been thrown in the sea or which have been damaged.

Third: signature of the officials who opined thereof and their stamps on the record; and if any declined to sign, then they would clarify the reasons of declining. After having the record prepared in this manner, it is to be recorded on the day book.

Article (404)

When a ship reaches the first port approaching it, a captain will be forced to corroborate the validity of the events mentioned on the said record, recorded on the ship's day book. It shall be secured by the oath of the authority shown on the following article:

Article (405)

Lost items record and all the sustained losses are to be conscientiously worked out by a captain and the knowledge of the concerned bodies, in the port where a ship is to be discharged. So, if the said port belongs to the Kingdom of Saudi Arabia, then, the concerned bodies are assigned by the commerce court. And if they are in short, they would be assigned by the Municipal Council. And if they belonged to foreign kingdoms, then, they would be assigned by those accredited by the Saudi government; and if they were not forthcoming, they would be assigned by the local government.

Article (406)

The items thrown in the sea and the sustained losses are appraised according to its current value in the port where a ship has been discharged. And kinds of the goods thrown in the sea are proven by enclosing the bills of lading and lists with the papers which are valid for filing a protest.

Article (407)

The concerned bodies assigned for appraising arrange for a record where the lost items and losses are divided and distribute. Then, a fine is divided to the items deserted, cleared, and thrown in the sea according to the value of each in the port where a ship is discharged; it is estimated as much as half of the value of the ship and half of its freight.

Article (408)

It is ruled that fine distribution record be put into effect and be settled by the commercial court; if that failed, it would be by the municipal council. If it were a foreign country, then, it would be settled by the Arab certified party and if that was not forthcoming, then, it would be settled by the local court.

Article (409)

If the nature and types of the freighted goods are not properly shown on the bill of lading and its value, as well, is more than the shown amount and the coded goods have been cleared. Then, the fine is calculated according to its actual value. If they have been damaged, they would be replaced according to their nature and types shown on the bills of lading. And if the said goods were different from the type shown on the bills of lading and were cleared, then they are calculated according to the type shown on the bill. And if they were thrown on the sea, they would be calculated according to their proper category.

Article (410)

Military presence and provisions which are meant for safeguarding a ship the seafarer's welfare, together with their clothing and the passengers' clothes are not involved in dividing in order to guarantee the goods thrown in the sea. As for the other items, they are involved in the fine altogether.

Article (411)

Items which are recorded on the bill of lading, or which a captain has a knowledge about them, or which are not recorded on the ship's manifesto are recorded on the freighting registration book. If the items were thrown in the sea, their values would not be returned. And if they were cleared, then they would be involved in the maritime losses.

Article (412)

If items loaded on board were cleared, they would be involved in the fine. And if they were thrown in the sea and were damaged, their owners would not be able to claim to have them settled. Except for short voyages, they are allowed to demand to have them included by a captain according to the provisions of article 193.

Article (413)

If losses which a ship sustains because of throwing items in the sea took place in order to facilitate the item-throwing issue; a fine would be allocated for them.

Article (414)

Also, a ship can be cleared by throwing items in the sea, and then a fine is rendered none. In addition to this, the items thrown are not involved in the fine in order to have the items thrown in the sea or which have been lost included.

Article (415)

If a ship were cleared through throwing items in the sea and kept its course, and eventually sank and damaged, then only the items salvaged are involved in the fine according to their value and their current condition, after deducting their clearance duty; in order to have the said items included.

Article (416)

If a ship was cleared by damaging its riggings or by sustaining another loss, then eventually the freighted goods got lost, or damaged, or usurped and looted, then a captain would not have the right to demand from the owners of the goods or those freighting and receiving them a part of the fine related to the previously said losses.

Article (417)

If the freighted goods got lost because of their owners, receivers, or a mistake made by them, then they would be considered existing and got involved in the fine of the general losses.

Article (418)

Under any circumstances are the items thrown in the sea involved in the loss fine which are applied the rest of the luggage on the ship which were cleared after the settlement case. And the freighted goods are not involved in the fine to include the ship which has got lost, damaged, and rendered not able to be set out.

Article (419)

If the top of warehouse at the deck of the ship was opened in order to get the goods out through taking the opinion of the persons shown on the articles (301) and (302), then they said goods would be involved in the fine in order to cover the losses which the ship has sustained.

Article (420)

If goods put on boats in order to lighten a ship trying to enter some port or river got lost and damaged, then a ship and all its cargo would be involved in the fine which is applied in order to include these goods. But if a ship got lost and its cargo damaged, then the goods put on boats, even if reached the land safely, would not be involved in the fine in order to include a ship and the said cargo.

Article (421)

A captain and seafarers enjoy the lien priority to the freighted goods and their existing value in order to raise the fine in all the previously shown particularities. Accordingly, if their owner declined to pay the fine, then a said captain and seafarers would have

the power to demand from the owners of the said goods or would accept by as much as the amount of the fine they demand to take; to secure its coverage, whether this is for them in person or by acting as proxy for the other claimers. This shall be permitted by the commercial court.

Article (422)

If the items thrown in the sea were cleared by their owners and got them after distributing the fine, then their owners would be forced to return to a captain and the remainder of concerned parties the dirhams which remain after deducting what results from the harms in terms of the said goods because of throwing them in the sea, along with their clearance duty. And these returned dirhams are distributed and divided as a fine among the owners of the ship and freight-related parties according to the amount which they gave for what results in terms of loss.

Chapter 13

In the passage of time

Article (423)

The shipmaster cannot own the ship which he rides or becomes the owner of it at any time by the passage of time.

Article (424)

The liability of leaving the objects to the owner of the insurance is dropped with the passage of the time specified in Article (363).

Article (425)

The claim generated from the contracting of the marine borrowing or the insurance bonds is brought after the passage of five years from its date and it is turned down by the plaintiff by the passage of time.

Article (426)

The claim of fulfilling the prices of what was given, for establishing and reconstructing the ship, of masts, sails and other equipments and the rest of its needs and the ammunition taken for it, and giving allowances of establishing and fixing it, and the wages of the workers used on it, all shall be returned by the passage of time if three years passed since giving the objects or the end of the establishment or reconstruction.

Article (427)

The claims of the freight of the ship, and the pensions and wages of the shipmaster and navigators and the rest of the service people used on it, and fulfilling that and giving the amounts owed by the passengers, and delivering the shipped goods, all shall be returned by the opponent by the passage of time if one year has passed since its arrival to the place conditioned for it to reach, as well as the claims related to foods given by the order of the shipmaster to the navigators and the rest of the ship officers and servants shall returned by the passage of time if one year has passed since giving it.

Article (428)

The claim, although it is rejected and deterred by the passage of time as provided in the articles (425, 426 and 427) the aforementioned, but the owners of these claims cannot charge their opponents who bring their claims, on this way, with oath according to their religious beliefs that they gave what they owe completely. And if the debtor died, they charge – for this oath – the wife of the deceased or his heirs or the guardian of the heir was orphan, that they do not know that this required thing is a debt on the deceased.

Article (429)

If a bond of debt, for the indebted, or a draft or an acceptable account document with his signature is found, or he or a notification or a petition had been submitted by the creditor and reached him at the time, then the claim cannot be returned by the passage of time as set, but if there is no bond nor a draft, but he brought and got the notification and the petition only then the defendant was silent for three years and did not search for his case, he shall be given the decision upon the notification and the petition organized by this way with the judgment of considering it null unless by the petition of the debtor, then the claim shall be rejected by the passage of time as set above.

