

The UAE Maritime Law 1981

Federal Law No. 26 of 1981

on

Maritime Commercial Law

We, Zayed bin Sultan, President of the State of the United Arab Emirates, having perused the Provisional Constitution, and Federal Law No. 1 of 1972 on the Jurisdictions of Ministries, the Powers of Ministers, and the amending legislation thereto,

And in accordance with the proposals made by the Minister of Justice, Islamic Affairs and Endowments and the Minister of Communications, and upon the agreement of the Council of Ministers, and the ratification of the Supreme Federal Council,

Have promulgated the following Law:

MARITIME LAWS OF THE GCC STATES

PART ONE Definitions

Article 1

In applying the provisions of this Law, the following words shall have the meanings set out next to each of them unless the context requires a different meaning:

The State: The State of the United Arab Emirates

The Government: The Government of the State of The United Arab Emirates, or the Government of one of the member Emirates

The Ministry: The Ministry of Communications

The Minister: The Minister of Communications

The Department: The Maritime Inspection Department at the Ministry of Communications

The Bureau: The relevant bureau for the registration of ships

The Special Register: The register of ships in the registration bureau in the ports of the State, as specified by the Minister

The General Register: The register of ships at the Maritime Inspection Department.

Article 2

The provisions of this Law shall be construed on the basis that the public policy which it seeks to achieve is the promotion of the domestic and foreign trade of the State, and also the establishment and development of an efficient, modern fleet flying the flag of the State, such as to ensure its economic security and development and the interests of its people.

PART TWO General Provisions

Article 3

In order to achieve the general policy referred to in the foregoing Article, the following shall be exempt from all taxes:

- (a) Capital invested or employed in vessels registered under the provisions of this Law, or in a project whereof the main activity is the ownership of such vessels.
- (b) Profits arising out of the carrying out of their activities by the vessels referred to in the foregoing subsection.
- (c) Loans, and the interest thereon, granted to owners of vessels registered or to be registered in accordance with the provisions of this Law, if the purpose of the loan is to build the ship, to acquire the ownership thereof, or to rebuild, repair, or operate it.

Article 4

The provisions of the foregoing Article shall be without prejudice to the right of the State to impose fees for the registration of vessels, or an annual tax on tonnage, or any other dues or taxes stipulated by this Law.

Article 5

It shall be permissible to subject vessels whereof the activities are limited to coastal navigation between the ports of the State or to activities in the ports or at the quays thereof to special rules or regulations in connection with taxes or dues imposed upon the activities thereof.

Article 6

Foreign loans invested in ships in accordance with subparagraph (c) of Article 3 of this Law may be transferred abroad together with the interest thereon in the currency in which they were granted, without being subject to the restrictions which are or may be imposed in this regard.

Article 7

1. Priority for the transport of goods between the ports of the State and likewise goods which are imported or exported shall be given to vessels flying the flag of the State, and then to vessels flying the flag of any other Arab state, without distinction between them.

2. The Minister shall issue the necessary resolutions to implement the above.

Article 8

1. The provisions of this Law shall be without prejudice to international agreements ratified by the State.

2. The following shall apply in matters for which there is no special provision in this Law:

(a) Maritime customs which do not conflict with the provisions of the Islamic Shari'ah.

(b) The principles of (natural) justice.

Article 9

Punishments contained in this Law shall be without prejudice to any greater punishment provided for by any other law.

Article 10

Periods and dates stipulated in this Law shall be calculated according to the Solar (sc. Gregorian) calendar.

CHAPTER ONE The Vessel

Article 11

1. A vessel shall mean any structure normally operating, or made for the purpose of operating, in navigation by sea, without regard to its power, tonnage, or the purpose for which it sails.

2. In applying the provisions of the Law, hovercraft used for commercial or non-commercial purposes shall be deemed to be ships.

3. All the appurtenances of the ship necessary for the operation thereof shall be deemed to be part of the ship and of the same nature.

Article 12

A vessel shall be deemed to be moveable property, to which the provisions pertaining to moveable property shall apply, save insofar as there is any stipulation in this Law making any provisions relating to real property applicable thereto.

Article 13

Every vessel must have a name, nationality, flag and port of registry.

Article 14

1. A vessel shall acquire the nationality of the State if it is registered in any of its ports, and is owned by a natural or legal person having the said nationality. If the vessel is owned by a number

of persons jointly, it may only have the nationality of the State if all of the owners are of that nationality.

2. If the owner is a joint liability company, all of the partners must have the nationality of the State.

In the case of limited partnerships, all of the jointly liable partners must have the nationality of the State, and at least two thirds of the capital must be owned by persons of that nationality.

In the case of limited liability companies, at least 51% of the capital must be owned by persons having the nationality of the State, and the directors must be of that nationality.

In sleeping partnerships (also: speculative companies), all sleeping partners (or: speculators) must have the nationality of the State, and at least 51% of the capital shares must be owned by nationals of the State.

In share companies, at least 51% of the capital must be owned by nationals of the State, and a majority of the members of the Board of Directors, including the Chairman of the Board, must be nationals of the State. This provision shall not apply to share companies in which the Government or other public bodies corporate participate in the establishment thereof.

3. If a vessel is owned by a body corporate in the capital of which more than one state has shares and it has the nationality of the shareholder states in accordance with international agreements, among which is the nationality of the State, it shall be permissible, by a resolution of the Council of Ministers, to confer that nationality on the ship to enable it to be registered and to give effect the desired purposes of its owner.

4. Ships confiscated for a breach of the laws of the State shall be treated as having the nationality of the State, as well as abandoned ships picked up by vessels having the nationality of the State.

Article 15

Every vessel having the nationality of the State in accordance with the foregoing Article must fly the flag of the State. It may not fly the flag of any other state, except in such cases as maritime custom permits. Non-national ships may not fly the flag of the State save in those instances provided for in this Law.

Article 16

1. It shall not be permissible for non-national ships to engage in any of the following navigational activities: -

(a) Coastal navigation between the ports of the State.

(b) Towage or pilotage in the ports of the State.

(c) Fishing or pleasure cruising in territorial waters.

2. By way of exception to the foregoing subsection, it shall be permissible to license vessels of foreign nationality to undertake one or more of the activities referred to in the said subsection, for such periods and upon such terms and conditions as the Minister may decide after consultation with the appropriate authorities.

Article 17

The provisions of the criminal legislation in force in the State shall apply to offences committed on board any vessel flying the State's flag.

PART 2 Registration of Vessels

Article 18

1. It shall not be permissible for any vessel to sail upon the sea under the flag of the State unless it has been registered in accordance with the provisions of this Law.

2. Fishing boats, pleasure boats, or boats used in commerce, the total tonnage of each which does not exceed ten tons, shall be exempt from registration. The same exemption shall apply to lighters, barges, tugs, cranes, dredgers, diving boats and other floating structures working within the ports of the State.

3. It shall be permissible to register vessels and the structures referred to in the foregoing subsection if the owners thereof so request, and likewise it shall be permissible for some or all of them to be made subject to registration upon a decision of the Council of Ministers.

Article 19

It shall not be permissible, save with the approval of the Council of Ministers, to register any oil or gas tanker which is over ten years old on 1st January in the year in which registration thereof is sought, calculated from the date on which the construction of the tanker which it is sought to register was completed.

Article 20

The Maritime Inspection Department shall be responsible for the registration of ships and there shall be established for that purpose a General Register, as well as Special Registers in the Registration Bureau in the ports of the State which shall be specified by a decision of the Minister.

Article 21

1. The pages of the Special Register shall be numbered, and the Seal of the Registration Bureau affixed to each one. One or more pages in the Register shall be allocated to each ship, and the number thereon shall be the ship's registered number.

2. The General Register shall include all the particulars sent to it from the Registration Bureau from their registers. No vessel shall be registered until particulars thereof have been entered in the General Register.

Article 22

The Registration Bureau shall prepare a book in which applications for registration shall be recorded in consecutive numbers in order of the time the applications are received. A record shall be made therein of the supporting documents, and the applicant for registration shall be given a receipt giving the number and date of the entry.

Article 23

1. It shall not be permissible for a vessel to be registered until it has been measured by the Department for the assessment of its total net tonnage, determination of dimensions, and specification of all its characteristics and particulars.

2. A decision determining the characteristics and particulars, the rules and procedures for measurement, and the conditions for the grant of a certificate of measurement, shall be issued by the Minister, having regard to the criteria stipulated by international agreements or which are in force with international classification societies, the certificate whereof shall be valid in the State.

3. It shall be permissible for the Department to confirm the measurements of a vessel which has already been registered in a foreign country if it has a certificate of measurement issued by one of the recognised classification societies.

4. If any subsequent changes are made to the vessel which affect these measurements, the Department may require that new measurements be taken of those parts affected by the changes.

Article 24

In the case of a newly constructed vessel which has not yet been registered, the applicant for registration must submit a certificate from the party which built or supervised the building of the ship, containing all information relating to the vessel, such as the characteristics, particulars, measurements, type, date and place of construction, and the party for whom it was built.

Article 25

Before submitting his application for registration, the owner of the vessel must obtain the approval of the Department to the name of the vessel, which may not be changed save with the consent of the Department. If the ship is mortgaged, it shall not be permissible to change the name without the written consent of the mortgagee creditor.

Article 26

1. By way of exception to the provisions of Article 18 and without prejudice to the provisions of Article 16, it shall not be permissible to operate pleasure cruising vessels owned by foreigners resident in the State until they have been registered on the Register of Ships. The licence shall be revoked if the vessel is used for purposes other than pleasure cruising. The relevant administrative authority shall notify the Registration Bureau thereof so that it may cancel the registration.
2. It shall not be permissible for such vessels to fly the State's flag. They must fly the flag of the owner's state.

Article 27

1. A vessel shall be registered upon application by the owner to the Registration Bureau. The application for registration must contain the following particulars:
 - (a) The name of the vessel.
 - (b) The former names of the vessel and the last port of registration.
 - (c) The date and place of construction of the vessel, and the name and address of the yard or dock in which it was built.
 - (d) The type of vessel, its tonnage and dimensions.
 - (e) The name of the owner or co—owners, their surnames, occupations, religion, nationality, and places of residence, together with particulars of the share of each co-owner, and the majority agreed as between them to be followed in all matters connected with the mutual interests of the partners.
 - (f) The name of the owning company, its type and head office, names and nationalities of the members of the Board of Directors, managers and sleeping partners, and all particulars which will assist in ascertaining that the conditions specified in Article 14 of this Law have been complied with.
 - (g) The name, nationality, address, and maritime qualifications of the master of the vessel.
 - (h) The name, nationality and address of the operator.
 - (i) Mortgage, if any, with the date, the name and surname of the mortgagee creditor, his occupation, nationality and place of residence.
 - (j) Attachments which have been effected upon the vessel, and all particulars relating to such attachments.
2. The Minister shall make a decision as to the form of such application.

Article 28

The applicant for registration must attach to the application all papers and documents necessary to demonstrate the accuracy of the particulars contained in the application. He must submit an official certificate of deletion of the registration of the vessel on the foreign register on which it was formerly registered prior to its transfer to the present owner.

The Registration Bureau shall keep the originals or copies of the papers and documents submitted.

Article 29

The application for registration shall be submitted within thirty days from the completion of the construction or acquisition of ownership of the vessel. The said period shall commence from the date of entry of the vessel into one of the ports of the State if the ship was constructed or ownership thereof acquired abroad, and in that event it shall be permissible for the Consul of the State in the place where the vessel was constructed or ownership thereof acquired, or the Consul of the State nearest to that place, to grant the vessel, after examining the documents of title or documents relating to the construction thereof, a provisional licence to fly the flag of the State in order to make one direct voyage to one of the ports of the State which has a Registration Bureau. It shall also be permissible for him, upon acceptable cause being shown, to license the vessel to call at specified ports on its way to that port.

Article 30

The Registration Bureau to which the application is submitted shall display the particulars of the application on the notice board at the said Bureau. These shall be circulated to all the Registration Bureau in the State, and the Bureau shall publish an abstract of these particulars at the applicant's expense in two daily newspapers within fifteen days from the aforementioned advertisement.

Article 31

1. It shall be permissible for any interested party to object to the registration within sixty days from the date of publication in the press as set out in the preceding Article, and no objection shall be received after the expiry of that period but without prejudice to the right to claim compensation if appropriate.

2. The Registration Bureau must note all the particulars on the page allocated to the vessel in the Special Register, as soon as the period specified in the foregoing subsection has expired, unless any objection has been submitted to it within that period.

Article 32

1. The objection shall be submitted to the Bureau to which the application for registration was made. The objection shall result in the registration being suspended, and the objector must raise a claim before the civil court within the area in which the Registration Bureau is situated within eight days from the expiry of the period stipulated in the foregoing Article, failing which the objection shall be deemed to be null and void. The Court must notify the relevant Registration Bureau as soon as the claim is made.

2. The Court shall specify the earliest session to inquire into the objection or objections, and the objector shall be obliged to give notice of the hearing to the applicant for registration at least three days before the hearing. The Court shall make an expedited decision in one judgment upon the objection or objections. Its decision in that regard shall be subject to appeal within fifteen days from the date it was issued.

The Court may permit the applicant for registration to operate the vessel temporarily either with or without a guarantee and in that event the Court shall direct the Registration Bureau immediately to grant the applicant a provisional certificate of registration.

Article 33

It shall be permissible for the Registration Bureau to which the application for registration has been submitted, after consultation with the Department, to issue a provisional certificate of registration which will be valid for one voyage for a period of six months if in its opinion there is the possibility of the documentation being later completed or presented in full by the applicant.

Article 34

1. If no objection is made to the Registration Bureau, or if an objection is made or a claim raised after the expiry of the time limits laid down therefor, or if an order is made rejecting such claim, the said Registration Bureau shall deliver a certificate of registration to the owner, which certificate shall include all the particulars recorded in the page allocated to the vessel on the Register of Ships, and its radio call signal.

2. The certificate must be kept on board the ship for it to be presented to the Department or the Registration Bureau whenever the vessel arrives at any port in the State, for inspection thereof.

3. The Minister shall issue a decision as to the form of the registration certificate.

Article 35

1. If the certificate of registration is lost, damaged or destroyed, the relevant Registration Bureau shall issue a replacement upon the request of the owner of the vessel, after proof of loss, damage or destruction.

2. If the certificate is lost, damaged or destroyed while the vessel is abroad, the owner, the operator, or the master shall have the right to obtain a temporary permit from the nearest State

consulate in accordance with the provisions of Article 29, but provided that that permit shall be valid only for the period necessary for the vessel to complete its voyage according to its itinerary set out in its timetable, or for its return to the port of registration, whichever is the shorter.

Article 36

The shipowner, operator or master must give written notification to the nearest Registration Bureau in the ports of the State, or the nearest consulate of the State if the vessel is abroad, of any variation which must be made in the particulars of the certificate of registration within thirty days from the date of the change, accompanied by the documents necessary to prove the accuracy of the new particulars. These parties shall endorse the certificate of registration with the amendment required, and must immediately notify the relevant Registration Bureau of that change so that it may be endorsed on the ship's page in the Register of Ships.

Article 37

1. Any claim the subject matter of which is a right in rem against the vessel must be endorsed on the registration page pertaining to the vessel, and the claimant must notify the relevant Registration Bureau immediately the claim is made so that the said endorsement can be made. Likewise, the judgment made in the claim must be endorsed on the register page.
2. Entries relating to rights and claims in rem shall be deleted upon the agreement of the parties concerned, or by a final order.
3. The applicant for deletion shall be issued with a certificate showing that the deletion has been made, free of charge.

Article 38

1. If the vessel sinks, is burnt, broken, seized by the enemy or lost, the owner, operator or master must notify the Registration Bureau thereof within thirty days from the date of the incident, and must return the certificate of registration to it if possible.
2. If the ownership of the vessel is transferred to a foreigner or if it loses its nationality, the said Bureau must be notified within the period referred to in the previous subsection and must return the certificate of registration to it, and if that happens while the vessel is abroad the certificate of registration shall be delivered to the nearest consulate of the State for its return to the relevant Registration Bureau.
3. In such cases the Registration Bureau will delete the registration of the vessel from the Register of Ships.

Article 39

1. If the registration of the vessel is deleted, the documents pertaining thereto shall be retained for a period of twenty five years from the deletion at the relevant Registration Bureau. The ships' register shall be permanently preserved.
2. The procedures for retention and the party responsible therefor shall be determined by a decision of the Minister.

Article 40

Every interested party shall have the right to request from the relevant Registration Bureau a certificate containing the particulars in the Register of Ships, upon payment of the prescribed duty.

Article 41

1. After the vessel is registered, the owner must carry out the following steps:
 - (a) He must write the name of the vessel and the port of registration at the bow and stern, on both sides.
 - (b) He must engrave the registration number of the vessel and its net registered tonnage on the main beam of the vessel.
 - (c) He must engrave the vessel's draught on the bow and stern.

The names and figures must be written in both Arabic and Roman script.

2. It shall be permissible for the Minister to exempt vessels or structures which are being registered upon application by the owner under subsection 3 of Article 18 from all or any of the above procedures.

Article 42

- 1- The initial vessel registration fee as per the provisions of this law will be AED Four and a half for each ton of the vessel's total registered cargo.
- 2- In all cases the maximum fee may not exceed AED Ten Thousand.

Article 43

An annual tax of AED Two for each ton of the vessel's total cargo will be imposed on each registered vessel in accordance with this law.

This tax will be due in the beginning of January each year. If the vessel was registered at a later date, the tax will be due for the period between the date of registration and December 31 of the same year.

Article 43 repeated

The sea navigation service fees for the ships will be collected as follows:

No.	Description	Fees
1-	Issuing a guarantee certificate regarding the barge insurance	AED (350)
2-	Issuing a deletion certificate for the vessel with cargo exceeding 500 tones	AED (350)
3-	Issuing a deletion certificate for fishing and recreational boats	AED (50)
4-	Issuing a deletion certificate for the ship with cargo less than 500 tones.	AED (200)
5-	Issuing the certificate of eligibility	AED (100)
6-	Issuing a certificate of release	AED (200)
7-	Issuing a certificate of ownership information for the vessel with cargo exceeding 500 tones.	AED (200)
8-	Issuing a certificate of ownership information for the vessel with cargo less than 500 tones.	AED (100)
9-	Issuing a registration certificate to replace a lost or destroyed one.	AED (200)
10-	Issuing a safety certificate for the vessel's crew	AED (300)
11-	Attestation of the sale contract for a vessel with cargo exceeding 500 tones.	AED (250)
12-	Attestation of the sale contract of a vessel with cargo less than 500 tones.	AED (50)
13-	Attestation of the Maritime Certificate	AED (50)
14-	Changing the name of the vessel with cargo exceeding 500 tones.	AED (300)
15-	Changing the name of the vessel with cargo less than 500 tones.	AED (200)
16-	Approval on extending the Maritime Certificate	AED (200)

Article 44

1. Any person who operates a vessel under the flag of the State which has not been registered in accordance with the provisions of this Law shall be liable to imprisonment for a period not exceeding one year, and to a fine not exceeding fifty thousand dirhams, or to one of the aforesaid penalties.

2. In addition to the above, an order for the confiscation of the vessel may be made.

Article 45

Any person operating a vessel with a registration certificate which has expired shall be liable to imprisonment for a period not exceeding one year or a fine not exceeding fifty thousand dirhams, or both.

Article 46

Without prejudice to any heavier penalty provided for by the criminal Law, any owner, operator or master who conceals, defaces, mutilates or erases any of the particulars stipulated in subsection 1 of Article 41 shall be liable to the penalties provided for in the foregoing Article.

Article 47

A sentence of imprisonment for a period not exceeding six months or a fine not exceeding twenty five thousand dirhams or both may be imposed on:

- (a) The owner of the vessel or the person responsible for the registration thereof as the case may be, if such person does not apply for registration within the period specified in Article 29, and likewise the owner or the person representing him at law who uses a provisional licence contrary to the provisions of the said Article.
- (b) The owner of the vessel or the person representing him at law who fails to apply for the registration of amendments and variations in accordance with Article 36.
- (c) The owner of the vessel or the person representing him at law who fails to apply for a deletion from the register in the circumstances referred to in Article 38.
- (d) Any foreigner who contravenes the provisions of Article 26.

