السلطة البحرية الأردنية
وثيقة مضبوطة

THE MARITIME COMMERCIAL LAW OF THE HASHEMITE KINGDOM OF JORDAN

PUBLISHED IN OFFICIAL GAZETTE NO. 2357
ON 6TH. MAY, 1972

السلطة البحرية الأردنية
وثيقة مضبوطة

THE MARITIME COMMERCIAL LAW
LAW NO. 12 OF 1972

DEFINITIONS

SECTION 1 : This Law shall be cited as "The Maritime Commercial Law of 1972" and it shall come into force after the date of its publication in the Official Gazette.

SECTION 2 : The terms and expressions used in this Law shall have the meanings assigned thereto hereunder unless the context indicates otherwise:

" Minister "	:	The Minister of Transport
" Port "	:	Port of Aqaba
" Department "	:	Aqaba Port Department
" Director "	:	The Director General of Aqaba Port Department or such person as he may delegate.

P A R T I

SHIPS

C H A P T E R 1

DEFINITION OF A SHIP

SECTION 3 : In this Law, the term ship shall mean any seaworthy vessel regardless of its tonnage and designation and whether or not such vessel is navigated for profit.

All the ship's gear which is required for its utilisation shall be considered as part thereof.

Ships are movable properties and as such they shall be subject to the general principles of civil law with due regard to the special principles prescribed in this law.

C H A P T E R 2

NATIONALITY OF A SHIP AND DETERMINATION THEREOF

SECTION 4 : a. A ship shall be considered Jordanian regardless of its tonnage if its home port is Jordanian and if at least half of its ownership vests in Jordanians or in Jordanian companies the majority of the members of whose boards of directors including its chairman are Jordanians.

A Jordanian part owner of a ship may not sell his share or part thereof to a foreigner without the approval of all the Jordanian part-owners if the result of such sale is to render the majority of the owners non-Jordanians. If one of the owners of a ship loses his Jordanian citizenship or if, for any other reason, a share in the ship is transferred to a non-Jordanian person and, as a result, the majority of the owners of the ship become non-Jordanians, then any of the owners of the ship may request within a period not exceeding six months that such share be sold by public auction to a Jordanian citizen, provided that notice of such sale shall be published in the Official Gazette fifteen days prior to the commencement of the sale proceedings. The ship shall retain its Jordanian nationality throughout this period.

b. Notwithstanding the provisions of subsection (a) of this section, in case of extreme necessity the Minister may, on the recommendation of the Director, recommend to the Council of Ministers that the proportion of Jordanian owners of a ship be reduced, or that the ship be exempted completely from the requirement of having Jordanian part owners.

SECTION 5 : The following shall be considered as Jordanian ships:

a. Ships which are abandoned and found drifting in the sea and are picked up by ships flying the Jordanian flag.

b. Ships which are confiscated for violating Jordanian laws.

c. All ships specified in this section and in section (4) shall fly the Jordanian flag while sailing, subject to the provisions of subsection (2) of section (18).

SECTION 6 : Jordanian ships shall have the right exclusively of coastal fishing and coasting trade in Jordanian coastal waters, and of towing ships entering or leaving these coastal waters.

SECTION 7 : Jordanian ships must bear the following markings in Arabic and Latin characters:

a. Steamships and motor vessels intended for coastal navigation or navigation on the high seas:-
The name of the ship on both sides of the stem, and the name of the ship and of its port of registry astern.

b. Coastal sail boats:
On both sides of the stem: the distinguishing letters of the port of registry and the number of the ship's registration
Astern: The name of the ship and of its port of registry.

c. Fishing boats:
On both sides of the stem: the distinguishing letters of the port of registry and the number of the registration.

d. Port launches and boats intended for cargo, and all floating craft in the port (including lighters, dredgers and landing craft):
the same markings as are required for fishing boats of equal tonnage.

e. Launches and boats of official departments and concessionary companies:
on the stem and astern, or on the stem only:
the name of the ship in the cabin, and the distinguishing letters of the port of registry and the number of the registration.

f. Recreational ships:
These ships are permitted not to bear their

registered numbers on the hull, but this number must be marked on the cabin.

SECTION 8 : Ship owners must obtain official confirmation of the load capacity (net registered tonnage) and the total internal capacity together with the capacity of superstructures (gross tonnage) of their ships. The estimation of the tonnage of ships and the capacity and specification of its tackle shall be carried out by the Aqaba Port Department which shall prepare an appropriate certificate in this regard at the expense of the owner or builder or custodian of the ship, who must extend all the facilities which are necessary to implement these measures.

SECTION 9 : The figure of net registered tonnage shall be marked in Arabic and Latin numerals on the main beam of the stern or on the outer side of the forward hatch coamings.

CHAPTER 3
REGISTRATION OF SHIPS AND RIGHTS

SECTION 10: A register shall be maintained at Aqaba Port. Every folio of the register shall be assigned a number and shall be signed. The number of the folio shall be the registration number of the ship for which that folio is exclusively reserved.

The ship shall be known by the name of the port which is the actual or selected domicile of its owner.

Ships belonging to official departments (customs, police quarantine or the State etc.) shall also be be registered at Aqaba Port.

SECTION 11: The characters, numerals or markings required by law may not be erased, obliterated or covered in any way. Any violation of these provisions shall render the ship owner and its master liable to imprisonment for a period ranging from two to ten days and a fine ranging from 500 fils to ten dinars or to either of these two penalties. Placing forged markings shall also render the ship's owner and its master liable to the penalties prescribed under subsection (2) of section

(21) of this law.

SECTION 12: Ships belonging to foreigners residing in Jordan may be registered in Jordan by permission of the Minister of Transport if these ships are intended for recreation or for sailing within Aqaba Port. Such permission may be withdrawn in case these regulations are violated, or if the owner of the ship is changed. The permission shall be withdrawn if the ship is used for navigational purposes other than those specified under its registration. A foreign ship registered at Aqaba Port shall fly the flag of the owner's country or that of the country of one of its owners, if it is owned by several persons.

SECTION 13: The following particulars shall be recorded in the register for each ship in the special folio assigned thereto:

a. Name of the ship (if there are several ships bearing the same name, a serial number shall be added after each name).

b. Registration number (followed by the distinguishing letters of Aqaba Port.)

c. Date and place of construction of the ship.

d. Type (whether it is a sailing boat, steamship, etc).

e. Dimensions (length, breadth and depth).

f. Net and gross tonnage expressed in barrels (tons).

g. Type and power of engines.

h. Name, citizenship and domicile of the owners, and the number of shares owned by each of them.

i. Name, nationality and domicile of the operator of the ship.

j. Changes relating to the ship such as a change of owner.

k. Reasons for cancellation of registration whether due to loss, destruction or sale.

l. Any attachment orders or encumbrances on the ship.

SECTION 14: Registration at Aqaba Port shall be effected on the basis of a written declaration of ownership by the owner to the Director General of the Port Department to be made in the presence of at least two witnesses. The owner shall state his share in the ship and the manner in which he acquired ownership thereof. If the ship is owned by a company, the representative of that company shall, in his capacity as such, make the required declaration on its behalf.

The declarer shall produce all supporting documents to substantiate his ownership (such as the bill of sale and statements of accounts etc. or he shall offer to submit to the Director personal testimony of witnesses such as the ship building contractor, labourers etc). A record of the evidence produced shall be prepared and shall be signed by the declarer, the witnesses and the Director General.

SECTION 15: The aforesaid record shall be posted on the special notice board in the offices of the Port and shall include the particulars specified under Section 13 above.

SECTION 16: The registration may not be contested after the lapse of 3 months from the date of posting of the aforesaid record if no claim or objection is submitted within that period. After that date, any aggrieved party shall have the right to file a claim in court against the declarer for indemnification only.

SECTION 17: The claims and objections which are submitted within the three months period shall be received by the Director, who shall refer them, after the aforesaid period, to the office of the Court of First Instance within whose jurisdiction the Port of Aqaba lies. The court shall in turn, notify the declarer through its process server, of such claims or objections within 15 days from the date of receiving them. The declarer shall be allowed a period of 15 days to submit his reply. The President of the Court shall then summon in the same way, all the parties to the dispute, to a public hearing for settlement of the aforesaid claims and objections. A court judgement which is issued in abstentia shall not be subject to objection. The only recourse shall lie in appeal regardless of the rights in dispute. The appeal must be submitted within fifteen days from the date of legal service of notice of the judgement.

SECTION 18: Ships must be registered within fifteen days from the date of their construction or purchase. If the ship is built or purchased abroad, it must be registered within fifteen days from the date on which it enters Jordanian waters. The presence of a ship in Aqaba Port is not required for purposes of registration. Ships that are purchased or built abroad shall have the right, pending registration, to sail under the Jordanian flag in accordance with a permit from the representative of the Hashemite Kingdom of Jordan at the place of sale or construction, to be issued on the basis of a declaration of purchase of the ship duly supported by documents. If a ship is purchased in Jordan, the transfer of ownership shall be registered in a folio in the register as prescribed under section 25 of this law.

The owner or part owner of a Jordanian ship who fails to carry out the duty of registration of the ship in accordance with the provisions of this section shall be liable to imprisonment for a period ranging from two to ten days and a fine ranging from 3 to 60 Dinars, or to either of these two penalties, unless he proves that the registration could not be effected due to circumstances beyond his control.

SECTION 19: If a ship is sold to a foreigner, or is captured by the enemy, or burnt or otherwise destroyed, the owner in whose name the ship is registered shall return the certificate of ownership to the registration office of the Port for cancellation thereof, and of the folio assigned to the ship in the register. This certificate must be returned within a period of fifteen days if destruction or sale occurs within Jordanian waters, and within a period of three months if it occurs abroad.

SECTION 20: Any unregistered Jordanian ship which leaves the Port shall be stopped and, if arrested on the high seas, it shall be taken to a place where it can be attached by the Director, who shall prepare a record of such attachment. The record shall be submitted to the competent court with a copy to the Minister of Transport.

SECTION 21: If it is proved that the intention of the ship owner in evading registration formalities is for a criminal purpose, the court shall decide to confiscate and sell the ship. The proceeds of the sale shall be part of the revenues of the Port Department, and a copy of the court judgement shall be sent to the Minister of Transport. In addition, the ship owner shall be liable to imprisonment for a period ranging from 3 months to 2 years and a fine ranging from 3 to 60 Dinars. However, if it is proved that the failure to register is due merely to negligence or inadvertence, the ship owner shall be liable to a fine ranging from 3 to 36 Dinars.

SECTION 22: Any agreement or contract, whether with or without consideration, and any final judgement and, in general, any act which is intended to create, transfer, publicise, alter or terminate a material right relating to a registered ship shall not take effect even between the contracting parties unless and until it is duly recorded in the register.

The right to register material rights relating to ships shall be acquired by virtue of the agreement, contract, provisions or acts referred to in the preceding paragraph.

An obligation to deliver a ship shall automatically include an obligation to record the formalities relating to the transfer of ownership in the register. Such transfer may be judicially recognized if one of the contracting parties refuses to implement its obligation, and it shall furthermore give the other party the right to claim any damages which such party may have sustained, particularly if the ownership of the ship has been transferred to a third party.

SECTION 23: The rights acquired by a person in a registered ship on the basis of the records in the register shall be considered as established rights. The records contained in the register, however, may not be relied on by a third party if such party was aware of any defect or invalidating causes before acquiring ownership. In any case, any party which sustains damages may file a personal claim for indemnification against the party who caused such damages.

SECTION 24: Any person who has sustained damages as a result of any registration, amendment or cancellation which has been wrongfully made, may request the cancellation or amendment of such wrongful act. If the two parties concerned cannot reach agreement regarding such cancellation or amendment, the matter must be determined by a court judgement. Minor errors in writing such as a discrepancy between the records appearing on a folio of the register and the details of the daily register or the documents produced in support of the registration may be corrected automatically by the Director.
In case of objection by the parties concerned, the Director must request the local magistrate to make the correction after recording the objection and the request for correction on the relevant folio.

SECTION 25: The registration shall be carried out on the basis of a declaration from the ship owner or the person to whom a right therein was transferred, and the acceptance of the person in whose favor the registration is made. The declaration and acceptance shall be made before the Director, who shall prepare a record of such proceedings. However, they may take place before the notary public, who shall execute an official deed thereof which shall be submitted to the Director.

The declaration and acceptance must contain the following:-

a. A description of the ship to be registered and the number of the folio in the register.

b. The identity of the owner or transferor of the right and the person for whose benefit the proposed registration is being effected.

c. A description of the right to be registered.

d. A description of the method of purchase and the price when necessary.

e. A statement of any special provisions included in the agreement, when necessary (amount loaned by the creditor, rate of interest, charges, money or currency stipulated, method of repayment before maturity) or any encumbrance on the right of disposal or any entries the registration of which is requested together with the principal right.

No declaration shall be necessary if the applicant relies on the law or on a final court judgement or on an official deed which automatically bestows the right to registration.

SECTION 26: The Director or notary public who receives the document shall be personally responsible for verification of the indentity and legal capacity of the applicants, and he shall expressly mention such verification in the record of proceedings or the document. As regards documents prepared abroad, the identity of the contracting parties shall be deemed to have been duly verified if the signatures affixed at the end of such documents which are produced are duly certified by such statements and proofs as are required under the laws in force, failing which the documents may be contested and set aside.

SECTION 27: If the contracting parties do not know how, or are unable to sign or read, admission of the contents of the record shall be made by them before the Director or notary public in the presence of two witnesses who possess the legal qualifications and are able to sign. Such admission of the contents of the record of proceedings or of the document shall be confirmed by the Director or notary public and signed by him and by the witnesses. If the Director or notary public does not know the names of the contracting parties or their personal civil status or places of residence, he shall ascertain these particulars through two witnesses who possess the aforesaid qualifications. In any case the Director or notary public shall attest at the end of the declaration that he personally knows the witnesses.

SECTION 28: A daily register shall be maintained by the Director, who shall record therein under serial numbers and in proper sequence the declarations and documents submitted to him, and shall give the applicant an acknowledgement of receipt containing the number of the daily register in which his declaration was registered and the number and date of registration in that register. The order of priority shall be determined on the basis of the date of this registration.

Where several applications relating to the same

ship are submitted on the same day the order of priorities of rights relating to that ship shall be determined on the basis of the time of day when the application was deposited. Where several applications relating to the same ship are submitted simultaneeusly, this fact shall be recorded in the daily register and the rights shall be registered on an equal footing.

SECTION 29: Any person who claims a right in a registered ship may request a provisional record to be made in order to protect his right provisionally. The application for a provisional record must always be supported by a decision of the president of the court of first instance within whose area of jurisdiction the Port of Aqaba falls. The order of priority of the right which is eventually registered shall be determined on the basis of the date of the provisional record. The provisional record shall remain in effect for a period of one month, after which it shall be automatically cancelled unless a case is filed in court and a record thereof is made in the register within that period.

SECTION 30: A registration and a provisional record may be cancelled on the strength of any document or final court judgement which establishes as against any party claiming any right which has been duly publicised, that the right to which the registration or provisional record relates does not exist or has been lost.

SECTION 31: The provisions of sections 23 to 29 relating to registration shall apply to cancellatiinn, but the record of proceedings or the cancellation document must include the following:-

1. The specific folio of the ship to which the cancellation relates.

2. Details of registration or provisional record.

3. The reason for cancellation or details of the instrument on which it is based.

SECTION 32: The cancellation shall be recorded in the folio of the ship and it shall be dated and signed by the Director, failing which it may be contested and set aside. The signature of the Director shall be supported by the official seal of the Port, and the reasons for cancellation shall be stated on the aforesaid folio.

SECTION 33: Applications for the execution of attachment orders on a ship and execution of judgements which determine any disputes with regard thereto shall be conveyed to the Director through the Execution Office for registration in the folio of the ship. Court cases relating to material claims shall also be recorded in the register, upon service of notice thereof, duly endorsed by the office of the court in which the application was filed, to the Director. Such service of notice shall be carried out at the request of the party concerned.

SECTION 34: If an application to register a material right in a ship which was created between living persons is submitted after the death of the person who possessed that right, the application may be approved upon submission of a document which can serve as a basis for such registration, or an application signed by the person possessing the right, provided that his signature in either case is duly certified. If the signature is not certified or if an objection is made by the heirs, the registration shall be determined by the competent judicial authority.

SECTION 35: Material rights in a ship arising from inheritance may not be registered in the name of persons applying for registration if the inheritance is regular and not governed by a will, unless such applicants produce, in addition to the certificate of death of their predecessor, legal certificates which establish the identify of each of them and his right to inherit from the deceased person. If the inheritance is governed by a will, the applicant must

produce the official will or a decision issued by the judicial authority which is responsible for the execution of the will.

SECTION 36: Every entry in the register shall be confirmed by a signature, otherwise it may be contested and set aside. The signature shall be confirmed by the official seal of the Port Department.

SECTION 37: The ship owner is the only person who shall have the right to obtain a complete copy of the ship's folio. The signature of this copy by the Director and the Seal of the Port Department shall give it the force of an official document. The owners of rights such as mortgagees shall be given certificates of the registration of their rights only.