Chapter 14

Concerning the unheard claims

Article (430)

If the loaded goods were damaged then the claim for damage and loss was brought against the shipmaster and owners of the insurance after they have received these goods without a notification or objection or there were marine losses and the

shipmaster claimed against the loader for the mentioned losses after he has already handed him over his goods loaded with him and has taken its freight without hazards or objection, or the ship collided and there was a government, in the place of the collision, that the shipmaster can complain before and did not claim by that, and then he finally opened a claim regarding this collision, this claim shall not be heard.

Article (431)

The mentioned hazards, objections and complaints if not presented and notified within (48) hours and a claim petition is not submitted within thirty-one days from the date of informing, it becomes canceled.

Council of Commerce

Part 3

In the Assets of Commercial Trials

Chapter 1

Formations of Commercial Court

Article (432)

The Commercial Court shall be composed of a chairman and six members; three honorary, and three permanent with salaries and are elected from the people who have full experience in the commercial affairs and famous for religiousness, honor and integrity, and a seventh legitimate member and all of them shall not be less than thirty years old.

Article (433)

The aforementioned president and members shall be appointed by His Majesty and they serve for a period of two years and may be reappointed again.

Article (434)

The sessions are headed by the president, and if the president is absent, the council is headed by the oldest member. The authority and the one who heads it are considered, upon the total, the full body.

Article (435)

The president shall manage the council and sign the copies of all the decisions issued by the council after the completion of the signatures of the members on the origin

copy with agreement or refusal. For the notes and bonds, after being organized, it is enough to have the signature of only the president when they are issued.

Article (436)

Both the president and the members shall sign every registered decision at the end of each session.

Article (437)

The president and the members, each of them, are free to express their opinions during the consultation and the provisions are considered, when making the decision, by the majority and agreement.

Article (438)

If a claim was brought against the president or one of the members, or one of them had a financial benefit in the same case, or a partnership with one of the plaintiffs, or a testimony for one of them, or a mundane enmity, or close family relationship that could prevent the acceptance of a testimony, or proving a certain purpose, he is not permissible to join the body of council.

Article (439)

In case there is a reason that urges raising the president or one of the members to because of one of the reasons contained in the previous article, the litigant who claims so shall submit his request to the council officially and the council shall refer each request submitted to it of the specialties reported in Article (438) to the president or the member demanded not to participate in the body of the council to take his opinion – concerning that – either to agree. Thus, in the first case he shall withdraw, and in the second case the council shall investigate that and take the measures that the benefit requires.

Article (440)

It is not permissible at all for a member or the president to be alone with one of the advocates during the trial.

Article (441)

It is forbidden for the president and the members to express an opinion during the trial and before the opponents leave.

Article (442)

The president is responsible for the administration of the Council, the conduct of work and accelerating the transactions. He is also responsible for all the officers of the administration and their good work in their jobs.

Chapter 2

The Competence of the Commercial Court

Article (443)

The cases, referred to be considered to the Commercial Court and already being judged by it and within its competence, are:

A) Everything that happens among the traders and those who have a commercial relationship with them, of exchangers, brokers, warehouse and enclosed area providers, whether problems or disputes arising from a purely commercial matters whether onshore or offshore.

B) The cases arising from the exchange and in particular the exchange of cash and values and securities, and what is related to regular barriers and commercial barriers expressed as - jero - and the commercial bonds expressed as bills of exchange (saftaga), circulating among traders whether between banks and between them and other types named in paragraph (A).

C) The problems that happen between the employers of sailing ships concerning the damages, collisions and infringements at all, as well as the transportation fares.

D) The cases arising from the difference in pledges and contracting whether between the employers of ships or between those and the traders, as well as the financial guarantees concerning the commercial matters.

E) The cases that happen between the partners whose partnership is associated with their commercial assets, or between the companies of different types being established and registered in accordance their special laws, as well as among other traders, money changers and enclosed area providers, trustees and agents by commission and their scribes and the servants of their places if they have a commercial relationship.

Article (444)

With the exception of what is embodied in this law of legal definitions concerning considering the commercial claims, the court may consider the proceedings issued by a special order by His Majesty the King.

Article (445)

All the instruments, issued by the Commercial Council and related to the commercial pleadings among the cases discussed in Article (443) of this law, are considered and valid to be measured if they are corresponding to their assets and gained the final award under this law.

Chapter 3

Administrative Formation

Article (446)

The commercial office is composed of a secretary, a scribe, a registrar and two criers, and if it is necessary to add more than that, it is permitted as appropriate.

Article (447)

All the scribes and personnel of the administration shall be experienced and knowledgeable to their jobs, and shall be also with religiousness and good integrity.

Article (448)

The Office of the Commercial Court shall contain the following books:

A) The basis book in which the petitions are registered with a serial number with the name of the plaintiff and the defendant, their nicknames and places of residences, subordination the nature of the case by which he got the result.

B) A book for registering the bonds which come out from the owners of the favor.

C) A book for registering the deposits and money received by the fund if the council with the adequate statement.

D) A Book for the court awards.

E) A book for registering all the bonds issued by the court.

F) A book of yields in which all the yields of the council and their types and the amount of the received ones.

Article (449)

All the books mentioned in Article (448) shall be numbered, each of them, according to the size with a printed and sealed serial number at the top of each page with the seal of the court, and also registered by mistake at the end of each page the printed number, and also sealed by the official seal with the signature of the president.

Article (450)

All the books mentioned in Article (448) shall be free from erasing, scratching and permeation of words between the lines. However, if anything was written in one of the books: additions or repeated note, then this phrase shall be crossed by a pointed pen so that it can be read. In the case of the falling of a word or a phrase inadvertently, the scribe shall take it out to the margin of the book, provided that it shall be signed at by the president and the secretary of the court.

Article (451)

The secretary shall hold the office management and issuing notes, instruments and comparing them - after making their fair copies - and folding the copies and comparing them with the record, and then signing on their validity.

Article (452)

The secretary is in charge of receiving the yields and registering them in the competent book, and saving all the deposits and money and other things that come to the court in the court fund provided that the necessary bail shall be taken from him certified by the its specific law.

Article (453)

The secretary of the court shall deliver the yields of the court at the beginning of every month to the headquarters of the Finance of Jeddah with a statement that shows the details and the kinds of the yields. The statement shall be signed by him and the president.

Article (454)

The seizure scribe, during the trial, shall set the advice of both parties with the seizure newspaper and notes, and register the bonds delivered to the court by the owners of the favor and give them a delivery receipt.

Article (455)

The registrar shall register all the bonds and decisions and edit the subpoenas and record all the securities and papers that are provided to the court and take a photocopy of the securities and papers which will be returned to their owners after the ratification of the validity of their comparison and their conformity to the origin of the head of the scribes and the president of the court and save them with the case papers related thereto.

Article (456)

It is not permissible for any scribe to give any copy out of the papers and securities and the results of transactions with all their different types unless this is done by an earlier order from the president of the court.

Article (457)

It is not permissible to release the instruments issued by the court unless they are matching their origin and records and signed on for validity by the court secretary and scribe and sealed by the seal of the court and the president's signature.

Article (458)

The secretary is responsible for the proper management of the office and taking into account the sequence in providing the transactions and organizing and registering and releasing the registered of them according to their origins, and observing the work of the scribes and criers. And every defect in the administration or an error in the scribing affairs or a delay in submitting the transactions or releasing them at their due time and original manner, he shall be the first responsible.