Article 48

Without prejudice to any heavier penalty provided for by the Criminal Law, the owner of a vessel, or master, or owner's agent, who provides false particulars for the purpose of having the vessel registered or maintaining the registration contrary to the provisions of this Law shall be liable to a term of imprisonment not exceeding one year or a fine not exceeding fifty thousand dirhams, or both.

Article 49

Any person contravening the provisions of subsection 2 of Article 34 shall be liable to a fine not exceeding one thousand dirhams.

PART 3 Control of vessels and documents

Article 50

1. Every vessel registered in the State must have a navigation licence and if it carries people it must have a certificate of safety.
2. Regulations governing the conditions for the grant of licences and certificates shall be issued, having regard to the provisions of international agreements on the safety of life at sea and on shipping lanes, and other agreements ratified by the State, as well as the provisions contained in this Part.

Article 51

1. A navigation licence and certificate of safety shall be issued upon an application being made to the Office.
2. The Regulations shall specify the particulars which must be given in the application, and the papers which must accompany it.

Article 52

1. Navigation licences and certificates of safety shall not be granted until after the ship has been inspected and its seaworthiness ascertained, and all the conditions imposed by the rules and regulations and ratified international agreements have been satisfied. The licence shall state the maximum load and number of persons which the ship shall be permitted to carry, including the crew.
2. If the vessel is registered with one of the classification societies it shall be exempt from any further inspection in respect of those parts of the vessel which have been inspected by that society. The Regulations shall specify the manner of carrying out the inspection referred to in the first subsection, and shall specify the classification societies whose certificates are valid in the State.

Article 53

1. Every navigation licence and certificate of safety shall be valid for a period of one year, and renewable for a like period. The application for renewal shall be made in such manner and at such time as the Regulations shall stipulate.
2. In all cases the conditions upon which the navigation licence and certificate of safety were granted must continue to be satisfied in respect of the vessel throughout the period of their validity.
3. If, during the period of the licence, the vessel suffers damage such as to expose it to danger or if fundamental alterations are made to it, the master must notify the Maritime Inspection Department immediately so that it may order that the navigation licence and certificate of safety be suspended and they may not be revalidated until after a further inspection has taken place.

Article 54

If the period of the licence or certificate expires during a voyage of the vessel, the validity thereof shall be extended by operation of law until the vessel arrives at the first port in the State or the first foreign port where the State has a consul, and in any event the period of the licence and certificate shall not be extended for more than sixty days.

Article 55

It shall be permissible for the inspection of the ship to be carried out and the navigation licence and certificate of safety to be granted in a foreign port if necessary. The foregoing shall be carried out by the consul of the State therein after seeking the assistance of one of the recognised classification societies. If there is no consul of the State in the said port, or if there is one but no recognised classification society, the inspection may be conducted and the licence and certificate granted by the relevant maritime authority in the foreign port, and in all cases the master of the vessel must submit the licence and certificate granted in accordance with the provisions of this Article to the Maritime Inspection Department immediately the vessel arrives at the first port in the State.

Article 56

The Maritime Inspection Department or the consul of the State abroad may grant the vessel a temporary licence to enable the vessel to make a specified voyage if need be.

Article 57

It shall not be permissible for any foreign vessel to sail in the ports of the State or to pass through its territorial waters unless it has a navigation licence and certificate of safety in accordance with the provisions of international agreements relating to the safety of life at sea and shipping lanes, and other ratified international agreements.

Article 58

1. The Maritime Inspection Department may at any time carry out in any of the ports of the State an inspection and check on national vessels, and likewise on foreign vessels which are there or are passing through the territorial waters of the State.
2. So far as national vessels are concerned, the check shall include verification that the vessel is registered, that it has a navigation licence and certificate of safety, that the operating and maintenance equipment are sound, and that the compulsory conditions relating to the number and qualifications of the sailors, the permitted number of passengers, adequacy of rescue and safety equipment, adherence to shipping lanes and proper practice for stowing cargo in the vessel or on deck, are being observed.

3. After verification of the foregoing matters, the Maritime Inspection Department shall grant a sailing certificate to the vessel at the commencement of every voyage. The ship may not sail in any circumstances until it has obtained that certificate.

4. So far as foreign vessels are concerned, the check shall include verification that the conditions laid down in international agreements pertaining to the safety of life at sea and shipping lanes, and other ratified international agreements, are being complied with.

5. So far as possible, checking and examination shall be carried out in such a way as to avoid interference with the commercial operations in which the vessel is engaged.

Article 59

The Head of the Maritime Inspection Office or his deputy in the port in which the ship is may order that it be forbidden to sail if some or all of the conditions set out in the foregoing Article are not satisfied. He may order the prohibition to be lifted and that the vessel may be permitted to sail when the said conditions are complied with.

Article 60

1. In the case of national ships, consuls of the State abroad and representatives of the Maritime Inspection Department within their spheres of jurisdiction shall have the right to board the vessels to inspect them and to ascertain that the conditions are being complied with and that the documents required by this Law are available, and to peruse the same.

2. Their activities shall be written down in reports to be entered in the ship's log, and copies thereof shall be deposited with the competent authorities.

Article 61

1. Decisions refusing the grant of a navigation licence or certificate of safety, or prohibiting a ship from sailing, or cancelling such prohibition, must be given with reasons. Decisions of refusal must be communicated to the applicant, and decisions of prohibition to sail or permission to sail must be communicated to the master, immediately they are issued.

2. It shall be permissible for interested parties to appeal against the said decisions to the Minister within ten days from the date of the communication of the decision, and he must issue his decision on the appeal within ten days from the submission thereof to him, failing which the appeal will be deemed to have been allowed.

Article 62

All vessels must comply with the health and medical services rules in accordance with the Regulations to be issued by the Minister after consultation with the Minister of Health, having regard to the provisions of ratified international agreements relating thereto.

Article 63

Every vessel registered in one of the ports of the State must keep the following documents:

- (a) The certificate of registration.
- (b) The navigation licence.
- (c) The certificate of safety.
- (d) The log book.
- (e) The crew log book and engine room log book.
- (f) Passports and licences of the master and crew.
- (g) Sailing permit and health certificate.
- (h) Ship's cargo manifest endorsed by the relevant customs office.
- (i) Receipt for payment of port dues.
- (j) Other documents required by this Law, and the Regulations and resolutions made to give effect thereto.

Article 64

Liability to a sentence of imprisonment for a period not exceeding six months or a fine not exceeding twenty five thousand dirhams, or both, shall attach to:

- (a) The owner of a vessel or the person representing him at law who fails to obtain the navigation licence and certificate of safety.
- (b) A master who fails to notify the Maritime Inspection Department of damage, or an alteration to the vessel in accordance with the provisions of subsection 3 of Article 52 of this Law.
- (c) The master of a vessel who sails without obtaining a sailing permit in accordance with the provisions of subsection 3 of Article 58 of this Law.
- (d) The master of a vessel who sails despite the issue of a decision of prohibition upon sailing.
- (e) The master of a vessel which does not have on board the documents and papers specified in Article 63 of this Law.

Article 65

Liability to a sentence of imprisonment not exceeding one month or a fine not exceeding five thousand dirhams, or both, shall attach to

- (a) Any person who contravenes the Regulations and resolutions relating to the organisation. of work in the ports of the State, and navigational rules for territorial waters.
- (b) Any person who is instrumental in obstructing the work of officers entrusted with the task of inspecting the vessel.
- (c) The operator and master of a vessel which does not have the medical and health services referred to in Article 62 of this Law.

PART 4 Ownership and rights in rem against the vessel

Section 1 General Provisions

Article 66

1. All dealings of which the subject matter is the construction or transfer of a ship or the extinguishment of a right of ownership therein, or any other rights in rem must be by an official document, failing which they shall be invalid.
2. If such dealings take place in a foreign country, they must be written before a consul of the State therein, or before the competent local officer if there is no consul.
3. The said dealings shall be of no effect as between the contracting parties or in relation to other parties unless they are recorded in the Register of Ships in accordance with the procedures laid down by law.

Article 67

1. A contract for the construction of a ship shall be in writing, otherwise it will be void. This provision shall apply to any variation of the contract.
2. The ownership of the vessel shall remain vested in the builder and shall not be transferred to the person at whose request it was built until he accepts delivery thereof after trials, unless there is a contrary agreement.

Article 68

1. The builder shall guarantee that the vessel is free of latent defects even if the purchaser has accepted it after trials.
2. Claims which are denied and for the delay in which there is no lawful excuse shall not be heard if;

(a) they are claims under the latent defects guarantee, made after the expiry of one year from the discovery of the defect; or

(b) they are claims under the latent defects guarantee or other claims made under a guarantee after the expiry of two years from the time of delivery of the vessel.

Article 69

1. It shall not be permissible for the owner of a national ship to sell it or to scrap it before satisfying all debts due to the State in respect thereof, and, if the said vessel is encumbered with a mortgage, the consent of the mortgagee obtained.

2. Any sale made contrary to the provisions of the foregoing subsection shall be void.

Article 70

1. An owner of a national ship who wishes to sell the same to a foreigner must notify the Department thereof in writing. The Office must then inform the relevant authorities within fifteen days from notification to it, and those parties may within forty five days from the date of notification to them decide to purchase the ship at a price to be agreed, failing which the owner may sell it to the foreigner.

2. If a national vessel is sold to a foreigner without the procedures referred to in the foregoing subsection being performed, or if the sale is effected at a price equal to or less than that offered by the authorities referred to, the sale shall be void, and the seller shall be liable to pay a fine not exceeding the value of the ship at the time of the sale, and an order may be made that the ship be confiscated.

Article 71

1. The owner of a national ship who wishes to scrap it must notify the Department thereof in writing. It shall not be permissible to commence the dismantling until after a permit so to do is obtained. If a period of forty five days elapses without the Department expressing its view, the permit shall be deemed to have been granted.

2. Any person infringing the provisions of the foregoing paragraph shall be liable to a fine not exceeding one hundred thousand dirhams.

Article 72

If the vessel is sold to a State national, he must obtain a new certificate of registration in accordance with the provisions of this Law. If it is sold to a foreigner or scrapped, the former owner must return the certificate of registration to the Office, together with the radio transmission licence pertaining to it.

Section 2 Co-Ownership

Article 73

If there is more than one owner of the vessel, they shall be co-owners, and the majority vote shall be followed in all matters connected with their joint interest. A majority shall be by the agreement of owners owning more than one half of the shares in the vessel unless the law provides otherwise or the owners agree upon a different majority.

Article 74

Each co-owner shall be responsible for the obligations arising out of the vessel in the proportion of his share therein, and if he does not agree to any action taken by the majority referred to in the foregoing Article, he may dispose of his share to the other owners, and that share shall be distributed among them in the proportion of their shares in the vessel. In that event, the disponent shall be discharged of any liability in respect of obligations arising out of the action taken without his consent.

Article 75

1. It shall be permissible, by the agreement of the majority stipulated in Article 73, to entrust the management of the vessel to one or more managers, and such manager may be one of the owners of the vessel or otherwise.
2. If a manager is not appointed for the vessel, the owners jointly shall have the right of management.
3. The manager may perform all the usual functions of management, and he shall represent the owners before the courts in all matters relating to those functions. It shall not be permissible to restrict his powers save by a written decision made by the majority stipulated in Article 73. Such decision shall not be valid as against third parties save from the date it appears in the Register of Ships.
4. It shall not be permissible for the manager to sell the vessel or to effect a mortgage by way of security or any other right in rem against the vessel save by special authorization given in accordance with the said Article 73.

Article 76

1. Any co-owner may dispose of his share. Nevertheless, he shall not be permitted to mortgage it save by the consent of the majority stipulated in Article 73.
2. If the disposal is such as to cause the vessel to lose its State nationality, such disposal shall not be valid until after all of the owners have consented, and the provisions set out in Article 70 have been followed.

Article 77

1. If one of the co-owners sells his share in the vessel, the purchaser must notify the other owners thereof, and any owner may, within fifteen days from the date of notification, redeem the share sold on condition that he pays the price and the costs within that period.
2. The request for redemption shall be by registered recorded delivery letter, to be sent by the person making the request to both the seller and the purchaser.
3. If more than one partner-owner requests the redemption of the share sold, it shall be divided between the persons making the request in proportion to their shares in the ownership,
4. The foregoing provisions shall not apply to a share which is sold by way of public auction.

Article 78

Without prejudice to the provisions of Article 76, it shall not be permissible for the relevant judicial authority to permit the sale of the whole vessel by public auction upon request by one of the owners, save with the consent of owners of more than one half thereof, unless there is a written agreement between the owners to the contrary. The procedures laid down for the compulsory sale of a vessel shall apply to such sale.

Section 3 Vessels of the State

Article 79

The provisions of this Section shall apply to vessels owned, operated or managed by the State or one of its organs or public agencies.

Article 80

The provisions of jurisdiction, litigation procedures and the rules governing liability and obligations applicable to privately owned commercial vessels and their' cargoes shall apply in connection with the following matters:

- (a) Commercial vessels owned, used or managed by the State or one of its organs or public agencies.
- (b) Claims made against the State or one of its organs or public agencies in connection with vessels which it owns, operates or manages.
- (c) Cargoes owned by the State or one of its organs or public agencies, being carried in a foreign commercial vessel.
- (d) Cargoes or persons being carried by the State or one of its organs or public agencies in commercial vessels which it owns, operates or manages.
- (e) All claims connected with the operation of vessel~ referred to in subsections (a), (b) and (c).

Article 81

1. The provisions of the foregoing Article shall not apply to the following
 - (a) Warships.
 - (b) Government vessels other than warships which are owned, operated or managed by the State or one of its organs or public agencies and allocated to public service at the time the right claimed or obligation attaching to it arises.
2. It shall not be permissible for the vessels referred to in subparagraphs (a) and (b) to be impounded, arrested or detained, or to be subject to any other judicial process.

Article 82

By way of exception to the provisions of the foregoing Article, it shall not be permissible for the State, its organs or public agencies owning, operating or managing the vessel to rely on the principle of immunity of the vessel if claims are made before the competent courts in the State by interested parties in any of the following circumstances: -

- (a) Claims arising out of a collision at sea or other accidents of navigation.
- (b) Claims arising out of acts of assistance or salvage, and general average.
- (c) Claims arising out of repairs, supplies and other particular contracts made for purposes connected with the vessel.
- (d) All claims connected with cargoes owned by the State or one of its organs or public agencies and carried in the said vessel.

Article 83

The State, its organs and public agencies may, in circumstances where claims may be made against them at law in accordance with the provisions of this Section, rely on all defences, non-suiting of claims, and limitation of liability which can be relied upon by interested parties in the case of private vessels.

CHAPTER TWO Priority Rights, Mortgage and Arrest of the Vessel

PART 1 Priority Rights against the Vessel

Article 84

The following and only the following debts shall be priority debts:

(a) Judicial costs incurred in protecting and selling the vessel, and distributing the proceeds thereof, as well as loading, lighthouse and port charges, and other dues and taxes of the same type, pilotage fees, compensation for damage caused to port installations, docks and navigation lanes, the costs of removing obstacles to navigation caused by the vessel, and costs of towing and maintenance of the vessel from the time of its arrival at the last harbour.

(b) Debts arising out of a contract for the employment of the master and crew, and other persons bound by a contract of maritime employment on board the vessel.

(c) Monies due for assistance and salvage, and the share of the vessel in general marine average.

(d) Compensation due for collisions and other navigational accidents, compensation due for bodily injuries to the passengers and crew, and compensation for loss or damage to goods and possessions.

(e) Debts arising out of contracts made by the master, and operations carried out by him outside the port of registration of the vessel within the scope of his lawful powers for an actual requirement dictated by the maintenance of the vessel or the continuance of its voyage, whether or not the master is also the owner of the vessel, or whether the debt is due to him, or to persons undertaking supply, or lenders, persons who have repaired the vessel, or other contractors.

(f) Breakdowns and damage giving rise to a right of compensation in favour of the charterers of the vessel.

(g) All premiums for insurance effected on the hull, equipment and fittings of the vessel due in respect of the last insured voyage, in cases where the insurance was effected for that voyage, or for the last period of insurance if the insurance was effected for a specified period, but provided that in either case the total does not exceed the premiums for one year.

Article 85

Priority rights shall not be subject to any formal procedure or any condition relating to proof, save in such circumstances as are laid down by law as requiring the taking of special proceedings or specified forms of proof.

Article 86

1. The priority rights stipulated in this Law shall attach to the vessel and to the freight for the voyage during which the debt arises, and to the appurtenances of both the vessel and the freight earned since the commencement of the voyage.
2. Nevertheless the priority rights stipulated in paragraph 1 of Article 84 shall attach to freight due in respect of all voyages made during one contract of work. (Translator's note: The reference should probably be to paragraph (b) of Article 84.).
3. The following shall be deemed to be appurtenances of both the vessel and the freight:
 - (a) Compensation due to the owner for material damage caused to the vessel if it has not been repaired, or for loss of freight.
 - (b) Compensation due to the owner for general average if it arises out of material damage caused to the vessel which has not been repaired, or for loss of freight.
 - (c) Monies due to the owner for acts of assistance or salvage performed up to the end of the voyage, after deducting sums due to the master, crew and other persons connected with the contract of maritime work on the vessel.

Article 87

1. Passenger fares, and, where appropriate, the amount equivalent to the shipowner's limit of liability shall be treated in the same way as freight.
2. Compensation due to the owner under contracts of insurance, or remuneration subsidies or assistance granted by the State shall not be regarded as appurtenances of the vessel or the freight.

Article 88

1. The priority right shall remain valid as against the freight so long as the freight remains due for payment, or if the value thereof is in the hands of the master or the owner's representative.
2. The same shall apply to a priority right against appurtenances of both the vessel and the freight.

Article 89

1. Priority debts of one voyage shall rank in the manner set out in Article 84, and the debts mentioned in each section thereof shall rank equally, and shall participate in the distribution in proportion to the value of each of them.

2. The debts mentioned in subparagraphs (b) and (c) of the said Article shall rank in relation to each subparagraph taken separately in reverse order of the date on which each of them arose.
3. Debts relating to a single event (or: accident) shall be regarded as having arisen on one date.

Article 90

1. Priority debts arising out of any voyage shall rank above priority debts arising during previous voyages.
2. However, debts arising out of one contract of maritime work for a number of voyages shall all rank equally with the debts of the last voyage.

Article 91

Priority debts shall follow the vessel in the hands of whomsoever it may be.

Article 92

Priority rights over the vessel shall expire:

- (a) Upon the judicial sale of the vessel
- (b) Upon the voluntary sale of the vessel if, before the payment of the price, the purchaser has taken the following steps:
 - (i) he has registered the contract of sale on the Register of Ships.
 - (ii) he has placed a notice on the notice board at the Registration Bureau of the vessel containing particulars of the sale, the price, and the name and residence of the purchaser.
 - (iii) he has published a resume of the contract of sale, mentioning the price, and the name and residence of the purchaser, which publication must be made twice with an interval of eight days, in a widely circulating local newspaper.

Priority rights shall be transferred to the proceeds of sale if within thirty days of the last publication in the newspapers the priority creditors notify the old owner and the new owner of their objection to the payment of the price. Nevertheless, the creditors' priority shall remain in force as against the price unless it has been paid or distributed.

Article 93

1. Upon there being an objection, and in the absence of a lawful excuse, no claims shall be heard in respect of priority rights against the vessel after the expiry of one year save claims

relating to priority rights securing debts for supplies referred to in subparagraph (e) of Article 84, which shall not be permitted after the expiry of six months.

2. The period referred to in the foregoing subsection shall commence to run as follows:

(a) In relation to priority rights securing payment for assistance and salvage, from the day the said operations terminated.

(b) In relation to priority rights securing compensation for collision and other accidents, and bodily injuries, from the date the damage occurred.

(c) In relation to a priority right relating to loss of or damage to goods and chattels, from the day the goods or chattels were or should have been delivered.

(d) In relation to repairs, supplies and all other cases referred to in subparagraph (e) of Article 84, from the date the debt arose.

In all other cases, the period shall commence from the day the debt falls due.

3. The fact of the master, the sailors and other persons bound by a contract of work on the vessel being permitted to receive sums in advance or on account shall not result in the debts referred to in subparagraph (b) of Article 84 being regarded as being due for payment before the time specified therefor.