SECTION 38: Whenever an entry is made on a folio, it must also be recorded on the copy of that folio (the certificate of ownership). Registration shall be rejected by the Director if the copy is not produced and if the application relates to a right the creation of which requires the consent of the registered owner. In all cases registration shall be effected by the Director and he shall notify the owner of the registered right thereof. No other registration may be requested with the consent of the owner of such registered right until after verification that the particulars entered in the folio and in the certificate of ownership are identical. The Director shall certify the correctness of the copy of the folio whenever he is requested to do so.

N 39: If the Director starts a new folio he shall cancel the previous folio by signing the cancellation mark and affixing the Port Department seal on all its pages. He shall likewise cancel the certificate of ownership and retain it with his papers.

40: The Director shall give any interested party upon request a general or a particular statement of the entries in the register and a copy or a summary of the documents.

SECTION 41: If the certificate of ownership or of registration is lost or destroyed, the Director shall issue a substitute therefor in the same manner in which lost or destroyed title deeds or certificates of registration relating to real property are substituted by the Department of Lands and Survey.

SECTION 42: The Direcfor shall be personally responsible for the damages sustained as a result of:

a. His failure to enter in the register any provisional record or registration or cancellation which should have been duly recorded.

b. His failure to enter in the certificates of registration or summaries signed by him any record, provisional record, registration or cancellation appearing in the register.

c. Violation of the proper procedures and the invalidation of the provisional records, registration or cancellation recorded in the register.

d. Failure to apply, or violation of the proper procedures relating to declarations and records of proceedings accepted by him. In addition, the legal provisions in force relating to the liability of civil servants shall also apply. The State shall, in all the above cases, be liable financially if its employees are unable to pay.

CHAPTER 4
SHIPS PAPERS

SECTION 43: Every ship registered in the Port must have the following papers in official printed forms:

a. Ships intended for navigation on the high seas and coastal ships.

1. Certificate of ownership issued by the Port Department.

2. Crew list containing up-to-date appointments of the ship's crew signed at the last port of call by the Port Manager, or by the Jordanian Consul abroad, if any, otherwise by the authority representing him.

3. Navigation licence for the current year, and, in the case of a passenger ship, a certificate of seaworthiness.

4. Seaman's licence for the current year for every member of the crew including the master or captain.

5. Sailing permit from the Director.

6. Manifest.

7. Bill of Health signed by the quarantine office at the last port of call.

8. Log book.

b. <u>Fishing boats:</u>

1. Certificate of ownership

2. Crew list

3. Navigation licence for the current year

4. Fishing licence for the current year from the Port Department.

5. For every member of the crew: a seaman-fisherman licence for the current year.

c. <u>Recreational boats:</u>

1. Certificate of ownership

2. Crew list if any seamen are employed in the ship

3. Navigation licence for the current year.

SECTION 44: These papers must be produced at the request of the authorities responsible for supervising navigation or fishing.

SECTION 45: Every captain or master of a ship intended for navigation on the high seas or for coastal navigation which is registered in the Port must submit his papers to the Port Department within 24 hours from the time of his arrival at the Port, failing which he shall be liable to a fine ranging from three to sixty Dinars for every period of twenty four hours delay. The provisions of this section shall apply to recreational boats and fishing boats which have a net tonnage of 25 barrels or more.

SECTION 46: Every ship registered in the Port which is inspected while at sea and found to be not in possession of the aforesaid legal papers, shall be taken to the Port, where it shall be attached by the Director, who shall prepare a record of proceedings in this regard and submit it to the competent court.

SECTION 47: If it is proved that the captain or master of a ship intended to evade the provisions of this law for a criminal purpose, he shall be sentenced to imprisonment for a period ranging from 3 months to two years and a fine ranging from two to twenty Dinars, and the court shall decide to confiscate and sell the attached ship. The proceeds of such sale shall be part of the revenue of the Port Department.

SECTION 48: If it is proved that the matter is merely due to negligence or inadvertence, the captain or master of the ship shall be sentenced to imprisonment for a period ranging from two to ten days and a fine ranging from half a Dinar to ten Dinars or to either of these two penalties.

Every ship found in possession of forged papers or papers belonging to another ship shall be attached and sold in accordance with the provisions of section 45 and the captain or master shall be liable to the penalties prescribed in the aforesaid section.

SECTION 49 : The identity papers which should be carried by the passengers and which should be signed by the public security officers to permit disembarkation, shall be considered as ship's papers for purposes of the penalties to which the captain or master is liable under the provisions of section 45.

PART II

PREFERRED DEBTS SECURED BY LIENS AND ATTACHMENT OF SHIPS

CHAPTER 1

DEBT PRIORITIES

SECTION 50 : The following debts only shall be considered as preferred debts, and priorities among them shall be determined on the basis of the date of receipt of notification of these debts:

a. Judicial costs and expenses incurred in order to preserve the value for the benefit of the creditors generally (tonnage dues and lighthouse and port fees and other dues or fees of a similar nature) pilotage fees and guarding and maintenance costs from the time of the ship's entry to the Port.

b. Debts arising from the contracts of employment of the master, crew members and other employees of the ship.

c. Charges due for rescue and assistance operations and for the contribution of the ship to general average losses.

d. Indemnity for collision or arising from other perils of the sea and for damage caused to ports, docks and navigational routes, and compensation for injuries to passengers and crew and for destruction or damage to cargo and baggage.

e. Debts arising from contracts concluded, or operations carried out by the master outside the ship's home port in accordance with his legal powers, and which are actually required for the preservation of the ship or for completing the voyage, whether or not the master is the owner of the ship, and whether or not the debt is owed to him, or to the ship chandlers, repairmen, creditors or other contracting parties.

f. Damages due to the charterers of the ship.

g. The total of premiums due on insurance taken on the ship's hull, tackle and equipment for the last voyage insured, or for the last period of insurance on a term policy, provided that in both cases this total does not exceed one year's premiums.

SECTION 51 : Preferred creditors must be classified according to voyages. The preferred debts arising from the last voyage, regardless of their order of preference, shall have priority over the debts of previous voyages. However, the debts arising from one contract of employment of the crew shall always be considered as debts arising from the last voyage, even if they are connected with a previous voyage.

SECTION 52 : The debts relating to one voyage shall be classified in the order prescribed in section 50, and the debts of one class relating to the same voyage shall be treated on an equal footing. All the rescue charges and debts arising from the supply of provisions and from repairs shall be classified in the reverse order of the dates on

SECTION 53 : The debts relating to one accident at sea shall be considered to have arisen at the same time.

SECTION 54 : The debt priorities prescribed in the preceding sections shall take effect from the time the debt is established, and the proving of a debt shall not be subject to any special formalities or conditions.

SECTION 55 : Debtors whose debts are secured by a registered mortgage on the ship shall follow, in the order of their registration, directly after the preferred creditors specified in subsections 1, 2, 3, 4, and 5 of section 50.

SECTION 56 : The debt priorities shall apply against the ship and the freight earned from the voyage in respect of which the preferred debt arose, as well as against the incidental amounts due and derived from the ship and the freight earned since the commencement of the voyage.
However, the debt priority prescribed under section (50) sub-section (b) shall apply against total freight earned by the ship from all its voyages during the period of the same contract of employment.

SECTION 57 : The following shall, for the purposes of applying the debt priorities, be considered as incidental amounts derived from the ship and its freight:

a. Indemnity due to the shipowner for material damage sustained by his ship and not compensated, or for loss of freight.

b. Indemnity due to the shipowner from general average losses in so far as such indemnity relates to material damage sustained by his ship and not compensated or to loss of freight.

c. Charges payable to the shipowner for salvage and rescue operations carried out by him up to the end of the voyage, after deducting therefrom the amounts due to the master and other employees of the ship.

SECTION 58 : Passenger fares and the fixed amount to which the shipowner's liability may be limited shall be considered as freight earned. For the purpose of applying the debt priorities, the indemnity due to the shipowner under an insurance policy, financial compensations and contributions and other such amounts shall not be considered as incidentals derived from the ship and its freight earned.

SECTION 59 : All the debt priority rights specified under section (50) shall be lost by prescription after the lapse of one year, with the exception of rights relating to debfs arising from the supply of provisions which are referred to in subsection (e) and which shall terminate by prescription after the lapse of six months.

The period of prescription for the debt priority right relating to charges due for salvage and rescue operations shall start to run as from the date on which these operations end. For the debt priority of the indemnity for collision and other accidents the period of prescription shall start to run as from the date on which the damage occurs. For the debt priority relating to loss of or damage to cargo or baggage the period of prescription shall start to run as from the date of delivery of the cargo or baggage or the date on which it should have been delivered.
For the debt priority in respect of repairs and provisions and other cases specified under subsection (e) of section (50) the period of prescription shall start to run as from the date on which the debt arose. In all other cases the period shall start to run as from the date on which the debt falls due.
The debts due to the ship's employees referred to

in subsection (b) of section (50) shall not be considered to have become due before the end of the voyage notwithstanding the right of these persons to request advances and payments during the voyage.

The aforesaid periods of prescription shall not apply when it is not possible to attach the ship in Jordanian territorial waters if the domicile or head office of the creditor is in Jordan, provided that the period of prescription shall not exceed three years as from the date on which the debt arose.

SECTION 60 : Regardless of the general principles governing the termination of obligations by judical sale carried out in the manner prescribed under this law, debt priority rights shall also be lost by any voluntary sale of the ship, provided that:-

- The transfer is effected in accordance with the provisions of sections 23, 26 to 29, 35, 37 and 39 of this law;

- Notice of the transfer is published in the Official Gazette and in two local daily newspapers, and a copy of such notice which must contain the name and domicile of the purchaser, is posted at the entrance of the Port Department;

- The purchaser has not received an objection from the creditor within a period of one month from the date of publication.
  The creditor shall have a preferred right in the proceeds of the sale so long as such proceeds have not been paid, even after the lapse of one month, provided that the creditor had, before payment of such proceeds, served notice of objection on the purchaser.

- The objection referred to in the last preceding two paragraphs must be served through the Notary Public.

SECTION 61 : Preferred creditors may register their preferred debt rights in accordance with the provisions prescribed in section (50) of this law, in order to be notified of the offer of the ship for sale. Such registration shall not affect the order of priority, and shall be recorded in the ship's folio in the register.

SECTION 62 : The foregoing provisions shall apply to any ships which are exploited by an operator other than the owner or by a principal charterer, unless the owner has been prevented from operating the ship as a result of an illegal act, and when the creditor has acted in bad faith.

CHAPTER 2
MARITIME MORTGAGE

SECTION 63 : Ships with a gross tonnage of two or more tons may be mortgaged by agreement of the two parties.

SECTION 64 : A maritime mortgage agreement must be in writing, and it may be in the form of an ordinary document. A mortgage deed may be made to order, in which case it should be negotiated upon the transfer of the mortgage right.

SECTION 65 : A mortgage agreement in respect of a ship may only be concluded by the shipowner, or by his agent in accordance with a special authorization. Where a ship is owned by several persons, it may be mortgaged by its operator, for the purposes of its operation or navigation, on the strength of an authorization from a majority of the owners if such majority own at the time three quarters at least of the jointly owned rights in the ship. If the rights owned by such majority are less than three quarters, the joint owners may apply to the court for an order to settle the matter in such manner as may be in their best interests generally.

A joint owner may not mortgage his share in the ship without the consent of a majority of the owners and provided that such majority own at the time not less than half the jointly owned rights.

SECTION 66 : The mortgage must be recorded in the register in accordance with the provisions of section 23 and of the sections immediately following that section in this law;

The registration of the mortgage shall secure for the mortgagee, in addition to the capital, the interest for two years as well as the interest of the current year at the time of the enforcement of the mortgage.

SECTION 67 : The mortgage of a ship or of a share therein shall include its hull completely and its tackle, equipment, machines and other accessories, as well as its wreckage, unless agreed otherwise.

Such mortgage shall not include thefreight earned nor governmental allowances and subsidies, but it shall include indemnities for damage unless such indemnities are set aside for the repair and maintenance of the ship.

It shall not, likewise, include indemnity from insurance, but the mortgage deed may contain an express authorization by the mortgage creditors regarding such indemnity. Such authorization shall not apply as against the insurers unless they accept it or unless they are notified thereof.

SECTION 68 : A mortgage may be concluded on a ship which is under construction. In such a case the mortgage must be preceded by a declaration addressed to the Director General of the Port.

Such declaration must indicate the approximate length of the keel and other dimensions of the ship, and its estimated tonnage, and the place in which it is being built.

SECTION 69 : The transfer of a mortgage which is made to order shall be effected by endorsement of the certificate of its registration.

SECTION 70 : Creditors whose debts are secured by a registered mortgage on a ship or on a share in a ship may proceed against the ship, regardless of the party to whom the ship was transferred, in order to register and recover their debts in the proper order of priority. If the mortgage relates to a share only in a ship, the creditor may request the attachment and sale of that share only. However, if more than half the ship is mortgaged to a creditor, he may after attachment, request the sale of the ship completely provided that he shall invite the joint owners to take part in such public sale.

If the sale by public auction results in the award of the ship to one of the joint owners or if after distribution among joint owners, one of them acquires the ship as part of his share, the mortgage shall remain unaltered after such sale or distribution even if the joint owner who so acquires the ship is not the joint owner who mortgaged his joint share in the ship.

If the sale by public auction is carried out by judicial order in accordance with the provisions of section (85) and of the sections immediately following that section in this law, and results in the award being made to a purchaser who is not a joint owner, the right of the creditors to whom only a share in the ship has been mortgaged shall be considered as a preferred right in that portion of the proceeds of the sale which relate to the mortgaged right.

Likewise the costs chargeable against each share in the ownership of the ship shall become automatically chargeable against that portion of the proceeds of sale which relates to that share.

SECTION 71 : The purchaser of a ship or of a share in a ship who desires to be protected against the claims authorized under the last preceding section must, after registration of his purchase and before any claims are made or within a period of fifteen days, serve a copy of the certificate of ownership of the ship on all the creditors whose names are recorded in that certificate at the place designated in the original certificate.

The purchaser shall declare in the same document that he is prepared to settle forthwith any debts in respect of which the ship has been mortgaged to the extent of the value of the ship, whether or not such debts have matured.

SECTION 72 : Every registered creditor may request the sale of the ship by public auction, or the sale of the mortgaged share in a ship, by offering an increase of not less than one tenth of the price and a guarantee for payment of the price and the costs.

The prospective purchaser must be notified of such a request, which must be signed by the creditor within ten days from the date of receiving notice of the sale and which must contain a summons to appear before the court of first instance within whose jurisdiction the Port of Aqaba falls, in order, to obtain a court order for the sale of the ship by public auction.

SECTION 73 : The sale by public auction shall be carried out at the initiative of the creditor who applied for such sale, or at the initiative of the purchaser, in the manner prescribed in the following sections.

SECTION 74 : A ship which is mortgaged in Jordan may not be sold abroad.

Any sale which is carried out in violation of this prohibition shall be null and void, and as such it may not be recorded in the register, and an owner who voluntarily sells a mortgaged ship abroad shall be considered to have committed the criminal offence of breach of trust.

CHAPTER 3
ATTACHMENT

SECTION 75 : Attachment may not be effected before the lapse of twenty four hours from the time of service of a notice to pay.

SECTION 76 : The notice must be served on the owner personally or at his place of residence.

If the owner is not present the notice may be served on the master of the ship if the debt relates to the ship or its cargo.

SECTION 77 : If more than ten days have elapsed since the date of service of the notice, the creditor must renew the notice before attachment can be effected.

SECTION 78 : The execution officer must indicate the following in the record of attachment proceedings:-

The name, profession and place of residence of the creditor requesting attachment.

The document on the strength of which execution is being carried out.

The amount claimed.

The selected address of the creditor within the jurisdictional area of the court before which the sale proceedings are to be heard, and in the port at which the attached ship is anchored.

The name of the owner and of the master of the vessel.

The name, type, tonnage and nationality of the vessel.

A statement and description of the boats, launches, supplies, tackle, equipment, foodstuffs and provisions must be submitted, and a guard must be appointed by the execution officer.

SECTION 79 : The person who makes the attachment must within a period of three days serve a copy of the record of attachment proceedings on the owner and summon him to appear before the court of the place where the attachment was effected in order to obtain a court order in his presence to sell the things which were attached.

If the owner does not reside within the area of jurisdiction of the court, the papers shall be served upon him within a period of fifteen days through the master of the attached ship if he is present, otherwise through the representative of the owner or of the master.

If the owner is a foreigner who does not have a place of residence or an office or a representative in Jordan, he shall be served and summoned in accordance with the law of civil precedure.

SECTION 80 : The record of attachment proceedings shall be registered in the register of the Port Department whether the ship is completely built or is under construction. In the latter case the ship should have been previously registered. After such registration of attachment the debtor against whom the attachment was effected shall not have the right to sell or mortgage the ship.

The competent authority in the registration office shall give a statement within three days

from the date of registration (not counting any holidays) of the registered mortgages. The applicant for attachment shall, within a period of eight days from receiving the aforesaid statement serve the registered mortgage creditors at their selected addresses as registered, with the summons prescribed under the last preceding section. Such creditors may intervene within a period of fifteen days if they so desire.

SECTION 81 : If the ship's nationality is foreign, its port of registration must be notified through the consulate of the State to which the ship belongs. The consulate must submit a statement of the names of the registered creditors of the ship, who may then be notified through their consulate within a period of eight days from the date of receipt of such statement. The creditors may intervene within a period of twenty five days.