Chapter 4

On the principles of the claim and concerning the petitions and the claim

Article (459)

The system of cases in the Commercial Court under a petition referred to it by the administrative governor shall include the name of the plaintiff and the defendant, their jobs, the place of their residence, their subordination, the synopsis of the case with its evidences, the name of the day, date, month and year on which it is provided and signed by the seal of the plaintiff or his signature or his official representative. And it shall request bringing the opponent and sentencing him with the amount claimed for as well as the trial expenses.

Article (460)

Any petition that does not include the conditions set in the previous article may not be acceptable to the Commercial Court.

Article (461)

The petitions referred to the Commercial Court that meet the conditions stipulated in Article (459) are referred by the president first to the secretary for enrollment and charging the due fees, and then the day and time of the trial shall be set as well as the

name of the crier direct entrusted to notify the subpoenas from the president. Then, they shall be deposited to the competent scribe to be presented to the court.

Article (462)

The petition shall be submitted in two copies, one of which remains essentially in the Office of the Court and the other is notified to the defendant, together with the subpoenas. The copies shall equal the number of the defendants.

Article (463)

Each petition submitted to the court and its submitter disregards consulting the Court about it for three months, it shall be canceled and he has the right to renew the petition.

Chapter 5

On the subpoenas

Article (464)

The subpoenas are issued in Arabic with a number sequenced with the date, the name of the day, the name of the plaintiff and the defendant, their nicknames, jobs, place of residence stay, subordination, the day and time of the trial and the name of the crier and his nickname. Two copies shall be sent, one copy is delivered to the defendant and the other is taken, with his signature on it, and returned to the court signed by crier entrusted to notify them. If the defendants are many, the copies of the subpoenas shall be issued – as set above – according to the number of the defendants.

Article (465)

If the person wanted to be brought is illiterate and does not have a seal, his thumb print shall be sealed on the copy on which he is supposed to sign. And the crier shall call two witnesses for that and take their signature on the subpoena that is returned to the court.

Article (466)

In case the defendant refrained from receiving subpoena, the crier shall put one of the two copies before the refraining person after calling even one witness for that and take his signature on the second copy.

Article (467)

The crier is charged with delivering the subpoena entrusted to him to their owners at any place where he might find them without any exception. If the subpoena is with the name of one of the companies, it shall be delivered to the company manager or one of the partners or one of the scribes of the company found there according to the previous articles.

Article (468)

The crier may, if necessary, deliver the subpoena to anyone found there in the trade place of the person wanted to be brought, whether a son or a grandchild with a fixed relationship to the trade place taking into account the foregoing provisions.

Article (469)

The day of the trial shall be specified on the day when the subpoena is released if the case is of the summary proceedings and both the plaintiff and the defendant reside in the same town where the case is conducted. Also, the period of the subpoena may be regarded for the same reasons for a period of not less than three days in the town. And in the case of the absence of one or both defendants from the town or their residence place was in other countries, the period for the subpoena shall be decided, for an appropriate time, by the president according to the distance and means of transportation.

Article (470)

If the person wanted to be brought resides in a remote country or a foreign country, the subpoena shall be sent included in a brief to the Attorney General for referring to the Ministry of Foreign Affairs to notify him by the government of that entity, and the court shall estimate an appropriate period for the distance and means of transportation whether organized or not.

Article (471)

The crier shall deliver the subpoenas based on the aforementioned conditions. And if he breached any of these conditions, he shall be responsible and subject to penalty for the first time. If it is repeated, he shall be fired from his job.

Chapter 6

The method of conducting the trial in the Commercial Court

Article (472)

The pleadings are conducted publicly in the Commercial Court. And during the trial, the attendees shall keep silent and commit to the decency rules whether they are pleaders or witnesses or hearers or of the court authority. The president has the right to silence or reprimand or expel anyone who breaches the ethics of the trial or make a noise or a brawl.

Article (473)

The defendant parties shall attend the court themselves or send their agents under powers of attorney certified by a notary.

Article (474)

The power of attorney shall be introduced, before the pleading, to the secretary of the court. And after seeing it, they shall be sealed with the phrase: "seen with no faults.

Article (475)

The principal can dismiss his agent whenever he wants unless the right of other parties is concerned with the agent; then it is not permissible for the principal to dismiss him. Also the agent cannot dismiss himself in this case only in the presence of the defendant and with his consent.

Article (476)

If a claim is brought by one of the official departments against certain individuals, or vice versa, it is sufficient that the President of the Department to hear that claim and the pleading himself, or he may entrust one of the staff of his department for that. And it is sufficient, in such entrustment; to issue an official note from the president of that department, and it is not necessary that the entrustment shall be issued at the competent authority.

Article (477)

The jury of the Commercial Court is not justified, whether the president or the members or the secretary or the scribes or the registrar and the criers and others, to be deputized by the claimers in the claims considered in the Commercial Court. And they may litigate for their private claims in the Commercial Court. Also, they can be deputized by their parents, their children, their spouses and the orphans who they are their guardians.

Article (478)

If the defendant parties attended on the day set for the court, the president shall order the clerk to bring the papers of that case, and then open the session in the name of His Majesty the King, and then proceed to conduct the trial in public.

Article (479)

The seizure clerk shall hold, for each case, a journal that is expressed as the seizure journal with a serial number. The name of the president, the present members, the name of the plaintiff and the defendant and their nicknames, and the name of the clerk, who registered the seizure to the ears of the court jury and the defendants, shall be mentioned in this journal.

Article (480)

The president shall begin to question the plaintiff and then the defendant and, if necessary, repeat the question from whomever of the defendants until the end of the trial. And all the members have this right after authorization from the president, and then the court decides what it sees conforming to the fact.

Article (481)

It is not permissible to use anything such as coffee, tea and other drinks during the trial except water.

Article (482)

It is not permissible for the Council and others to who are present during the trial to speak in a language other than Arabic.

Article (483)

If one of the defendant parties cannot speak Arabic, the court shall decide to appoint an interpreter to him, and then after swearing the oath, his testimony shall be translated literally from his language to the Arabic language and this testimony shall be conducted by the interpreter, this if he did not bring a trusted and reliable interpreter with him. If he brought him, the court shall take his report to seize the claim by his consent.

Article (484)

No one of the defendants is allowed to digress out of the topic of the claim or interrupt his opponent during the pleadings.

Article (485)

If one of the parties wants to write a pleading by himself on a paper, provided that he does not write anything out of the topic of his claim or defense, he may do so in

Arabic. And after he signs it, it is read to the jury and monitored by the clerk at the said seizure journal.

Article (486)

All the questions directed to any of the defendants or the witnesses, and the answers released by them, and the papers and bonds introduced during the trial shall be monitored literally in the seizure journal until the trial ends.

Article (487)

If the court found it necessary to bring one of the defendants in particular for clarification from him about what it sees necessary and that defendant had an agent, he may do so. If there was a legitimate reason that could prevent him from attending the court, the court may delegate one of its members for clarification in his place and it shall be signed by the member and the seizure clerk and two witnesses, this clarification shall be introduced to the court.

Article (488)

If it happens, during the trial, that another claim is conducted and it is related to the considered case with a pledge or a bail or worthiness branched from that claim, the court may issue an award with the considered claim without the necessity to introduce another petition.

Article (489)

If the defendant acknowledged the alleged debt and claimed that he is insolvent and there was nothing that requires the declaration of bankruptcy, the court shall award with the debt only. And concerning the claim of insolvency, the plaintiff has the right to prove it by the personal status court.