4. The periods herein-before set out shall be extended up to three years if it is not possible to arrest the ship to which the priority right attaches in the territorial waters of the State in which the claimant has his place of residence or head office. Only such persons may benefit by this provision who are nationals of the State or who are nationals of a State the legislation whereof contains a similar provision.

Article 94

The foregoing provisions shall apply to vessels operated by an owner-operator or an operator who is not an owner, or an original charterer. The said provisions shall not apply if the owner loses possession of the vessel through an unlawful act and the debtor is acting in bad faith.

Article 95

The relevant Maritime Office shall have the right to seize the wreck of the vessel as security for the costs of removing such wreck, and may conduct an administrative sale of the vessel by public auction and recover its debt out of the proceeds, in preference to other creditors. The balance of the proceeds shall be retained in its treasury department for distribution to such creditors if any.

Article 96

The foregoing provisions shall apply to commercial vessels owned, operated or managed by the State or by one of the organs or public agencies thereof, but shall not apply to warships or other vessels allocated to the service of the State.

PART TWO Marine Mortgage

Article 97

A vessel may be mortgaged if its total tonnage exceeds ten tons.

Article 98

If the vessel is co-owned, it may be mortgaged in to by the agreement of a majority of the owners having at least three quarters of the shares. If there is no such majority, it shall be permissible to refer the matter to the civil court which has jurisdiction in the area of the Registration Bureau of the vessel for a decision in accordance with the interests of the joint owners.

Article 99

A mortgage shall be made by an official instrument, otherwise it shall be void.

Article 100

1. A mortgage effected on a vessel or on a share therein shall remain as against the wreck thereof.
2. A mortgage effected on a vessel shall not have effect against freight, nor against remunerations, assistance and subsidies granted by the State, nor against insurance monies or compensation for damage, but it shall include compensation due to the owner for material damage sustained by the vessel which has not been repaired.
3. Nevertheless, it shall be permissible for an agreement to be made in a contract of mortgage for the mortgagee creditor to recover his debt out of the insurance money on condition that the insurers so accept in writing, or if they are given notice thereof.

Article 101

It shall be permissible for a vessel to be mortgaged while it is still in course of construction, but before the mortgage there must be a declaration from the relevant Maritime Office in the port in the area of its jurisdiction in which the vessel is being constructed, setting out the length and other dimensions of the vessel, its approximate tonnage, and the address of the yard or place in which it is being built.

Article 102

1. The mortgage shall be registered on the register of ships at the Bureau of the port of registration of the vessel, or with the consul of the State if the mortgage is effected while the vessel is abroad.
2. If the mortgage is effected on the vessel while it is in the course of construction, it must be registered on the register of ships at the Registration Bureau for the area in which it is being built.

Article 103

In order to effect the mortgage, an official copy of the contract of mortgage must be submitted to the Maritime Inspection Office, accompanied by two schedules signed by the applicant for registration containing in particular the following

- (a) The name, surname and nationality of each debtor and creditor, together with their places of residence and occupation.
- (b) Date and type of contract.
- (c) The amount of the debt as shown in the contract, and if the mortgage is being effected against more than one vessel the schedules must specify the amount of the debt relating to each of them. If the mortgage is against a vessel and other property, the schedules should specify the amount of the debt secured by the vessel.
- (d) Conditions relating to interest on the debts, if any, and conditions of settlement.
- (e) The name and description of the mortgaged vessel, the date and number of the certificate of registration, or the construction report on the vessel from the relevant office in accordance with Article 101, and its registration number on the register for the place of construction.
- (f) The chosen address of the creditor within the area of the Registration Bureau in which registration has been effected.

Article 104

1. The ship's Registration Bureau shall make an endorsement in the register of the contents of the schedules and shall deliver one of them to the applicant with an endorsement to the effect that registration has taken place, and shall also endorse the registration certificate to that effect.
2. The Registration Bureau in which the mortgage has been registered shall notify all the other Registration Bureau in the State thereof.

Article 105

1. The mortgage shall rank directly after the priority debts referred to in subparagraphs (a), (b), (c), (d), and (a) of Article 84. Debts secured by a mortgage shall rank in order of the dates of registration thereof.
2. If two or more mortgages are effected against a vessel or against a share in it, they shall rank in order of registration even if they were registered on the same day.
3. Registration shall result in the interest on the debt being secured for the last two years in addition to the interest for the current year at the time of the auction, and such interest shall rank in the same order as the principal sum of the debt.

Article 106

The registration of the mortgage may be cancelled by agreement between the parties, or by a final order.

Article 107

1. The mortgage creditors of a vessel or part thereof shall follow it in the hands of whomsoever it may be. The mortgage shall not terminate by reason of confiscation of the vessel for a breach by it of the laws of the State.
2. It shall not be permissible to dispose of the vessel after a notice of arrest has been registered on the register of ships.

Article 108

Any disposal of a vessel encumbered by a mortgage resulting in its losing its State nationality is prohibited, and such disposal shall be void.

Article 109

1. If the mortgage is against a share which does not exceed one half of the vessel, the mortgagee creditor may only attach and sell that share. If the mortgage is against more than one half of the vessel, the creditor may arrest and sell the entire vessel.
2. In both cases the creditor must give official warning to the other shareholders at least fifteen days prior to commencement of sale procedures, to pay the debt due or to suffer enforcement procedures.

Article 110

When an order is made awarding the sale upon auction, the vessel shall be discharged of all mortgages and the rights of the creditors shall attach to the proceeds of sale.

Article 111

1. If the ownership of the mortgaged vessel or part of it is transferred before registration of a notice of arrest, the mortgagee creditor who has taken the enforcement proceedings against the vessel must notify the person in whose possession it is of the notice of arrest, and must give him official notice to pay the debt.

2. If the person in possession of the vessel wishes to annul the proceedings for arrest and sale, he must before commencing those proceedings or within the fifteen days following the notice to pay the debt, notify the creditors registered on the register of vessels at their chosen places of residence in the contracts of mortgage of his preparedness to pay the debts secured by the mortgage immediately, whether they are due for payment or not, up to the value of the vessel to which they attach. The said notice must include the following:

(a) A resume of the contract, with the date of the contract, the name and nationality of the seller, the name and type of the vessel, its tonnage, value and costs.

(b) A schedule of the debts registered, with the dates and amounts thereof, and the names of the creditors.

Article 112

1. It shall be permissible for every creditor in the circumstances set out in the preceding Article to request that the vessel or part of it be sold by auction, with a declaration that he will pay an increase of one tenth, and provided that he submits a guarantee of the price and costs.

2. Such request must be notified to the person in possession of the vessel, signed by the creditor, within ten days from the notification stipulated in the preceding Article. The request must require the purchaser to appear before the civil court having jurisdiction in the area in which the vessel is or before the civil court having jurisdiction in the area in which the port of registration of the vessel is if it is not at one of the ports of the State, to hear the order to carry out the sale by auction.

Article 113

If no mortgagee creditor makes the request referred to in the preceding Article, the purchaser may discharge the vessel of the mortgage by depositing the amount thereof with the relevant court, and in that event he may apply for the registrations to be cancelled without taking any other steps.

Article 114

A foreign mortgagee creditor may - up until the mortgage is registered - request the Office that he be treated as an accredited (or: approved) mortgagee creditor, and if the ownership of the mortgaged vessel becomes vested in that creditor, he must, within sixty days from the date of the transfer of ownership, request the Office to offer it for sale to the State or nationals thereof at a

price not less than the amount of the debt plus ancillaries, and if the State or a national accepts the said offer within six months from the date on which it was made, the vessel shall be discharged from all debts and obligations against it provided that the full price is paid on delivery of the vessel, and if the offer is not accepted within the said period the vessel shall retain its registration for a period not exceeding six months from the date of notification to him of the rejection of the offer or from the date of the termination of the period thereof without notification being received, as the case may be.

PART THREE Arrest of the Vessel

Section 1 Preservatory Arrest

Article 115

1. It shall be permissible to effect a preservatory arrest against a vessel by an order of the civil court having jurisdiction. Such an arrest shall not be made save for the satisfaction of a maritime debt.

2. The expression "maritime debt" shall mean a claim in respect of a right arising out of any of the following causes:

- (a) Damage caused by the vessel by reason of a collision or otherwise.
- (b) Loss of life or personal injuries occasioned by the vessel and arising out of the use thereof.
- (c) Assistance and salvage.
- (d) Contracts relating to the use or exploitation of the vessel under a charterparty or otherwise.
- (e) Contracts relating to the carriage of goods under a charterparty, bill of lading, or other documents.
- (f) Loss of or damage to goods or chattels being carried on board the vessel
- (g) General average.
- (h) Towage or pilotage of the vessel.
- (i) Supplies of products or equipment necessary for the utilization or maintenance of the vessel, in whichever place the supply is made.
- (j) Construction, repair or fitting out of the vessel, and costs of it being in dock.
- (k) Sums expended by the master, shippers, charterers or agents on account of the vessel -or on account of the owner thereof.

(1) Wages of the master, officers and crew, and other persons working on board the vessel under a contract of maritime employment.

(m) A dispute as to the ownership of the vessel.

(n) A dispute in connection with the co-ownership of the vessel, or with the possession or use thereof, or with the right to the profits arising out of the use thereof.

(o) A maritime mortgage

Article 116

1. Any person seeking to recover the debts referred to in the preceding Article may arrest the vessel to which the debt relates, or any other vessel owned by the debtor if such other vessel was owned by him at the time the debt arose even if the vessel is ready to sail.

2. It shall not however be permissible to arrest any vessel other than that to which the debt relates if the debt is one of those specified in subparagraphs (in), (n) or (o) of subsection (2) of the preceding Article.

Article 117

1. If the vessel has been chartered to a charterer together with the right of navigational management thereof, and he alone is responsible for a maritime debt connected therewith, the creditor may arrest the said vessel or any other vessel owned by the same charterer, and he may not, in respect of that debt, arrest any other vessel of the disponent owner.

2. The provisions of the foregoing subsection shall apply in all cases in which a person other than the owner of the vessel is liable for a maritime debt.

Article 118

1. If a vessel is arrested, it shall be forbidden to sail.

2. The civil court having jurisdiction shall order that the arrest be set aside upon presentation of a guarantee or other security sufficient to satisfy the debt. It shall not however order that the arrest be set aside if it has been effected by reason of the maritime debts mentioned in subparagraphs (in) or (n) of subsection 2 of Article 115, and in that event the Court may permit the person in possession of the vessel to use it if he submits sufficient security, and likewise it may charge a person with the management of the vessel during the period of the arrest, in such manner as it determines.

3. An application for the setting aside of an arrest or the provision of a guarantee or security shall not be regarded as an admission of liability for the debt nor a waiver of the right of the shipowner to plead limitation of his liability at law.

Article 119

1. Copies of the notice of arrest shall be delivered to the master of the vessel or his deputy thereon, a second copy to the relevant maritime authority in the port in which the arrest is effected to prevent the vessel from sailing, and a third copy to the Registration Bureau in the said port.
2. If the vessel is registered in the State, the Registration Bureau of the port in which the arrest is effected, whether within the State or-abroad, shall notify the vessels Registration Bureau of the arrest for endorsement thereof on the register.

Article 120

1. The notice of arrest shall contain a summons to attend before the relevant civil court in the area of which the arrest is effected for adjudication on the validity of the debt, of whatever amount.
2. A time shall be fixed for the hearing not later than thirty days from the date of the notice of arrest. The court shall speedily enquire into the claim, and the time shall not be further extended.

Article 121

The order shall include confirmation of the arrest, an order for sale and the conditions thereof, the day appointed for the conduct thereof, and the starting price. The order may be appealed against in accordance with the provisions laid down by law within fifteen days from the date judgment is pronounced, otherwise the appeal shall lapse. The Court shall speedily determine the appeal.

Article 122

The civil court within the area of which the arrest is effected shall have jurisdiction adjudicate upon the subject matter of the claim in the following circumstances, even if the vessel does not have the nationality of the State, in addition to those circumstances set out in the procedural laws in force in the State:

- (a) If the claimant has a usual place of residence or head office in the State.
- (b) If the maritime debt arose in the State.
- (c) If the maritime debt arose during a voyage during which the arrest was effected on the vessel.
- (d) If the maritime debt arose out of a collision or assistance over which the Court has jurisdiction.
- (e) If the debt is secured by a maritime mortgage over the arrested vessel.

Section 2 Executory Arrest

Article 123

1. It shall not be permissible to effect an executory arrest against a vessel until after the expiry of twenty four hours at least from official notice to pay the debt, served by the bailiff.
2. The notice must be delivered to the person of the owner or at his residence, and if the matter relates to a maritime debt against the vessel, it shall be permissible to deliver it to the master or his deputy on the vessel.

Article 124

1. A copy of the notice of arrest shall be delivered to the master of the vessel or to his deputy, a second copy to the maritime authority having jurisdiction in the port in which the arrest is effected in order to prevent the vessel from sailing, and a third copy to the Registration Bureau in the said port.
2. If the vessel is registered in the State, the Registration Bureau in the Port in which the arrest is effected shall notify the vessel's Registration Bureau of the arrest for the same to be endorsed on the register whether in the State or outside it. The debtor against whom the arrest has been made shall not, after registration, have the right to sell the vessel or to effect insurance upon it.

Article 125

1. The notice of arrest shall contain a summons to appear before the court in the area of which the arrest took place to hear the order for sale.
2. It shall not be permissible for the hearing to be fixed earlier than fifteen days nor later than thirty days from the date of the arrest, otherwise the arrest shall be void.
3. If the owner is a foreigner and does not have a residence within the State or a legal representative, he shall be summoned and served in accordance with the provisions laid down in the procedural laws in force in the State.

Article 126

1. If the court orders that the vessel be sold it shall fix the starting price, the conditions of sale, and the days on which the auction shall take place.
2. The sale shall be published by a notice in a widely circulating local newspaper, and the conditions of sale shall be posted in the vessel's Registration Bureau in the State, and at any other place specified by the Court.
3. The notice shall contain the following:
 - (a) The name and residence of the arrestor.
 - (b) A description of the instrument by virtue of which execution is being enforced.

- (c) The sum for which the arrest was made.
- (d) The residence chosen by the arrestor within the area of the court in which the vessel lies.
- (e) The name and residence of the owner of the vessel.
- (f) The name and residence of the debtor against whom the arrest was effected.
- (g) A description of the vessel, and its Registration Bureau.
- (h) The name of the master.
- (i) The place in which the vessel lies.
- (j) The basic price and the conditions of sale.
- (k) The day, place and time at which the sale is to take place.

4. It shall not be permissible to conduct the sale until the expiry of fifteen days from the date of completion of the publication procedures.

5. If the creditor delays in carrying out the publication procedures for more than ninety days from the date of the court's order for sale, the court may, upon application by the debtor, order that the arrest be deemed null and void.

Article 127

The sale shall be effected after three sessions held at intervals of seven days. The highest bid made at the first session shall be taken as the provisional basic price for the auction at the second session, and likewise for the third auction session at which shall be finalized the sale to the bidder who has made the highest offer.

Article 128

If no offer is made on the day fixed for the sale, the court shall fix a new basic price lower than the first, and shall appoint the days on which the auction is to be held.

Article 129

The successful bidder must deposit the price and the costs with the court treasury at the latest on the day following the award of the sale, failing which the vessel shall be resold at his responsibility.

Article 130

1. An order awarding the sale may only be appealed on the grounds of a defect in form.
2. The time limit for appealing shall be fifteen days from the date of the making of the order.

Article 131

1. Claims brought upon a claim of entitlement to the vessel or for the annulment of the arrest shall be notified to the Clerk of the civil court in which the sale is being effected before the auction, and the claimant must within three days of that notice submit his evidence and documents. Persons disputing such claims must submit their evidence within the three days following.
2. The court shall speedily determine the claim. The decision of the court may be appealed against within fifteen days from the date of the making thereof before the appropriate court of appeal.

Article 132

Claims of entitlement made after the auction shall be treated as an objection to the handing over of the proceeds of sale.

Article 133

Objections to the distribution of the proceeds shall be entertained within the three days following the sale. Objecting creditors must submit documents showing the debt to the Clerk of the relevant civil court within the three days following notice to them from the arresting creditor or the owner of the arrested vessel, otherwise the proceeds shall be distributed without their participating therein.

Article 134

The rules stipulated in the laws and regulations in force in the State shall apply to the distribution of the price realized at the auction.

CHAPTER THREE Persons connected with the Vessel

PART 1 The Owner and operator

Article 135

The operator is the person who uses the vessel on his own account in his capacity as owner or charterer thereof. The owner shall be deemed to be the operator until the contrary is shown.

Article 136

The Minister shall issue a resolution specifying technical matters connected with the equipping of the vessel, composition of its crew, and safety equipment, having regard to international agreements and maritime custom.

Article 137

1. The owner of the vessel shall be responsible at civil law for errors of the master, crew, pilot and any other person in the service of the vessel committed by them during the performance of or by reason of their duties. The owner shall have a right of recourse against the person at fault.
2. Likewise the owner shall be responsible for the obligations of the master arising out of dealings effected by him and contracts entered into by him within the limits of his lawful powers.

Article 138

1. It shall be permissible for the owner of the vessel to limit his liability of whatever kind to the extent set out in Article 141, in connection with obligations arising out of the following causes:

- (a) Death or injury of any person on board the vessel for purposes of carriage, and likewise loss or damage to any property on board the vessel.
- (b) Death or injury of any other person on land or at sea, loss or damage to any property or infringement of any right if the damage arises out of the fault of any person for whom the owner is responsible whether such person is on board the vessel or not, provided that the fault is connected with the navigation or management of the vessel, the loading, carriage or discharge of goods, or embarkation, carriage or disembarkation of passengers.
- (c) Any obligation imposed by law in connection with the raising of a wreck, refloating raising or breaking up of a sunken, stranded or abandoned vessel, including everything that is on board it and any obligation arising out of damage caused by the vessel to port installations, docks and navigation lanes.

2. The owner of the vessel shall have the right to limit his liability for the obligations referred to in the preceding subsection even if his liability arises out of guarding the vessel without proof of fault on his part or on the part of persons for whom he is responsible.

Likewise the owner may rely on his limit of liability for such obligations as against the State but such reliance on limitation of liability shall not be taken to be an acknowledgement of liability.

3. If as a result of limitation of liability compensation due for death or injury is less than compensation payable under Shariah law the person entitled shall have the right to claim the whole sum in accordance with the provisions of the laws of punishments and criminal procedures.

Article 139

If a debt arises in favour the owner of the vessel out of one incident against one of the creditors, liability shall not be limited save in respect of the balance of the sum after set-off of both debts.

Article 140

It shall not be permissible for the owner to limit his liability in the following cases:

- (a) If the event giving rise to the obligation is a result of the personal fault of the owner, and the person alleging personal fault shall bear the burden of proof thereof.
- (b) Obligations arising out of assistance and salvage, or out of a general average contribution.
- (c) Rights of the master, crew and any other person under the owner of the vessel who is on board or whose work is connected with the service thereof, and the rights of their heirs.
- (d) Claims arising out of nuclear damage directed against the owner of a nuclear vessel.

Article 141

1. Limitation of the owner's liability shall be in the manner and to the extent as follows:
 - (a) In the amount of 250 dirhams for each ton of the vessel's tonnage if material damage only results from the incident.
 - (b) In the amount of 500 dirhams for each ton of the vessel's tonnage if bodily injury only results from the incident.
 - (c) In the amount of 750 dirhams for each ton of the vessel's tonnage if material damage and bodily injuries result from the incident. Of the said sum, 500 dirhams per ton shall be appropriated to compensation for bodily injuries, and 250 dirhams per ton shall be appropriated to compensation for material damage, and if the sum appropriated to bodily injury is insufficient to satisfy the liability in full the balance of that liability shall participate with the debts in respect of material damage in the sums appropriated to compensation for the last mentioned damage.
2. If before distribution of the sums attributable to compensation the owner satisfies any of the debts mentioned in Article 138, he shall be permitted to take the place of the creditor in the distribution to the extent of the sum which he has paid.
3. It shall be permissible for the court temporarily to retain part of the sums attributable to compensation in order to satisfy debts in respect of which the beneficiaries have not made claims.

Article 142

1. In applying the preceding Article, the tonnage of the vessel shall be calculated as follows:
 - (a) In relation to vessels with engines, on the basis of the net tonnage of the vessel in addition to the space occupied by machinery and engines.
 - (b) In relation to sailing ships, on the basis of the net tonnage of the vessel.