SECTION 82 : The court which has jurisdiction over the place at which attachment is effected shall decide on the sale of the ship, the terms of such sale as specified by the applicant, the date of the sale and the offering price. If no price is offered on the date fixed for the sale, the court shall fix a new lower offering price, and a date for the next auction.

SECTION 83 : Court claims to establish or set aside any rights must be filed before the award in the sale by auction is made.

Any court claims to establish rights which are filed after the award is made shall automatically be considered as objections against the payment of the proceeds of the sale.

Court claims to establish or set aside any rights shall not be accepted unless they have been recorded in the register.

SECTION 84 : The plaintiff or the objecting party shall be

allowed three days to submit pleadings, and the defendant shall likewise be allowed three days to reply. The date of the hearing shall be fixed upon submission of the application. The filing of a court case shall not interrupt the progress of execution unless the court so orders for good cause.

SECTION 85 : The sale shall take place at a public auction session to be held in the civil court fifteen days after the date of posting of the notices prescribed under the next following section and their publication in two daily newspapers in addition to any other means of publication authorized by the court.

SECTION 86 : Notices shall be posted on the most conspicuous part of the attached ship, and on the main entrance of the court before which the sale proceedings will take place, and on the wharf of the port, and at the stock exchange, if any.

SECTION 87 : The notices which are posted or which are pubblished in the newspapers must contain the following:-

Name, profession and place of residence of the applicant for attachment

The documents on which he bases his claim

The amount to be paid

His selected address within the area of jurisdiction of the court and at the port where the attached ship is anchored.

Name, profession and place of residence of the owner of the attached ship

Specifications of the ship as recorded in the register

Name of the master of the ship

Place where the ship is found

Offering price and the terms of the sale

Place, date and time of the public auction

SECTION 88 : No additional bids shall be accepted after the conclusion of a judicialsale

SECTION 89 : The purchaser must deposit the purchase price, excluding costs, at a bank acceptable to the Government, within twenty four hours from the time at which the award was made, failing which he shall be liable for the costs of a renewed auction.

SECTION 90 : In case of failure to deposit the purchase price, the ship shall be offered again for sale, and the award shall be made after three days from the date of the renewed publication and posting of notices as prescribed in section (86), at a public auction to be carried out at the expense of the purchaser, who shall be liable to pay any deficiency and damages as well as the costs.

SECTION 91 : The award decision shall not be subject to any objection.

The award decision may, however, be referred to the competent court of appeal by an application filed within fifteen days from the date of the issue of the decision, because of a defect in its text only. The court of appeal shall, within a period of three days from the filing of such application, issue its judgement, which shall not be subject to any objection.

SECTION 92 : When the award decision becomes final it shall be recorded in the register at the request of the Execution Office.

SECTION 93 : The award shall release the ship from all preferred rights, mortgages and any claims to set aside rights, belonging to persons who were duly notified in accordance with the provisions of section (80). The cancellation of the registration of such preferred rights and mortgages and claims shall be effected upon submission of the award decision by the purchaser to the registration office, together with a certificate from the office of the court which issued the decision to the effect that the decision has become final.

SECTION 94 : The distribution of the proceeds of the sale shall be carried aut in accordance with the provisions of the laws in force.

PART III
SHIPOWNERS AND OPERATORS

SECTION 95 : Every shipowner shall be personally liable for the obligations arising from the acts of the master of his ship and the contracts which the master concludes in the exercise of his legal powers. The shipowner shall also be responsible for the acts and omissions of the master, crew, pilot and other servants employed in the ship.

SECTION 96 : The shipowner may limit his liability to the amount specified in section (99) of this law in respect of debts arising from any of the following causes, unless the debt is the result of the owner's personal fault:

First:

a. Loss of life or injury to any person found on board the ship for the purpose of being transported, and loss of, or damage to any property or the infringement of any right on board the ship.

b. Loss of life or injury to any other person on land or at sea, and the loss of, or damage to any property or the infringement

of any right through the act or omission of any person for whom the owner is responsible, whether on board or not. If such person is not on board, the act or omission must be connected with the navigation or management of the ship, or with the loading, carriage or off-loading of its cargo, or the embarkation, carriage or disembarkation of its passengers.

c. Every obligation prescribed by law which is connected with the removal of the wreckage, or the refloating, or the lifting, or breaking up of a sunken, listing or abandoned ship, and every obligation arising from damage caused by the ship to any installations, docks and navigational routes.

Second:

The owner of a ship shall have the right to limit his liability in the cases specified in the first subsection of this section, whether such liability arises from his ownership, possession or supervision of the ship, provided that it is not established that the ship owner or any of the persons for whose actions he is directly responsible is at fault.

Third:

The provisions of this section shall not be applied in the following cases:

a. Obligations arising from an occurence which is the result of a personal fault committed by the owner of the ship.

b. Obligations arising from salvage and rescue operations or from contribution to general average.

c. The rights of the master, crew and any other servant of the owner on board the ship or any servant of the owner whose work is

connected with serving the ship, as well as the rights of their heirs and successors.

Fourth:

If any other creditor is indebted to the ship owner as a result of the same occurence, these debts shall be set-off against each other, and the provisions of this law shall be applied to the resulting balance, if any.

SECTION 97 : The creditor must prove that the occurence which gave rise to the debt was caused by a fault of the owner of the ship.

The limitation of liability shall not be construed as an admission of such liability.

SECTION 98 :

a. The rules governing the limitation of liability prescribed in section (99) shall apply to all the debts arising from bodily injuries and material damage caused by a single specific occurence, regardless of any debt arising from any other specific occurence.

b. When the total of the debts arising from a single occurence exceed the limits of the liability specified in section (96), the total amount which represents the limits of this liability may form a common fund for these limits.

c. No debts may be paid out of such common fund except those in respect of which liability may be limited.

d. After establishment of the fund no creditor of the fund may exercise his rights against any other properties of the ship owner for the recovery of his debt if the amount standing to his credit in the fund is actually available.

SECTION 99 : The owner of the ship can limit his liability under section (96) in the following manner:-

a. In respect of material damage only arising from the occurence, a total amount of 24 Dinars shall be fixed per ton of the ship's tonnage, or the equivalent of 1000 francs, on the basis that the value of one franc shall be taken to be the equivalent of 65 milligrams of gold of millesimal fineness 900.

b. In respect of bodily injuries only arising from the occurence, a total amount of 74 Dinars shall be fixed per ton of the ship's tonnage, or the equivalent of 3100 francs.

c. In respect of material damage and bodily injuries together arising from an occurence, a total amount of 74 Dinars shall be fixed per ton of the ship's tonnage, or the equivalent of 3100 francs, which amount shall be divided into two parts, the first part amounting to 50 Dinars or the equivalent of 2100 francs per ton of the ship's tonnage shall be assigned to the settlement of debts relating to bodily injuries, and the second part amounting to 24 Dinars, or the equivalent of 1000 francs per ton of the ship's tonnage shall be set aside to settle the debts due for material damage, provided that if the first part is not sufficient to settle the debts due in respect of bodily injuries in full, the unpaid balance, shall be carried over to the second part and shall be paid out from the amounts set aside for the settlement of debts relating to material damage.

SECTION 100: The amount in both parts of the fund as specified in the last preceding section shall be distributed among the creditors in accordance with the established amounts of their claims.

SECTION 101: If the owner of the ship had, prior to the distribution of the fund, already paid in full or partially one of the debts referred to in the first subsection of section (96), he shall be subrogated for the original creditor in the distribution, provided that the original creditor had a right to claim such debt.

SECTION 102: When a ship owner proves that he may be compelled at some future time to pay fully or partially one of the debts referred to in the first subsection of section (96), the competent court or authority in the country where the fund has been established may order that an adequate amount be set aside provisionally to enable the ship owner to exercise his rights eventually against the fund in accordance with the provisions of the last preceding section.

SECTION 103: For the purposes of limitation of the shipowner's liability in accordance with the provisions of this part, every ship the tonnage of which is less than 300 tons shall be deemed to have that tonnage.

SECTION 104: For the purposes of applying the provisions of this part, a ship's tonnage shall be calculated as follows:-

For steamships and other motor-driven sea going vessels, the net tonnage shall be taken, to which shall be added the tonnage deducted from the gross tonnage in respect of the space occupied by the engines when the net tonnage was determined.

For other ships the net tonnage shall be taken.

SECTION 105: The president of the Court of First Instance shall determine urgently the amount of the guarantee to be offered by the shipowner in order to avail himself of the right to limit his liability. The shipowner may at any time stop the prosecution of any claims against himself

by depositing the amount to which his liability is limited. The amount so deposited shall be calculated at the rate of exchange on the date of payment, and it shall be set aside for settling those rights of the creditors to which the limitation of liability of the owner applies.

Distribution among the creditors shall be effected in accordance with the laws in force.

SECTION 106: First:

In all cases in which it is permissible for the shipowner to limit his liability in accordance with the provisions of this law, and where the ship or any other ship or property belonging to the same owner has been attached in order to secure the settlement of the debts arising from the damages specified in subsection (b) of section (99), the court may order the lifting of such attachment on the ship or other properties, provided that the shipowner gives a financial or other guarantee for an amount equal to the maximum limits of his liability and places it at the disposal of the plaintiff.

Second:

The financial or other guarantee referred to in the first subsection of this section shall be submitted to the following authorities:-

a. The port where the occurence which gave rise to the debts took place.

b. The first port at which the ship calls after the occurence, if the occurence does not take place within a port.

c. The port of off loading of the cargo, or the port of disembarkation of the passengers, if the debts arose from bodily injuries or damage to goods. The court or other competent authority may thereupon order the lifting of the attachment on the ship or

the release of the financial or other guarantee in the circumstances referred to in the first subsection of this section.

Third:

The provisions of the last two preceding subsections of this section shall also be applied in cases where the amount of the financial or other guarantee given is less than the full amount of the liability which has been limited in accordance with the provisions of this Part, provided that a supplementary financial or other guarantee shall be given for the balance.

Fourth:

Upon submission by the shipowner of a financial or other guarantee for an amount equal to the full amount of the limits of his liability, such financial or other guarantee may be used to settle all the debts arising from one occurence.

SECTION 107:

a. The liability of the shipowner shall not exceed the value of the ship and of its freight and the incidentals derived therefrom.

b. Subject to the provisions of subsection (c), the application of the provisions of this section shall extend to the charterer, operator and manager of the ship, as well as to the master, crew and other employees of the owner, charterer or manager while engaged in the discharge of their duties, to the same extent to which they apply to the owner himself, provided that the total amount of liability of the owner and the other persons in respect of bodily injuries and material damage arising out of any one occurence shall not exceed the limits of the amounts specified in accordance with the provisions of section (99).

c. If a court claim is submitted against the master or his crew, they may limit their liability even if the occurence was originally caused by their personal fault, provided that if the master or a member of his crew is at the same time the owner or a joint owner or the charterer or the manager, the provisions of this subsection may only be applied if the fault is committed by him in his capacity as the master of the ship or as a member of its crew.

SECTION 108: The operator of a ship shall have the right to appoint and dismiss the ship's master, provided that he shall compensate the master when necessary.

SECTION 109: If the dismissed master is one of the owners of the ship he may renounce his ownership in the ship and claim payment of the value of his share, which value shall be determined by experts who may be appointed either by agreement or by the court, provided that the right to make such a renunciation of ownership may not be exercised by the dismissed master after the lapse of thirty days from the date on which his partners give him notice. If he exercises this right within the prescribed time limit his partners in the ownership of the ship must settle his rights within a period of thirty days from the date of the technical survey whereby the value of his share was determined.

SECTION 110: The opinion of the majority must be adopted in all matters related to the joint interests of the owners. Such majority shall consist of such part of the rights in the ship as exceed half its value.

Provided that decisions regarding matters outside the scope of the operation of the ship, or decisions which conflict with the terms of the operation contract shall not be valid unless adopted unanimously.

SECTION 111: The liability of each owner in respect of the obligations which involve personal responsibility shall not exceed the proportion of the share which he owns in the ship.

In all other cases be may at any time release himself from liabilities arising from any administrative act which he had refused to approve, by renouncing his share of the joint ownership, which share shall then be distributed among all the other joint owners in proportion to their respective rights in the ship.

SECTION 112: The operator of a ship who is entrusted by the owners with its management and operation, may not sell or mortgage the ship unless he is specifically authorized to do so by the owners.

He may, however, insure the ship within his general powers.

The operator represents the owners of the ship before the judicial authorities in all matters relating to the operation and the voyage of the ship.

SECTION 113: If the powers of the operating manager are limited by special instructions from the shipowners, such limitation may not be used as a defence against an innocent third party who entered into an agreement in good faith.

PART IV
THE MASTER OF THE SHIP

SECTION 114: Every captain or master who is entrusted with the management of a ship or other vessel shall be responsible for any damage sustained by a third party as a result of a fault or omission committed in the course of the discharge of his duties.

SECTION 115: The master must deliver the goods which he receives. His receipt shall be confirmed by a bill of lading or other document.

SECTION 116: The master must submit his ship for inspection as required by regulations.

SECTION 117: The master shall appoint the members of the crew and conclude the necessary agreements and make all such arrangements as may be useful for the voyage. He may not, however, carry out these functions without the approval of the operator of the ship if such operator or his representative is present in the place at which they are carried out.

SECTION 118: The master of any ship other than a recreational ship (Yacht) must maintain a log-book with serially numbered pages which must be signed by the Director General of the Port Department.

The master must faithfully record in the log-book all events which occur and all decisions which are taken during the voyage as well as a list of receipts and expenditures relating to the ship, a daily weather and sea report, a report of the contraventions committed by members of the ship's crew and the disciplinary measures taken against them, and any births or deaths which occur on board the ship.

In addition to this, an engine log-book must be maintained on steamships and engine driven vessels, in which shall be recorded the quantity of fuel taken on board before sailing, the daily consumption of fuel by the ship and all matters relevant to the functioning and maintenance of the engine.

SECTION 119: The master must carry on board ship the papers which establish the ship's nationality, the crew lists, bills of lading, charterparty, manifest, bill of health, receipt for payment made or guarantee given to the Customs, and certificate of ownership of the ship.

SECTION 120: The master shall be required to pilot the ship personally, and to be present on board when the ship is entering or leaving ports, fjords or rivers. He may not leave the ship during the voyage for any reason or because of any peril, without the consent of its officers. In such a case he shall be responsible for salvaging if possible the properties, the ship's papers and the value of the goods carried on the ship.

SECTION 121: Any violations of the obligations prescribed in the last three preceding sections shall render the master liable towards any third party having an interest in the ship or its cargo for any casualties which might occur. The master shall not be held liable in case of force majeure if he proves the existence of such circumstances.

SECTION 122: The master shall be responsible for any loss of or damage to cargo carried on the upper or main deck of the ship unless he obtains the consent of the shipper to the contrary or unless such carriage of goods on deck is permissible maritime practice.

Any covered shelter on deck such as the crew cabin or similar superstructure, if intended or if suitable for cargo stowage, shall be considered as part of the main deck.

The provisions of this section shall not apply to coastal navigation.

SECTION 123: In case of urgent necessity the master of the ship may borrow money during the voyage and pledge as security for any such loan the hull of the ship and its freight, and if these are not sufficient, he may pledge the cargo as security, provided that he obtains prior permission to do so. Such permission shall be given by the President of the Court of First Instance in Jordan, and by the Jordanian consul, if any, abroad, otherwise by the competent judge at the place where the loan is to be advanced.

If he is unable to obtain a loan, the master may, after obtaining the aforesaid permission, sell such part of the cargo as may be adequate to raise the necessary approved amount.

The operator of the ship or the master who represents him must settle with the owners of the goods sold the value of these goods in accordance with the prevailing or estimated price of goods of the same kind and in equal quantities at the place of delivery on the date of arrival of the ship.

The shippers or owners of rights may object to the pledging or the sale of their goods and may demand the off loading of their goods against payment in full of the feight on these goods.

SECTION 124: The master may not sell the ship without specific authorization to do so from the owner, and any such sale without authority shall be void unless it is legally and duly established that the ship is not seaworthy.

In the absence of specific authorization or instructions from the shipowner the sale shall be carried out by public auction after it is established that the ship is not seaworthy as prescribed above.

SECTION 125: A master who manages a ship and is entitled to share in the profits realised from the freight which it earns, may not engage in any business for his own account unless otherwise agreed. Any violation by him in this regard shall deprive him of his share in the joint profits and shall render him liable for any resulting damages which may be sustained.

SECTION 126: Upon arrival at the port of destination or upon entry into a port for temporary anchorage the master of the ship must within a maximum period of twenty four hours obtain confirmation of his log-book from the Port authorities, or if abroad,

he shall obtain such confirmation from the Jordanian consul, if any, otherwise from the competent marine authorities.

SECTION 127: If any extraordinary occurences which involve the ship or its cargo or crew take place, the master must submit to these same authorities a navigational report in which he shall indicate the time and place of sailing, the course which he followed and the accidents which caused the injury to the members of the crew or the damage to the ship, as well as all other navigational conditions which should be reported. In case of the sinking of the ship the contents of the report must be confirmed by the surviving members of the crew.