Article (490)

If the defendant did not specify the size of the amount alleged in the petition for compelling reasons like that the issue was related to profits or arose from a company that does not know the amount of the occurring profits and that the case needs to account and the liquidate an account, the president shall order to set a known amount, even by conjecture. And when the result comes out, the court shall judge by what appears from the result of the accounting and the liquidation of the profits.

Article (491)

If there is claim that is vague or confusing and needs the review of books or the liquidation of an account, a committee shall be appointed and elected by the parties

or by the Council under the presidency of one of the members. And then, it shall submit a report agreed on by the defendants containing the liquidation of the said account, and this report shall be submitted to the court without showing the opinion of the committee neither with respect to advising the parties nor the money of the papers that they introduce. And this report shall be read in the court with the presence of the parties and they have the validity to show any mistakes and omissions that may occur.

Article (492)

If this committee or the court bailiff considers that the reconciliation between the parties is possible, it shall be decided to be conducted between them and it shall be signed by them and the defendants. Then, it shall be submitted to the court for approval and to work upon.

Article (493)

If the defendant parties consider choosing a person or people as arbitrators, they shall conduct an official note ratified by notaries. This note shall contain the conditions under which they agree upon whether the arbitration shall have a certain period or the arbitrators' award shall be in force, whether by the agreement of the arbitrators or the majority, and any other points they agree upon. And then, they shall sign it and submit it to the court.

Article (494)

The arbitrators shall examine the testimonies of the parties very well upon the legitimate assets. They also, shall check their testimonies, papers, bonds and the testimony of their witnesses. They may judge according to what appears to them under the terms of the arbitration note.

Article (495)

If it appears that the award by the two arbitrators is identical to its assets and corresponding to the arbitration note, it shall be ratified by the court and implemented. And if this award breached anything of that, it shall be refuted by the Commercial Court.

Article (496)

The arbitrators, whether they are officers of the court or the elected committee, shall submit their award signed by them to the court. And the court shall, after checking and taking the testimonies of the both parties as to whether they have the

right to object or not, certify it if it complied with its assets, or revoke it if it was contrary to them.

Article (498)

At the hearing, if one of the parties based on papers and documents and they were in one of the official departments, companies or merchants, he shall be given a deadline to bring them. And if he could not do that, the court shall – if it considers it necessary to see them– decide bringing them in and after seeing and photocopying them, it shall return the person who had them in his hand.

Article (499)

If one of the parties or their agents asked for a deadline to give the reply to papers introduced to him or questions directed to him and the court found the need to respite him, it may respite him for a period of not more than three days. If it appeared to the court that the respite is for the purpose of stalling, he shall not have that respite and the court shall proceed judging the case.

Article (500)

All the official and bonds signed by the signature or the stamp of one of the parties, the entries of all the official departments, the transfers, and the fosohat of the goods, given by the traders to the buyers or to the officers of the goods warehouse, expressed in the customs of traders with the various containing the allowing the goods for the buyers, all these are considered for its content and signatories.

Article (501)

If he who is attributed to him the bond or the handwriting or the seal stamped on the papers, bonds and regular securities mentioned in the previous article, or a claim of fraud or misrepresentation occurred in something of the bonds and the like, the court shall check very well by a group of experts; not less than three people with religiousness and competence, and they shall be engaged in work and checking under the supervision of one of the members in conjunction with them and the minutes of the two parties by bringing papers or books or bonds or other with anyone for comparison and collation and applying on what is in them of handwriting and seal. If this is not found, the denying person shall write – many times – convergence words to the words of the denied bond, and the collation and application shall be conducted on its handwriting. If the denied handwriting and seal are famous and well-known among the people, they shall be considered after testing

the witnesses with the testimony of four witnesses at least. And every one of the experts shall be given, for each session, a half pound of gold given first by the plaintiff to be returned in the end with the other expenses to the one who shall be judged against by the result.

Article (502)

If one of the two opponents wanted to prove his claim and defense with witnesses and the court found it necessary to accept it, after it decides to accept the witnesses, it shall take the initiative to name and count the witnesses.

Article (503)

If one of the parties brought his witnesses and he admitted that he had no witnesses except the mentioned ones, and then he wanted to bring witnesses other than those, this shall not be accepted.

Article (504)

If one of the opponents was asked to bring witnesses and he replied that has no witnesses originally, and then he wanted to bring witnesses, this shall not be accepted.

Article (505)

If the court found it necessary to hear the testimony of the witnesses, the person who is required to bring them shall be given a notice of three days, if not, he can bring them within other three days and other three days after that if the witnesses are in on the town where the court is located. And if the witnesses were in another town, the court shall give an appropriate time limit taking into account the distance and the means of transportation to bring them, or bearing their testimony. And if he could not do that, the testimony of the mentioned witnesses shall be taken by the courts of the town where they reside, under the instructions issued by the Commercial Court, by the local government, whether the witnesses are within the Hejazi government or in a foreign country. If the mentioned period passed and the mentioned witnesses did not attend and their testimonies were not borne or recorded in any of the courts of the countries where they reside, then he shall be deemed to lose his testimony evidence.

Article (506)

The acceptance of the testimony of the witnesses, refusal, appealing against, amendment, recommending, putting them upon oath, and directing the oath and recoiling, all these shall be conducted upon the assets of the legitimate provisions.

Article (507)

If a decision was issued with the necessity of putting one of the parties upon oath, after stating in writing with the matters and facts that need to swear upon and describing the form of the oath, work shall be conducted under the issued decision.

Article (508)

After the court meets all the due investigations and believes that the claim has approached deciding, the president shall ask the parties whether they have speech or defense in the pleading in connection with the claim, and if they do not have something to say, the president shall declare the end of the trial and shall not accept their any oral testimony from them. But if one of them has something to say in connection with the claim, he shall say it to the court and the court shall examine this regulation or petition during deliberations.

Article (509)

After the end of the trial, the president of the court orders to derail the parties and vacate the members in the deliberations. And after checking all the documents and the testimonies of the witnesses and the checking papers and other things, the members manifest their views individually and then he decides the award either by consensus or by majority.

Article (510)

The member of a different opinion shall indicate his opinion and the reasons for his difference at the bottom of the decision based on the true evidences and arguments related to that case and sign it in the trial minutes, and this shall not be included in the notification of the award.

Article (511)

It is not permissible for the court to delay the award if it fulfilled the reasons and conditions of the award in full, except in the case of delaying the conciliation between the parties, especially relatives.

Article (512)

After the completion of the decision of the award, whether by consensus or by majority, it shall be signed by the body that judged it and dated, then explained orally to the parties by the president.

Article (513)

If the person, sentenced against, is satisfied with the judgment, his signature shall be taken in the minutes of the trial. And then if he wants to object to it by cassation, his objection shall not be accepted. But if he is not satisfied, he has the right to conduct cassation.

Article (514)

The instrument of the award is issued in two copies. One shall be given the convicted for and the second to the convicted against, under a receipt instrument signed by the recipient on the assets set in the subpoena.

Article (515)

The reception instruments of the convicted against shall be signed by him and the crier for reporting, and it shall be certified by the secretary and the president of the court. A certified copy shall be taken on the previous copy, and the copy shall be preserved and the origin shall be given to the convicted for.

Article (516)

If a claim is brought regarding guaranteeing the damage and loss and it could not be checked about the manner and the vocabulary and judging by it with the original claim, the called person shall understand to give the court a book of the vocabulary by him to judge by them apart.