2. The minimum tonnage of the vessel shall be deemed to be 300 tons even if the tonnage is less than that.

Article 143

1. The sums specified for compensation for bodily injury and material damage arising out of one incident shall be an independent unit for the payment of compensation due in respect of that incident, without regard to debts arising or which may arise in respect of another incident.

2. It shall not be permissible for the creditor to take any step against property belonging to the owner of the vessel if the owner has in fact placed at the disposal of the creditor the sums attributable to compensation or if he provides a guarantee from a bank acceptable to the court.

Article 144

If the vessel is arrested in the State by way of security for the liability of the owner in respect of bodily injury or material damage, the relevant civil court must order the release of the vessel in either of the following circumstances: -

(a) If the owner deposits with the court treasury a sum equal to the amount of compensation due in respect of the damage

(b) If the owner submits an official certificate showing that he has deposited the compensation with the appropriate authority in the port in which the damage occurred, or with the appropriate authority in the port in which the vessel is detained if the damage occurred at sea.

Article 145

1. The provisions governing limitation of liability shall apply to the operator, charterer, managing operator, master and crew, and shall apply also to other persons under the owner, operator, charterer or managing operator in connection with the performance of their duties under the same conditions as apply to the owner, but provided that the liability of the owner and the liability of the said persons in respect of one incident shall not exceed the limits set out in Article 138.

2. If a claim is made against the master or crew, it shall be permissible for them to limit their liability even if the incident out of which the damage arises is attributable to their personal fault. Nevertheless if the master or crew member is at the same time the sole or a co-owner, or operator, charterer or managing operator, this provision shall not apply unless the fault was committed in his capacity as master or crew member.

PART 2 The Master

Article 146

The operator shall appoint and dismiss the master, and a master who is dismissed shall have a right to compensation where appropriate.

Article 147

1. The master alone shall be in command of the vessel, and direct the sea voyage, and the officer immediately below him in rank shall take his place if he dies, is absent, or if there is any other impediment.
2. In his command of the vessel the master shall have regard to technical principles accepted in navigation by sea and international agreements, and the provisions in force in the state in whose waters the vessel is. He must maintain the vessel in seaworthy condition and ensure that there are sufficient provisions for the voyage.

Article 148

1. It shall not be permissible for the master to relinquish command of the vessel from the time the voyage commences until arrival at a safe anchorage or port.
2. It shall not be permissible for him to leave the vessel or to order the abandonment thereof save by reason of actual danger after consultation with the officer [sic], and in that event he must particularly salvage the vessel's cash and papers, and the most valuable objects if that is possible.

Article 149

The master must personally take over the direction of the sailing of the vessel upon its entering or leaving ports, anchorages or rivers, and generally in all circumstances where navigation is subject to particular difficulties, even where he is required to use the assistance of a pilot.

Article 150

The master shall have the power of notarization on board the vessel, and he shall likewise have the right to impose disciplinary penalties in accordance with the rules and conditions to be laid down by ministerial resolution.

Article 151

1. The master of the vessel shall have, as against all persons on board the vessel, such authority as is necessary for the preservation of order and the security of the vessel, the passengers, the goods being carried therein, and the safety of the voyage.

2. It shall be permissible for him to use such force as is necessary to preserve order and security on the vessel, and to require for that purpose the assistance of the persons on board. When in port he must act with the assistance of the relevant local authorities, or the consul of the State, as the case may be.

Article 152

1. If a crime is committed on board the vessel, the master shall take statements until he can contact the competent authorities, and shall make such investigations as do not admit of delay. If necessary he may order the arrest and preventive detention of a suspect, and the search of passengers and crew, and take the necessary steps for the preservation of objects which will be of use in establishing the truth.

2. The master shall make out a report of the investigation proceedings and the result thereof, and he shall deliver that report accompanied by the investigation report and the objects seized to the competent authorities at the first port of call in the State.

Article 153

1. The master shall register births and deaths occurring on the vessel and enter the same in the ship's daily log, and communicate the same to the consul of the State at the first port at which the vessel calls, and also to the appropriate administrative authorities in the State upon return thereto.

2. In the event of the death of any person on board ship, the master must, in conjunction with one of the vessel's officers, make an inventory of the deceased's property, and must preserve and deliver the same to the appropriate administrative authorities in the first port of call in the State.

3. If any person on board the vessel contracts an infectious disease and the necessary means of health isolation are not available in the ship, the master must disembark him at the nearest possible place at which he can be treated.

Article 154

1. The master shall act on behalf of and represent the operator before the Courts, and shall exercise the powers conferred upon him by law with regard to every person who has an interest in the vessel or its cargo. The said representative capacity shall include acts necessary for the vessel and the voyage, and no limitation of that authority may be relied on as against third parties acting in good faith.

2. The master shall not have a representative capacity with regard to the operator except in places where neither the operator nor his agents are present. The fact that the operator or his agent is present shall not be a valid argument against third parties acting in good faith.

3. Nevertheless, it shall be permissible for the master to carry out minor repairs to and to perform ordinary administrative acts in respect of the vessel, and to engage and dismiss crew in a place in which the operator or agent are present.

Article 155

The master must carry out the instructions of the operator, and must notify him in accordance with custom of any matter relating to the vessel or the cargo.

Article 156

1. The master must keep a ship's daily log with numbered pages, endorsed by the relevant maritime authority in the vessel's port of registration.

2. There shall be particularly recorded in the log accidents happening, decisions made during the voyage, daily comments on weather and sea conditions, a schedule of revenues and expenses, particulars of crimes committed by the crew and passengers, disciplinary penalties imposed upon them, and births and deaths taking place onboard the vessel. The master of a vessel with an engine must keep an engine log, mentioning the quantity of fuel taken upon sailing, the fuel consumed each day, and all matters relating to the machinery.

Article 157

The master must keep on the vessel during the journey the documents required by law relating to the vessel, the crew, the passengers and the cargoes.

Article 158

The master must, within twenty four hours of the arrival of the vessel at one of the ports of the State or at any other place therein at which it has anchored voluntarily or through necessity submit the ship's daily log to the Maritime Inspection Office for endorsement thereon. Endorsement outside the State shall be performed by the consul of the State, and if there is no consul then by the appropriate local authority.

Article 159

1. If unusual incidents should occur during the voyage in connection with the vessel, the cargo or the persons on board the vessel, the master must prepare a report thereon.

2. The master must submit the report to the Maritime Inspection Office within twenty four hours of the arrival of the vessel at a port or anchorage in the State and outside the State he shall submit the report to the consul, or to the appropriate local authority if there is no consul.

3. The authority receiving the report shall refer it as early as possible to the civil court having jurisdiction in the area of the vessel's port of registration for investigation, and shall make out a memorandum in that behalf of which a copy shall be delivered to the master. After the said

investigation the report shall be deemed to give a true account of the matters contained therein unless the contrary is shown.

4. It shall not be permissible for the master save in cases of need to commence the discharge of the vessel before submitting the said report.

Article 160

1. If a pressing need arises during the course of the voyage the master may raise a loan on the security of the vessel or the freight, or both, and if such security is insufficient he may raise a loan on the security of the cargo. In no case shall it be permissible to raise a loan until the consent of the appropriate judicial authority has been obtained if the vessel is in the State. Such permission may be granted in respect of a national vessel which is abroad by the consul of the State, or, if there is no consul, by the local judicial authority.

2. If it is not possible for the master to raise a loan he may, after obtaining the consent of the authorities referred to in the foregoing subsection, sell the goods being carried to the amount of the sum required. The master or the operator shall account to the owners of the goods sold on the basis of the current rate for goods of the same class and type in the port to which they were being carried as at the expected date of arrival therein.

3. It shall be permissible for the shippers or their agents to object to the pledging or sale of the goods and they may require that the same shall be discharged on condition that the full freight is paid.

Article 161

It shall not be permissible for the master to sell the vessel without special authorisation from the owner, otherwise the owner shall have the right to demand that the sale be annulled.

Article 162

1. The master must take such steps as are necessary to protect the interests of the owner of the vessel, the operator, crew, passengers, and persons having rights in the cargo according to custom.

2. The master must, if the need arises, perform any urgent act required for the safety of lives and to safeguard the vessel and cargo, but he must notify the operator before deciding to take any unusual step if the circumstances so permit.

3. The master shall be responsible for his own errors even if they are minor.

PART 3 The Crew, and the Regulation of Marine Work

Section 1 General Provisions

Article 163

Every person bound by a contract of work on board the vessel shall be deemed to be a crew member, and the master shall be deemed to be one of the crew members in connection with the contract of employment made between him and the carrier.

Article 164

It shall not be permissible for any vessel registered in the State to set sail unless it has its necessary complement of officers, marine engineers and licensed crew. A ministerial resolution shall be issued specifying the number of officers, marine engineers and licensed crew who must be on board the vessel, the qualifications they must possess, and health provisions on board the vessel. Such resolution shall not conflict with international navigational standards

Article 165

Without prejudice to the provisions contained in this law, the rights and obligations of the crew shall be defined in internal regulations in force on the vessel, in such manner as not to conflict with the contracts of employment made with them.

Article 166

1. It shall not be permissible for a national of the State to perform any work in vessels sailing outside territorial waters unless he has obtained a maritime licence from the Maritime Inspection Office in the State.
2. The provision referred to in the preceding subsection shall not apply to persons working in warships of the State, or in vessels owned, operated or managed by the State or organs or public bodies of the State, and which are appropriated to public services.

Article 167

It shall not be permissible for any person to work in vessels having the nationality of the State without having obtained a permit from the Maritime Inspection Office. The Minister shall issue a resolution governing the regulation of such permits.

Article 168

1. It shall not be permissible for a foreigner to work in a vessel engaged in coastal navigation, towage, or pilotage within the ports of the State, save with a permit from the Minister.
2. It shall not be permissible for national vessels engaging in navigation on the high seas or in fishing to have a greater number of foreign crew or for them to be paid higher wages than the

proportions which shall be laid down by a resolution to be issued by the Minister after consultation with the Minister of Labour.

PART 3 The Contract of Maritime Work

Article 169

1. The contract of maritime work is a contract by which a person is obliged to work on the vessel in consideration of wages, under the supervision of a operator or master.
2. The provisions of the laws governing labour relations, workers and social security shall apply to a contract of maritime work unless there is a specific provision in that regard in this law or in the regulations or resolutions issued to give effect thereto.
3. Nevertheless, the provisions relating to the contract of maritime work contained in this law or in the regulations and resolutions issued to give effect thereto shall not apply to persons who work in seagoing vessels having a tonnage of less than fifty tons.

Article 170

1. The contract of maritime work shall be in writing and if it is not, the crew member alone may prove it by any means.
2. The master must keep on the vessel copies of the contracts of maritime work of the persons working thereon.

Article 171

The contract of maritime work must set out the date and place it was made, the name, age, nationality and residence of the crew member, the type of work which he is required to carry out, his wages and the manner of fixing and payment thereof, the number, date and place of issue of the maritime licence and maritime permit, the date of sailing, the port at which the voyage is to commence, and the port at which it will terminate.

Article 172

Without prejudice to the provisions of international treaties which have been ratified, it shall not be permissible for basic hours of work to exceed eight hours per day, and any excess shall be treated as overtime for which the mariner shall be entitled to twice the wages laid down in the contract, and save as is stipulated in Article 178, basic time plus overtime may not exceed twelve hours per day.

Article 173

A fixed period contract of maritime work shall terminate on the expiry of the period thereof without the need to give notice.

Article 174

If a contract for maritime work is for one or two voyages only, the contract shall not terminate save upon the arrival of the vessel at the port agreed if the vessel is empty, or upon termination of the discharge of the cargo at the port agreed if the vessel is laden.

Article 175

If the contract of maritime work is not for a fixed period, it shall be deemed to be in force for a period of one year, after which it shall be permissible to terminate the contract by notice given by either party to the other after the expiry of a period of not less than ten days from the date of the notice. If the said period expires while the vessel is at sea the contract shall be extended by operation of law to the port at which the contract was made if terminated by the operator, and if the worker terminates the contract it shall be extended by operation of law until the vessel arrives at its next port of call.

Article 176

A contract of maritime work, even though it be for a specified period, shall be terminated by operation of law if the vessel is deserted or abandoned, and in the event that it is lost or ownership thereof transferred, or if the registration thereof is varied the crew member shall be entitled to appropriate compensation in addition to his agreed wages for a period of fifteen days.

Article 177

The rights set out in Article 173, 174, 175 and 176 shall be regarded as minimal levels which may not be reduced in the contract of maritime work, and every condition to the contrary shall be void.

Article 178

A crew member must obey the commands of his superiors in connection with the service of the vessel, and he may not leave the vessel save with the permission of his superior. In the event of danger he must work to save the ship and the persons on board it and the cargo being carried thereon. In that event the crew member shall be given remuneration for the additional work, but provided that such remuneration shall not be less than the equivalent wage for the hours spent in such work.

Article 179

It shall not be permissible for the master or for any of the crew to ship any goods on the vessel on his own private account save with the consent of the operator. Any breach of this prohibition shall result in the person at fault being obliged to pay, in addition to compensation, freight at the level equivalent to the highest freight at the time and place of shipment.

Article 180

1. The operator shall be obliged to pay the crew members wage at the time and place specified in the contract or in accordance with maritime custom if the time and place are not specified in the contract.

2. Wages and other monies due to the crew member shall be paid in the currency of the State, save that if the same are due for payment while the vessel is outside territorial waters, they may be paid in a foreign currency if the crew member agrees thereto in writing.

Article 181

The crew member's wage shall be defined in the contract and there shall be added thereto an increase in the proportion of forty per cent of the agreed wage during the voyage, and twenty per cent while the vessel is lying in a foreign port. The two said increased amounts may not be paid simultaneously.

Article 182

If the wage is specified for the voyage, it shall not be permissible to reduce it in the event that the period of the voyage is shortened by the act of the operator or the master, but if the voyage is lengthened or postponed through such act, the wage shall be increased in proportion to the extension of time. This last provision shall not apply to the master if the lengthening or postponement of the voyage arises through his default.

Article 183

1. If a crew member is engaged for an outward bound voyage only, he shall be entitled to his full wage if he dies after the commencement of the voyage.

2. If a crew member is engaged for an outward and return voyage together he shall be entitled to one half of his wage if he dies during the outward voyage or at the port of arrival, and he shall be entitled to his full wage if he dies during the return voyage.

Article 184

1. It shall be permissible for a crew member to be paid an advance not exceeding one quarter of his basic wage. This advance shall be entered in the crew log or the daily log as the case may be, and the mariner shall sign against the entry.

2. It shall be permissible to pay an advance to the wife, children, ascendants or descendants of a sailor or other persons dependent upon him and whom he maintains, on condition that he authorises any of the said persons in that behalf. It shall not be permissible to recover the said advances in the event that the contract is cancelled for any reason, but provided that the cancellation is not attributable to the voluntary act of the mariner. Any agreement to the contrary shall be void.

Article 185

It shall not be permissible to withhold a crew member's wage or to assign the same save to the extent set out in the labour laws.

Article 186

During the course of the voyage the operator must provide food and accommodation on board the vessel for the crew, free of charge. Regulations in this behalf will be made by the Minister.

Article 187

1. The operator must provide treatment for a crew member free of charge if he is injured or falls ill while in the service of the vessel.
2. If the injury or illness arises out of mutiny, drunkenness or other misconduct, the operator must provide treatment for the crew member, and in that event he shall have the right to deduct the costs of the treatment from wages owed to the crew member
3. The obligation of the operator to provide treatment shall cease upon it being established that the injury or disease is incurable.

Article 188

1. A crew member who is injured or who contracts an illness while in the service of the vessel shall be entitled to his full wage during the voyage, and the provisions of the labour laws shall apply in connection with his entitlements to wages after the end of the voyage.
2. The crew member shall not be entitled to any wages if the injury or illness arise out of insubordination, drunkenness or other instances of misconduct.

Article 189

1. If a crew member dies while in the service of the vessel, the operator must pay his funeral costs whatever the cause of death.
2. The operator must deposit with the treasury of the relevant maritime authority the wages in cash and other sums owed to the deceased crew member.

Article 190

1. The operator must return the crew member to the State if anything happens during the voyage which necessitates his disembarkation unless the disembarkation is by order of a foreign power in the port in which the vessel is lying, or by agreement between the operator and the crew member.
2. If the crew member was engaged at one of the ports of the State, he shall be returned to that port unless it was agreed in the contract that the return should be to another port, and if he was

engaged in a foreign port then he shall be returned at his own election either to that port or to any port in the State specified by him.

3. A foreign crew member shall be returned to the port in which he was engaged unless the contract stipulates that he should be returned to a different port.

4. The obligation to return the crew member shall include the costs of transport, accommodation and subsistence during the period of his being returned.

Article 191

The operator shall not be obliged to return the crew member in either of the two following circumstances:

(a) if the crew member does not claim that right within one week from the date of the termination of his contract.

(b) if the crew member enters into a new contract with the same owner or contracts with another owner during the currency of the contract or during the week after the date of the termination thereof.

Article 192

An operator shall be exempt from insuring the crew with the relevant social security authorities if he obtains the permission of the minister concerned to effect insurance on terms more favourable to the crew with another body approved by the State for the carrying out of insurance operations.

Article 193

If a contract of work is made for a fixed period of time and the period ends during the voyage, the contract shall be extended by operation of law until the vessel arrives at the first port in the State, and if before entering one of the ports of the State the vessel calls at the port to which the crew member must be returned in accordance with the provisions of Article 190, the contract shall be extended until the vessel arrives at that port.

Article 194

If a crew member dies as a result of defending the vessel, cargo or passengers on the vessel, his heirs shall be entitled to a sum equivalent to the wages for three months, but if he was engaged for the voyage his heirs shall be entitled to a sum equal to the wages of the voyage, all of the above being in addition to such compensation and remuneration as are laid down in this law, and in the laws governing labour relations, workers and social security.

Article 195

If a crew member is dismissed during the voyage while the vessel is at a foreign port, it shall not be permissible for the master to compel him to leave the vessel save with the permission of the consul of the State or the local maritime authority in the event that there is no consul. The order of dismissal, and the date thereof and reasons therefor must be entered in the crew log, otherwise the dismissal shall be deemed to be unlawful.

Article 196

If a voyage is prevented by force majeure from being commenced or continued, a crew member engaged for the voyage, shall be entitled to his wage for the days which he has in fact spent in the service of the vessel, and in that event the crew member may not claim any remuneration or compensation but he shall be entitled to participate in such sums as may be obtained by the owner or operator by way of insurance or compensation, up to the balance of his wages.

Article 197

1. If a crew member is engaged for the voyage and the vessel sinks, is confiscated or lost, or becomes unseaworthy, it shall be permissible for the relevant judicial authority to order that the operator be exempted from paying all or part of the crew members' wages if it is established that the loss sustained by the vessel arose out of their acts or negligence or out of their refusal to rescue the vessel, the cargo or the passengers.
2. If the event referred to in the foregoing subsection, it shall be permissible for the operator to cancel the contract of maritime work without prior warning.
3. It shall not be permissible for the crew to claim remuneration or compensation unless the operator or owner has obtained compensation for the loss suffered by the vessel.

Article 198

No claim arising out of a contract of maritime work may be heard after the expiry of one year from the date of the expiry of the contract, if disputed, and in the absence of lawful excuse.

PART 2 Security, Order and Discipline on board Ship

Article 199

The provisions of this Part shall apply to a vessel registered in the State, but shall not apply to warships.

Article 200

1. Any crew member of the vessel who is guilty of any of the following offences shall be punished by detention for a period of one day to thirty days, or to a fine of between one day's wages and thirty days wages, or both:

- (a) failing to obey an order relating to service
- (b) failing to respect superiors
- (c) negligence in the service or the guarding of the vessel
- (d) fighting on board the vessel
- (e) damaging the vessel's fittings which damage prejudices its safety, or that of its cargo
- (f) absence from the vessel without leave
- (g) possession of a weapon without the prior permission of the master, or possession of drugs or other prohibited substances
- (h) bringing alcoholic beverages on to the ship for consumption thereof or dealing therein
- (i) drunkenness on board
- (j) any other act prejudicial to order on board the vessel, or to the service thereof
- (k) smuggling

2. The master may, instead of imposing a penalty of detention or a fine as mentioned in the foregoing subsection, decide to terminate the service of the crew member without the need for prior warning.