SECTION 128: The navigational report prepared by the master shall be investigated either spontaneously by the competent authority if it decides to hold an inquiry, or at the request of the master or any other person having an interest in the matter. The inquiry shall take place before the President of the Court of First Instance, or if carried out abroad, it shall take place before the Jordanian consul, if any, otherwise before the competent judicial authority, At such inquiry the testimony of the members of the crew and of the passengers shall be heard, and any other evidence shall be admissible.

Reports which have not been investigated shall not be admissible in defence of the master, or as evidence in any judicial proceedings.

SECTION 129: Where it is necessary to prepare a report the master may not, except in case of necessity or urgency, off load any goods or open the hatch covers before submitting his report.

SECTION 130: Notwithstanding the presence of a pilot on board the ship, and even if his presence is obligatory, full authority and responsibility shall remain vested in the master.

PART V

REGULATION OF MARITIME EMPLOYMENT

CHAPTER 1

SEAMAN'S CONTRACT OF EMPLOYMENT

SECTION 131 : A seaman is any person employed on board a ship to undertake a sea voyage.

SECTION 132 : If the tonnage of a ship exceeds five tons, the employment contract concluded between a seaman and the operator of the ship or his representative shall be subject to the following provisions:

1. The terms and conditions of the marine employment contract shall be recorded in the crew list. The seaman shall indicate his agreement by affixing his signature or thumb print. The authority which is responsible for the regulation of navigation shall check the entries made in the crew list before the ship sails in order to ensure that all seamen who board the ship are employed by contracts. The terms of such contracts shall be read out, and the contracting parties shall be questioned to ensure that they understand and accept the contents. The emplementation of these formalities shall be recorded in the margin of the crew list.

2. If the employment contract is not recorded in the crew list, its existence may be proved by any means of evidence.

SECTION 133 : The employment contract shall indicate the following:

Whether it is a contract for a limited period or for a complete voyage.

The type of work and the capacity in which the seaman is employed.

The date on which the employment or the appointment should commence.

The method of payment of remuneration agreed upon between the contracting parties.

The amount of the fixed wages or the basis of determination of the profits.

The date of the contract and the place where it was concluded.

The contract of employment shall not be valid unless the seaman is not committed to any other employment.

CHAPTER 2

THE OBLIGATIONS OF THE SEAMAN

SECTION 134: The seaman must present himself and be prepared to board the ship upon the first request from the master. He shall be under an obligation on board as well as on land to submit to the orders of his superiors in all matters concerning the service of the ship.

He is likewise under an obligation to salvage the ship and its cargo.

a. The master may impose a monetary fine on a seaman in the following cases:

Absence of the seaman from the ship without permission, or his return to the ship after the time fixed, or his insubordination or failure to complete his work, or his misconduct toward another seaman or toward any other person on board, or his causing a disturbance.

The amount of such a fine may not exceed ten days wages, and the total of several such fines imposed on a seaman may not exceed one third of his wages from the voyage, and may not exceed the aforesaid maximum limits for a period of ten days.

The imposition of a fine shall be subject to the following stipulations:

The continued validity of the employment contract. If the master terminates the employment contract for any legitimate cause, he may not thereafter impose a fine.

The fines imposed shall be paid into a fund to be used for the benefit of the members of the ship's crew, and may not be used for the benefit of the master or the operator.

b. Before imposing a fine the master must hear the statement of the seaman concerned and the testimony of any persons who witnessed the incident. If possible this should be done in the presence of seamen of equal or higher rank. The record of such inquiry proceedings shall be signed by all those present. A note shall be inserted in the record of any refusal on the part of any person to sign these proceedings.

c. A fine may not be imposed before the lapse of twelve hours, or after the lapse of one week from the time of the incident.

The fine shall be entered forthwith in a special register to be kept for this purpose. Such entry shall record the incident in respect of which the fine was imposed, and the date on which it occured as well as the date on which the fine was imposed Every entry shall be signed by all the seamen referred to in the preceding subsection.

A fine which is not recorded shall be deemed to have been imposed without cause, and the seaman may object against its imposition to the court of the country which the ship enters, or of the country in which the members of the crew were employed. Such onjection must be submitted within a period of one

month if the destination of the voyage is a Jordanian port, or within a period of six months if the destination of the voyage is a foreign port.

SECTION 135: A master or a seaman may not load any goods on the ship for his own account without the permission of the operator. Any contravention in this regard shall render the persons who committed it liable to pay the highest freight rates chargeable for their goods at the time and place of loading, in addition to any damages which might be sustained.

The master may order the goods which have been illegally loaded on a ship to be jettisoned if they are likely to endanger the safety of the ship or if their carriage results in the payment of any fines or expenses.

SECTION 136: The operator of a ship may only employ Jordanian seamen for navigation and fishing in territorial waters.

For long voyages the number of Jordanian seamen employed by the shipowner must be up to one fifth if possible of the total number of seamen employed.

As regards technical workers, the operator of the ship may employ, when necessary, masters or officers or mechanics of foreign nationality who can prove that they hold permits or certificates of equal standard at least as the permits and certificates required by the competent Jordanian authorities from Jordanian masters, or officers or mechanics.

SECTION 137: The operator or the master of a ship may not employ any minors as seamen without the consent in writing of their parents or guardians.

SECTION 138: An employment contract which provides that the whole or a part of a seaman's wages shall be a share of the ship's freight earned or a share of the profit, must specify the expenses and costs to be deducted from the gross profit in order to determine the net profit.

The indemnities payable to the ship for cancellation, reduction or extension of the voyage, or for loss of profit or freight, shall be considered as part of the gross profit.

This provision shall not apply to insurance indemnities unless the seaman contributed to the payment of the insurance premiums since the commencement of the voyage.

Unless otherwise agreed, governmental allowances and other governmental contributions shall not be considered part of the funds to be shared.

SECTION 139: If the voyage is extended or reduced, the seamen shall be paid wages in proportion to the period of their actual employment if their wages are payable on a monthly basis.

SECTION 140: If the seaman's wages are payable on the basis of the voyage, no deductions may be made therefrom as a result of an intentional reduction of the voyage for any reason whatsoever.

If the voyage is intentionally extended or delayed, the wages shall be increased in proportion to the period of such extension or delay.

SECTION 141: If the seamen are employed in consideration for a share of the profit or of the freight earned, they shall not be entitled to any remuneration as a result of any delay, extension or reduction of the voyage which is due to force majeure.

If the delay, extension or reduction of the voyage is caused by the act of a third party or of the shippers, the seamen shall be entitled to a share of such indemnities payable to the

ship as may eventually be decided.

If the cause is an act of the operator or the master, and if the seamen sustain any damages as a result, they shall be entitled to compensation, the amount of which shall be determined in the light of the circumstances in each case, in addition to their share of the profits earned.

SECTION 142: Any disputes regarding the payment of wages, and any dispute which may arise between the master or operator of a ship and its seamen generally, must be referred for settlement to the marine authority responsible for the regulation of navigation at Aqaba Port. If this authority is not able to settle the differences between the contracting parties, it shall prepare a record of proceedings indicating the points in dispute raised by the parties and the amounts paid. This record of proceedings shall be submitted at the request of the authority to the Magistrate of Aqaba, and no court case may be heard unless the aforesaid settlement proceedings have been completed.

CHAPTER 4
ADVANCE PAYMENT, ATTACHMENT, WITHHOLDING AND AUTHORIZED REMITTANCE OF SEAMEN'S WAGES.

SECTION 143: Any advance payment on account of wages must be recorded in the crew list if it is paid to the seaman prior to sailing, or in the log-book if it is paid to the seaman during the voyage. The seaman must sign or affix his thumb print against such entry. Any advance payment which does not conform with these requirements shall not be recognized. The total of advance payments should not exceed one fifth of the wages due at the time any advance payment is requested.

SECTION 144: A seaman may authorize his spouse, children and parents or grand parents only to receive advance payments.

SECTION 145: Any advance payments which are not authorized, and any payments on account, and any employment allowances shall not be refunded to the operator unless the employment is terminated by the action of the seaman. The refund of such payments shall not be cause for exemption from disciplinary penalties or from the payment of damages. The authorised advance payments shall not be subject to refund in any case, notwithstanding any agreement to the contrary.

SECTION 146: The wages and profits of seamen shall not be subject to attachment and may not be renounced except for the following reasons and up to a maximum of one quarter thereof:

A debt due to the State.

Debts arising from the supply of food, clothing or lodging

Debts due to the operator of the ship as a result of the payment made by him when settling past wages of an amount which is not due, or as a result of an advance or other payment which is not due, or as a result of damages.

Debt due in execution of a final judgement.

CHAPTER 5
PROTECTION OF SEAMAN'S HEALTH

SECTION 147: No seaman may be employed unless he has undergone a medical examination by a physician appointed by the Port Department. The employment of seamen suffering from infectious diseases shall not be permissible and it shall have no legal effect.

The implementation of this requirement and the securing of medical approval shall be recorded in the crew list, failing which a fine ranging from 3 to 10 Dinars may be imposed, which fine may be doubled if the contravention is repeated.

SECTION 148: A seaman who is injured in the course of serving the ship shall be treated at the expense of the ship. The same shall apply to a seaman who becomes ill after the ship leaves the port of Aqaba.

If the injury or illness is the result of insubordination, inexcusable fault or intoxication, or if it is caused by a venereal disease or a hereditary disease such as insanity or epilepsy, the operator of the ship must advance the expenses of medical treatment and deduct the amount of such expenses from the amounts due to the sick or injured seaman.

SECTION 149: The expenses of medical treatment shall not continue to be paid if the injury or illness becomes incurable.

SECTION 150: A seaman who is injured or becomes ill while in the service of the ship shall be entitled to his wages so long as he remains on board. After his disembarkation on land he shall be entitled to a grant equal to a maximum of his wages for four months. If the seaman is disembarked in a foreign country, an amount equal to his wages for four months must be deposited with the Jordanian consul or his representative.

SECTION 151: The right to receive wages and to receive the grant is personal and it shall be lost upon the death of the seaman or upon his becoming cured, or when it is established that the disease is incurable.

SECTION 152: If the injury or illness of a seaman is caused by insubordination or intoxication or is the result of a hereditary or a venereal disease, the seaman shall be entitled to medical treatment and food while on board, but he shall not be entitled to any wages or to any grant.

SECTION 153: If a seaman dies as a result of an illness or an injury while in the service of the ship, the expenses of his burial shall be borne by the ship in any case.

SECTION 154: The provisions of the Labour Law shall be applied with regard to total or partial disability suffered by seamen while in the service of the ship.

CHAPTER 6
REPATRIATION

SECTION 155: The operator of a ship must repatriate seamen who leave the ship during the voyage for any reason whatsoever, unless their disembarkation is carried out on the basis of an order by a foreign authority for a legal cause, or by reason of an injury or illness which is not connected with the service of the ship and which cannot be treated on board. If the employment contract is terminated by agreement, the expenses of repatriation shall be borne by the party designated in such termination agreement.

As regards foreign seamen, their right to be repatriated shall be limited to their being returned to the port where they were engaged, unless it was stipulated that the seaman shall be returned to the Port of Aqaba.

The right of repatriation shall include the right to be provided with food and lodging as well as transportation.

CHAPTER 7
TERMINATION OF EMPLOYMENT CONTRACT

SECTION 156: An employment contract shall be terminated by:

1. The expiration of the fixed term of a contract which is concluded for a limited period.

2. The completion or voluntary cancellation of the voyage if the contract is concluded for the period of a voyage

3. The death of the seaman

4. A court judgement terminating the contract

5. The occurence of an event which constitutes cause for dismissal.

SECTION 157 : If an employment contract was made for a limited period, and if such period expires during a voyage and there is no provision in the contract for the extension of its period, the contract shall remain in effect on a commercial ship or a fishing vessel until its arrival at Aqaba Port.

SECTION 158 : a. If a seaman who is employed on a monthly basis dies during the period of validity of a contract, his wages shall be paid until the end of the month.

b. If a seaman is employed for the period of the outward voyage only and if his wages consist of a fixed amount or a share in the profits or in the freight earned, he shall be entitled to his full wages or his full share if he dies after the commencement of the voyage. If he is employed for the outward voyage and the homeward voyage he shall be entitled to his full wages or share for the outward voyage and half his wages or share for the homeward voyage if he dies during the homeward voyage.

c. If a seaman loses his life as a result of defending the ship, his heirs shall be entitled to compensation equal to three months wages in addition to the indemnities and compensation prescribed under this law and the other labour laws.

SECTION 159 : A decision by the operator or the master of the ship to dismiss a seaman for a serious offence shall not give the dismissed seaman a right to any indemnity. The master may not order a seaman to leave the ship for a serious offence

at any port other than Aqaba without the permission of the Jordanian counsul, or of the port authorities if there is no Jordanian consul at that place. Whatever the circumstances under which the master or the operator of the ship decides to dismiss a seaman for a serious offence, the date of such decision and the reasons therefor shall be recorded in the crew list, failing which it shall be assumed that the dismissal was illegal.

SECTION 160: If a seaman is dismissed without having committed a serious offence he shall be entitled to an indemnity, the amount of which shall be determined in the light of the type of his employment, the period of the contract, the extent of the damages sustained, and with due regard in this respect to the provisions of the Jordanian Labour Law.

SECTION 161: The termination of the employment contract by the seaman without legitimate cause shall give the operator of the a right to indemnity.

SECTION 162: The termination of the charterparty in full by the charterer shall terminate the employment contract of the seaman. A seaman whose remuneration consists of a share of the freight earned shall be entitled to a share of the indemnity which it is eventually decided should be paid to the ship. Such share shall be proportionate to his share of the freight.

SECTION 163: If it is not possible to sail due to force majeure, the termination of the employment contract shall not give the seaman any right to indemnity, but if he is employed on a monthly basis or for a voyage he shall be paid his wages for the days which he spent in the service of the ship.

SECTION 164: If it is not possible to continue the voyage after sailing due to force majeure, the wages of the seamen who are employed on a monthly basis or for the voyage shall be paid to them up to the day on which they cease to work. The seamen who are

employed in consideration for a share in the freight earned or in the profits, shall be entitled to their shares, as specified in the contract, of the freight actually earned or the profits actually realised from that part of the voyage which was completed. If the ship is seized, or if it sinks or is declared unseaworthy, the court may order the nonpayment or the reduction of the seamen's wages if it is established that the loss of the ship is due to their fault or negligence or their failure to do everything within their power to salvage the ship or its passengers or cargo or its wreckage.

SECTION 165: A seaman who does not receive in full the wages to which he is entitled for the period of the voyage as a result of the application of the provisions of the last two preceding sections shall be entitled to participate in the indemnity which the administrative or judicial authorities eventually decide should be paid for the damage sustained.

CHAPTER 8
JUDGEMENTS AGAINST THE MASTER

SECTION 166: The remuneration due to the master other than his fixed wages shall be subject to attachment for the settlement of amounts due from him to the operator of the ship in his capacity as the agent of the operator.

His fixed wages shall be subject to attachment for the reasons and to the extent prescribed under section 146.

SECTION 167: The master shall not have the right to terminate or set aside his contract voluntarily during the course of a voyage, regardless of the period of such contract. The operator may, however, dismiss the master at any time provided that if he does so without legitimate cause he shall indemnify the master.

SECTION 168: The provisions relating to the payment of wages in case of delay, extension or reduction of the voyage shall not apply to the master if such delay, extension or reduction is due to his fault.

SECTION 169: The right to submit any claim regarding the contract of employment shall be lost by prescription after the lapse of one year from the date of expiry of the period of the contract of employment.

PART VI

CHARTERING OF SHIPS AND CONTRACTS OF AFFREIGHTMENT

CHAPTER 1

PRELIMINARY PROVISIONS

SECTION 170: In all matters regarding which there is no provision in the agreement or the law, the judge shall apply local or general customs.

SECTION 171: If a chartered ship is designated by its name in the charterparty, the owner (lessor) may not have it substituted by another ship unless the designated ship is destroyed or becomes unseaworthy due to circumstances of force majeure which occured after the commencement of the voyage.

SECTION 172: If the master finds on board the ship goods, the shipment of which has not been authorized, he may order their removal to land at the place where they were shipped, or charge double freight for their carriage and reserve the right to claim any further damages which he may sustain.

If these goods are discovered during the voyage, the master may jettison such goods which have been wrongfully shipped if their nature is such as may cause damage to the ship or to the rest of the cargo, or if their carriage on the ship might result in the payment of expenses which exceed the value of the goods, or the payment of governmental fines, or if the sale and exportation of such goods are prohibited by law.

The master must in any case record in the log-book the discovery and the fate of the goods which have been wrongfully shipped, and he must prepare a detailed report in this regard.

CHAPTER 2
TIME CHARTER

SECTION 173: A time charterparty is an agreement for the hire of a ship for a limited period of time.

The owner (lessor) of the ship shall have the right to choose whether or not to give the charterer the right to select and dismiss the master, and he may also turn over to the charterer the nautical as well as the commercial management of the ship or the commercial management only. A charterer who has the right of nautical as well as commercial management of the ship must provide all the necessary provisions, maintenance, repairs, and must pay all the expenses relating to the use of the ship and bear the general average losses which may be assessed against the ship and its freight, and he shall be held liable for the destruction of the ship and for any marine losses no matter how considerable such losses may be, unless it is proved that they were caused by a fault of the owner(lessor).

If, however, the charterer's right is restricted to the commercial management of the ship, such damage or losses shall be borne by the owner (lessor) unless he proves that they were caused by a fault of the charterer.

