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- Art. 370. — Interpretation.
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-

C O R R I G E N D A

Before Art. 58, insert :

Section 2. Execution

Art. 86 (1), read :

- (a) where the occurrence has only given rise to property claims, an aggregate amount of Eth. \$. 160 for each ton of the ship's tonnage;
- (b) where the occurrence has only given rise to personal claims, an aggregate amount of Eth. \$. 516 for each ton of the ship's tonnage;
- (c) where the occurrence has given rise both to personal claims and property claims, an aggregate amount of Eth. \$. 516 for each ton of the ship's tonnage, of which a first portion amounting to Eth. \$. 356 etc.

Art. 97 (2), line 3, read: Art. 15 (5)

Art. 118, line 2, read: in the ship's log - book

Art. 187 (2), line 1, read: retained by the carrier

Art. 198 (1), line 1, read: of the carrier

Art. 240, line 2, read: remuneration

Art. 250, line 3, read: as a private owner

Art. 271 (B), line 13, read: machinery; other repairs.... etc.

Art. 287 (1), line 2, read: she was due to arrive

Art. 313 (1), line 2, read: the things insured etc.

Art. 316 (1), line 5, read: in proportion to etc.

Art. 360, heading, read: or Preventing... etc.

Art. 371 (2) (h), read: steering

(3), read: Articles 86, 198 and 223.



NEGARIT GAZETA

Gazette Extraordinary

19th Year No. 1

MARITIME CODE OF THE EMPIRE OF ETHIOPIA
PROCLAMATION No. 164 OF 1960



Addis Ababa, 5th May 1960

**THE MARITIME CODE
PROCLAMATION OF 1960**

CONQUERING LION OF THE TRIBE OF JUDAH

HAILE SELASSIE I

ELECT OF GOD, EMPEROR OF ETHIOPIA

WHEREAS, the development of the ports of Our Empire and the expansion of Our merchant navy require that a comprehensive Maritime Code be enacted; and

WHEREAS, a Maritime Code has been prepared under Our supervision and has received the approval of Our Senate and Chamber of Deputies;

NOW, THEREFORE, in accordance with Articles 34 and 88 of Our Revised Constitution, We approve the resolutions of Our Senate and Chamber of Deputies and We hereby proclaim as follows:

1. This Proclamation may be cited as the "Maritime Code Proclamation, 1960".

2. The Maritime Code of 1960, as published in a separate volume appearing as Extraordinary Issue No. 1 of 1960 of the Negarit Gazeta, shall come into force on the 5th day of May 1960.

3. Nothing contained in the Maritime Code shall affect the nationality of ships registered prior to the coming into force of said Code.

4. The Maritime Proclamation No. 137 of 1953, as amended by the Maritime (Amendment) Proclamation of 1956, is hereby repealed except for Articles 2 to 5 inclusive, paragraphs (e) to (g) inclusive of Article 6, Articles 28 to 31 inclusive, and Articles 36 to 47 inclusive.

Done at Addis Ababa this 5th day of May, 1960.

TSAHAFFE TAEZAZ AKLILU HABTE WOLD

Deputy Prime Minister and Minister of Pen

PREFACE

CONQUERING LION OF THE TRIBE OF JUDAH

HAILE SELASSIE I

ELECT OF GOD, EMPEROR OF ETHIOPIA

With the return to Our Empire of Ethiopia's ancient sea coast on the Red Sea and the consequent expansion of Our maritime power, it has become imperative that a modern Maritime Code, governing and regulating all matters touching maritime affairs, be adopted for Our Empire. Recognising the urgency of this work, We directed the Codification Commission which We convened six years ago to study and present detailed proposals and recommendations for the enactment of a Maritime Code which would meet the present needs of Our Empire and which would lay a firm and solid base for the future expansion of Our ports and Our maritime services. In their labours, pains have been taken to ensure that Our Maritime Code is consistent with those of the great maritime powers of the world and with Conventions dealing with this same subject matter drawn up under the aegis of the United Nations.