Article 201

If the act or omission attributed to the crew member is a crime under the provisions of the legislation in force in the State, the master must deliver the crew member into the hands of the appropriate authorities.

Article 202

Any person on board the ship who is not a member of the crew and who fails to comply with directions given by the master or who is in breach of an order by given by any of the officers or who causes a disturbance on board or who damages the vessel's equipment, the damage of which will not prejudice the safety of the ship, shall be punished by a detention in his cabin for a period from one to seven days if he is one of the passengers with a cabin, and by being forbidden to come up on deck for a period greater than two hours per day if he is one of the other passengers.

Article 203

1. Before imposing any penalty, the master must carry out an investigation in which the representations of the person concerned shall be heard as to the acts attributed to him, as well as the evidence of the witnesses on each side. A report of the evidence must be made and the master may order that the offender be suspended from working on board ship until the investigation is complete.

2. Offences committed and penalties imposed shall be entered in the ship's daily log, and the penalty of detention referred to in the preceding Article shall not be imposed unless the vessel is at sea or in a port which it is passing through. The detention must end upon the termination of the voyage or the arrival of the vessel at its port of registration.

Article 204

Any crew member committing any of the following acts shall be punished by imprisonment for a period not exceeding three months and a fine not exceeding the amount of wages for three months, or by one of the said penalties:

- (a) If he abandons the place allocated to him in the vessel without acceptable excuse before his place is taken by another;
- (b) If he is absent from the vessel when his duties require him to be at the helm, or on the look-out, or at a manoeuvring or guard post;
- (c) If without lawful excuse he is not on board the vessel at the times fixed to commence procedures for setting sail from any port other than the port of registration;
- (d) If he fails to comply with any order given to him in connection with the conduct of the vessel and the preservation of order thereon;
- (e) If he is guilty of repeated acts amounting to insubordination.

Article 205

The penalty of imprisonment shall be for a period not exceeding one year in the event that any of the offences referred to in the preceding Article are committed by more than three persons after prior agreement between them.

Article 206

1. Any person who attacks the master of the ship or one of the officers during the course of the discharge of his duties or who opposes him with force shall be liable to imprisonment for a period not exceeding three months and a fine not exceeding three thousand dirhams, or one of the aforesaid penalties.

2. The penalty will be imprisonment not exceeding one year and the fine not exceeding five thousand dirhams or one of the aforesaid penalties if injury is caused by the attack or resistance.

Article 207

If the crime referred to in the preceding Article is committed by one of the ship's officers or if he participates therein, the penalty shall be doubled.

Article 208

Any person conspiring against the safety, freedom or authority of the master shall be punished by imprisonment.

Article 209

1. Any person who sinks or- sets fire to the ship or causes it substantial damage which threatens lives or who does any act which may have that result shall be sentenced to life imprisonment.
2. If death results from the aforesaid act the death penalty shall be imposed without prejudice to the provisions relating to compensation and blood money.

Article 210

Any person who unlawfully seizes or attempts to seize the vessel shall be punished by imprisonment.

Article 211

Imprisonment for a term not exceeding three months and a fine not exceeding three months' wages, or one of the said penalties shall be imposed on any master or officer or other person in authority on the vessel who orders to be done or permits or connives at the doing of any thing which amounts to an abuse of authority or who uses force or causes or permits force to be used against any passenger on the vessel.

Article 212

A penalty of imprisonment of a period not exceeding one month and a fine not exceeding one month's wages, or either penalty shall be imposed upon a master of a vessel who leaves any of his crew sick or wounded without affording him the appropriate opportunities for medical treatment or discharge, or who orders him to leave the vessel in a foreign port without justifying cause.

Article 213

A penalty of imprisonment not exceeding three months and a fine not exceeding three months' wages, or one of the said penalties shall be imposed on a master- who unnecessarily leaves the vessel in a port while exposed to danger and if the ship is at sea he shall be liable to imprisonment for a period not exceeding two years.

Article 214

Any person who boards a vessel with the intention of travelling without paying the fare and without obtaining the consent of the master of the vessel or his deputy shall be punished by imprisonment for a period not exceeding one month or by a fine not exceeding twice the fare to the destination to which he was intending to travel.

Article 215

Sums received by way of fines shall be used to pay any compensation owing as a result of the action of the offender and any balance shall become the property of the Maritime Inspection Office.

CHAPTER FOUR Use of the Vessel

PART 1 Hire of the Vessel

Section 1 General Provisions

Article 216

A charter- of the vessel is a contract whereby the disponent owner is obliged against the hire to place the vessel or part thereof at the disposal of the charterer for a specified period or to carry out a specified voyage or voyages.

Article 217

The provisions of this Part shall apply unless the parties agree to the contrary. Nevertheless it shall not be permissible to agree any provision which is contrary to the nature of a charterparty.

Article 218

A charter-party shall be evidenced by official writing which shall be called a charterparty.

Article 219

The law of the flag of the ship shall apply to the charter-party without prejudice to the provisions of the Islamic Shari'ah or public order.

Article 220

The sale of a vessel shall not result in the termination of a charter thereof but it shall be permissible for the purchaser to require that the same be terminated if he establishes that he was not aware of the charter-party at the time of sale and could not have discovered it.

Article 221

1. It shall be permissible for the charterer to sub-charter the vessel unless there is a contrary condition, and in that event, the original charterer shall remain liable as against the disponent owner for obligations arising out of the contract.

2. A sub-charter-party shall not give rise to any direct relationship between the original disponent owner and the sub-charterer, but nevertheless it shall be permissible for the disponent owner to exercise a lien against that charterer in an amount not exceeding sums due to him by the original charterer.

Article 222

It shall not be permissible for the disponent owner to distrain goods on board the vessel by reason of non-payment of freight upon arrival but it shall be permissible to apply to the relevant civil court to deposit the same with a third party until such time as the freight on the vessel is paid and to apply to the court for the sale of the same or part thereof unless security for- payment is put up.

Article 223

1. The disponent owner shall have a lien over goods loaded on board the vessel and such lien shall include the freight of the vessel and appurtenances. The lien shall remain in force for a period of fifteen days after delivery of the goods unless a third party acting in good faith has acquired a right in rem against the same.

2. The lien shall remain in force even though the goods may have become mixed with others of the same type.

Article 224

The following claims shall not be heard if they are objected to and there is no lawful excuse:

(a) claims arising out of a charter-party of the vessel, after the expiry of a period of one year from the date of the termination of the contract;

(b) claims for the repayment of monies otherwise than by way of entitlement paid after the expiry of one year from the beginning of the day on which the person seeking recovery became aware of his right to recover.

Section 2 Chartering the Vessel for a Voyage

Article 225

The chartering of a vessel for a voyage is a contract which obliges the disponent owner to place a specified vessel or part thereof at the disposal of the charterer for the making of one or more specified voyages.

Article 226

The contract of charter of a vessel for a voyage must state the following details in particular:-

- (a) the name of the disponent owner and charterer and address of each;
- (b) the name, nationality and net tonnage of the vessel and. whether the charter includes the whole vessel or only part thereof;
- (c) the name of the master;
- (d) the type of cargo if specified or- sufficient details to identify the same;
- (e) the place and time agreed for loading and discharge;
- (f) the amount of freight and manner of calculation thereof;
- (g) a description of the voyage or voyages which it is agreed should be made.

Article 227

The disponent owner must put the vessel in question at the disposal of the charterer at the time and place agreed in a seaworthy condition and properly equipped in such a manner as to carry out the voyage or voyages specified in the charter-party and likewise he must keep the vessel in such condition throughout the voyage or voyages the subject of the charterparty.

Article 228

The lessor goods received limits set out that. he carried Article or that in the carrying shall be responsible for damage arising to by the master on board the vessel within the in the charter-party unless it is established out his duties referred to in the preceding the damage did not arise from his default out thereof.

Article 229

The disponent owner shall retain navigational and commercial control of the vessel.

Article 230

The charterer must load the quantity of goods agreed, and if the charterer does not load all of the goods agreed he shall be obliged to pay the full freight.

Article 231

1. The charterer is obliged to load and discharge the goods in the period agreed and if the parties do not agree on such period recourse shall be had to custom.
2. If loading or- discharge do not take place within the original period specified in the contract or by custom, there shall be given an additional period not exceeding the original period and the disponent owner- shall be entitled to daily compensation in respect thereof to be defined by the

contract or by custom without the need for- any step in that behalf being taken by the disponent owner.

3. If loading or discharge do not take place within the said additional period there shall be given a second additional period not exceeding the first period and the disponent owner shall be entitled to compensation in respect thereof equal to the daily compensation laid down in respect of the first additional period plus one half without prejudice to such other compensation to which he may be entitled.

4. The daily compensation due in respect of the additional periods shall be deemed to be appurtenances of the freight and the provisions relating to freight shall apply thereto.

Article 232

1. The original period for loading and discharge shall commence from the day following the day on which the master notifies the persons concerned of the readiness of the ship for- loading or discharge of the goods.

2. If the loading of the goods takes places before the termination of the period specified therefor the balance of the days remaining shall not be added to the period for discharge unless agreement is made to the contrary. It shall be permissible to agree that the charterer should be given recompense for speeding up the completion of the loading or discharge.

3. Official holidays or holidays allowed by custom shall not be taken into account in calculating the basic period unless such days have actually been spent in loading or- discharge, and the period shall cease to run in the event of force majeure.

4. As for the additional period, holidays shall be calculated therein and it shall not cease to run by reason of force majeure. Nevertheless it shall be permissible to order a reduction in compensation for the first additional period in the event that the obstacle remains.

Article 233

Upon termination of the period for discharge the master shall have the right to discharge the goods loaded at the expense and upon the liability of the charterer and in that event the master must take the necessary measures to preserve the goods.

Article 234

It shall not be permissible for the disponent owner to load upon the vessel or upon the part thereof which is chartered goods which are not the charterer's without the charterer's consent, otherwise the freight for the goods loaded without consent shall belong to the charterer who shall also have the right to claim compensation for damages if appropriate.

Article 235

The charterer shall be responsible for damage caused to the ship or- the goods carried thereon if such damage arises out of the default of the charterer or persons working under him or his representative or if it arises out of a defect in his goods.

Article 236

A contract of charterparty of the vessel for a voyage shall terminate without compensation by either of the parties to the other in the event of force majeure occurring which renders the execution of the voyage impossible.

Article 237

A charter-party of the vessel for a voyage shall remain in force without compensation or increase in hire if force majeure occurs which temporarily interferes with the vessel's sailing or continuing to sail during the voyage.

Article 238

It shall be permissible for the charterer to cancel the contract before commencement of loading of the goods, and in that event he shall be obliged to make compensation to the disponent owner for damage suffered by him on condition that such compensation does not exceed the agreed amount of hire.

Article 239

If the voyage commences and it then becomes impossible to continue it for a cause which is not attributable to the disponent owner or persons working under him the charterer shall not be obliged to pay any charge except for so much of the voyage as has been completed.

Article 240

If it is impossible for the ship to reach the port specified for the discharge of the goods the master must carry out the instructions given to him and agreed between the disponent owner and the charterer, and if no instructions are given to him he must head for the port nearest to the specified port for discharge of the goods in which it is possible to discharge the goods, and in that event the disponent owner shall bear the costs of transport of the goods to the port agreed unless the impossibility of the vessel reaching that port arises out of force majeure in which event the charterer shall bear those costs.

Article 241

It shall be permissible for the charterer to discharge his goods at his own expense during the voyage but provided that he pays the previously agreed freight.

Article 242

1. Freight shall be payable if the goods loaded on to the vessel are destroyed if the destruction arises out of any of the following causes:

- (a) the default of the charterer or those working under him.
- (b) the nature of the goods or- any defect in them.
- (c) if the Master is compelled to sell the goods during the voyage because of defect therein or damage thereto.
- (d) if the Master orders the destruction of the goods because they are dangerous, damaged, or if he is prohibited to carry them, and the disponent owner had no knowledge of that fact when they were loaded on board.
- (e) if the goods loaded are animals and they die during the voyage for a reason not attributable to the default of the disponent owner or those working under him.
- (f) if the Master decides to jettison the goods to save the vessel or the cargo, subject to the rules governing maritime losses. [sic. Probably should read. "general average".]

2. The freight shall not be payable if the goods loaded on the vessel are destroyed through any cause other than the causes specified in the foregoing subsection unless the contract stipulates that the freight shall be payable in any event.

Article 243

The charterer shall not be absolved from paying the freight by abandonment of the goods even though they have been damaged or diminished in quantity or value during the course of the voyage.

Section 3 Time Charter- of the Vessel

Article 244

1. A time charter of a vessel is a contract whereby the disponent owner is obliged to place the vessel equipped at the disposal of the charterer for a fixed period.

2. The charter-party shall contain the following matters in particular-:

- (a) the name of the vessel chartered, its nationality and tonnage, and. other- details necessary to identify the same.
- (b) the name and. address of both the disponent owner and the charterer.
- (c) the amount of the freight or the method of calculating the same.
- (d) the period of the charter-party.

Article 245

The disponent owner must place the vessel specified in seaworthy condition and properly equipped with all that is necessary to carry out the operations specified in the charter-party at the disposal of the charterer at the time and place agreed, and likewise he must keep the vessel in that condition throughout the period of the contract.

Article 246

1. The disponent owner shall retain the navigational management of the vessel and shall fit out and maintain the same and appoint the crew, specify their victuals, and pay their wages.
2. It shall be permissible to agree that the navigational management shall be transferred to the charterer.
3. If the navigational management of the vessel is transferred to the charterer he shall be responsible for the loss of the ship and for general average losses unless it is established that the loss arises out of an error in navigation or out of the default of the disponent owner, and if the navigational management of the vessel is not transferred to the charterer the disponent owner shall be responsible for the loss of the vessel unless it is established that the loss arises out of the default of the charterer.

Article 247

1. The charterer shall have the commercial management of the vessel and shall bear the costs thereof and in particular he shall supply the vessel with fuel, oil, lubricants and drinking water, and shall pay customs, pilotage, towage dues and other expenses necessitated by the commercial use of the vessel.
2. The master must follow instructions given to him by the charterer in all matters connected with the commercial use of the vessel within the limits specified in the contract.

Article 248

1. The disponent owner shall be responsible for damage to the goods if such damage arises out of his default in carrying out his obligations.
2. The charterer shall be responsible for damage arising out of the commercial use of the vessel having regard to wear and tear arising out of ordinary use.

Article 249

1. The hire shall begin to run from the day on which the vessel is placed at the disposal of the charterer, but nevertheless the hire shall not be payable if the vessel is lost or if it is stopped by force majeure or act of the disponent owner, and it shall not be permissible to agree that the same shall be paid in all circumstances.

2. If news of the vessel ceases and it is then established that it is lost, the hire shall be payable in full up until the date of the last news of the vessel.

Article 250

The disponent owner shall recover his right to dispose of the vessel if the charterer does not pay the hire within three days from the date of notice in writing to the charterer, but nevertheless the disponent owner shall be obliged to carry the goods on board to the port of destination in consideration of quantum meruit freight and without prejudice to his right to claim compensation.

Article 251

1. The charterer shall be obliged upon determination of the period of the charter to return the vessel to the port at which it was placed under his control.

2. If the period of the charter terminates during the voyage the contract shall be extended by operation of law until the end of the voyage and the disponent owner shall be entitled to the hire agreed in the contract in respect of the additional days.

3. The hire shall not be reduced if the vessel is returned before the termination of the period of the charterparty.

Section 4 Chartering of an Unfitted Vessel (Bareboat Charters)

Article 252

The chartering of an unfitted vessel is a contract by which the disponent owner is obliged against a hire charge to place a specified vessel at the disposal of the charterer for a specified period without crew, either not substantially equipped, or incompletely equipped.

Article 253

1. The disponent owner shall be obliged to place the vessel specified at the disposal of the charterer at the time and place agreed in seaworthy condition and fit for the service specified for it, and likewise he shall be obliged to make good any damage arising out of a defect in the vessel.

2. If the vessel is prevented from sailing by virtue of a defect in it for a period not [tr sic] exceeding twenty four hours no hire shall be payable throughout the period of the stoppage.

Article 254

1. The charterer shall be obliged to use the vessel for the purpose agreed in accordance with its technical characteristics set out in the navigation licence.

2. The charterer shall bear the costs of maintenance and repair- of the ship save those specified in the preceding Article.

3. The charterer shall be obliged to provide the vessel with crew and to pay their wages and provide their victuals, and he shall bear all of the costs arising out of the use of the vessel.
4. Likewise the charterer shall be obliged to return the vessel at the end of the contract in the condition in which it was at the time of delivery but with allowance made for fair wear and tear-, which return shall take place in the port in which the vessel was delivered.
5. In the event of delay in returning the vessel through a cause attributable to the charterer, he shall be obliged to pay twice the hire for the period of delay unless the disponent owner establishes that the damage exceeds such compensation.

Article 255

The charterer shall indemnify the disponent owner against action taken against him by third parties attributable to use of the vessel.

PART 2 The Contract of Maritime Transport

Article 256

1. A contract of maritime transport is a contract whereby the carrier undertakes to carry goods from one port to another in consideration of freight which the shipper is obliged to pay.
2. The provisions of this Part shall apply as from the time the carrier or his representative takes delivery of the goods until such time as they are delivered to the consignee.

Article 257

1. The contract of maritime transport shall be evidenced by a bill of lading and the carrier or his representative must issue a bill of lading upon the request of the shipper.
2. The bill of lading must state the following matters:
 - (a) The name and address of the carriers he shipper-and the consignee;
 - (b) Particulars of the goods delivered to the carrier and the date of delivery thereof;
 - (c) Port of loading and port of arrival;
 - (d) Name and nationality of the vessel;
 - (e) The amount of the freight and the manner- of calculation thereof;
 - (f) The place and date of issue of the bill;
 - (g) The number of copies of the bill which have been made;
 - (h) The signature of the master- and the shipper.

Article 258

The particulars of the goods delivered to the carrier on the bill of lading must contain the following;

- (a) The principal marks necessary to establish the type of goods in accordance with the particulars supplied by the shipper in writing before shipment, which particulars must be sufficient in order to identify the goods and must be marked on in such a way that they remain legible until the end of the voyage;
- (b) The number of packages or pieces or quantity or weight as the case may be in accordance with the particulars provided by the shipper in writing before shipment;
- (c) The apparent condition of the goods.

Article 259

1. The carrier- or his representative may express reservations against the particulars given by the shipper- in connection with the marks on the goods, the number, quantity or weight, if he has serious reasons to doubt the accuracy thereof or if he does not have available to him the ordinary means of verifying the same.
2. The reasons for the reservation must be stated on the particulars on the bill of lading, together with the bases which are being relied on.
3. The shipper or person delivering the goods shall have the right to prove the accuracy of those particulars.
4. The shipper- shall be responsible to the carrier for any inaccuracy in the particulars provided by him concerning the goods and which have been written on the bill of lading. It shall not be permissible for the carrier to rely on any inaccuracy in the said particulars in the bill of lading as against any third party other than the consignor.

Article 260

Any letter of guarantee or agreement by which the shipper provides security for compensation to the carrier-for losses arising out of the issue of the bill of lading free of any reservations may not be relied on as against a third party but nevertheless a third party may rely on the said agreement as against the shipped.

Article 262.

It shall be permissible for the carrier to give the shipper a receipt for the delivery of the goods before they are loaded on board the vessel which shall be substituted for the bill of lading upon the request of the shipper after the goods have been placed on board the ship and the receipt

shall have the same effect as the bill of lading if it contains the particulars stipulated in Article 257 and is endorsed with the word "shipper".

Article 262

1. The bill of lading shall be made out in two original copies of which one shall be given to the shipper and the other shall remain with the carrier and mention shall be made on it that it is not negotiable. The shipper- or his representative shall sign the original copy retained by the carrier, and the carrier or his representative shall sign the original copy delivered to the shipper and that copy shall give the person in lawful possession thereof the right to take delivery of the goods and to dispose of the same.

2. It shall be permissible to make out a number of similar copies to the original delivered to the shipper. Each copy must be numbered and mention must be made thereon of the number of copies which have been made. Every copy shall be able to take the place of the other copies and if one of them is used the other copies shall be deemed to be void as against the carrier.