SECTION 174: The charterer shall be liable for the payment of freight for all the period during which the ship remains at his disposal. If the ship is seized, arrested or destroyed, freight shall be due until the date of any such occurence.

SECTION 175: If the freight is calculated on the basis of periods of time, the charterer shall be liable for the payment of a full period when such period has commenced.

SECTION 176: The liability for freight shall cover the period as from the date on which the ship is placed at the disposal of the charterer until the date on which it is returned and put at the disposal of the owner (lessor) in a condition fit for the acceptance of cargo. Freight shall not be charged for all the period during which the charterer is deprived of the use of the ship as a result of an act of the authorities, but freight shall be chargeable for any period of stoppage resulting from a marine accident. If such stoppage arises from an act of the lessor, the charterer shall not be liable for the payment of freight for the period of such stoppage and he may claim damages arising therefrom.

CHAPTER 3

VOYAGE CHARTER AND CONTRACTS OF AFFREIGHTMENT

T I T L E 1

GENERAL PROVISIONS

SECTION 177: A voyage charterparty is an agreement for the hire of a ship either wholly or partly for one or more specific voyages.

A contract or affreightment is an agreement whereby a carrier undertakes against the payment of freight to carry goods or luggage to a specific place provided that such carriage shall be wholly or partly by sea.

SECTION 178: The ship must be ready to load at the specified time at the agreed or usual place of loading. The master must receive the goods at the expense of the operator under ships tackle the ship, and must deliver them to the consignee under ships tackle the ship at the port of destination.

SECTION 192: Subsequent laydays shall commence automatically after the expiry of the laydays specified in the charterparty for loading or off-loading. If the number of laydays is not specified in the charterparty, subsequent laydays shall not commence to run before the lapse of twenty four hours from the date on which the master gives notice to the charterer or the consignee or their representatives, of their commencemant, All working days and holidays shall be included in the count of subsequent laydays.

If the number of subsequent laydays specified in the charterparty or as fixed in accordance with the custom of the place expires, the master may claim compensation for every additional day, at the rate of one and one half the amount chargeable for each subsequent layday.

SECTION 193: Laytime shall be interrupted and shall cease to run whenever it is not physically possible to load or to off-load.

The period of subsequent laydays, however, shall not be interrupted and shall not cease to run if there are circumstances of force majeure.

SECTION 194: The compenstation due for subsequent laydays and for additional days shall be considered as additional freight earned.

TITLE 4

TERMINATION OF CHARTERPARTY OR CONTRACT OF AFFREIGHTMENT

SECTION 195: A charterparty or a contract of affreightment shall automatically terminate if circumstances of force majeure arise before the commencement of performance which render such performance completely impossible.

If the circumstances of force majeure arise before the departure of the ship but after the commencement of performance of the charterparty or the contract, compensation shall be payable if necessary upon such termination.

If the force majeure causes a delay only of the departure of the ship, the charterparty or the contract shall remain in effect, and no additional freight or compensation shall be due, provided that if such delay results in the cancellation of the business transaction in respect of which the charterparty or the contract of affreightment was entered into by the parties or by one of them, such charterparty or contract shall automatically terminate.

TITLE 5

LESSOR'S AND CARRIER'S LIEN

SECTION 196: The lessor of a ship shall have a lien on the cargo for a period of fifteen days after delivery of the goods, if they have not been transferred to a third party, in order to secure payment of the freight and incidental costs due to him.

SECTION 197: The lessor of a ship shall have a right to hold the goods in case of failure to pay the freight due thereon, until he is given a guarantee. He may also request the placing of the goods in the custody of a third party until the freight is

paid, or the sale of the goods if they are perishable.

TITLE 6

THE TEXT OF THE CHARTERPARTY AND THE CONTRACT OF AFFREIGHTMENT

SECTION 198: A contract for the chartering of a ship or for the carriage of goods by sea must be confirmed in writing. Such written document shall be referred to as a charterparty or as a bill of lading depending on the type of carriage of the goods by sea. The contracting parties shall not, however, be required to prepare a written document in the case of coastal navigation.

SECTION 199: The hire of a ship shall be proved by a charterparty, which shall be prepared in the form of a signed private document in two copies.

A charterparty must contain the following particulars:-

1. The names of the contracting parties.

2. The name, nationality and tonnage of the ship, unless it is stipulated that the ship will be designated subsequently.

3. The name of the master.

4. The types and quantities of the goods to be shipped.

5. The freight (or fares)

6. The time and place agreed upon for loading and off-loading.

SECTION 200: The bill of lading is a document given by the master for the goods shipped, and it is prepared in three copies: one copy to be given to the shipper, a second copy to the consignee and a third copy to the master.

A bill of lading must contain the following particulars:-

a. The names of the contracting parties, the operator and the charterer.

b. Specifications of the type, weight, volume and markings of the goods and the number of packages.

c. The name, nationality and tonnage of the ship.

d. The terms of carriage including the freight and the ports of departure and destination.

e. Date on which the bill of lading is delivered.

f. The number of copies prepared by the master.

g. The signature of the master or owner of the ship or his agent, and of the shipper.

SECTION 201: Any copy of the bill of lading which does not contain the aforesaid particulars may only serve as inconclusive written evidence which may be corroborated by oral testimony.

SECTION 202: The markings and the number of packages, and the quantity, type and weight of the goods shall be recorded in the bill of lading on the basis of the written statements submitted by the shipper before shipment.

The markings must be adequate for the identification of the goods, and shall be so affixed as

to remain easily legible until the end of the voyage.

The carrier may refuse to record the declaration of the shipper in the bill of lading if he has good reason to doubt their correctness, or if he is unable to verify them by ordinary means. In such a case the carrier must state the reasons for his refusal, whereupon the onus of proving any shortage shall be on the shipper or on the consignee.

The document which is given to the shipper upon his request before loading his goods instead of after such loading, shall be considered as a legal bill of lading.

A bill of lading which is given in accordance with the form prescribed above shall constitute proof of receipt of the goods as described therein by the carrier, unless proof to the contrary is submitted.

SECTION 203: If the declaration of the shipper regarding the markings or the numbers of packages or the quantity, type or weight of the goods is incorrect, he shall be responsible toward the carrier for all damages which might arise from such declaration. The carrier may not, however, rely on such incorrect declaration to relieve himself from responsibility towards any party other than the shipper.

SECTION 204: The bill of lading may be made to a designated consignee or to order or to bearer. A bill of lading made to a designated consignee is not negotiable, and the master may not deliver the goods to any person other than the person named in the bill of lading. A bill of lading made to order is negotiable by endorsement, which endorsement must be dated; and the master may deliver the goods only to the bearer of the

endorsed bill of lading, even if such endorsement is blank.

A bill of lading made to bearer is negotiable by mere handing over of the bill of lading, and the master must deliver the goods to any person who presents it.

SECTION 205: The copies of a bill of lading which is made to order or to bearer must contain the expression "negotiable" or "not negotiable", as well as a statement indicating the number of copies made, and stipulating that the implementation of one copy shall render the other copies void.

The carrier may not rely, as against the bearer of a negotiable copy which has been duly endorsed, on the defences which may be used against the shipper unless it is established that such bearer is acting as an agent of the shipper.

The endorser guarantees merely the existence of the goods shipped and the validity of the contract of affreightment. If any dispute arises among the bearers of several copies of a single negotiable bill of lading before delivery of the goods by the master, the copy which bears the earliest endorsement shall be given priority.

After delivery of the goods to the bearer of one of the negotiable copies, priority cannot be given to the bearer of any other copy even if such copy bears an earlier date.

SECTION 206: In case of discrepancy between a bill of lading bearing the signature of the shipper, and the bills bearing the signature of the master, each original copy may be used against the party which signed it.

SECTION 207: 'In case of discrepancy between a charterparty and a bill of lading, the conditions of the charterparty shall prevail in so far as the relations of the lessor with the charterer are concerned. But in so far as the relations of the charterer with the shipper are concerned, the bill of lading only shall be considered, unless it contains an express stipulation that the provisions of the charterparty shall prevail.

SECTION 208: A 'Direct' bill of lading that is to say a bill of lading that is issued by a prime carrier whereby he undertakes to ship the goods to their destination in several shipments, makes him liable until the end of the journey for all the obligations arising therefrom In particular he shall be responsible for the acts of the successive carriers who take over the goods.

These carriers shall not be responsible except for such damage, destruction, losses or delay as may occur during their particular part of the voyage.

SECTION 209 : If the nature of the goods or the conditions of their carriage are such as to make it necessary to conclude special agreements, the terms agreed upon relating to the rights and liabilities of the carrier shall be implemented, unless they violate public order, and provided that a negotiable bill of lading is not delivered, and that the agreement shall be in the form of a document which contains the expression "not negotiable".

SECTION 210: Priority shall be given generally to written over printed conditions. If a charterparty and a bill of lading are prepared together and a conflict then occurs between written and printed conditions, the provisions of the bill of lading shall prevail over those of the charterparty.

TITLE 7

CARRIER'S LIABILITIES AND CONDITIONS FOR RELEASE FROM RESPONSIBILITY

SECTION 211: The provisions of this part shall apply only to carriage by sea in respect of which a bill of lading must be issued, and as from the time when the goods are loaded on board the ship until they are off-loaded at their destination.

These provisions shall not apply to charterparties, but if a ship is chartered under a charterparty these provisions shall apply to any bills of lading which may be delivered.

These provisions cannot be applied to goods carried on deck under a contract of carriage, nor to live animals.

SECTION 212: The carrier shall be bound before and at the begining of the voyage to:

1. Properly prepare the ship and make it seaworthy.

2. Properly equip and supply the ship with suitable equipment, seamen and provisions.

3. Clean and improve the condition of the holds, refrigeration and cool chambers, and all other parts of the ship in which goods are carried.

SECTION 213: The carrier shall be liable for any loss or deterioration of the goods or damage thereto unless it is established that such loss, deterioration or damage resulted from:-

1. A fault of the master, seamen, pilots or other workers in navigating the ship.

2. Latent defects in the ship.

3. Acts which constitute accidents or force majeure.

4. Strikes or lockouts or any partial or complete hindrance to labour, or any cause whatsoever for stoppage or restraint (force majeure, enemy action, seizure under legal process or by governments, quarantine restrictions etc.)

5. Inherent vice in the goods or insufficiency of packing or inadequancy of their markings, or wastage in the bulk or weight of the goods as permitted in accordance with the custom of the port of destination.

6. Operations or attempts to rescue and save life or property at sea, or deviations which may occur in the course of such operations or attempts.

The shipper shall have the right to prove, with regard to all the above exceptions, that the loss or damage was the result of the fault of the carrier or his servants, unless covered by the first paragraph of this section.

SECTION 214: The liability of the carrier for loss of or damage to goods shall not in any event exceed an amount to be determined by regulations to be enacted after the publication of this law, for each packet or unit of goods, unless the nature and value of such goods have been declared by the shipper before loading on the ship.

Such declaration shall be embodied in the bill of lading and may be relied on against the carrier unless he can prove the contrary. If the carrier denies the correctness of such declaration when it is made, he may record his reservations and the reasons therefor in the bill of lading. Such reservations shall shift the onus of proof of the actual value onto the shipper or the consignee.

Any stipulation whereby the carrier's liability is limited to an amount which is less than the amount prescribed in this section shall be void. The

amount prescribed above may be reconsidered and altered by regulations to be enacted in accordance with fluctuations in foreign rates .

SECTION 215 : **(a)** Any condition contained in a bill of lading or any document for carriage sea issued in the Hashimite Kingdom of Jordan or outside which is directly or indirectly intended to release the carrier from the responsibility and liability imposed on him by law generally, or by this law in particular, or to shift the burden of proof from any party on whom such burden of proof lies under the laws in force or under this law,or to violate the rules of legal jurisdiction shall be null and void and shall have no effect .

A condition which makes the carrier the beneficiary from insurance on the goods, or any similar condition shall be deemed to be a release condition.

(b) Not withstanding any provision to the contrary in any other law or in the bills of lading, judicial documents in court cases filed against the carrier under the provisions of this law may be served on the ships agent in the Hashemite Kingdom of Jordan . Such service shall be considered as due service on the carrier, provided that the ships agent shall not be liable in such court cases except for any default which was committed by his employees or other persons working for him .

SECTION 216 : The carrier shall not be responsible for loss or damage to goods if the shipper knowingly gives a false statement of their value .

SECTION 217 : Goods of an inflammable or explosive or dangerous nature which the carrier or his agent would not have consented to carry with knowledge of their nature and character, may at any time be landed or destroyed or rendered innocuous by the carrier without compensation, after he prepares a report indicating his reasons for taking such action, and furthermore the shipper of such goods shall be liable for all damages and expenses resulting from such shipment .

If the carrier was aware of the nature of such goods when he consented to load them on the ship he may not land, destroy or render them innocuous unless they become a danger to the ship or cargo, in which case he may do so without liability on his part except to general average, if any .

SECTION 218 : **(a)** If the goods are lost or damaged, the consignee must give written notic of his reservations to the carrier or his agent at the port of discharge not later than the time of delivery, failing which he shall be deemed to have taken delivery of the goods as specified in the bill of lading .

In case of latent loss or damage, notice of such reservations shall be legal if given within a period of three days after delivery, excluding holidays .

The carrier may always request an inspection to be carried out in his presence in order to determine the condition of the goods at the time of delivery .

(b) Not withstanding any provision to the contrary in any other law, any condition or agreement which deprives the Jordanian Courts of Jurisdiction to consider disputes arising from bills of lading or carriage by sea shall be considered as null and void .

TITLE 8

PRESCRIPTION

SECTION 219 : The right to submit a claim in court against the carrier for loss or damage shall be lost by prescription in all cases after the lapse of one year as from the date of delivery of the goods, or as from the date on which they should have been delivered in case of non-delivery .

SECTION 220 : Subject to the provisions of the last preceding section, any claim arising from a charterparty or a carriage contract shall be lost by prescription after the lapse of one year from the date on which the voyage ends .

SECTION 221 : The right to make any claim shall be lost by prescription :

After the lapse of one year from the date on which the voyage ends in respect of all claims relating to freight ; and after the lapse of one year from the date of delivery in respect of all claims for the supply of provisions to the crew by order

of the master, or for the supply of necessary equipment or provisions.

After the lapse of one year from the date of receipt of manufactured products, in respect of all claims relating to the wages of the labourers and to the manufacture of such products.

After the lapse of one year from the date of arrival of the ship in respect of all claims arising from the non-delivery of the goods.

TITLE 9

CARRIAGE OF PASSENGERS BY SEA

SECTION 222: Passenger fares shall include the cost of providing meals to the passengers, unless otherwise agreed, in which case the masfer shall be obligated to offer the necessary food-stuffs at reasonable prices.

SECTION 223: A passenger in whose name the travel document or contract is issued may not transfer his rights thereunder to any other person without the consent of the master of the ship.

SECTION 224: The carriage of the luggage of a passenger shall be subject to the same terms to which the carriage of goods is subject, unless the passenger retains the custody of his luggage, in which case the master shall not be responsible for any losses or damage not arising from the acts of the members of the crew.

SECTION 225: The passenger shall be liable for the payment of the fare for a voyage even if he does not travel on that voyage or on a part of it, unless he was prevented from travelling as a result of force majeure.

SECTION 226: If the voyage is not completed on the fixed date by reason of an act of the master, the passenger shall have a right to be indemnified for any damages which he may sustain, and he may furthermore terminate the contract.

SECTION 227: If the voyage cannot be undertaken by reasons of prohibition of trade with the port, or due to an embargo or any other circumstances of force majeure, the travel contract shall be set aside, and no indemnity shall be payable by any party to another as a result thereof.

SECTION 228: If the ship is prevented from reaching the port of destination due to circumstances of force majeure, the master shall only be entitled to recover the cost of provisions supplied, but he shall not have the right to claim the fare unless he ensures the transportation of the passenger to his destination.

SECTION 229: If the disruption of the voyage is caused by a fault of the master, he shall be liable for the cost of provisions and shall be obligated to secure the transportation of the passenger to his destination.

SECTION 230: If it becomes necessary to have the ship repaired during the voyage, the passenger shall be obligated to await the completion of the repairs and to pay the full fare for thevoyage, but he shall have a right to be provided with food and lodging free of charge for the whole period during which the repairs are being carried out, unless the master offers to transport the passenger for the remaining part of the voyage aboard another ship of the same type.

SECTION 231: If a passenger sustains any damage during the voyage by reason of an accident, the carrier shall be responsible for such accident unless he proves that it was caused by circumstances of force majeure or by the fault of the passenger.

SECTION 232: If a passenger dies during the voyage, the master shall be required to make arrangements to safeguard the deceased passenger's luggage which is carried on board the ship and to deliver it to his heirs.

SECTION 233: The passenger must observe, while on board the ship, the regulations issued by the master and must comply with the orders given.

SECTION 234: The right to submit any claim arising out of the passenger carriage contract shall be lost by prescription after the lapse of one year.

However, claims arising from the contract to carry a passenger's luggage shall be subject to the provisions of section (218) of this law.

T I T L E 10

TOWAGE

SECTION 235: If a ship, while using its own driving power, is towed, the master of the ship shall be liable towards any third party for any fault of the master of the towing vessel unless it is proved that the towing vessel was not subject to the management of the master of the towed ship, provided that such liability shall not affect the right of the master to submit any claims against the master of the towing vessel for any fault which the latter may have committed.