Article (517)

If it is proved that the debtor was affected by a damage in his commercial business, and that in fact he is in a situation of harassment and acted at the court's discretion because of that to be given an appropriate time limit for paying off the debt, this shall be mentioned in the instrument with the judgment by the asset of the claim the duration of the time limit that is given and its causes.

Article (518)

It is not permissible for the court to give a deadline for the doomed if it appeared to it that his request has no justification for the convicted for. If it turned out during the period that the convicted against wants to harm the convicted for, that deadline

shall be dropped and the necessary precautions to seize his money shall be conducted.

Article (519)

The instrument of the award released by the Commercial Court shall contain the name of the president and the members who judged in the case, the names of the parties, their nicknames, nationality, subordination, place of residence, a summary of their claims, the way of conducting the claim and its legal articles and reasons and causes, the award, whether by consensus or by majority and the date of the judgment.

Article (520)

The parties may, during the trial, ask the court by their agreement to delay the trial for a specific period. And they may repeat this request and the court shall accept their request.

Article (521)

The defendant is entitled to request the petition proceedings and during the pleadings of the interim procedure if the following reasons, namely, are available: The case is based on an official bond or a recognition of the defendant or on a previous award that was not in cassation, and the court – if it sees necessary – may accept it and give its decision with it with the judgment in the case or his request is declined.

Article (522)

The applicant for interim procedure shall provide a guarantor, whose sponsorship is certified by the notary, to return the objects required if it appeared that he was not right in his claim for damages and the expenses that arise from it.

Article (523)

The cases that are judged by the interim procedure shall be announced in the Official Gazette for a limited period of not less than fifteen days, during which anyone with a debt or a commercial suit shall apply to prove it at once.

Article (524)

The petition of the cassation of the bonds judged by the interim procedure even if it has been revoked, the interim procedure shall not be stayed and the opposition of the defendant shall not be accepted.

Chapter 7

In the default judgment

Article (525)

If the pleaders did not attend on the designated day for considering the claim or one of them attended and the other did not attend and his reasons for not attending are not health reasons or legitimate ones and he did not appoint an official agent after getting the subpoena replica, the present party may ask the court to decide to consider the claim in absentia.

Article (526)

If the party refraining from attending to the court is the plaintiff, the defendant can ask and get a decision in absentia with the fall of the right to the trial temporarily, which is a nullification of the petition introduced by the plaintiff, without being forced to give the answer to the claim destined against him, and if the defendant got harmed the plaintiff shall guarantee that.

Article (527)

If the party refraining from attending is the defendant, the plaintiff shall ask the court to decide to consider the claim in absentia. And after verification, the court under this issues a pending award on the overcoming of the defendant at the time of the objection.

Article (528)

While conducting the trial between the pleaders before the Commercial Court, after the president announces the conclusion of the trial and proceed with the deliberation and when explaining the decision of the award, if the defendant was absent, the court considers that award against the convicted person. But if the absence was before the end of the trial, even if at the last session, the court decides the right of the defendant to complete the trial in absentia and persevere to the end of the case. And the decision is issued and the defendant has the right to object to that award.

Chapter 8

The demurral of the default judgment

Article (529)

If a default judgment is issued against the defendant, he can demur to that judgment within the legal time limit, and then it becomes null and void.

Article (530)

If the awarded default judgment was pending on the regression of the defendant from the oath and he attended before the Commercial Court has and the convicted against declined to swear the oath, the judgment in absentia shall be issued and is considered valid for the defendant.

Article (531)

The duration of the objection to the default judgment is fifteen days from the date of reporting the notification to the convicted against, and the day of notifying shall not be accounted from the period mentioned nor the day of submission, this if the convicted against resides in the town where the Commercial Court locates. But if he was not in the mentioned town, this day shall be added to mentioned period after the distance as appropriate.

Article (532)

The objection to the default judgment shall be conducted by providing a petition to the Commercial Court that contains the reasons and causes that refute and disprove the claim filed by the convicted against and the default judgment given by it. Reporting the copy of the petition to the objected shall be conducted as said in reporting the subpoena. The opponents shall plead on the day appointed under the subpoena.

Article (533)

If the convicted against in absentia submitted his objection to the court and his submission was within the legal time period, the court shall decide to accept the objection and then the trial shall be conducted according to the valid trial. Then, the court shall judge upon what appears to it; either the ratification of the instrument of the default judgment or criticism or repair. And the expenses of the default judgment, in any case, shall revert to the convicted against in absentia.

Article (534)

If the convicted against submitted his objection within the legal period and did not attend the court on the appointed day and his delay was not caused by a legitimate excuse, the court shall decide to drop his objecting petition and no objection by him shall be accepted again, but he still have the right for cassation.

Article (535)

All that is underway and observed in the course of the validity trials and their dealings is also observed in the procedure of the trials in absentia and in the ongoing trials of objecting the judgment in absentia.

Article (536)

Organizing the instruments issued in the awards in absentia and in the objection to the judgment to be organized upon the instruments that are issued in the validity provisions. Also, notifying them shall be upon what is underway in the chapter of notifying the subpoena.

Chapter 9

In showing the terms of the demurral of others

Article (537)

If there is, in any claim, an award that prejudices the rights of an absent third party other than the pleading parties, and he was not brought to the court and did not attend neither himself nor by proxy and he did not submit a petition to be included in the claim, such a party may demur the mentioned award under the terms of Article (529). For example, if someone claimed a debt against a dead person to one of his heirs and this heir denied and the plaintiff proved his claim by evidence and he was sentenced against with the debt, the other heir may demur this award by the way of the demurral of others.

Article (538)

The third party is entitled to demur all the types of judgments and decisions issued by the Commercial Court. But the decisions of the arbitrators, as they are not applied on him, cannot be demurred because the arbitrators' award shall be implemented and applied to only the parties who chose them.

Article (539)

The third party demurral does not delay the conducting the award of the instrument meant to be refuted. But if it turned out that a danger or damage occurred as a result of that judgment, the commercial court may decide to postpone the mentioned judgment provision in question for some period.

Article (540)

If it is proven that the duration of the demurral of the third party is realized and accepted, it shall be refuted from the judgment and instrument what is intended to be refuted the entity containing the rights and benefits of the demurring party only. The rest of its judgments shall be considered on the pleading parties. But if the award of the mentioned instrument concerns one article that cannot be divided, then the award of the mentioned instrument reverted to the plaintiff and the defendant shall be refuted.

Article (541)

If it is verified that the third-party's claim of demurral is not accepted or correct, it shall be awarded to be refused and the demurrer shall pay the damage and loss occurred to the other party because of it.

Chapter 10

The cassation of the commercial instruments

Article (542)

All instruments issued by the Commercial Court with an irrevocable judgment whether by the confrontation of the parties or a judgment in absentia, or the duration of the demurral of the default judgment has been refused, all are subject to cassation.

Article (543)

The duration of the cassation of the instruments, against the validity judgment and the default judgment whose demurral period is over, shall be thirty days from the date of notifying the instrument to the convicted against other than the day of the notification and submission.

Article (544)

The cassation of the instruments of validity and in absentia shall be conducted by submitting a petition to the public prosecutor in the capital and to the administrative governor in the subject areas. The petition shall contain the name of the plaintiff and the defendant, their nicknames, nationality, the place of their residence, and when the instrument was notified to them. It shall be accompanied by the copy of the instrument certified by the Commercial Court and, and by a demurral declaration with detailed aspects of its demurrals, and a surety bond certified by the notary and it shall include the sponsorship of paying the expenses of the trial of the opponent and

the damages and losses that are set legally if it appears that the called is not right in calling the cassation. And the cassation jury may require checking the claim as a copy or itself of all its branches from the Commercial Court. And after the end of the cassation checking, they shall be returned to the court.