Article 263

1. If there is any difference between the copy of the bill of lading signed by the shipper or his representative and the copy signed by the carrier- or his representative each original copy shall be valid as against the person who signed the same.

2. If there is any difference between the charter-party of the vessel and the bill of lading the charter-party shall be relied on in relations between the disponent owner and the charterer, but as for relations between the charterer and the shipper the bill of lading alone shall be relied on unless it specifically contains a reference to the charter-party.

Article 264

1. The bill of lading shall be made out in the name of a specified person or to his order or to the bearer.

2. It shall be permissible to assign a named bill of lading by following the legal procedures in force in connection with the transfer of a right.

3. A bill of lading made out to order shall be negotiable by endorsement.

4. A bill of lading in favour of the bearer shall be negotiable by delivery and the same provision shall apply to a bill of lading made out to order and endorsed in blank.

5. In the event that a bill of lading made out to order is negotiated it shall be permissible to agree to limit the warranty to the existence of the goods and the validity of the contract of carriage at the time of endorsement.

6. It shall be permissible for a bill of lading to contain a restriction on assignment or negotiation.

Article 265

1. If the master- finds on board the vessel and prior- to sailing any goods not mentioned in the bill of lading or in respect of which the particulars given are contrary to the truth it shall be permissible for him to unload those goods off the ship at the place of loading or to allow them to remain on the ship upon payment of freight equivalent to the highest freight payable on goods of that type at the said place without prejudice to any compensation which may become due.
2. If the said goods are found during the voyage it shall be permissible for the master to order that they be thrown into the sea if they are such as to cause damage to the vessel or to goods loaded thereon or if the carriage thereof will necessitate the payment of fines or the payment of costs in excess of the value thereof or if the sale or export thereof are prohibited by law.

Article 266

1. The bill of lading shall be deemed to be evidence of the particulars contained therein as between the carrier and the shipper and with regard to third parties.
2. In the relationship between the carrier and the shipper it shall be permissible to prove the contrary of what is stated in the bill of lading, but so far as third parties acting in good faith are concerned it shall not be permissible for the carrier to prove the contrary of what is stated in the bill, but it shall be open to the third party to do so, and the consignee in whose name or to whose order the bill of lading was issued shall be deemed to be a third party within the meaning of this Article unless he is also the shipper.

Article 267

1. The master must deliver the goods to the consignee or his representative, and the consignee is the person whose name is mentioned on a named bill of lading, the last endorsee on a bill of lading to order, and the person presenting the bill on arrival if the bill is in favour of the bearer.
2. If a number of persons bearing copies of negotiable bills of lading come forward with a request for delivery of the goods preference must be given to the bearer of the copy bearing the earliest date of endorsement, and if all endorsements are of the same date the master must deposit the goods with such other per-son as may be agreed by the rival claimants, failing which the relevant civil court shall appoint such person.
3. An undated endorsement shall be deemed to have been made on the day the bill of lading was presented.
4. If the goods are delivered to the bearer of one of the negotiable copies of the bill of lading acting in good faith he must be preferred over bearers of other bills even though the same may bear earlier dates of endorsement.

Article 268

1. Any person who has a right to receive the goods by virtue of a bill of lading may request the consent of the carrier to deliver specified quantities thereof on the condition that the contract of carriage so provides. Delivery orders shall issue in the name of a specified person or to his order or to the bearer and shall be signed by the carrier and the person seeking the order.

2. If the bill of lading is negotiable the carrier must mention particulars therein of delivery orders which have been given and the relevant goods. If the goods have been distributed over several delivery order-s the carrier must recall the bill of lading.

Article 269

If the person having the right to take delivery of the goods does not attend or if he refuses to take delivery of the same it shall be permissible for the carrier to apply to the relevant court for leave to deposit the same with a deposittee to be appointed by the court. The carrier may request permission to sell the goods in whole or- in part to pay the freight.

Article 270

The delivery of the original copy of the bill of lading to the carrier or his representative is good proof of delivery of the goods to the person having the right to take delivery of the same in the condition set out in the bill of lading unless the contrary is proved.

Article 271

1. If the vessel is loaded with dangerous, inflammable or explosive goods it shall be permissible for the carrier at any time to remove the goods from the ship or to destroy the same or to remove the danger which they cause without any compensation if it is established that he did not consent to their being loaded even though he knew of their type or nature. In addition thereto the shipper shall be responsible for loss and damage arising directly or indirectly from such goods being loaded on the vessel.

2. If goods of that type are loaded on the vessel with the knowledge and consent of the carrier and they become a danger to the vessel or to the cargo it shall be permissible for them to be set down from the vessel or for them to be destroyed or the danger thereof removed by the carrier without responsibility upon him but with regard to the provisions of general average if appropriate.

Article 272

1. The carrier must before setting sail and upon the commencement of a voyage use the necessary care to put the vessel in a seaworthy condition and to fit it out, man it and provision it properly. He must prepare the holds and cold rooms and other parts of the vessel to receive, carry and preserve the goods.

2. The carrier must also use the necessary care in loading, stowing, stacking, arranging, carrying, protecting, discharging and delivering the goods.

Article 273

With the exception of coastal navigation it shall not be permissible for the carrier or his representative to load goods on the deck of the vessel unless the shipper consents thereto in writing or if there is a custom permitting the same in the port of loading.

Article 274

The provisions of Articles 220, 221, 228 and 240 of this Law shall apply to a contract of marine carriage.

Article 275

1. The carrier shall be responsible for loss or damage sustained by the goods during the period from the time he takes delivery of the goods at the port of loading to the time he delivers the same to the person having the right to them at the port of discharge unless it is proved that the said damage or- destruction arose out of one of the following causes:

- (a) Unseaworthiness of the ship, but on condition that the carrier proves that he discharged the obligations set out in Article 272;
- (b) Errors of navigation or in the management of the vessel on the part of the captain, crew, pilots or other maritime workers;
- (c) Fire, unless the same occurred through the act or default of the carrier;
- (d) Perils of the sea or other- navigable waters, or dangers or accidents thereof;
- (e) Act of God;
- (f) Perils of war;
- (g) Acts of public enemies;
- (h) Any detention or constraint by a power-, state or people or judicial arrest;
- (i) Quarantine restrictions;
- (j) Any strikes or layoffs or any other obstacle such as to prevent continuance of the work in whole or in part;
- (k) Civil unrest and commotions;
 - (1) Any act or omission on the part of the shipper or owner of the goods or his agent or representative;

- (m) Shortfall in bulk or weight or any other shortfall arising out of a latent defect or from the particular nature of the goods or any defect inherent therein;
- (n) Insufficiency of packaging;
- (o) Insufficiency or imperfection of distinguishing marks for the goods;
- (p) Rescue or attempted rescue of persons or property at sea;
- (q) Latent defects not discoverable by ordinary examination;
- (r) Any deviation from course in the course of rescuing or attempting to rescue persons or property at sea or any other deviation for reasonable cause;
- (s) Any other cause which does not arise out of the default of the carrier or those working under him or his representative. The burden of proof shall be upon the person alleging such cause to show that no default of such persons was instrumental in causing the loss or damage.

2. It shall be permissible for the shipper in the circumstances set out above to prove that the loss or damage arose out of the default of the carrier or the default of those working under him in a manner unconnected with the navigation or management of the vessel.

Article 276

1. The liability of the carrier in all circumstances for loss or damage suffered by the goods shall be limited to a sum not exceeding ten thousand dirhams for each package or unit taken as a basis in computing the freight, or a sum not exceeding thirty dirhams per kilogram per gross weight of the goods, whichever is the higher limit.
2. If packages or units are grouped in cases, boxes or other containers and the bill of lading states the number of packages or units contained in each container, then each one shall be deemed to be a package or unit in connection with the fixing of the upper limit of liability and if the container is not owned or provided by the carrier and it is lost or destroyed it shall of itself be deemed to be an independent package or unit.
3. It shall not be permissible for the carrier to limit his liability as against the shipper if the shipper has provided particulars, before the loading takes place, of the nature and value of the goods and the particular importance attaching to the preservation thereof, and such particulars are set out on the bill of lading. The said particulars shall be deemed to be proof of the accuracy of the value set out by the shipper of the goods and it shall be permissible for the carrier to prove the contrary.
4. Special agreement may be reached between the shipper and the carrier or his representative to specify an upper limit of liability of the carrier different from the Limit set out in this Article but provided that it may not be less than it.

5. In no cases shall the carrier be responsible for loss or damage sustained by the goods if the shipper has deliberately stated false particulars on the bill of lading relating to the nature or value of the goods.

Article 277

The carrier and the person taking delivery of the goods must in the event that they are lost or damaged provide facilities for the other to inspect the goods and verify the number of packages.

Article 278

1. Any condition in a bill of lading or any other similar document of which the nature is to exempt the carrier from responsibility for loss or damage of the goods arising out of a breach of his obligations set out in this Part or which reduces the said liability shall be deemed to be void.

2. Any condition containing an assignment to the carrier of rights arising out of insurance in the goods and any other similar condition shall be deemed to be in the nature of an exemption from liability.

Article 279

1. The carrier may assign all or part of the rights and exemptions granted to him or may increase his obligations as set out in this part on condition that the same is specified in the bill of lading delivered to the consignor.

2. It shall be permissible for bills of lading to stipulate any conditions relating to general average, provided that such conditions do not conflict with the internationally recognised rules for general average.

Article 280

1. It shall be permissible to agree on provisions for liability contrary to those set out in the foregoing Articles in connection with coastal navigation and likewise in other types of navigation if the nature of the goods required to be transported or the conditions of shipment or exceptional conditions in which the transport is required to be carried out are such as to justify making a special contract with regard thereto.

2. The validity of the agreement referred to in the foregoing subsection is dependent upon the following:

- (a) It must not be contrary to public order (policy);
- (b) It must not be related to the care which must be exercised by the employees or agents of the carrier or their diligence in connection with the loading, storing, stacking, carrying, preservation and care of the goods being carried at sea or in the discharge thereof;
- (c) A bill of lading should not be issued;

(d) The agreement should be written on a non-negotiable receipt and particulars thereof endorsed thereon.

Article 282

1. In the event that part of the goods is lost or damaged the person taking delivery of the same must give written notice to the carrier or his representative in the port of discharge before or during delivery of the destruction or loss of the goods failing which it will be presumed that they have been delivered to him in the condition set out in the bill of lading until evidence to the contrary is forthcoming, but if the loss or damage are not apparent it shall be permissible to provide the said notification within a period of the three days following delivery of the goods. Public holidays shall not be calculated in the said period.

2. The submission of notice shall not be necessary if the goods have been inspected at the time of delivery, in the presence of the carrier or his representative and the person taking delivery of the goods.

Article 282

The provisions relating to liability set out above in this Part shall apply to carriage by sea under a bill of lading during the period from the time the carrier or his representative takes delivery of the goods until such time as they are delivered to the consignee and no contrary provisions shall have effect.

Article 283

The provisions relating to liability set out in this Part shall not apply to a charterparty of the vessel but provided that if the bills of lading are issued while the ship is subject to a charterparty those provisions shall apply to the bills of lading commencing from the time when the bill governs the relationship between the carrier and the bearer of the bill.

Article 284

The provisions relating to liability set out in this Part shall not apply to the carriage of live animals or goods which are mentioned in the contract of carriage as being carried on deck and which are in fact carried in that manner.

Article 285

1. The carrier shall be responsible for delay in delivering the goods unless it is proved that the delay arises out of one of the causes set out in Article 275.

2. The carrier shall be deemed to have made delay in delivering the goods if he does not deliver the goods at the time agreed, and in the absence of such an agreement if he does not deliver them at the time at which an ordinary carrier would deliver them in similar circumstances.

Article 286

1. The carrier may issue a through bill of lading whereby he undertakes to transport the goods to a specified place in successive stages and in that event the carrier shall be responsible for all the obligations arising out of the bill until such time as the carriage is finished. He shall be responsible for the acts of carriers subsequent to him who take delivery of the goods.

2. No successive carrier shall be responsible save for damage which has occurred while he has been transporting the goods.

Article 287

The following claims shall not be heard if opposed and in the absence of lawful excuse.

(a) Claims arising out of a marine contract of affreightment after the expiry of a period of one year from the date of delivery of the goods or from the date on which the goods should have been delivered;

(b) Recourse claims against third parties by persons against whom a claim has been made, after the expiry of 90 days from the date the claim was made against him or from the date on which he paid even though the period set out in the foregoing sub-paragraph may have expired;

(c) A claim for monies paid otherwise than by way of entitlement, after the expiry of a period of one year from the day on which the person seeking recovery knew of his right to recover.

PART THREE Contracts for the carriage of passengers

Article 288

1. A contract for the carriage of persons is a contract whereby the carrier is obliged to carry a passenger from one port to another against the payment of a fare.

2. The provisions of this Part shall not apply to free transport unless the carrier is professional, and likewise they do not apply to persons who secretly board the vessel in order to travel without fare.

Article 289

1. The contract of carriage of persons shall be evidenced by a document called a "passenger ticket" and the passenger ticket shall in particular contain the name both of the carrier and the passenger, the date of issue thereof, the name and type of the vessel, the port and date of departure and the port of destination, the fare, and the conditions of accommodation on board.
2. It shall not be permissible to transfer the passenger ticket to a third party save with the consent of the carrier.

Article 290

The carrier shall be bound to use the necessary care in rendering the ship seaworthy and able to carry out the journey agreed and to keep the ship in that condition throughout the period of the voyage. Likewise he is obliged to exercise due care to ensure the safety of the passengers.

Article 291

1. If the voyage ceases for more than a reasonable period it shall be permissible for the passenger to cancel the contract and to receive compensation if appropriate. The carrier shall be exempt from paying compensation if it is proved that the stoppage of the voyage arises out of a cause which is not attributable to him.
2. It shall not be permissible to cancel the contract if the carrier carries the passenger to the agreed destination within a reasonable time and on a vessel of the same standard.

Article 292

1. It shall be permissible for a passenger to cancel the contract without compensation if the vessel is unable to set sail for a cause outside the control of the carrier.
2. It shall be permissible for a passenger to seek to cancel the contract with compensation if appropriate if the carrier carries out an essential alteration in the times of voyage or the itinerary of the vessel or in the ports of call published, but nevertheless the carrier shall be exempt from compensation if he proves that he exercised proper care to prevent such alterations.

Article 293

1. The passenger must attend to make the voyage at the time and place specified in the passenger ticket.
2. If the passenger fails to travel or fails to attend at the time specified, he shall remain liable to pay the fare.
3. If the passenger dies or is prevented by travelling by force majeure the contract shall be cancelled on the condition that he or his heirs notify the carrier before the voyage of those facts, and if notification is not given the carrier shall be entitled to receive one quarter of the fare.

Article 294

The carrier shall be responsible for losses suffered by the passenger caused by delay in arrival arising out of breach by the carrier of the obligations set out in Article 290 or if it is established that the carrier or one of those working under him has been guilty of a default.

Article 295

1. The carrier shall be responsible for damages arising out of the death or injury of a passenger if the accident arises during the carrying out of the contract and it is shown that the carrier was in breach of his obligations as set out in Article 290 or if it is established that the carrier or one of those working under him has been guilty of a default.
2. Nevertheless if the death or injury arise out of the sinking or collision of the ship, stranding, explosion, fire or any other major accident the carrier shall be responsible unless it is proved that the accident was not attributable to the default of himself or any of those working under him.
3. The accident shall be deemed to have arisen during the carrying out of the contract if it occurs during the voyage or during the embarkation or disembarkation of the passenger at the port of commencement or destination or in an intermediate port of call.

Article 296

1. The liability of the carrier for death or injury of a passenger shall be determined by the amount of blood money defined by Shariah law in the Criminal Code.
2. It shall be permissible to agree that liability should be limited to an amount not exceeding that stated in the foregoing sub-section.
3. It shall not be permissible for the carrier to rely on limitation of liability if it is established that there was some fraud or unpardonable error on the part of the carrier or those working under him, and an error shall be deemed to be unpardonable if an act was done recklessly and was accompanied by realisation of the probability that damage would result.

Article 297

Any agreement made before the accident out of which the death or injury of the passenger arose and which exempts the carrier from liability or which limits that liability to a sum less than that set out in the foregoing Article, or which shifts the burden of proof imposed by law on the carrier or which refers disputes to a specified court or to arbitration shall be void.

Article 298

All liability claims whatever may be the basis thereof shall be subject to the provisions set out in this Part.

Article 299

The following claims shall not be heard if they are denied and in the absence of lawful excuse:

(a) Claims for liability for the death or injury of a passenger after the expiry of two years, which period shall commence on the day following the day the passenger left the ship in the event of injury and from the day following the day on which he should have left the ship in the event of death during the carrying out of the contract of carriage and from the day of the death if it occurred after the passenger had left the vessel and the death was caused by an incident which occurred during the carrying out of the contract of carriage but provided that if the death takes place more than three years after the date that the passenger left the vessel the claim for liability shall not be heard.

(b) A claim for liability for delay in arrival shall not be heard after the expiry of six months from the day following the day on which the passenger left the vessel.

Article 300

1. The obligation of the carrier shall include the carriage of the passenger's effects within such limits as are laid down by the contract or by custom. The carrier or his representative shall provide a receipt for the effects which are delivered to him by the passenger for carriage and the provisions of a contract of freightment by sea shall apply to such effects.

2. As for effects which the passenger retains in his possession the carrier shall not be responsible for loss or destruction of the same unless the passenger proves that the loss is attributable to the default of the carrier or a person working under him.

Article 302

It shall not be permissible for the master to detain the effects of a passenger which he is retaining in his possession on board the vessel by way of payment of the fare but the master may request that they be deposited with a third party until the sums owing are paid.

Article 302

If denied and in the absence of lawful excuse no claims shall be heard arising out of the carriage of effects after the expiry of one year from the day following the day on which the passenger left the vessel or the day on which he should have left it.

PART FOUR Pilotage and towage of vessels

Section One Pilotage

Article 303

1. Pilotage shall be compulsory in those ports which will be specified by a resolution of the competent authority.

2. A resolution shall be issued by the competent authority regulating pilotage, definition of areas thereof, and fixing the basic and extra fees which shall be payable therefor together with conditions of exemption therefrom.

3. Naval vessels, vessels allocated to public service or which are owned, used or managed by the State or one of its public bodies or organs, as well as sailing boats, the net tonnage of which is less than 100 tons~ vessels with engines of which the net tonnage is less than 150 tons, and other vessels in respect of which an exemption order may be made by the relevant authority shall be exempt from the requirement for pilotage.

Article 304

Every vessel which is subject to the obligation of pilotage must obey such rules as are laid down in the Pilotage Regulations in force for the summoning of a pilot before entering a pilotage area or moving therein or leaving the same.

Article 305

1. The pilot must immediately answer the pilotage summons and he must offer his services to the vessel which requests pilotage from him before any other vessel or which he is particularly obliged to pilot.

2. Nevertheless the pilot must offer his assistance as a matter of priority to any vessel which is in danger even though a pilotage request has not been made.

Article 306

The command and management of the vessel shall remain with the captain during the period the pilot is carrying out his functions.

Article 307

1. The operator of the vessel shall be responsible for damage suffered by third parties by reason of errors committed by the pilot in the carrying out of his pilotage duties, and it shall be permissible for the operator to have recourse against the pilot to the amount of the damage arising out of the error from which the loss arose.

2. The pilot shall not be responsible for losses sustained by the ship which he is piloting unless the operator proves that the pilot was guilty of a gross error in the performance of his pilotage operation.

3. The Government shall not bear any responsibility for loss or damage suffered through employment of any pilot who is in possession of a pilot's licence.

Article 308

The operator of the vessel shall be responsible for loss sustained by the pilot vessel during the pilotage operation or during movements relating to the embarkation of the pilot on board or his disembarkation from the vessel unless the operator proves that the loss arose out of a gross error committed by the pilot.

Article 309

The carrier shall be responsible for damage suffered by the pilot during the carrying out of the pilotage operation or during movements relating to the embarkation of the pilot on board the vessel or his disembarkation therefrom unless it is proved that the loss arose out of an error on the part of the pilot or on the part of the crew of the pilot boat.

Article 310

If the pilot is compelled to travel with the vessel by reason of poor weather conditions or upon the request of the master the operator shall be responsible for accommodating and feeding him and returning him to the port from which he has accompanied him together with compensation if appropriate.