PART VII

PERILS OF THE SEA

CHAPTER 1
COLLISION

SECTION 236: If a collision occurs between seagoing vessels,

or between seagoing vessels and internal navigation vessels, the indemnity for the resulting damage sustained by the ships and their cargoes and passengers shall be payable in accordance with the following provisions, regardless of the waters in which such collision occurs.

SECTION 237: If the collision occurs accidentally or as a result of force majeure, or if there is any doubt regarding the causes of the collision each party shall bear the damage which it sustains, even if the ships involved in the collision, or one of them was moored at anchor at the time of the collision.

SECTION 238: If the collision was the result of the fault of one of the ships, liability for compensation for damage shall rest with the party that was responsible for the collision.

SECTION 239: If both ships are to blame the liability of each shall be in proportion to the extent to which it was at fault. If such proportion cannot be established, or if it appears that the ships were equally at fault, liability shall be assigned between the ships concerned in equal shares.

The damages sustained by the ships, or their cargoes, or the luggage or other properties of the crew or of the passengers, or by any other person who may have been on board the ship, shall be a several, and not a joint, liability to be borne by each of the ships, which are at fault, in accordance with the aforesaid proportions.

Ships which are at fault shall be jointly liable towards third parties for damages arising from death or injury, provided that a ship which pays a larger share than the share for which it is actually liable under the last preceding paragraph of this section shall have a right to claim the excess payment from any other ship which is jointly liable.

SECTION 240: If a collision is caused by a pilot, the liability as prescribed in the preceding sections shall nevertheless arise even if the presence of such pilot on board is obligatory.

SECTION 241: The foregoing provisions shall also apply when no collision occurs, but when compensation is payable for damage caused by one ship to another ship or to any goods or persons on board the latter ship, by any act or ommission or failure to comply with regulations by the former ship.

SECTION 242: The master of any ship which is involved in a collision with another ship, must rescue the other ship and its passengers and the members of its crew in so far as is possible without exposing his own ship or passengers or the members of his crew to any serious danger.

SECTION 243: The master must inform the other ship in so far as possible of the name of his ship, as well as the names of its home port and its last port of call, and of the port to which it was proceeding.

The violation of the foregoing provisions shall not per se render the shipowner liable.

SECTION 244: The provisions of this part shall apply to war vessels and ships belonging to the state which are assigned to an official department.

SECTION 245: A court case claiming damages arising from collision shall not be subject to the filing of a protest or to any other formalities, and no special type of evidence to establish the blame shall be required in determining liability for the collision.

SECTION 246: If a collision occurs, the plaintiff may submit his claim either to the court of the defendant or to the court of the home port of the other ship involved in the collision.

The court within whose jurisdiction the Port of Aqaba falls, shall be competent, after the entry of either of the two colliding ships into it, to carry out any inquiry or technical survey.

Competence, in so far as Jordanian territorial waters are concerned, shall be vested in the Court of First Instance within whose jurisdiction the Port is situated.

SECTION 247: The right to claim any damages arising from collision shall be lost by prescription after the lapse of two years from the date of the accident; provided that the right to claim under the third paragraph of section 239 shall be lost by prescription after the lapse of one year from the date of payment.

CHAPTER 2

RESCUE AND SALVAGE

SECTION 248: Every operation carried out by a ship to salvage or rescue another ship which is in distress, or the things which are on board such ship or its freight or passenger fares, even if the ship has been abandoned by its crew, shall be subject to the following provisions:

SECTION 249: A fair charge shall be payable for every salvage or rescue operation from which a benefit is derived, and no charge shall be due if no benefit is derived from the assistance given. The amount payable in any case shall not exceed the value of the things which are salvaged.

SECTION 250: No charge shall be due to persons participating in assistance operations if the ship to which such assistance is given had reasonably and expressly refused such assistance.

SECTION 251: No charges shall be due to a towing ship for the rescue and salvage of the ship which it tows or its cargo, unless it carries out extraordinary operations which cannot be considered as acts for the implementation of the towing contract.

SECTION 252: A charge shall be due even if the ships which are involved in the salvage and rescue operations are owned by the same shipowner.

SECTION 253: The amount of the salvage and rescue charge shall be determined by agreement of the two parties, failing which it shall be determined by the court.

This provision shall also apply to the proportionate distribution of the charge among several rescuers, or among the shipowner and the master and crew of the rescuing ship.

If the nationality of the rescuing ship is foreign, apportionment among its owner, master and crew shall be governed by the law of its state.

SECTION 254: The court may set aside or amend at the request of one of the contracting parties, any salvage or rescue agreement which was concluded while a ship was in distress, and under the influence of such distress, if it deems that the conditions of such agreement are not fair.

The court may in any case likewise set aside or amend any salvage or rescue agreement at the request of one of the two contracting parties if it is established to the satisfaction of the court that the consent of one of the parties is defective by reason of fraud or suppression of information, or if the charge is excessive either way, and not commensurate with the services rendered.

SECTION 255: In determining the amount of the charge, the court shall take the following into consideration, as may be appropriate in the circumstances:-

a. In the first place: the success achieved; the effect exerted by the rescuers and the effectiveness of these efforts; the danger to which the rescued ship and its passengers, crew and cargo, as well as the rescuers and

rescuing ship were exposed; the time involved; the expenses and damage incurred; the risk of liability and other risks to which the rescuers are exposed; the value of the equipment used by the rescuers; and, when necessary, the facilities which had been provided by the rescuing ship and its preparation to enable it to undertake the salvage and rescue operations.

b. In the second place: the value of the things which are lost.

The same provisions shall apply to the apportionment of the charge referred to in the second paragraph of section (253). The court may reduce or disallow completely the charge if it is established that the salvage and rescue operations were necessitated by a fault of the rescuers, or if the rescuers had committed any thefts or had hidden any stolen goods, or had committed any other fraudulent acts.

SECTION 256: No charge shall be payable in respect of persons rescued.

Rescuers of human beings who intervene in the course of the same perils shall be entitled to a fair share of the charge due for the salvage and rescue of the ship and its cargo and incidentals.

SECTION 257: The right to claim the salvage and rescue charge shall be lost by prescription after the lapse of two years from the date on which the salvage and rescue operations end.

The aforesaid period of prescription shall not run if the salvaged or rescued ship is not held in Jordanian waters.

Any master of a ship who sees a person in the sea who is in danger of drowning and fails to give that person such assistance as will not expose his ship and its cargo and crew and passengers to serious danger, shall be liable to imprisonment for a period ranging from one month to two years, and to a fine ranging from ten Dinars to three hundred Dinars, or to either of these two penalties.

CHAPTER 3

MARINE LOSSES (DAMAGE)

SECTION 258: Marine losses are every damage or loss that may occur to the ship or its cargo, as well as all exceptional or extraordinary expenses which may be paid to ensure the safety of the adventure.

SECTION 259: In the absence of any special agreement among all the parties concerned, marine losses shall be settled in accordance with the following provisions:

SECTION 260; Marine losses are of two kinds: Particular average losses and general average losses.

SECTION 261: Particular average losses are all marine losses to which any of the conditions prescribed in the following sections do not apply. Such losses shall be borne by the owner of the damaged things.

SECTION 262: General average losses are damage and loss of property and extraordinary expenses resulting from any destruction which is intentionally carried out by the master for the common benefit in order to preserve the adventure from peril. A beneficial result from such an act shall not be a legal requirement, save in the cases referred to in section 266.

Such losses are:

1. Damage losses: These are losses which are sustained by:

   a. The cargo, as a result of jettison of the goods, or their use as fuel in order to make possible the completion of the voyage, or their transfer to a lighter in order to lighten or float the ship, or the carrying out of acts at sea for the purpose of extinguishing a fire.

   b. The ship, as a result of the destruction of its equipment and tackle, or the stranding of the ship in order to save its cargo, or letting go the sails or the turning on of steam when the ship is stranded.

2. Expenditure losses: These are extraordinary expenses paid by the master for the safety of the adventure such as the expenses of floating, rescue or towing of a damaged ship, and the expenses of anchoring or putting into port which are necessitated by a peril of the sea, and the expenses of crew's wages and provisions which are incurred as a result of an extraordinary occurence, and the expenses paid in lieu of an expense which would have been a general average loss, provided that such expense does not exceed the amount of the general average loss instead of which it was incurred, and finally the expenses of adjusting general average losses.

SECTION 263: Only damage, sacrifice and expenses arising directly from an act which is in the nature of a general average loss, may be accepted as part of the general average losses.

SECTION 264: The onus of proof that an expense or a sacrifice should be accepted as a general average loss shall be on the party who demands its acceptance as such.

SECTION 265: A special agreement shall not be binding unless it is accepted by all the parties concerned in the adventure, otherwise general average losses shall be settled in accordance with the rules of adjustment prescribed in the following sections with due regard to the application of the provisions of special agreements among the parties concerned.

SECTION 266: In order to carry out an adjustment of general average the whole ship and its cargo or a part of the cargo must have been saved, unless either of them was sacrificed in order to preserve the other.

SECTION 267: If the common peril is the result of a special defect in the ship or the goods, or if it is result of the fault of the master or the shippers, the damage and expenses which are in the nature of general average losses shall give rise to an adjustment among all the parties concerned, provided that the parties who contributed shall have a right to claim their contributions from the parties on whom the liability for the special defect or the fault rests, and the latter parties may not in any case claim the inclusion of the damage and expenses which they sustain in the general average losses.

However, an operator who is exempted from liability, by an express provision in the charterparty or the bill of lading, for the navigational faults of the master, may claim a contribution from general average provided that the common peril was the result of a navigational fault of the master.

SECTION 268: Goods in respect of which a bill of lading was not issued, or a receipt of taking delivery was not signed by the master, shall not be considered as general average losses if they are lost, but they shall contribute to general average if they are saved.

This provision shall also apply to goods in respect of which a false declaration was made, unless the party concerned establishes good faith.

Goods which are damaged or which are lost, and the declared value of which is less than their actual value, shall be considered as losses on the basis of their declared value, but shall contribute on the basis of their actual value.

SECTION 269: Goods which are carried on deck in a manner contrary to common usage shall contribute to general average if they are saved, but if they are lost the owner may not apply for participation in a general average adjustment unless he can prove that he did not agree to the shipment of his goods in this manner. The provisions of this section shall not apply to coastal navigation.

SECTION 270: Mail, of any kind, the personal luggage and effects of passengers and crew, the wages of the crew, the ship's provisions, and, in general, anything which may be carried without a bill of lading shall not contribute; but if they are lost their value shall be recoverable by way of general average adjustment.

SECTION 27L: Any party concerned may be discharged from the obligation to contribute by abandoning the properties which are subject to an adjustment, before taking delivery of any of them.

SECTION 272: The general average adjustment shall be carried out at the final port of destination of the cargo which is found on the ship at the time of sacrifice or at the place of termination of the adventure, in accordance with the law of that port, and on the basis of the values of the goods on arrival, taking into consideration the condition of salvaged things.

The adjustment consists of three parts:

1. Determination of the creditor group.

SECTION 179: The chartering of a ship wholly shall not include the cabins and other places reserved for the master and the members of the crew. Novertheless the master and the members of the crew may not carry any goods in these cabins and places without the consent of the charterer.

If a ship is chartered wholly or partly, the master may not carry on the ship or on the chartered part of the ship any other goods without the consent of the charterer. In case of any contravention in this regard, the freight on such goods which are wrongfully carried shall become due to the charterer; but he may not claim damages as well.

SECTION 180: The owner (lessor) of a ship shall be responsible for any loss or damage to the goods while they are in his custody unless he proves that the loss was due to force majeure.

SECTION 181: The owner (lessor) of a ship must pay the price, less expenses incurred by and due to the charterer of any goods which are used or sold by the master during the voyage in order to meet the requirements of the ship. Such price shall be determined on the basis of the value of the goods at the port of destination if the ship arrives at the port safely, otherwise it shall be determined on the basis of their actual selling price.

The owner (lessor) of a ship shall have the right to retain the freight due on all the goods whose value he is obliged to pay. If the shippers are not paid the value of their goods which were used for the requirements of the ship, the loss which they sustain as a result shall be distributed pro rata on the value of these goods and of all the goods which reach their destination or which are salvaged subsequent to the time of the occurence which made it necessary to resort to the sale or the pledging of the goods.

SECTION 182: If no person appears to take delivery of the goods or if the consignee refuses to take delivery thereof, the master may request the judicial authorities to sell the goods wholly or partly to the extent required to settle the amount of the freight due, and to order the placing of the unsold goods in custody. If the proceeds of the sales are not sufficient to settle the amount of the freight, the master shall have the right to claim the difference from the shippers.

TITLE 2

LIABILITIES OF CHARTERER OR SHIPPER

SECTION 183: If the shipper fails to bring the agreed quantity of goods under ships tackle, he shall be liable for the freight due for the full voyage on the shipment, as well as the expenses incurred by the ship as a result of such failure, provided that he shall be credited with the deferred expenses of the ship and three fourths of the freight on any goods which are carried instead of his goods.

SECTION 184: No freight shall be due on goods which have not been delivered or placed at the disposal of the consignee at the port of destination, provided that freight shall become due:-

a. If non-delivery was caused by the negligence or fault of the charterer, shipper or the persons who acquire their rights.

b. If it becomes necessary to sell the goods during the voyage due to deterioration, regardless of the cause of such deterioration.

c. If the destruction of the goods is considered a general average loss.

d. If the goods are destroyed as a result of an inherent vice.

Freight shall also be due on animals which die on board due to any cause other than the fault of the shipper.

SECTION 185: In all cases where freight is not due the master must refund any advance payments which were made to him prior to the commencement of the voyage on account of such freight. He may, however, retain these advance payments in full if he has paid the insurance premium thereon for the benefit of the charterer or the shipper.

SECTION 186: A charterer or shipper who desires to take delivery of the goods before the arrival of such goods at their destination must pay the freight in full even when it may be necessary to repair the ship during the voyage as a result of an unavoidable accident at sea.

The goods shall not be delivered unless a financial guarantee is provided for the settlement of any fines or general average losses or other payments which may have to be added to the freight.

SECTION 187: If the ship is stopped on orders from any State or as a result of an accident the responsibility for which cannot be attributed to the master or the lessor of the ship, the contracts shall remain in force, and the stipulated freight may not be returned nor increased.

The shipper may have his goods off loaded at his own expense during the period of stoppage, provided that he shall re-load them or shall indemnify the master if he does not do so.

SECTION 188: If due to circumstances of force majeure which arose after sailing, the ship is not able to proceed to its destination, the shipper shall be liable for the freight in respect of the outward journey only even if the stipulated freight was in respect of the outward and the homeward journeys.

SECTION 189: Where it is not possible for a ship to enter the port of destination due to blockade or any other circumstances of force majeure, the master shall be at liberty to act in such manner as may be in the interests of the shippers if he does not have any specific instructions regarding such circumstances, and no damages may be claimed as a result.

SECTION 190: The shipper may not be relieved of his liability to pay freight by abandoning the cargo even if the goods have lost their value wholly or partly or have deteriorated during the voyage.

T I T L E 3

LAYDAYS AND DEMURRAGE

SECTION 191: Laydays or the period of waiting allowed for the loading and off-loading of the cargo shall start, in so far as loading is concerned, on the day following the day on which notice of readiness of the ship to load is submitted to the charterer, and, in so far as off-loading is concerned, laydays shall start as from the day following the day on which it is made possible for the consignee to commence off-loading in accordance with the conditions stipulated in the charterparty.

The commencement and the number of laydays, if not specified in the charterparty, shall vary in accordance with the custom of each place.

Only working days shall be taken into account in counting laytime.

SECTION 192: Subsequent laydays shall commence automatically after the expiry of the laydays specified in the charterparty for loading or off-loading. If the number of laydays is not specified in the charterparty, subsequent laydays shall not commence to run before the lapse of twenty four hours from the date on which the master gives notice to the charterer or the consignee or their representatives, of their commencemant, All working days and holidays shall be included in the count of subsequent laydays.

If the number of subsequent laydays specified in the charterparty or as fixed in accordance with the custom of the place expires, the master may claim compensation for every additional day, at the rate of one and one half the amount chargeable for each subsequent layday.

SECTION 193: Laytime shall be interrupted and shall cease to run whenever it is not physically possible to load or to off-load.

The period of subsequent laydays, however, shall not be interrupted and shall not cease to run if there are circumstances of force majeure.

SECTION 194: The compenstation due for subsequent laydays and for additional days shall be considered as additional freight earned.

2. Determination of the debtor group.

3. Determination of the apportionment of the amount due to the first group among the second group.

SECTION 273: The adjustment shall be carried out with all possible dispatch by expert average adjusters who shall be appointed by the magistrate of Aqaba Port, if all the parties concerned fail to agree on the adjusters to be appointed.

SECTION 274: If the adjustment is not accepted by all the parties concerned, it shall be submitted for approval to the magistrate court of Aqaba on the basis of an application by the party whose claims are the most urgent.

SECTION 275: The creditor group shall include the expenses of the master, the amount of damage sustained by the ship, the value of the goods sacrificed, the amount of freight lost and the expenses of the adjustment of general average losses.