Article (545)

If the cassation provider submitted another petition on the last day of the term assigned to him and did not meet the conditions mentioned in the article (541), his petition shall be refused entirely. But if he submitted it prior to that and it had deficiencies, the cassation jury shall that alert him in writing about the mentioned deficiencies for repairs within a period it shall set for him whereas the opponent shall complete the same period that was remained for him when he summoned cassation. This period begins from the date of notification.

Article (546)

The cassation petition mentioned in Article (541) shall be submitted to the Commercial Court in Jeddah. And if it is brought before it, it shall collect the fees from the caller and then it shall notify the cassation papers certified by it to the person against whom the cassation is submitted to apply, within a week after his notification of the plead against the demurrals of his opponent. And then these papers shall be brought by the court to the cassation jury and then it has the right to issue its decision on the cassation instrument by ratification or refusal. In both cases, it shall be brought back to the Commercial Court.

Article (547)

The cassation jury shall consider the claim according to the papers submitted to it and then it approve the conditions and facts described in the instrument required for cassation if it exceeded its truth until it is proved otherwise in the checking journal or bonds introduced during the trial without bringing the opponents. If the award proved to be compliant with the law and the assets of trial supported it or it shall be revoked and returned to the Commercial Court for retrial.

Article (548)

If the instrument had some omissions or deficiencies that did not affect the same award and its branches, the jury may return it to the court to correct the deficiencies.

Article (549)

The reasons for the cassation of the instrument of judgment are as it was contrary to the articles of this law or contrary to the checking and in breach of the reasons of judgment and affecting it or the claim was beyond the function of the Commercial Court, and if the papers submitted and the clear evidence are not sufficient for the judgment or if the cassation provider appealed against the testimony of the witnesses by a legally acceptable appeal and the court neglected in its judgment on an article of this law and it appeared unfit for judgment. By these reasons only an instrument is revoked by the cassation jury.

Article (550)

When the instrument is revoked by the cassation jury for the presence of one of the reasons causing cassation or for the presence of several of them and it was returned to the Commercial Court to be fixed on its assets and then the Commercial Court built its award again on causes and reasons invalid for judging and the convicted against revoked it and the cassation jury considered that the demurrals of the appellant are valid and that the award is not in its due place, it may revoke it and return it again to the Commercial Court and in the third time if the instrument is issued invalid for judgment, the cassation jury may reform and implement it.

Article (551)

If an instrument is revoked by the cassation jury due to the occurrence of a mistake of the aspects mentioned in Article (546), the decisions issued by the Commercial Court after the occurrence of the mistake in the instrument and pleading shall be canceled. But if it occurred in the course of the pleadings, as in the middle for example, all the transactions and decisions conducted in the Commercial Court issued by this instrument from the beginning of the court until the occurrence of the mistake that enjoined the cassation shall remain considered and observed and the court shall not to reconsider it when the instrument gets back revoked.

Article (552)

The decisions of the cassation jury given in the ratification of the instrument of the award or the cassation are conducted by consensus or legal majority. In case the opinions are equal, the vote of the president shall decide it.

Article (553)

The cassation jury instruments shall contain the name the parties, their nicknames, nationality, place of their residence, and the award of the revoked instrument, the

summary of the demurrals, the evidences stated from the parties and the reasons for revoking that instrument or ratification.

Article (554)

If the cassation jury revoked the instrument of the award as aforementioned and brought it back to the Commercial Court, the court shall conduct a re-trial between the two parties as in the chapter of the manner of bringing in the case.

Article (555)

The Commercial Court shall take into account the points and the aspects by which the first judgment was revoked and not to build upon them an award again.

Article (556)

After revoking the instrument and the re-awarding the judgment, it shall be checked in the second claim the summary of the revoked instrument and its number, date and reasons that necessitated its cassation, and then the Commercial Court shall proceed with conducting the trial again.

Article (557)

The Shura Council in Makkah temporarily replaces the cassation jury and it applies all with regard to the provisions of the cassation discussed in the specific articles of this law.

Article (558)

The instrument issued by the Commercial Court of the amount of the convicted against who did not submit a demurral shall not be implemented, but it shall be brought straight from the Commercial Court to the cassation jury for preserving the rights of the convicted against.

Article (559)

The Board of Directors of the Yanbu, composed of the town judge and the Secretary of Finance and elected members under the chairmanship of Prince, has the jurisdiction over trade cases on the appropriate trading system. And whenever the convicted against wanted an exception to the judgment, that shall be in Jeddah at the Commercial Court.

Article (560)

The instruments that are issued by the Board of Directors of Yanbu with his capacity as a commercial court shall be revoked at the Commercial Court in Jeddah, and it

issues award on the ratification or criticism upon the cassation articles registered in the commercial court law.

Chapter 11

How to guarantee the expenses of the trial

Article (561)

The convicted against shall guarantee to the convicted for all the expenses and fees related to the trial and notifications and the prices of stamps and all what is justified by the law and under what is in the hands of the convicted for of instruments and official papers, and the wage of the agent of the convicted for determined by the court, according to the gravity of the claim, on each session for not more than fifty piasters per session.

Article (562)

If it appeared that each and every one of the pleaders is right in a section of his claim, it shall be accounted of the expenses prescribed in the preceding article, by some percentage for each and every one of them shall guarantee these expenses and fees under that percentage.

Article (563)

All fees, expenses and the prices of stamps spent in the bankruptcy claims shall be deducted from the assets of the bankrupt.

Chapter 12

Attachment and preventing the defendant and the debtor from traveling

Article (564)

Every creditor arising out of commercial transactions may seize the funds of his indebted, whether it was at his hand or a third person, under a petition submitted to the president of the local government and it shall be referred to the Commercial Court.

Article (565)

This petition shall contain the statement of the debt, type, amount and the conditions required to be seized and their place. The petition shall be in three copies; one to be reserved at the court and the other to be delivered to the seized

person and the third to be delivered to the seizer. If there were more than one seizer, the copies shall be duplicated accordingly.

Article (566)

The seizure applier shall submit to the court a financial surety bond from a bondsman and certified by a notary ensures all the rights of the seized and his damages if it appeared that the seizer was not right in his request.

Article (567)

Seizure shall not be conducted unless the following conditions are available:

A) The debt shall be due.

B) It shall be known, the unknown shall be decided by the court's conjecture.

C) It shall not be depending on a condition, unless it is conducted, seizure cannot be done.

D) It shall be related to the same debtor, so he shall not seize the money of the debtor of his debtor.

E) The seizer shall bring out official or normal bonds, signed or sealed by the debtor with a copy that is considered valid, or any other papers like statements or drafts signed or sealed by the debtor or any papers that have evidences that are accepted by the court.

Article (568)

It is not permissible for a creditor to seize the funds of his debtor if they are dividable, except what suffice to meet his debt and the related expenses.

Article (569)

If the debtor is deceased and his heritage was seized by the Sharia court or is about to drafted, seizure shall not be conducted on it by the Commercial Court because the drafting of the Court is considered as a general seizure and the creditor shall consult the Sharia Court then. And if the debtor died in the course of attachment, the seized objects shall be delivered to the warden of the treasury the subsequent to the Sharia Court and the case is referred to it.