Article 311

1. If a vessel which is subject to a pilotage obligation refuses to avail itself of the assistance of a pilot it shall be obliged to pay an additional sum specified in the Pilotage Regulations.
2. The vessel shall be obliged to pay a sum to be fixed in the Pilotage Regulations on condition that it shall not exceed one hundred dirhams if the vessel has dispensed with the services of the pilot after he has attended at the vessel and likewise it shall be obliged to pay such sum for each hour or part of an hour if the pilot is obliged to wait by reason of delay by the vessel for a period exceeding one hour in arriving at the place specified by the master or operator.

Article 312

1. A fine of not less than one thousand dirhams and not more than two thousand dirhams shall be imposed upon the master of any vessel subject to a pilotage obligation if he avails himself of the assistance of a pilot knowing that that person is not licensed to pilot or if he brings the vessel into a pilotage area or maneuvers therein or leaves the same without availing himself of the services of the pilot unless he is permitted so to do by the authority in charge of pilotage for pressing necessity.
2. If the breach is repeated the penalty shall be imprisonment for a period not exceeding two years or a fine not exceeding ten thousand dirhams.

Article 313

1. A penalty of imprisonment for a period not exceeding one year and a fine not less than two hundred dirhams and not more than five thousand dirhams or one of the aforesaid penalties shall be imposed upon any person who pilots vessels without being licensed so to do and likewise any pilot who refuses to offer his services or who pilots vessels which he is not licenced to pilot.
2. The fine shall be doubled if the pilot undertakes pilotage while drunk or under the influence of drugs.

Article 314

If denied and in the absence of lawful excuse no claims for liability arising out of the pilotage operation shall be heard after the expiry of a period of two years from the date of the termination of the operation.

Section 2 Towage

Article 315

1. The towing vessel and the vessel being towed shall be jointly liable for any loss suffered by third parties arising out of a towage operation.
2. The liability shall be divided between the two vessels aforesaid in accordance with the seriousness of the error attributable to each of them.

Article 316

1. The towing vessel shall be liable for any damage which it causes to the vessel being towed unless it is established that the damage arose out of force majeure or unforeseeable event or inherent defect in the vessel being towed or through a default on the part of the master thereof.
2. As for damage caused to the towing vessel the vessel in. tow shall not be liable therefor unless it was instrumental in causing such damage.

Article 317

Upon denial and in the absence of lawful excuse no claims for liability arising out of a towage operation will be heard after the expiry of two years from the date of termination of the operation.

CHAPTER FIVE Marine Accidents

Part 1 Marine Collision

Article 318

1. If a collision occurs between seagoing vessels or between such vessels and boats navigating on inland waters compensation due for damage caused to the vessels and objects and persons on board the vessels shall apply in accordance with the provisions contained in this Part without regard to the legal status of the waters in which the collision took place, and with the exception of

floating objects moored at a fixed anchor every floating object shall be deemed to be for the purposes of this Article a seagoing vessel or boat for inland navigation as the case may be.

2. The aforesaid provisions shall apply even if there has been no physical collision to compensation for damage occasioned by a vessel to another or to objects or persons on board if such damage arises out of the manoeuvring of the vessel or negligence in the performance of those manoeuvres or failure to observe the provisions laid down by national legislation or international agreements which have been ratified in connection with the regulation of the movement of vessels.

3. The provisions of maritime collision shall apply even though one of the vessels in the collision may be allocated to public service by the State or by one of its public bodies or organs.

Article 319

1. If a collision arises out of force majeure or if there is a doubt as to the cause thereof or if the cause is not known each vessel shall bear the loss which it has suffered.

2. The foregoing provisions shall also apply if the vessels or one of them are at anchor at the time the collision occurs.

Article 320

If the collision arises out of the default of one of the vessels that vessel must make compensation for the damage which has resulted from the collision.

Article 322

1. If more than one party is at fault the liability of each vessel shall be assessed in proportion to the default of which it has been guilty, and if circumstances make it impossible to determine the degree of default of which each vessel was guilty liability shall be apportioned between them equally.

2. Vessels shall be liable within the limits of the proportion referred to in the foregoing sub-section without joint liability as between them with regard to third parties for damage suffered by vessels, goods, chattels or other property belonging to the crew or to any other person on board the vessel.

3. Liability shall be joint if the damage leads to the death or injury of a person on board the vessel and the vessel which pays more than its share shall have a right of recourse against the other vessels.

Article 322

The liability imposed by this Part shall apply in respect of a collision arising through the default of the pilot even though the pilotage is compulsory.

Article 323

The legal rules of evidence shall not apply to defaults in connection with liability arising out of collisions.

Article 324

1. The master of each of the vessels involved in a collision must hasten to the assistance of the other vessel and its crew and passengers so far as is possible and to the extent that that assistance does not expose his vessel or crew or passengers to serious risk. He must also notify the other ship of the name of his ship, the port of registration, the place from which it is coming and the destination to which it is proceeding.
2. Neither the owner nor the operator shall be responsible for any breach by the captain of the foregoing provisions unless the breach occurs through express instructions given by them.

Article 325

1. A claimant may raise a claim arising out of a marine collision before any of the following courts:
 - (a) The court within the jurisdiction of which the defendant has his residence;
 - (b) The court within the jurisdiction of which the defendant ship is registered;
 - (c) The court within the jurisdiction of which the arrest takes place of the defendant vessel which has caused the damage or of another vessel owned by the same person if the arrest is permissible or the court within the jurisdiction of which it is permissible to effect the arrest of the vessel and in which the arrestee has offered a guarantor or other security.
 - (d) The court within the jurisdiction of which is the place in which the collision took place if it took place within the ports, docks or other areas of its inland waters.
2. If the claimant elects one of the courts mentioned in the foregoing subsection it shall not be permissible for him to raise a new claim based upon the same facts before any other court unless he abandons the original claim.
3. It shall be permissible for the parties to agree that a claim may be made claim before any court other than the courts mentioned in the first subsection or to refer the dispute to arbitration.
4. It shall be permissible for a defendant to submit any counterclaims he may have arising out of the same collision before the court which is hearing the original claim.
5. If there are several claimants and one of them raises a claim before one of the courts it shall be permissible for the others to make a claim against the same party arising out of the same collision before that court.

Article 326

In the event of denial and the absence of lawful excuse none of the following claims shall be heard

1. claims for compensation arising out of marine collision after the expiry of a period of 2 years from the date of the accident.
2. a claim by way of recourse by virtue of the right referred to in the last subsection of Article 321 after the expiry of one year from the date of the death.

PART TWO Assistance and Salvage

Article 327

The provisions of this part shall apply to assistance and salvage of seagoing vessels which are in danger as well as the persons on board and the things which the vessel is carrying, and freight. Likewise the same provisions shall apply to the same kind of services rendered between seagoing vessels and boats engaged in navigation in inland waters without regard to the legal status of the waters in which such services are rendered.

Article 328

1. Any act of assistance or salvage shall give the right to just remuneration if the same achieves a useful result.
2. In no circumstances shall it be permissible for the remuneration to exceed the value of the things saved.
3. Remuneration shall become payable even though assistance or salvage is effected as between vessels owned by the same person.

Article 329

Persons who have participated in any acts of assistance shall not be entitled to remuneration if the assisted vessel has expressly forbidden them to assist it for reasonable cause.

Article 330

In the event of towage or pilotage no remuneration shall be payable to the vessel which carries out such operation for assistance or salvage of the vessel which it tows or pilots or for the good thereon unless the towing or piloting vessel has rendered exceptional services outside the bounds of custom in operations of towage or pilotage.

Article 331

1. Both parties shall fix the amount of the remuneration otherwise the same shall be fixed by the relevant civil court.
2. The proportion of distribution of remuneration between vessels which have participated in operations of assistance or salvage shall be fixed in the same manner and likewise the proportion of distribution between the owner of the whole of the vessel, the master and the crew.

Article 332

If the assisted vessel is a foreign vessel remuneration shall be distributed between the owner and master thereof and the persons who are serving the same in accordance with the laws of the state of which the vessel is a national.

Article 333

1. No remuneration shall be payable in respect of the saving of persons.
2. Nevertheless persons who have saved human lives shall be entitled to a just proportion of the remuneration which is given to persons who have participated in the salvage of the vessel and the goods, in the same incident.

Article 334

It shall be permissible for the relevant civil court upon application by one of the parties to annul or vary any agreement for assistance or salvage made at a time of danger and under the effect thereof if it finds that the provisions of the agreement are unfair.

In all cases it shall be permissible for the court upon the application of those concerned to annul or vary the said agreement if it appears that the consent of any of the parties was vitiated by deception or if the remuneration is excessive or defective in such a way as not to be appropriate to the services which have been rendered.

Article 335

1. In fixing the remuneration regard shall be had to the following two principles in accordance with the circumstances in the order mentioned.

1. The amount of benefit which has resulted from the salvage and the efforts of the salvors and their competence, and the danger faced by the vessel, the passengers, crew and goods carried thereon to whom the assistance was rendered and the danger to which the salvors and the vessel which performed the assistance and salvage were exposed, the time which the operations took and the expenses and losses arising therefrom, risks of liability and other risks to which the salvors were exposed, the value of the equipment which they used, having regard to the type of service for which the vessel which carried out the assistance or salvage was designed if the circumstances so warrant

2. The value of the goods which were salvaged.
2. Regard shall be had to both of the principles set out in the preceding subsection in distributing the remuneration between those who performed in the salvage if more than one.
3. It shall be permissible to reduce or to cancel the amount of remuneration if it should become apparent from the circumstances that those who performed the salvage were guilty of errors which rendered the assistance or salvage more necessary or that they committed theft or concealed stolen goods or if they were guilty of any other fraud without prejudice to the imposition of penalties upon them or to compensation in respect thereof in favour of the party concerned.

Article 336

1. Every master must so far as he is able and without exposing his vessel crew or passengers to substantial danger give assistance to any vessel which is about to sink and any person who is in the sea and exposed to danger even if he is an enemy, and neither the shipowner nor the operator shall be responsible for any breach of this obligation unless such a breach occurs consequent upon express instructions from them.
2. Any master of a vessel who does not render the assistance referred to in the foregoing subsection shall be liable to imprisonment for a period not exceeding 2 years and a fine not exceeding 10,000 dirhams or one of the aforesaid penalties.

Article 337

In the event of denial or in the absence of lawful excuse no claims for remuneration for recompense for assistance or salvage shall be heard after the expiry of a period of 2 years from the date on which such actions were performed.

Article 338

1. The provisions of this part shall apply to war ships and vessels of the state allocated to public service.
2. By way of exception to the provisions of Article 336 appropriate legislation will define the obligation of masters of naval vessels in respect of assistance to be rendered.

Article 339

Any agreement conferring jurisdiction upon a foreign court to enquire into claims arising out of assistance or salvage or to refer such claims to arbitration outside the State shall be void if the assistance or salvage were rendered in waters subject to the jurisdiction of the State and both the

vessel rendering the assistance or performing the salvage and the vessel which was salvaged are of the nationality of the State.

PART 3 General Marine Average

Article 340

1. Maritime losses shall be deemed to be loss or damage suffered by a vessel or a cargo during a voyage at sea and likewise any sums which may be expended by way of exceptional expenditure to ensure the safety of the voyage.
2. Marine average shall be settled in accordance with the following provisions unless there is a specific agreement to the contrary between the parties concerned.
3. Marine average shall be of two types namely particular average and general average.

Article 341

Losses shall be regarded as particular average in which the conditions of general average do not apply and such losses shall be borne by the owner of the thing which sustains the loss or the person who incurs the expenditure without prejudice to his right to have recourse against the person who caused the loss or who benefited by the expenditure.

Article 342

1. Exceptional sacrifices or expenditures deliberately and reasonably incurred for the common safety in order to avert a serious danger which threatens the ship or its cargo shall be deemed to be general average.
2. General average shall include in particular the following
 - (a) jettisoning goods into the sea and losses which the vessel or the cargo sustains by reason thereof;
 - (b) deliberately stranding the ship for common safety or increasing the sail or increasing steam in order to refloat the ship, and losses which may be sustained by the ship or the cargo in consequence thereof;
 - (c) losses sustained by the ship and the cargo or either of them by reason of penetration of water or otherwise or holing the ship to extinguish a fire which has broken out on board;
 - (d) expenditures incurred in the event of enforced stranding to lighten the load of the vessel, the hiring of lighters for that purpose and the reloading of cargo on board the vessel;

(e) things and provisions required by the common safety to be used as well as the fuel if the ship had been supplied with sufficient fuel before it sets sail and which is thereafter used for any purpose;

(f) expenses incurred for common safety in the ship putting into a port or anchorage by reason of exceptional circumstances or costs of resuming the voyage with its original cargo or part thereof and likewise expenses of its sailing to another port for repair other than a port in which it is anchored;

(g) costs of discharging the cargo fuel or provisions if the same is necessary in order to make good damage as general average if the vessel is unable to continue its voyage without repair and any consequential expenses of reloading restowing or re-storing the goods and ensuring the same as well as losses sustained by the cargo fuel and provisions while such operations are being carried out;

(h) the wages of the captain and crew and cost of the fuel and provisions used during the extended period of the voyage by reason of the vessel putting into a port or anchor to seek safety therein or to carry out repairs which are deemed to be general average for a reasonable period so as to make the ship fit to continue its voyage;

(i) costs of assistance and towage of the vessel;

(j) costs of settling general average.

Article 343

Average shall be deemed to be particular and any claiming that the average is general shall bear the burden of proof thereof.

Article 344

1. The average shall be deemed to be general even though the incident from which it arose occurred by reason of the default of one of the parties concerned in the voyage without prejudice to the right of other parties concerned to have recourse against the person through whose default the incident arose.

2. It shall not be permissible for a person in default to claim that the loss suffered by him is a general average but if the loss arises out of an error of navigation by the master it shall be permissible for the operator to claim that the loss sustained by him shall be a general average.

Article 345

1. General average shall include material losses and expenses directly arising out of an operation which is of the character of general average.

2. As for indirect losses and expenses arising out of delay or breakdown of the vessel or a reduction in the prices of goods or otherwise, the same shall not be general average.

Article 346

Costs incurred instead of other costs which could have been regarded as general average shall be regarded as general average had they been extended up to the limits of sums which have not been expended.

Article 347

1. Goods which are carried on deck contrary to the provisions of Article 273 shall contribute in general average if they have been salvaged, but if they have been jettisoned or lost it shall not be permissible for the owner of the same to consider them as general average unless he establishes that he did not consent to their being carried on the deck of the vessel or if maritime custom at the port of lading did not permit of their being carried in that manner.

2. This provision shall not apply to coastal navigation.

Article 348

1. Loss or damage sustained by goods shipped without the knowledge of the master shall not be within general average but if those goods have been salvaged they shall contribute in general average on the basis of their true value.

2. Goods the particulars of which have been represented at less than their true value shall not be accepted in general average if they have been lost or destroyed save upon the basis of the value as given in the particulars and if they have been salvaged they shall contribute in general average on the basis of their true value.

Article 349

The effects of passengers and crew in respect of which no bill of lading or receipt had been issued by the carrier and likewise postal packages of whatever kind shall now contribute in marine average if they have been salvaged, however if they have been sacrificed they shall be included in the general average at their estimated value.

Article 350

Rights arising out of general average shall make up a creditor group and obligations arising thereout shall make up a debtor group.

Article 351

The creditor group shall include losses and expenses which are deemed to be general average estimated as follows

(a) The amount of damage sustained by the vessel shall be calculated on the basis of reasonable costs in fact expended in repair after deducting the difference for betterment in accordance with the expenditure and price arising out of the sale of the wreckage, and in the event that repairs have not been effected the sum shall be fixed by way of estimate and if the vessel is a total loss or if it is a constructive total loss the sum to be included as general average shall be specified on the basis of the sound value of the vessel immediately before the incident occurred and after deduction of the estimated cost of repairs which do not have the character of general average and the price obtained from the sale of the wreck if any.

(b) The value of the Loss sustained by the goods in the event of loss or destruction shall be calculated on the basis of the commercial value on the last day of discharge of the vessel at the port of destination or upon the day of the termination of the voyage if it did not terminate at the said port, and if the goods were sold damaged, the damage which shall be included in the general average shall be fixed on the basis of the difference between the net value arising from the sale and the net value of the goods in a sound condition on the last day of discharge of the vessel at the port of destination or on the day of termination of the voyage if the voyage did not terminate at the said port.

Article 352

If any of the parties concerned fails to pay the sums required of him by way of contribution in general average, ordinary sums expendable in recovering that money shall be included in the general average.

Article 353

There shall be included in the debtor group the vessel, freight and goods loaded on the vessel in the following manner

1. The vessel shall be included at its true net value at the port in which the voyage ends in addition if appropriate to the amount of the sacrifices which it has borne.
2. The vessel's total freight shall include the fares of passengers at the rate of two thirds with the exception of ship's freight which is agreed to be earned in any event.
3. There shall be included goods salvaged and goods sacrificed according to their actual or estimated commercial value at the port of discharge.

Article 354

Administrative expenses shall be calculated at a sum not exceeding 5% of the total sums which are included in the general average and such costs shall be added to such sums up to the date of final settlement having regard to any sums which may have been paid before such settlement to persons having a right.

Article 355

1. If the owners of the goods provide sums in cash by way of security for their contribution in the general average the same must be immediately deposited i.e. a joint account opened in the name of the representative of the cargo owners at a bank agreed upon by the parties and such sums and any addition thereto by way of administrative costs to secure payment of the rights of beneficiaries in the general average.

2. In the event of dispute the civil court having jurisdiction shall appoint a representative of the things owners and likewise it shall appoint the bank with which the sums shall be deposited.

Article 356

The general average shall be distributed between all persons concerned in the maritime voyage in proportion to the share of each of them in the creditor group.

Article 357

Adjustment of general average shall be made by one or more experts to be appointed by the Court having jurisdiction unless the parties concerned agree upon who shall be appointed.

Article 358

If all of the parties concerned do not accept the adjustment it must be referred to the civil court having jurisdiction upon the request of any one of them to determine the dispute.

Article 359

Any person concerned may discharge his liability to contribute in the general average by abandoning his property which is taken into the debtor group before delivery is taken of the same.

Article 360

1. The master may refuse to deliver goods which must contribute in the general average or he may require that they should be deposited with a third party unless the owner puts up sufficient security for payment of the share of those goods in the average and if the parties do not agree the security the matter shall be referred to the relevant civil court to appoint an expert to assess the security.

2. The Court may order that the goods be sold in whole or in part to obtain such security and the provisions relating to enforcement against mortgaged property in accordance with the law shall apply to the sale.

Article 361

1. Debts arising out of general average shall be deemed to be priority debts.
2. This priority shall apply in connection with sums due to the operator upon goods which have been salvaged or the proceeds realised from the sale thereof.
3. With regard to sums due to the cargo owners priority shall apply as against the vessel which was salvaged, as well as its freight and appurtenances.
4. The costs of the general average adjustment shall be settled in preference to other debts.

Article 362

There shall be no joint liability as between persons bound to contribute in the general average, but if any of them is unable to pay his share in such average such share shall be distributed as between the others in proportion to the liability of each of them in the general average.

Article 363

No claim for participation in settlement of the general average shall be accepted in respect of losses sustained by goods unless the Master has been notified in writing of the claim within 30 days from delivery of the goods and if the claim is in respect of losses sustained by the vessel the cargo owners must be notified thereof within the said period from the date of the termination of the voyage.

Article 364

There shall be no settlement in the event of total loss of the joint property on a maritime voyage.

Article 365

1. In the event of denial and in the absence of lawful excuse no claim for participation in the general average shall be heard after the expiry of two years from the date of the arrival of the ship at the port specified as its destination or to the port in which the maritime voyage ended.
2. In addition to any other causes for which the period of limitation for the hearing of a suit may be interrupted at law the said period shall expire upon the appointment of an average adjuster and in that event the new period shall run for the same period from the date of signing of the general average adjustment or from the date on which the average adjuster retires.

CHAPTER 6 Marine Insurance

Article 366

1. The provisions of this chapter shall apply to a contract of insurance of which the subject matter is security for perils connected with a maritime voyage.
2. It shall be permissible to make an agreement contrary to these provisions to the extent that the same are not mandatory.

Part 2. General Provisions

Section 1 The Contract of Insurance

Article 367

It shall be permissible to insure all property which is exposed to the perils of the sea.