SECTION 276: The amount to be considered as a general average loss in respect of the loss of, or the damage to the ship shall consist of the cost of repair or replacement less the difference in value after renewal in accordance with comon usage.

Temporary repairs, however, shall not be deductable.

If no repairs or replacement are involved, the amount of the general average loss shall be determined by assessment.

SECTION 277: The value of goods sacrificed or the damage sustained by goods shall be assessed on the basis of the prevailing price at the place of shipment, provided that the owner of the goods shall pay the freight less the expenses of off-loading and customs duties when necessary.

SECTION 278: If the freight is considered as a general average loss, the charges of collection of the freight and any substitute for such freight shall be deducted from the gross amount of the freight which is exposed to the risk of loss.

SECTION 279: The debtor group shall include the following :-

1. The full value of the goods saved, or their full estimated value at the port of destination of the goods sacrified, after deducting expenses, customs duties and freight, unless it is stipulated that freight shall be earned in any event.

2. The actual net value of the ship at the port where it anchors, after deducting expenses from such value.

3. Two thirds of the amount of freight and passenger fares which are exposed to the risk of loss, with the exception of freight which by express stipulation is earned in any event.

SECTION 280: The master may refuse to deliver the goods unless he is given an adequate guarantee for the payment of the contribution.

SECTION 281: The operator of the ship shall have a lien on the goods or their proceeds in respect of the contributions due to him, for a period of fifteen days from the date of delivery of the goods unless they have been transferred to a third party in the meantime. The owners of the goods sacrificed shall have a lien on the ship for the amount of contributions due to the operator in respect of the ship or of its freight which is exposed to danger.

SECTION 282: The contributions due from contributors to general average shall be in proportion to the rights due. If a contributor is unable to pay, his contribution shall be paid by the other contributors in proportion to their respective rights.

SECTION 283: All court cases for contribution to general average losses arising from loss or damage in respect of which a detailed protest was not submitted within a period of three days (excluding holidays) from the date of delivery of the goods shall be dismissed.

SECTION 284: The right to submit a court claim under a general average adjustment shall be lost by prescription after two years from the date of arrival of the ship at the final port of destination of the goods which were carried on the ship at the time of destruction, or at the place of termination of the voyage.

PART VIII

BOTTOMRY LOAN CONTRACTS

SECTION 285: A bottomry loan contract is a contract for the loan of a sum of money against a pledge of the ship or its cargo, and which stipulates that the lender shall forfeit his right to recover the loan should the properties which are pledged perish as a result of an unavoidable occurence at sea, and that the loan shall be repayable to the lender with maritime interest, that is to say agreed interest, even if the amount of such interest exceeds the maximum legal rate, should the properties which are pledged arrive safely.

SECTION 286: A bottomry loan may only be contracted with the master during the voyage for the purpose of paying the expenses of repairs or other requirements of the ship or of the cargo.

SECTION 287: The necessity for meeting the expenses which are incurred for the benefit of the ship or its cargo must be ascertained by the Aqaba magistrate in Jordan, and, if abroad, by the person exercising consular authority, if any, otherwise by the local magistrate.

The competent magistrate shall supervise the proceedings for the procurement of the bottomry loan by public tender, and the conclusion of the loan contract with the lender who offers the lowest amount of maritime interest. However, permission may be given when necessary for contracting a bottomry loan by voluntary negotiation.

SECTION 288: A bottomry loan may be made against the pledge of the ship, cargo and freight jointly or the pledge of any of them separately.

If the expenses are for the benefit of the cargo, the master may pledge the goods. If the expenses are for the benefit of the ship, the master may not borrow against a pledge of the goods unless he has already procured the full amount which he can borrow against the pledge of the ship.

SECTION 289: If the master complies with the provisions prescribed in the foregoing sections he shall not be held personally liable for the loan. The owner of the ship which is pledged against a bottomry loan shall be liable for such loan, subject to his right of abandonment and his right to limit his liability as prescribed in section 96.

The owner of the goods which are pledged against a bottomry loan shall be liable for such loan, subject to his right to abandon the goods to the lender.

SECTION 290: The bottomry deed which is made out to confirm the loan shall indicate the date, the amount of the loan, the interest stipulated, the properties pledged, the names of the contracting parties, the ship and the master, and the period of the loan.

The deed may be made out to a specified person or to his order or to bearer. If the deed is made to order, the liability of the endorsers shall not include the interest, unless otherwise agreed.

SECTION 29L: The lender may recover the loan if the properties pledged are lost due to an intrinsic defect or to an act of the borrower or his servants.

SECTION 292: The lender shall not contribute to particular average losses relating to the pledged properties, but in case of sinking he shall bear a share of the expenses of salvaging the pledged properties in proportion to the amount of the loan.

SECTION 293: If general average losses occur the amount of the loan shall not be added to the values which contribute, and the apportionment among the ship, and its freight and its cargo shall be effected as if no bottomry loan is involved, but the lender shall bear part of the loss of the owners of the pledged properties in proportion to the amount of the loan.

SECTION 294: If several bottomry loans are procured against the pledge of the same properties, the order of priority among such loans shall be on the basis of the dates on which they were procured, the later loan having priority over the earlier loan.

SECTION 295: Any right to submit a court claim arising from a bottomry loan shall be lost by prescription after the lapse of two years from the date of maturity of the loan.

PART IX

INSURANCE

CHAPTER 1

FORMAL REQUISITES OF THE CONTRACT AND THE VALIDITY OF THE OBLIGATIONS OF THE ASSURED

SECTION 296: Marine insurance is a contract whereby the insurer agrees in consideration for the payment of a premium, to indemnify the assured against

damages sustained in the course of a marine adventure as a result of an actual loss of value, provided that the amount of such indemnity shall not exceed the value of the subject matter which was lost.

SECTION 297: All the provisions of this part which do not contain an express stipulation to the effect that they shall be applicable notwithstanding any agreement to the contrary, or to the effect that their violation shall render void any contrary agreement, shall only be regarded as interpreting the will of the contracting parties and may be superseded by express provision.

SECTION 298: The insurence contract shall be made in writing in two original copies.

It shall contain the following particulars:-

a. The date of the contract and whether it was concluded in the forenoon or in the afternoon of that date.

b. The name and place of residence of the person who requested the insurance for his own account or for the account of some other party.

c. The risks which the insurer undertakes to insure against and the period of such insurance.

d. The sum insured.

e. The amount of the premium or the consideration for insurance.

The insurance contract shall be signed by the insurer and the assured or the insurance broker for the account of the assured, and it may be made out to a designated person, or to order or to bearer.

Each of the contracting parties shall be entitled to receive a true copy of the original insurance contract.

SECTION 299: The insurers may not be summoned to appear before a court other than the court of the place at which the contract was signed; but if the contract was signed by an agent, the assured may submit his claim to the court of the place of residence of the insurer.

If the signature in respect of more than half the value insured was effected at one place, the assured may summon all the insurers to appear before the court of that place, which court would thus be seized of the case and may determine the claim in their presence.

SECTION 300: The non-disclosure of any information, or any false representation made by the assured at the time of concluding the contract, and any discrepancy between the insurance policy and the shipping documents which tends to diminish the idea of the risk shall render the insurance void even in the absence of any intent to defraud.

The insurance shall likewise be rendered void even if the non-disclosure of information, or the discrepancy or false representation does not have any effect on the damage which occurs to, or the loss of the subject-matter insured.

If there is an intent to defraud, the insurer shall be entitled to the full amount of the premium, and if there is no such intent he shall be entitled to half the amount of the premium.

SECTION 301: The assured must also inform the insurer of any future events which will occur after the concluding of the contract and which might influence the insurer in underwriting the risk, failing which the insurance shall be rendered void.

SECTION 302: The defences which would have been available to the insurer under the insurance policy against the original assured shall also be available to him against any bearer to whom the policy may be subsequently assigned even if such policy is made to order or to bearer.

SECTION 303: The assured may always set aside the insurance contract if the risks have not started to run.

An assured who is unable to establish force majeure shall pay to the insurer a fixed indemnity amounting to half the premium stipulated in the contract.

SECTION 304: If the subject-matter insured consists of goods on the outward voyage and on the homeward voyage, and if no goods are shipped on the homeward voyage after the arrival of the ship at its original destination or if the shipment for the homeward voyage is not completed, the insurer shall receive two thirds of the agreed premium only, unless otherwise agreed.

SECTION 305: If the assured becomes bankrupt or if notice is published that he has stopped payment, or if he fails to pay the premium which is due, the insurers, after serving a warning on the assured at his place of residence calling on him to pay or to give an acceptable guarantee within a period of 24 hours, and the failure of the assured to comply with such warning, may abrogate any insurance by a simple notice which may even be given by registered letter, with effect from the end of the period specified in the warning, provided that the insurers shall surrender their right to a pro-rata portion of the premium for the remaining period, and the balance shall be a debt due to them.

The warning and the notice may, however, be combined in one document.

The assured shall likewise have the same rights against an insurer who becomes bankrupt, or in respect of whom a notice to the effect that he has stopped payment is published.

The provisions of the first paragraph shall not apply to a bona fide holder in due course of the bill of lading and the insurance policy or its appendix.

SECTION 306: The public sale of the ship shall automatically terminate the insurance on the date of such sale. The insurance shall automatically continue if a private sale is effected which involves less than half the value insured.

If a private sale involves half the value insured at least, the insurance shall not continue unless the insurers agree to its continuation.

SECTION 307: The chartering of a ship shall not set aside the insurance, unless otherwise agreed.

SECTION 308: Notice of the accident or loss shall be given by the assured to the insurers within a period of three days from the time when the accident or loss comes to the knowledge of the assured.

He must mitigate the effect of the peril in so far as possible and must adopt all precautionary measures and supervise the salvage operations of the subject-matter insured or carry out such operations himself, and must protect the right to submit any claim against the persons who are responsible towards third parties.

SECTION 309: The assured who carries out salvage operations shall not lose his rights of indemnification and abandonment. He shall be entitled to recover his expenses on the basis of his own statement, subject to the right of the insurer to prove fraud.

The insurer himself may likewise carry out all the precautionary or salvage measures, and no party may object thereto on the ground that this constitutes a proprietary act.

SECTION 310: The consignee must request the representatives or agents of the insurers who are specified in the policy, if any, otherwise the local competent authority, in order to carry out a survey of the marine loss or damage, failing which the court case may be rejected.

The consignees must furthermore complete such surveys within a period of eight days after the day on which the carrier places the goods at their disposal or at the disposal of their representatives or agents, provided that such period shall not exceed thirty days as from the date on which the goods arrive at their destination, failing which the court case may be rejected.

The aforesaid period of thirty days shall not, however, apply to a consignee who proves that he was not aware of the arrival of the goods at their destination.

SECTION 311: If insurance contracts are confirmed by documents which are not formal policies, that is to say by participation agreements, the assured must declare the period during which such a document remains in force in respect of all shipments which are made for his own account and those which are made for the account of other persons whose goods he is insuring on their behalf, to the extent to which these shipments are covered by insurance.

If the assured fails to carry out this obligation, the contract may be terminated at the request of the insurer, who may, in any case, retain the premiums, and who shall furthermore be entitled to receive payment of the premiums relating to the shipments which have not been declared.

If the declaration relates to goods which are insured for the account of a third party, it shall have no effect if it is made after the occurence of the casualty.

SECTION 312: A contract of insurance may be concluded for the benefit of an unspecified person. Such a provision shall render the insurance contract as being for the benefit of the person who signs it, and as an agreement concluded by the beneficiary on behalf of a third party who is known at the time, or who will become known subsequently.

The person who signs a policy relating to insurance concluded for the benefit of an unspecified person, shall be personally liable for the payment of the premium to the insurer, and the defences which are available to the insurer against the person who signed the policy shall apply as against any beneficiary.

CHAPTER 2

THE SUBJECT MATTER INSURED

SECTION 313: Every person having an interest therein, may insure a ship and its gear, or a ship under construction and the parts to be used in its construction which are found in the factory, the cost of equipment and provisions, seamen's wages, freight, the amounts of maritime loans, goods, currency and financial documents carried on the ship, expected profits, and, in general, all things which have a monetary value and which may be exposed to navigational perils.

SECTION 314: The acceptable value of the ship shall include all its incidentals whatsoever, particularly provisions, advances given to the members of the crew, equipment and all expenses unless it can be proved that such expenses are related to an interest that is not related to the ownership of the ship.

SECTION 315: If the subject matter insured is the net freight, the amount of such freight shall be assessed at sixty percent of the gross freight where no amount is specified in the insurance contract.

SECTION 316: The expected profit shall be assessed at one tenth of the value at the place of the voyage unless the insurers expressly agree to a higher assessment, in which case such higher assessment shall be specified in the policy.

SECTION 317: If the value of the goods is not specified in the contract, it may be established by means of invoices and account books, otherwise the value of the goods shall be assessed on the basis of the prevailing price at the time and place of shipment, to which shall be added all charges and expenses paid until the transfer of the goods on board, and freight earned in any event, and the insurance premium, and the expected profit when necessary.

The same applies to the assessment of the value of the hull of the ship and its tackle, fittings and equipment, which should be determined on the basis of their values on the day on which the risk starts to run.

All supplies and provisions and other things which have a monetary value shall be assessed on the basis of their values at the time and place at which the risks start to run.

SECTION 318: The insurer may prove at any time that the accepted value exceeds the real value of the subject matter insured, even if he has accepted the valuation made by the assured in the policy.

SECTION 319: The insurer may re-insure with another insurer, the risks against which he has insured. Such re-insurance shall be subject to the provisions of this part, and the first insurer alone shall remain liable towards the assured.

SECTION 320: The insurer may insure the premium.

SECTION 321: Any insurance contract which is concluded after the loss or the arrival of the subject matter insured shall be void if it is established that notice of the loss or the arrival of the goods was given at the place where the assured is found, before he ordered the insurance to be concluded, or at the place where the contract was signed, before the insurer signed it.

If the subject matter insured is the safety of the adventure (and this shall be permissible only for the insurance of an equipped ship) the contract may not be set aside unless it is proved that the assured was aware of the destruction of the ship, or that the insurer was aware of its arrival, before signing the contract.

If such proof is established against the assured he shall pay the premium two-fold to the insurer; and if such proof is established against the insurer he shall pay to the assured an amount equal to double the amount of the agreed premium.

SECTION 322: The insurance which is concluded by an agent shall be void if it was possible for such agent to become aware of the news.

The insurance shall also be void if the principal was aware of the news. If the principal becomes aware of the news after issuing his instructions, he must immediately revoke such instructions, by telegraphic means when necessary; but the insurance shall take effect if the contract is signed before receipt of such revocation of instructions.

SECTION 323: If the master is permitted to ship goods for his own account on the ship of which he is master, and if he desires to insure such goods he must prove to the insurers by any means that he has purchased the goods, and must submit a bill of lading in respect thereof signed by two senior members of the crew.

SECTION 324: In the absence of a bill of lading, or where the bill of lading issued by the master contains certain provisions which detract from its value as evidence, the assured must submit other documents to prove shipment, such as purchase invoices, cargo manifests, copies of customs documents, transport statements and correspondence . In the absence of any other evidence, personal testimony shall be admissible.

SECTION 325: Marine insurance must be a contract of indemnity, notwithstanding any agreement to the contrary, and it should not place the assured, after the occurence of the casualties insured against, in a better financial position than that in which he would have been, had such casualities not occured.

SECTION 326: A person may conclude as many insurance contracts as he may desire on the same subject matter, provided that he shall not derive any benefit from these several contracts in excess of the losses which he has sustained.

SECTION 327: If the amount of the insurance exceeds the value of the subject matter, and if it is established that the assured has practiced deceit or fraud, the contract shall be voidable at the option of the insurer, and he shall be entitled to receive the full amount of the premium as compensation.

In the absence of deceit or fraud the contract shall be valid to the extent of the value of the subjewt matter as assessed or as agreed upon. The insurer shall not be entitled to a premium on the excess value, but he shall have a right to damages when necessary.

SECTION 328: If the total amount of insurance under several contracts exceeds the value of the subject matter, the contracts shall be voidable in accordance with the provisions of the last preceeding section in case of deceit or fraud on the part of the assured.

In the absence of such deceit or fraud the contracts shall be valid to the extent of the ratio of the amount of the insurance to the full value of the subject matter. This rule, however, may be superseded by a provision in the policy to the effect that the date order basis shall be adopted or that the insurers assume liability jointly.

SECTION 329: If the insurance contract covers only a part of the value of the subject matter, the assured shall be deemed to have underwritten the remaining part himself; accordingly he shall bear a proportionate amount of the loss, unless it is expressly provided that the assured shall be entitled to be indemnified in full within the limits of the amount of the insurance if the loss does not exceed the amount insured.

CHAPTER 3

PERILS INSURED AGAINST AND PERILS EXCLUDED

SECTION 330: Insurance shall be considered as marine insurance if the subject matter is a vessel which can be described as a ship even if such vessel is not engaged in marine navigation.

The insurance shall cover the ship while under repair or construction in a shipyard or dry-dock, and in general in any place whatsoever within the meaning of the term navigation as prescribed in the policy.

SECTION 331: The insurance of goods shall still be considered as marine insurance even while the goods are being transported on land or on rivers provided that such transportation is incidental to the carriage of such goods by sea.