Article (570)

These objects shall not be sized:

First: What is required by the debtor for his living and his family's and what is indispensable like his clothes and the house furniture.

Second: The necessary tools for his career.

Third: The tools of the farmer and the peasant like a cow, seeds, his crops not kept in the warehouse unless the debt arises from the price of the objects mentioned in these three articles.

Fourth: The house of decent housing, the stuff of his wife and children.

Article (571)

If the funds to be seized contain objects of foods that are rapidly spoiled, the seizure officer has the right to sell it off at auction after the Council's decision and the resulting damage and loss from this guaranteed sale to the seizure seeker.

Article (572)

It is possible to seize the estates and the immovable property of the debtor. That seizure is forbidding their sale or mortgaging or any disposition by giving the signal and the required registry by the notary and the suspension of the third copy of the seizure petition on the same property.

Article (573)

If the above conditions are available, the court decides the seizure at once and it shall be signed and then reported to the debtor and the third person under the terms of notifying the subpoena.

Article (574)

The seized and seized at person have the right to demur the seizure within eight days from the date of notification if they reside the town where the court locates. Otherwise, appropriate time duration shall be added to the time limit for the distance and means of transportation.

Article (575)

After conducting the seizure, the creditor shall bring to the Commercial Court, within eight days from the date of the notification of the seizure to the seized person, a petition requesting to bring the debtor or the third person if there is a third person to the court to prove his right in the custody and to notify both of them with a copy of this petition.

Article (576)

If the seizer did not submit his petition claim within the mentioned period, the court shall decide to raise the seizure and fine him the expenses and damages.

Article (577)

If the seized and the seized at demurred within the mentioned eight days, their demurrals shall be accepted and it is conducted as the law requires. If they did not demur within the mentioned period, neither of the demurrals shall be accepted.

Article (578)

When the court decides the custody on the debtor's funds and there is no warden appointed by the court to conduct the seizure and then released by the president of the court to the administrative governor for referral to the police department to attach a seizure warden by it for the implementation of the court's decision. The seizure shall be conducted by sealing the objects required to be seized under the court seal, and the warden shall sign a report of that to the court.

Article (579)

After conducting the seizure, the Commercial Court summons the two parties for the trial. If the person ratified the subpoena for attending the court after being informed with the seizure decision, there is no need for him to attend the trial unless the court considers it necessary for him to attend, and then a decision for his attendance shall be made. In case one of the two parties fail to attend the trial, a trial in absentia shall be conducted against him as set in the chapter of the default judgment. Whether the trial was conducted validly or with the absence of the defendant, the court shall check the claim of the plaintiff. If his debt is proved in the security of the seized or some of it, it is judged then to assure the seizure and keeping it until the creditor gets his dues from the debtor and the arising expenses. And if the third person could prove in the court that he has a debt at the seized, he shall be judged with it.

Article (580)

If the seizing creditor is unable to prove his debt, the court decides not to mortgage the seizure and prevent the exposure of the seizer to the seized and fine him and his sponsor all the damages occurred to the seized due to this seizure.

Article (581)

It is permissible to seize the mortgaged objects that the seizer shall not give up anything of its price, but after paying off the debt of the mortgagee because he is worthier to have the mortgage price from other creditors.

Article (582)

It is permissible to seize the funds of the debtor by more than one, and none of them is privileged to the others unless there is a legitimate priority as the mortgager and the person who has the right to foreclose the property to meet the price or an order priority which is either general in which the creditor is privileged with all the funds of the debtor as governmental taxes or private as the alimony judged for the wife and children. Thus, the public shall be prior to the private and both of them shall precede other debts.

Article (583)

Every prosecutor may seize the same funds defended against to be under custody in the case of submitting his claim, or during the trial, whether those funds were under the hand of the defendant or under the hand of a third person, taking into account the provisions of the specific articles in the act of seizing on bail.

Article (584)

The court may consider the seizure request made to it. If it considered that the person who is intended to conduct seizure against is solvent there is no fear concerning what is under his hand of money and goods from the point of smuggling, concealment or bankruptcy and the seizure seeker is not affected in the case of not conducting, it may refuse the seizure request and not to conduct it. It is required that the rejection decision shall be signed by the majority of the members of the court and explaining the enough reasons of not accepting the seizure request. This shall be done after the person who requested the seizure provides a financial sponsor to guarantees the performance of any right or award issued by the Commercial Court and his bail is recorded in the size of the defended amount.

Article (585)

Everyone demander to the right of a person who claimed against in the commercial courts, shall – while his intention to travel – appoint a legitimate agent to continue the pleading for him during his absence until the end of the case with an award for him or against him and provide to a solvent guarantor to his creditor at the notary.

Article (586)

If the creditor asked the debtor to secure him by providing the sponsor and appointing the agent, in compliance with the stipulated in the previous article, and he declined to achieve his request, the competent authorities shall prevent the

debtor from traveling. This shall be done upon the request of the creditor and a judicial notification issued by the Commercial Court upon the assets.

Article (587)

The judicial notifications, mentioned in the previous article, include the ratified notifications requested to be implemented that are underway in the competent official authorities.

Part 4

Exit Tariff

Chapter 1

The registration tax

Article (588)

Five piasters shall be taken as a governmental registration fee on all the securities submitted to the Commercial Court of summons, bonds, declarations and others, whether this was before or during the trial.

Article (589)

Each paper that is being recorded in the book of registration is explained at its bottom the number of the registrations sequenced in the mentioned book, the amount of the taken fee for it and it shall be stamped with the seal of registration.

Article (590)

Each paper that has not been recorded in the registration book according to Article (589) is not considered in the Commercial Court.

Chapter 2

The advance fee of the notification expenses

Article (591)

The quarter of the notification expense shall be taken, on the alleged amount from the plaintiff at the time of submitting summon at the Commercial Court, in advance. And without meeting that, the court does not conduct the claim.

Article (592)

If the alleged amount is less than two thousand and five hundred piasters, twenty piasters shall be taken for the quarter of the expense as a flat fee.

Article (593)

For the cassation of the notifications in cassation council, a quarter of the expense of the cassation notification in advance.

Article (594)

The quarter of the expense of the notification expense taken in advance of the fee of the expense of the notification expense at organizing. And if the quarter of the expense taken in advance was more than the achieved quarter of the expense after issuing the award, the extra shall be accounted within the notification expense. And if the quarter of the expense is less than the achieved quarter of expense after the result of the judgment, the rest shall be met within the expense.

Article (595)

If the defendant left his claim after paying the quarter of the expense as contained in Article (593) of the assets of the commercial procedural that include voiding his claim. When a second summon is provided in the same claim, another quarter of expense shall be taken, as the prepaid quarter of expense falls as the summon falls.

Chapter 3

Reporting expense

Article (596)

Ten piasters shall be taken on each paper informed by the court to the employers of interests of the side of reporting applier.

Article (597)

The wage of delivering the papers by the court is estimated if the reported person is far away from the court.

Article (598)

Five piasters shall be taken on each copy of the subpoena sent to the two parties.

Article (599)

There is no reporting expense to be taken on the tickets containing the decisions of the Court necessary to be notified to the arbitrators or one of the official circles.

Chapter 4

The agency registration

Article (600)

A flat fee shall be taken on the registration of the agency of twenty piasters.

Chapter 5

The expense of the decisions given to appoint distinguished people

Article (601)

It shall be taken for the decisions given for the appointment of distinguished and experts according to the following grades:

25 piasters shall be taken on the claims that contain an amount to fifty pounds.