Article 368

It shall not be permissible for any person to benefit by insurance unless he has a lawful interest in the peril not occurring.

Article 369

A contract of insurance may be made in favour of the signatory of the policy or in favour of a specified person or in favour of a non-specified person.

Article 370

1. An insurer may re-insure property which he has insured.
2. The provisions of this chapter shall apply to re-insurance unless the contrary is agreed.

Article 371

It shall not be permissible to prove a contract of insurance nor any amendments thereto save by writing.

Article 372

1. The policy of insurance shall be in the name of the insured or to his order or to the bearer.
2. The insurer may rely on any defences which he may have as against the insured even though the policy is made out to order or in favour of the bearer.

Article 373

1. The policy of insurance shall contain the following particulars.
 - (a) The date of the policy of insurance setting out the year, month, day and hour.
 - (b) The place in which the contract was made.
 - (c) The name and address of the insurer.

(d) The name and address of the insured or the name of the person in whose favour the contract was made.

(e) The property insured.

(f) The perils insured against.

(g) The sum insured.

(h) The insurance premiums.

2. The insurer or his representative must sign the policy.

Article 374

If the peril is insured against in one contract by a number of insurers then no one of them shall be obliged save to the extent of his share in the amount of the insurance and there shall be no joint liability as between them.

Article 375

1. If the sum of insurance exceeds the value of the thing insured and it is established that the insured or his representative has been guilty of fraud the contract shall be avoidable upon application made by the insurer who shall be entitled to his premiums in full.

2. If fraud is disproved the contract shall be valid to the extent of the true value of the goods insured.

Article 376

1. If a thing is insured against the same peril by different insurers in sums which in total exceed the value of the thing insured and it is established that the insured has been guilty of fraud then all of the various contracts shall be avoidable upon the demand of the insurer who shall be entitled to his full premium.

2. In the event that fraud is disproved the contracts of insurance shall be valid and it shall be permissible for the insured to have recourse against the various insurers without joint liability as between themselves in the proportion to the amount of the insurance by which each of them is obliged up to the true value of the thing insured.

Article 377

If the sum of insurance is less than the true value of the thing insured the insured shall be deemed to be an insurer for himself for the difference and in consequence thereof in the event of partial damage he shall bear part of the loss equivalent to the proportion between the difference and the value of the goods insured.

Section 2 Obligations of the Insurer

Article 378

1. The insurer shall indemnify against material losses suffered by the insured goods by reason of storm sinking stranding collision jettisoning fire explosion or plunder or by reason of any other peril of the sea.
2. The insurer shall be responsible for the contribution of the goods of the insured in general average unless the same arises out of an uninsured risk.
3. The insurer shall be responsible likewise for costs expended by reason of an insured peril incurred in averting or limiting the loss.

Article 379

1. The insurer shall be responsible for losses sustained by the insured goods by reason of the default of the insurer or those working under him on land, but the insurer shall not be responsible for deliberate or gross defaults of the insured.
2. Likewise the insured shall be responsible for damage sustained by the goods insured through the default of the captain or crew without prejudice to subsection 2 of Article 403.

Article 380

1. The insurer shall remain responsible for damage arising from the insured perils in the event that a change is necessitated to the itinerary or voyage or vessel by which the goods are being carried or any other change decided upon by the Master without the intervention of the operator or the insured.
2. If there is no enforced variation in the voyage or the itinerary the insurer shall remain responsible for accidents occurring on the agreed part of the journey.

Article 381

Save by special agreement the policy of insurance shall not include civil or external war risks disturbances piracy revolutions strikes lockouts acts of sabotage and terrorism and losses arising out of explosions and nuclear radiation however caused and likewise damage caused by the things insured to other property or to persons, but having regard to the provisions of Article 405.

Article 382

If agreement is made to insure against war risks such insurance shall include losses sustained by things insured by reason of acts of aggression or revenge seizure looting detention duress and harassment caused by governments and powers whether recognised or not or by reason of the detonation of mines and other implements of war even though war may not have been declared or if it has finished.

Article 383

1. If it is impossible to know whether the loss arises out of a war risk or a marine risk it shall be deemed to have arisen out of a marine risk unless the contrary is proved.
2. The insurer shall bear the burden of proving that the loss has arisen out of a non-marine risk.

Article 384

The insurer shall not be liable for the following:

- (a) material losses arising out of an inherent defect in the thing insured or insufficiency of baling or packaging, but nevertheless the insurer of the vessel shall be liable for losses arising out of a latent defect in the vessel, subject to the provisions of Article 403.
- (b) ordinary shortage occurring in the goods during the course of transit.
- (c) material losses arising out of fines or confiscation or placing under guard or seizure or health or sterilisation measures, or breach of blockade or acts of smuggling or carrying out a prohibited trade.
- (d) compensation due in respect of arrest or a guarantee submitted to lift the arrest.
- (e) losses which are not deemed to be a material loss sustained directly by the insured goods such as breakdown, delay, differences in prices and obstacles to which the commercial operation being carried on by the insured is subject.

Section 3 Obligations of the Insured

Article 385

The insured shall be obliged as follows:

- (a) to pay to insurance premiums and costs at the time and place agreed.
- (b) to provide, at the time the contract is concluded, an accurate statement of all circumstances of which he knows and which are, such as to enable the insurer to evaluate the insured risks.
- (c) to notify the insurer during the currency of the contract of any increase in the insured risks so far as he knows of the same.

Article 386

1. If the insured does not pay an insurance premium which is due for payment it shall be permissible for the insurer to suspend the insurance or to cancel the contract. Suspension or

cancellation shall only have effect after the expiry of a period of 15 days after notice to pay given to the insured.

2. It shall be permissible to serve the notice by registered recorded delivery letter or by cable.
3. Notice of suspension shall not prevent the operation of notice of cancellation so long as a premium remains unpaid, as well as costs where appropriate.
4. A contract of insurance which has been suspended shall be revalidated upon payment of the premium and costs.
5. Cancellation of the contract shall result in the insured being obliged to return the premium in respect of current risks.
6. Suspension or cancellation shall not be operative as against third parties acting in good faith to whom ownership of the policy has been transferred and before any casualty has occurred, and before notification of the suspension or cancellation.

Article 387

1. If the insured becomes bankrupt or insolvent it shall be permissible for the insurer to rescind the contract after giving notice to pay to the insured. The rescission shall not be effective as against third parties acting in good faith to whom the ownership of the policy has passed before the occurrence of any casualty and before notification of the rescission.
2. If the insurer becomes bankrupt the insured shall have the same rights as are set out in the foregoing subsection.

Article 388

1. It shall be permissible for the insurer to require that the contract of insurance be rescinded if the insurer has given him any incorrect particulars, even though there has been no fraud, or if he has deliberately remained silent about matters which he should have revealed, and such silence is such as to cause the insurer to underestimate the risks.
2. A court may order that the contract be rescinded even though the incorrect particulars or silence have not affected the damage sustained by the items insured.
3. If the contract is rescinded the insurer shall have the right to receive the premium in full if it is established that the insured has acted in bad faith and half of the premium if bad faith is disproved.

Article 389

1. The insured must notify the insurer of circumstances occurring during the currency of the contract which are such as to increase the risks borne by the insurer within three days from the date that he knows of the same, not counting official holidays. If notification is not given within the said period it shall be permissible for the insurer to cancel the contract.
2. If the increase in risk does not arise out of the act of the insured the contract of insurance shall remain in force with an increase in premiums in consideration of the increased risk.
3. If the increase in risk arises out of the act of the insured it shall be permissible for the insurer within three days of the date of receipt by him of notification either to cancel the contract and reserve his right to the premiums or to keep the contract in force but to demand an increased premium in consideration of the increased risk.

Article 390

1. Any contract of insurance made after the goods insured have been lost or after their arrival shall be void if it is shown that notice of loss or arrival had reached the place in which the insured was before he requested insurance or if it had reached the place in which the contract was made before the insurer signed the same.
2. The insurance shall likewise be void if the insured learns of the loss of the thing insured after requesting insurance and he does not by the quickest means possible cancel the request before the contract is signed.
3. If the insurance is contracted on the basis of good or bad news the contract shall not be void unless it is established that the insured was aware of the loss of the property insured or that the insurer was aware of their arrival.

Article 391

1. The insured may upon the occurrence of an insured risk salvage the insured goods and he must take all the necessary measures to preserve his rights as against third parties who are liable.
2. The insured shall be responsible for damage sustained by the insurer by virtue of his default or negligence in carrying out the above obligations.

Section 4 Settlement of Damages

Article 392

Damages shall be settled by means of compensation unless the insured elects to abandon the object insured to the insurer in circumstances stipulated by the law or the agreement.

Article 393

1. It shall not be permissible for an abandonment of insured objects to be made in part or subject to conditions.
2. Abandonment shall result in the transfer of the ownership of the objects insured to the insurer who shall be obliged to pay the sum insured in full, and the transfer of the ownership shall have effect as between the parties from the day upon which the insured gives notice of his intention to abandon to the insurer.
3. It shall be permissible for the insurer without prejudice to his obligation to pay the sum insured to reject the transfer of ownership of the objects insured to him.

Article 394

1. The insured must upon giving notice of his intention to abandon specify all other contracts of insurance of which he knows.
2. If the insured makes an incorrect declaration in bad faith he shall lose his right to benefit by the insurance.

Article 395

1. It shall be incumbent upon the insured to prove that the object insured was exposed to risk and the damage which it sustained and if the same is proved it shall be presumed that the damage occurred at a time and place at which the insurance was in force unless the insurer proves the contrary.
2. If the insured exercises his right to abandon he must also prove that one of the necessary conditions is fulfilled.

Article 396

The insurer shall not be obliged to repair the objects insured or to replace the same.

Article 397

The insurer must pay the insured the contribution in respect of the objects insured in general average loss whether the settlement of such losses is provisional or final and likewise costs of assistance and salvage in proportion to the value insured with him after deduction made as need be for special average loss borne by the insurer.

Article 396

The insurer shall be subrogated up to the extent of the payment of compensation that he has made to rights and claims which the insured may have arising out of losses included in the insurance.

Section 5 Invalidity of Claims arising out of a Contract of Insurance

Article 399

1. If the same are denied and in the absence of lawful excuse no claims shall be heard arising out a contract of insurance after the expiry of two years, the said period to commence as follows:

(a) from the date upon which the insurance premium fell due in matters connected with a demand;

(b) from the date of the occurrence of the accident out of which the claim arose in matters connected with a claim for compensation for loss sustained by the vessel;

(c) from the date on which the vessel arrived or the date on which it should have arrived in connection with a claim for compensation for loss sustained by the goods, but if the accident occurs later than the two said dates the period shall begin to run as from the date the accident occurred;

(d) from the date of the occurrence of the accident in connection with a claim for settlement of damages by means of abandonment and in the event that a period of grace is specified in the contract for the making of a claim for abandonment the period shall begin to run from the date on which that period of grace expired;

(e) from the date upon which the insured has made payment in connection with a claim for contribution in general average loss or in a claim for remuneration due in respect of assistance and salvage;

(f) from the date on which a third party makes a claim against the insured or from the date on which the insured makes payment in connection with his claim as against the insurer by way of recourse against the third party.

2. Likewise if the same is denied and in the absence of lawful excuse no claim for the recovery of any sum paid otherwise than by way of entitlement under the contract of insurance shall be heard after the expiry of two years and the said period shall run as from the day on which the person seeking recovery knew of his right to recover.

3. The periods referred to in the two foregoing subsections shall be suspended by means of registered letter or delivery of documents relating to the claim in addition to any other causes specified by the law.

PART TWO Provisions relating to certain types of Insurance

Section 1 Insurance upon the Vessel

Article 400

Insurance may be effected upon a vessel for one voyage or for a number of consecutive voyages or' for a fixed period.

Article 401

1. The insurers obligation to insure a voyage shall run as from the commencement of the loading of the goods onto the vessel until the termination of their discharge but the period of the validity of the insurance shall not exceed 15 days from the arrival of the vessel at its destination and likewise the obligation shall determine as from the time on which loading of goods commences at that place for a new voyage.
2. If the vessel is empty the obligation of the insurer shall run as from the time it sets sail until it anchors at its destination.
3. If the insurance embraces a number of consecutive voyages the obligation of the insurer shall apply in the manner set out in the two preceding subsections, and shall terminate at the place appointed in the policy for the termination of the final voyage.
4. If the insurance is effected for a specified period the obligation of the insurer shall commence and determine on the dates specified in the contract at whatever place the vessel may then be.

Article 402

The vessel shall be covered by insurance without the same being terminated at any place in which it may be within the limits of the voyage or the period and the type of navigation referred to in the contract.

Article 403

1. The insurer shall not be liable for losses arising out of an inherent defect in the vessel unless it is a latent defect.
2. Likewise the insurer shall not be responsible for losses arising out of the deliberate defaults of the master.

Article 404

1. Without prejudice to the provisions of Article 375, if agreement is reached on the value of the vessel in the contract it shall not be permissible for the parties to dispute the same, save in the event of recourse by way of contribution to general average loss or remuneration for assistance or salvage.
2. The agreed value shall include the hull of the vessel and its engines and accessories owned by the insured and the insurer and the costs of equipping.

3. Any insurance of whatever date which is effected on accessories owned by the insured alone shall be reduced in value in the event of partial destruction or abandonment to an amount equal to the value of such accessories.

Article 405

1. With the exception of damage sustained by persons the insurer must pay compensation for which the insured becomes liable to third parties in the event of a collision arising out of the default of the insured vessel or its collision with a fixed, moving or floating object.

2. It shall be permissible for the insured and even without the agreement of the insurer to effect supplementary insurances to indemnify him against his liability arising out of losses caused by the vessel and which are not included in the preceding subsection or which exceed the sum insured.

Article 406

1. If the insurance is upon the vessel for one voyage or for a number of consecutive voyages the insurer shall be entitled to the full premium immediately the insured risk commences.

2. If the insurance is for a specified period the insurer shall be entitled to the premium for the whole of the period of insurance if the vessel is a total loss or if the insured decides to abandon it and the loss or abandonment are covered by the insurance but if the loss or circumstances of abandonment are such that the insurer is not responsible therefor he shall not be entitled to the premium save to the extent of the period from the commencement of the currency of the risk to the date of the occurrence of the accident which led to the loss of the vessel or the notice of abandonment thereof.

Article 407

1. The insurer shall insure up to the amount of the insurance losses arising out of any accident occurring during the currency of the policy of insurance even if there are several accidents, unless both parties agree that the insurer shall have the right to demand a supplementary premium as a consequence of any accident.

2. Accidents occurring during any voyage shall be settled separately whether the insurance is effected for one voyage or for a number of consecutive voyages or for a specified period.

Article 408

1. In the event that insurance is settled by means of compensation the insurer shall be liable for the costs of replacement of parts and necessary repairs to render the vessel seaworthy to the exclusion of other compensation arising out of a reduction in the value of the vessel or from its being out of commission or for any other like cause.

2. Costs of replacement of parts shall be reduced by the amount of the difference in value between the old part and the new part unless agreement is reached to the contrary.

Article 409

It shall be permissible for the insured to abandon the insured vessel in the following circumstances:

- (a) if the vessel is a total loss.
- (b) if no news has been heard of the vessel for a period of three months from the date of the last news of it. The vessel shall be deemed to have been lost on the date when news was last heard.
- (c) if the vessel sustains damage which it is not possible to repair or which it is impossible to repair by reason of non-availability of the necessary material means for that purpose at the place at which the vessel is lying, unless it is possible to tow the vessel to another place in which the repair can be carried out.
- (d) if the costs of repair of the vessel are equal to three quarters at least of the value thereof.

Article 410

If war risks are insured it shall be permissible for the insured to exercise his right to abandon the vessel in the event that it is captured or seized or detained by order of the public authorities, if it is impossible to recover the vessel within four months from the date of notification by him to the insurer of the occurrence of the incident.

Article 411

Contracts of insurance relating to a number of vessels owned by one operator shall be settled as if each vessel therein were owned by a separate operator.

Article 412

1. If the ownership of the vessel is transferred or if it is chartered unfitted the insurance shall remain in force by operation of law for the benefit of the new owner or charterer on condition that the insurer is notified thereof within a period of 15 days from the date of the transfer of ownership or of the charter and further on condition that he fulfills all of the obligations upon the insured with regard to the insurer under the contract of insurance.
2. It shall be permissible for the insurer to demand that the contract be cancelled within one month from the date of notification to him of the transfer of ownership or charter.
3. The original insured shall remain bound as against the insurer to pay the insurance premiums due before the transfer of ownership or charter.

Article 413

1. The provisions of Articles 400 to 412 shall apply to a contract of insurance upon the vessel which is limited to the period of its lying at the ports anchorages or dry docks or any other place.
2. It shall be permissible to apply these provisions by agreement between the parties to a vessel in the course of construction.

Section 2 Insurance upon goods

Article 414

Insurance upon goods shall be effected by virtue of a policy for a single voyage or by an open cover policy.

Article 415

1. The goods shall remain covered by insurance without interruption at any place at which they may be during the course of the voyage as defined by the contracting parties.
2. The rules of maritime insurance shall apply to such part of the voyage as is carried out on land or by river or by air unless agreement is reached to the contrary.

Article 416

It shall not be permissible for the amount of the insurance to exceed the current value of the goods at the time and place of loading in addition to all expenses paid up to the time of arrival.

Article 417

Damage sustained by the goods shall be estimated by comparison of the value of the damaged goods and their sound value at the same time and place and a proportion of the reduction in value shall be applied to the sum insured.

Article 418

1. It shall be permissible for the insured to abandon the goods to the insurer in the following circumstances:
 - (a) if news has not been heard of the ship in accordance with the provisions of subparagraph (b) of Article 409, the goods shall be presumed to have been lost upon the date of the last news.

(b) if the vessel becomes unseaworthy and operations to transport the goods by any means of transport to the destination have not commenced within a period of three months from the date upon which the insured notifies the insurer of the unseaworthiness of the vessel.

(c) if the goods are lost or damaged to the extent of three quarters at least of the value thereof.

(d) if the goods are sold during the voyage by reason of injury or material loss.

2. In the events specified in subparagraphs (c) and (d), if the insurance is limited to an indemnity against losses arising out of specified risks the abandonment shall not be valid unless the loss arises from one of the said risks.

3. If war risks are ensured it shall be permissible for the insured to exercise his right to abandon the goods in the event that the vessel is captured seized or detained by order of the public authorities unless the goods are placed at the disposal of the insured within a period of four months from the date of notification by him to the insurer of the occurrence of the incident.

Article 419

1. If the insurance is effected upon open cover it must include conditions by which both the insurer and the insured will be bound relating to the period of the insurance, the amount insured, the amount of the premiums of insurance, and as for the goods insured and the voyages and the name of the vessel or vessels and other particulars the same shall be notified on the occasion of each shipment separately.

2. An insured under an open cover policy shall be obliged to notify the insurer of the shipments mentioned below and likewise the insurer shall be obliged to accept insurance upon them.

(a) All shipments effected on the account of the insured or by way of performance of contracts of purchase or sale which bind him to effect insurance, and insurance shall come into effect on such shipments automatically from the time on which they are exposed to the insured risks but on condition that the insured gives notice thereof within the time stipulated in the contract.

(b) All shipments effect on the account of a third party and in respect of which they insured is obliged to effect insurance but on condition that he has an interest in the cargos in his capacity as commission agent or trustee of the goods or in any other capacity, and the insurance of such shipments shall only take effect from the date of notification to the insurer.

Article 420

If the insured is in deliberate breach of his obligations as set out in the foregoing Article it shall be permissible for the insured to demand that the contract be cancelled and to recover sums paid by him in respect of accidents to the cargos subsequent to the breach, and also to recover by way of compensation premiums in relation to shipments of which he was not notified.

Article 421

The ministers and the relevant authorities in the Emirates each within the spheres of their jurisdictions shall be obliged to give effect to the provisions of this law, and the Minister of Communications, in conjunction with the relevant authorities, shall issue the regulations and resolutions necessary for the implementation thereof.

Article 422

This law shall be published in the Official Gazette and shall come into force three months from the date of publication.

[Signed]

Zayed bin Sultan al Nahayan

President of the State of the United Arab Emirates

Issued from the Presidential Palace, Abu Dhabi, on 7th November 1981.