SECTION 332: The insurers shall bear the risks of any loss of, or damage to the subject matter insured as a result of storms, sinking, stranding, collision, restraint of princes, compulsory deviation or compulsory change of the adventure or of the ship, jettison, fire, explosion, robbery, barratry, theft and, in general all sea casualties and accidents.

The risks of civil and foreign war shall not be borne by the insurer, unless otherwise agreed, in which case the insurer shall be liable for any loss of, or damage to the subject matter insured as a result of hostile or retaliatory acts, arrests, restraints and detainments by any government, whether friendly or enemy, and whether recognized or not, and, in general, as a result of any compulsory acts or events of war.

The burden of proving the existence of war risks shall be on the insurers of the ordinary risks.

SECTION 333: The insurer shall be liable for the expenses of refloating, and of rescuing a ship which is exposed to a real danger, and of salvage at sea, and of towing a ship to a port for repairs.

The provision of this section shall not apply to stranding which is the result of the natural ebb and flow of the tide, nor to stranding which occurs in sea canals or rivers or streams at points which are beyond the places reached by the ebb and flow of the tide.

SECTION 334: If the expenses of temporary stoppage are part of particular average losses, the insurer shall not be liable for the provisions and the wages of the crew.

If, however, the ship is taken to a more suitable port than the port at which it was temporarily anchored, in order to carry out repairs at the expense of the insurers, they shall be liable for the provisions and the wages of the crew and for the expenses of towage.

The same shall apply to a ship which is temporarily anchored at a port awaiting the arrival of spare parts which are required to enable it to complete the adventure, if the insurer is liable for the repairs.

SECTION 335: If the ship collides with, or is rescued by another ship owned by the assured, settlement shall be effected as if the ships belonged to two different operators. Claims relating to responsibility towards the parties having an interest in the hull of the ship for collision and for services rendered shall be determined by a single arbitrator who shall be appointed by agreement among the assured, failing which the arbitrator shall be appointed by a decision to be issued as soon as possible by the President of the Court of First Instance within whose area of jurisdiction the Port lies.

These provisions shall also apply to a collision between a ship and a fixed or floating body belonging to the assured.

SECTION 336: Contribution to general average losses shall be borne by the insurers in proportion to the value insured, after deducting the amount of particular average losses which the insurers have to bear when necessary.

SECTION 337: No claim may be made against the insurers for any delay in dispatch or arrival of the goods, or for any difference in prices or any obstruction caused to the business transaction of the assured resulting from any cause whatsoever.

SECTION 338: The insurer shall not be liable for any loss or damage arising from the intentional or inexcusable faults of the assured or his representative, notwithstanding any agreement to the contrary.

The insurer who insures the hull of the ship shall not be liable for the results of the fraud and deceit of the master, if such master was selected by the operator of the ship.

SECTION 339: As an exception to and notwithstanding the foregoing provisions relating to insurance against damage caused by barratry, the insurers shall not be held liable for:-

1. The fraudulent or deceitful acts of the master and for any casualties whatsoever resulting from breach of a blockade, or smuggling or indulging in prohibited or secret trade, unless the master has been changed and replaced without the consent of the operator by a different master other than the first mate.

2. All results of any acts carried out by the master or the crew on land, which effect the ship.

SECTION 340: The insurer shall not be liable for loss or damage arising from an inherent vice in the subject matter insured, unless agreed otherwise, or unless the subject matter insured is the hull of the ship and the loss or damage is the result of a defect in the ship which the operator could not have foreseen or prevented.

SECTION 341: Notwithstanding the provisions of the last preceeding section, the insurer shall be liable for such loss and such damage if the voyage is extraordinarily delayed as a result of an occurence which is insured against, provided that the loss or damage is caused by the delay.

SECTION 342: The insurer shall not be liable for the damage caused by the subject matter insured to other things or persons, unless otherwise stipulated.

SECTION 343: The liability of the insurers for claims submitted by third parties against the ship arising from its collision with another ship or with a floating vessel or from striking against breakwaters, wharves, docks or other fixed structures shall amount to nine tenths of the damages awarded, up to a maximum of nine tenths of the value insured.

The assured shall bear one tenth of the damage, and he may not insure against this one tenth. Any violation of this shall render the assured liable for an additional one tenth.

No claim may be submitted against the insurers by any person for any reason whatsoever for damages or loss relating to the loading of the ship or the undertakings of the insured ship or for death or wounding or bodily injury as a result of any accident.

SECTION 344: If a destroyed ship was owned or partly owned by the master, payment of his share of the indemnity shall be withheld until the submission of the certificate indicating the result of the inquiry, which must be carried out, regarding his conduct.

If it is established by such inquiry that the loss was due to the fault of the master, even in the absence of any deceit or fraud on his part, the insurers may be discharged from their obligation to pay indemnity in respect of the share of the master if they pay him by way of settlement fifty per cent of the amount of such indemnity.

SECTION 345: If the subject matter insured is the hull of the ship, and the duration of the risks is not spcified in the contract, then the risks insured against under a voyage policy shall start to run as from the time of sailing or weighing anchor of the ship, and shall terminate when the ship is moored at anchor at the port of destination. If, however, the ship carries a cargo of goods, the risks shall start to run as from the time when loading the goods commences, and shall terminate when offloading is completed, provided that the duration shall not extend beyond fifteen days after the arrival of the ship at the port of destination unless goods for another voyage are loaded at the port of destination before the lapse of the aforesaid period of fifteen days, in which case the risks insured against shall terminate forthwith.

SECTION 346: The period spent in quarantine shall be considered as a part of the voyage in the course of which the ship is put in quarantine.

If, however, a ship which has been insured for a voyage is put in quarantine at a place other than the port of destination, the insurer shall be entitled to an additional premium of three quarters of one per cent monthly as from the date of sailing to the place where the ship is to be put in quarantine until the date of its return.

The same rate of additional premium shall be due to the insurers if the ship has to stay outside the port of destination or proceed to another port because the port of destination is blockaded. In such a case the insurers liability for the risks shall extend to the full period of waiting or of sailing to another port, as the case may be, provided that such extended period shall not exceed six months from the date of arrival outside the blockaded port. The insurers, however, shall not be liable for any costs or any increase in expenditures as a result of such waiting or sailing to another port.

The assured may terminate the risks before the lapse of six months, if he so desires.

In the case of an "entire" premium for insurance against risks on the outward as well as on the homeward voyage, a period of waiting of four months shall be allowed without an increase in premium as from the date of arrival of the ship at its port of original departure. If the period of waiting exceeds four months the insurers shall be entitled to an increase of two thirds of one per cent for every additional month.

SECTION 347: If the insurance is "from under ships tackle to under ships tackle" and if the period of the risks is not specified in the contract, the risks shall start to run as from the time when the goods leave the land in order to be loaded, and shall terminate

when they are deposited alongside the ship at the port of destination. The risks of direct transportation by boats from the land to the ship, and from the ship to the land shall be borne by the insurers.

SECTION 348: If any change in the voyage is intentionally made after the departure of the ship, the insurer shall have the right to compensation and he shall not be liable for the risks. If such change occurs before the sailing of the ship the insurance shall be void and the insurer shall be entitled to receive half the premium specified in the contract as fixed compensation.

SECTION 349: If the ship goes astray the risks encountered while it was on its correct course shall be insured, provided that the insurer shall have the right to prove that such risks were the result of the ship going astray.

SECTION 350: A change of the ship shall render void an insurance contract the subject matter of which is the hull of the ship. Likewise an insurance contract the subject matter of which is the ship and its equipment shall be rendered void if the ship is changed, unless agreed otherwise.

SECTION 351: If the insured goods are shipped on deck, the insurers shall not be liable for the risks unless such carriage on deck is permissible in accordance with established navigation practice and if no contrary agreement has been concluded.

CHAPTER 4

DETERMINATION AND SETTLEMENT OF INSURANCE INDEMNITY

SECTION 352: The assured must, on principle, submit a claim against the insurer for marine losses, but in case of casualties which may be described as grave, he may abondon the subject matter insured and claim for total loss.

TITLE I

MARINE LOSS CLAIMS

SECTION 353: Any damage or loss which does not give the right to abandonment shall be considered as a marine loss to be settled between the insurer and the assured in accordance with the following rules.

SECTION 354: If the loss of the ship is a total loss, then in so far as the particular losses of the ship are concerned, the damage shall be determined on the basis of the value of the ship. In the case of expenditure losses, the amount of damages shall be determined on the basis of the amount he pays to the assured after deducting the share due to him for the accident which caused the expenses, when necessary.

SECTION 355: In the determination of a marine loss, the costs which are actually paid for replacements and repairs, as established by statements of account , and which are accepted by the experts as being necessary for preparing the ship for navigation shall only be taken into consideration, and the assured may not claim any additional indemnity for loss of value or for the period of idleness or for any other reason, whether by way of particular or general average loss.

The insurers may demand that the replacements and repairs be carried out on the basis of public tender, or written offers. If the assured does not comply, an amount equal to 25 per cent of the total costs of replacements and repairs shall be deducted.

SECTION 356: The insurers shall be responsible for the provisions and wages of the crew, and no premiums shall run in the case of time policies for the period between the date of the preparation of the conditions of tender and the date of the tender provided that such period shall not exceed three days.

SECTION 357: The master may not replate the ship or repair its bottom at a port of temporary call if the experts are of the opinion that such expenditure can be postponed to a more suitable time.

The master must furthermore consult the representative of the insurer, if any, otherwise the Jordanian consul, before carrying out any repairs at a port of temporary call. If such repairs cannot be carried out, or if their cost is excessive, he may only carry out such repairs as cannot be de ferred.

The insurers may direct the ship to be taken to a port which is better equiped to carry out the repairs at less cost, and the ship shall be towed to such port, when necessary.

SECTION 358: The value of the wreckage of the ship shall be deducted from the amount of the indemnity and the indemnity shall be subject to a deduction of the increased value arrising from the renewal, The amount of this deduction shall be determined in accordance with a special clause to be included in the insurance policy.

SECTION 359: The marine losses on cargo shall be determined on a proportionate gross basis in relation to the amount paid, that is to say:-

1. By comparing their value after the loss with the value they would have fetched at the port of destination had they arrived safely, and applying the resulting reduction in value to their insured value,

2. And without deducting the expenses due on the goods,

3. And without deducting the customs duties.

SECTION 360: The policy may include relief clauses restricting the effects of insurance; and the provisions of such clauses may be determined by the will of the parties. Such stipulations provide that no indemnity shall be paid if the damages sustained by the assured do not exceed a stipulated amount; and if the damages exceed the stipulated amount, the amount of the excess shall only be paid.

SECTION 361: The relief stipulated shall have no relation to ordinary leakage and loss during the voyage, as recognised by custom .

SECTION 362: The indemnity due from the insurers shall be paid within thirty days from the date of submission of all the supporting documents.

SECTION 363: The provisions permitting the insurer to submit evidence of facts which contradict the facts recorded in the supporting documents shall not prevent the issue of a court order against the insurer to make provisional payment of the indemnity which is due from him, provided the assured furnishes a guarantor.

The responsibility of the guarantor shall terminate after the lapse of two years if no claim is made within that period, or if a settlement is arrived at by abandonment.

SECTION 364: Where the insurer pays for loss or damage the responsibility for which falls on a third party, he may exercise by subrogation the rights of the assured whom he has endemnified, and may submit the claims which such assured has a right to submit.

TITLE 2

ABANDONMENT

SECTION 365: The assured shall have a right in the following cases to claim payment of the indemnity in full

against a transfer of the interest which he owns in the subject matter insured to the insurance company.

SECTION 366: An insured ship may only be abandoned in the following cases: Absence of any news, disappearance, total loss, unseaworthiness resulting from an unavoidable marine accident, provided that an insured risk is involved in the matter; and in the case of insurance against war risks, arrest or detainment of the ship by order of the Authorities.

SECTION 367: Absence of any news regarding steamships of any type whatsoever for a period of four months shall give a right to abandon such ships. Absence of news of any sailing ships other than those which sail around Cape Horn and the Cape of Good Hope for a period of six months shall give a right to abandon such ships. Absence of news of sailing ships which sail around Cape Horn and the Cape of Good Hope for a period of eight months shall give a right to abandon such ships. The aforesaid periods shall start to run as from the last date on which news was received.

SECTION 368: If the last news was sent while the risks under a time insurance contract were still running, it shall be assumed that the loss of the ship occured during the period covered by the insurance contract.

SECTION 369: The ship shall be deemed unseaworthy if the total cost of its repairs which are necessitated by a marine casualty exceeds three quarters of its accepted value.

SECTION 370: A ship which is compelled to stop because of the absence of the physical means required for its repair shall also be deemed unseaworthy and may be abandoned to the insurers, provided that it is established that the ship is unable to proceed safely even after lightening its load, or even

if it is towed to another port where such means of repair are available; but the operators must prove that they were unable to bring the necessary spare parts to the port at which the ship was anchored ; otherwise the ship cannot be considered unseaworthy; and it may not be abandoned to the insurers if it is compelled to stop due to the lack of the necessary funds to meet the cost of repairs and other expenses.

SECTION 371: Insured goods may only be abandoned in the following cases and provided that an insured risk is involved in each case:

1. Absence of any news for the period prescribed in section 367.

2. Unseaworthiness of the ship as a result of a marine accident, and the impossibility of transporting the goods within the periods specified below, or at least where the shipment of the goods on another ship has not commenced within these periods:- four months if the accident occurs along the coasts of Europe or its islands, or along the Mediterranean coasts of Asia and Africa, or along the Black Sea Coast of Asia, or along the Atlantic coasts and its islands outside Europe; and six months if the accident occurs along any other coasts or islands.

   These periods shall start to run as from the date on which the assured gives notice to the insurer of the unseaworthiness of the ship. If the accident occurs in a place where navigation is prevented by ice or by force majeure, the period shall be extended by the period during which navigation is so prevented.

3. If the goods are sold during the voyage due to material losses for which the insurer is liable.

4. If the loss of, or material damage to the goods amounts to three quarters at least of the value insured, regardless of any other expenses, and if the insurance covers war risks.

5. If the ship is seized.

6. If the ship is detained by order of the Authorities, or if it is captured by pirates.

SECTION 372: If the ship is declared unseaworthy the insurer shall continue to be liable for the risks on the goods until they reach their destination, and for the expenses of offloading, storage and re-shipment of the goods as well as any additional freight for reforwarding and all salvage expenses relating to the goods.

SECTION 373: Freight may not be abandoned unless:

1. It is completely lost as a result of a marine accident.

2. No news is received for the periods specified in section 367.

3. If the ship is seized, and the insurance covers war risks.

SECTION 374: Any right to submit a court claim for abandonment shall be lost by prescription if not exercised within a period of six months starting from the date of receipt of notice in case of abandonment due to total loss, or seizure, or detention by order of the Authorities, or six months starting from the date of expiry of the periods specified in section 367 in case of abandonment due to absence of any news, and six months starting from the expiry of the periods specified in section 371 in case of abandonment of the goods due to the unseaworthiness of the ship.

In all other cases the period of six months shall start to run as from the date on which the assured is given the opportunity to avail himself of his right of abandonment.

SECTION 375: In case of re-insurance the original insurer must give notice of abandonment to the re-insurer within a period of one month as from the date of notice of abandonment by the original assured.

SECTION 376: When exercising the right of abandonment the assured must declare all marine pledges and bottomry loans. The period for payment shall not run before such declaration is given, but this shall not give rise to any extension of the period during which a court claim may be submitted as prescribed in section 374.

If the assured makes a false declaration in bad faith, he shall be deprived of the benefits of the insurance, and in case of marine losses their settlement shall be effected in the manner prescribed above.

SECTION 377: The insurers of the ship shall not be entitled to its salvaged freight or to the debts arising from the voyage, but any debts which represent a part of the subject matter insured must be abandoned to the insurers.

SECTION 378: Abandonment may not be partial or restricted by any conditions and shall only include the subject matter insured which is affected by the peril.

SECTION 379: The transfer of ownership by abandonment shall be final and may not be revoked; it shall not be affected by any subsequent occurence such as the return of the ship to port.

SECTION 380: Abandonment shall be permissible if the ship which has sunk or which was stranded is subsequently salvaged.

SECTION 381: If a duly notified abandonment is accepted or is deemed correct, the insurer shall acquire ownership of the subject matter insured as from the time of the casualty.

SECTION 382: If the time of payment is not specified in the contract, the insurer shall be obliged to effect payment of the amount of the insurance within three months from the date of notice of abandonment.

SECTION 383: The rights to submit any court claims arising from an insurance contract shall be lost by prescription after the lapse of two years from the date on which the debt becomes due, with the exception of claims in respect of which a shorter period of prescription is prescribed by law, unless the plaintiff can establish that it was not possible for him to submit his claim to the court during the aforesaid period.

SECTION 384: The Council of Ministers may enact, on the recommendation of the Minister, the necessary regulations for the implementation of this law.

SECTION 385: This law supersdes the Ottoman Maritime Law, and any other legal enactments to the extent to which the provisions of such enactments conflict with the provisions of this law.

SECTION 386: The Prime Minister and Ministers concerned shall be responsible for the implementation of the provisions of this law.

This copy includes the following ammendments :-

SECTION 215 : - " Issued in the Hashemite Kingdom of Jordan or outside ".

- Added paragraph (b) .

SECTION 218 : - Added paragraph (b) .

==========