50 piasters shall be taken on the claims that contain an amount of fifty pounds to one hundred pounds.

100 piasters shall be taken on the claims that contain an amount in excess of one hundred pounds.

Chapter 6

The expense of the custody decisions

Article (602)

It shall be taken for the decision of conducting custody according to the following grades:

25 piasters shall be taken on the claims that contain an amount to fifty pounds.

50 shall be taken on the claims that contain an amount of fifty pounds to one hundred pounds.

100 piasters shall be taken on the claims that contain an amount in excess of one hundred pounds

It shall be taken on each copy of reporting half of the fee taken on the seizure decision. In the seizure ratification decision, the percent mentioned in meeting the fee shall be considered.

Chapter 7

The expense of the reconciliation decision

Article (603)

It shall be taken for the decision of ratifying the reconciliation a fee according to the following grades:

50 piasters shall be taken in the claims amounting to fifty pounds.

100 piasters shall be taken in the claims in excess of fifty pounds to one hundred pounds.

150 piasters shall be taken in excess of one hundred to two hundred pounds. And what exceeded the two hundred pounds, ten piasters shall be taken on each fifty pounds.

Chapter 8

The expense of the notification

Article (604)

A relative expense shall be taken on the notifications issued by the Commercial Court containing a certain amount according to the following grades:

10 piasters shall be taken on each notification containing an amount to five hundred piasters.

20 piasters shall be taken on each notification containing an amount to five hundred thousand piasters.

40 piasters shall be taken on each notification containing an amount of one thousand piasters to two thousand piasters.

60 piasters shall be taken on each notification containing an amount of two thousand piasters to three thousand piasters.

100 piasters shall be taken on each notification containing an amount of three thousand piasters to five thousand piasters.

What exceeded five thousand piasters, two per cent and a half shall be taken?

Article (605)

A hundred piasters shall be taken as a flat fee on all the notifications issued without a certain amount or refund a bond that is not proved or rejected by the defendant.

Chapter 9

The expense of bankruptcy cases

Article (606)

Fifty piasters shall be taken as a flat fee on the decision of the Commercial Court given to declare the bankruptcy of a dealer or the termination of the decision of bankruptcy or the appointment of the date of bankruptcy or changing it or the

appointment of a guardian on bankrupt funds and everything litigation related to the bankruptcy.

Article (607)

Two percent shall be taken, on each notification issued by the court including the ratification of the commercial undertakings, of the amount of the pledge, which the bankrupt has vowed to give to the demanders of the assets of the bankrupt even if they did not fulfilled his debt.

Article (608)

The expense of the bankruptcy transactions shall be taken with the starting in accordance with Article (591) and at the end, from the assets of the bankrupt by the warden of the bankruptcy.

Article (609)

One thousand piasters shall be taken as a flat fee on the decision of rehabilitation of the bankrupt.

Chapter 10

The expense of the claims considered by the court

Article (610)

Fifty piasters shall be taken as a flat fee on the decisions given with the assignment of the claims that occur between companies to the arbitrators, and on their copy according to the expense decided in taking the pictures.

Article (611)

Fifty piasters shall be taken as a flat fee on the decisions given by the Commercial Court for the appointment of arbitrators in the provisions of the partners, whether the appointment of arbitrators was by the partners or the court.

Article (612)

A quarter of the expense shall be taken, on registering the decisions governed by the arbitrators, which are necessary to be taken in accordance with Article (600). And if the mentioned decisions do not include a certain amount, it shall be taken in accordance with Article (601).

Article (613)

The articles listed in this chapter regarding the expense of the notifications are considered truly the claims considered by arbitrators appointed under an arbitration

instrument without consulting the Commercial Court at when registering that award at the Commercial Court.

Chapter 11

The expense of demurring the judgment and re-trial and correcting the decision

Article (614)

A hundred piasters shall be taken as a flat fee on the notification issued to refuse the calling of the demurral of the judgment before entering the base case.

Article (615)

A hundred piasters shall be taken as a flat fee on the notification of the objection award if it entered the base of the case and did not judge him something extra. If something extra is judged, a relative expense shall be taken from the increase amount.

Article (616)

A hundred piasters shall be taken as a flat fee on the acceptance of decision correction summoning issued by the Commercial Court or rejecting it.

Chapter 12

The expense taken on the claims of the demurral of the others

Article (617)

An expense shall be taken on the decisions given by claims of the demurral of others, such as that expense taken on the award demurral claims.

Chapter 13

The expense taken for the finished claims

Article (618)

Twenty-five piasters shall be taken on the notification issued according to withdrawing and finishing the claim by both parties, whether in the Commercial Court, or in the cassation jury if the amount included in the claim is less than five thousand piasters. If it was over five thousand piasters, fifty piasters shall be taken as a flat fee broken.

Chapter 14

The expense of cassation

Article (619)

A flat fee of one hundred piasters only shall be taken for the decision and ratification or critique of the notification at the time of the cassation.

Article (620)

If the notification was revoked in the cassation and returned to the Commercial Court and the claim was appealed and the previous award was ratified or revoked, a flat fee of one hundred and fifty piasters shall be taken for the decision.

Chapter 15

The expense of copying

Article (621)

Fifty piasters shall be taken for each copy of the notifications informed to the convicted person, and ten piasters on each copy of the mentioned notifications after informing.

Article (622)

Thirty piasters shall be taken for each copy of the current papers given to one of the parties upon request if the copy has no more than one hundred and fifty words. And if it exceeded that, one piaster shall be taken for every ten words up to a thousand words, and nothing more shall be taken if it exceeded that.

Chapter 16

The expense taken on the deposited money with the insurance fee (Dupzeeto)

Article (623)

The fee taken, for all what is deposited in the fund of the Commercial Council of coins or paper money or objects of value, as an insurance fee shall be half a piaster percent. This shall be for a year from depositing. And if the period was more than one year, a quarter of a piaster per cent shall be taken for each year.

Chapter 17

Miscellaneous articles

Article (624)

No fees shall be taken from the official departments for the general commercial claims filed by the official departments against each other or by the official departments against persons. For the claims held by people against the official departments fees shall be taken according to the court system.

Article (625)

Twenty five piasters shall be taken as a flat fee for each brief released by the competent commercial court concerning the interest of the owners of the claims. No repeated expense shall be taken for the confirmation of these briefs.

Article (626)

One hundred piasters shall be taken as a flat fee for the decisions given for seizing funds, property, money and movable objects and concerning the raise of the seizure whether the seized object existed at the debtor or another person.

Article (627)

Ten piasters shall be taken for organizing or taking out the copies of the papers necessary to be put up or stuck in some place of any kind.

Article (628)

Ten piasters shall be taken for each seizure paper organized by the warden appointed by the court that includes keeping his mission or the other particularities.

Article (629)

It is permissible to postpone taking the fee from the convicted for if he was insolvent to after the implementation of the judgment of the Commercial Court. Proving the insolvency shall be done by the testimony of people whose testimony is certified by the municipal council and the administrative governor. The mentioned fee shall be deducted out of the first amount him paid by him.

Article (630)

The testimony mentioned in the previous article shall be submitted to the Commercial Court for a decision.

Article (631)

All the fees set in this system law are considered in themselves in addition to the fees of the stamps of the line, the relative and the lump under the law of stamps.

Article (632)

This system is considered into force from the day of publication.

Article (633)

The Attorney General shall implement this law.