The Maritime Code which We promulgate today makes adequate provision for all matters which require to be dealt with in the field of both private and public maritime law, and We are proud that provision has been made by which Our mariners will serve under the best conditions of service of any who seek their livelihood on the high seas of the world.

It is fitting that this Code should appear at this time when Our programme for the improvement and expansion of Ethiopia's ports and marine facilities is going forward. Our ports, which will possess all modern technical installations, will be of inestimable benefit to those countries who trade with Our Empire and will facilitate the exportation from Our Empire of our expanding industrial and agricultural production. It is a joy to Us that Our ships and the ships of those foreign countries which can with advantage register their ships in Our ports, will sail the oceans of the world under the flag of Ethiopia. Once more We shall see, as in the ancient days of our

glorious past, Ethiopian ships carrying the riches of Our Empire to the four corners of the world.

With the blessing of Almighty God, Our Merchant Navy will flourish and expand. Our flag will become known and respected throughout the ports of the world. With God's help, in time, the trade and prosperity of Our beloved people and of generations of Ethiopians to come will increase and multiply.

We note with pleasure that the labours of Our Codification Commission and the anxious care with which Our Parliament has considered their work are now producing fruits in abundance. This work will stimulate and facilitate the continued development of Our Empire and the raising of the standard of living of Our people.

Given in the 30th year of Our Reign, this 5th day of May, 1960.

HAILE SELASSIE I

Emperor

TITLE I. SHIPS

Chapter 1. General Provisions

Art. 1. *Definition of Ships.*

For the purpose of this Code, a ship is any seagoing vessel, whatever its designation and tonnage, which undertakes or is intended to undertake maritime navigation, whether or not such navigation is for purposes of gain.

Art. 2. *Accessories.*

All accessories required for the use of the ship shall be deemed to be part of the ship.

Art. 3. *Ship Movable Property.*

A ship is movable property under Civil Law subject to the provisions of this Code.

Chapter 2. Nationality of ships

Art. 4. *Qualification for owning Ethiopian Ships.*

A ship shall not be deemed to be an Ethiopian ship unless owned wholly by persons of the following descriptions, namely:

- (a) Ethiopian subjects;
- (b) Bodies Corporate established under, and subject to, the Laws of Ethiopia and having their principal place of business in Ethiopia;
- (c) Foreigners domiciled in Ethiopia and having their principal place of business in Ethiopia.

Art. 5. *Ships treated as Ethiopian Ships.*

The following shall be Ethiopian ships:

- (a) Ships abandoned at sea and salvaged by ships flying the Ethiopian flag;
- (b) Ships confiscated under the provisions of this Code.

Art. 6. *Ethiopian Ships.*

- (1) Only Ethiopian ships shall sail under the Ethiopian flag.
- (2) Coastal fishing, coastal trade between Ethiopian ports and towage in Ethiopian ports shall only be undertaken by Ethiopian ships.

Chapter 3. Ownership

Art. 7. *Ownership of Ship.*

- (1) Instruments setting up, assigning or terminating rights of ownership in a ship or other rights in rem shall be drawn up in a recognised legal form, otherwise they shall be of no effect.

- (2) Where such instruments are made abroad, they shall be drawn up before an Ethiopian consul, or where there is no consul, before the competent authority.

Art. 8. *Third Party Rights.*

The instruments covered by Art. 7 may only be set up against third parties when they have been published as required by law.

Chapter 4. Ships owned in common

Art. 9. *Rights of Part Owners.*

In any matter concerning the common interest of part owners, the opinion of the majority owners shall prevail.

Art. 10. *Liability of Part Owners.*

- (1) Each part owner shall only be liable in respect of the ship in proportion to his share.
- (2) Any part owner who disapproves of an act of management, may free himself from liability under such act by renouncing his share. Such share shall be distributed among the other part owners in proportion to their respective shares.

Art. 11. *Powers of Operator.*

- (1) An operator appointed by the part owners may undertake all acts of management. His powers may only be restricted by a resolution in writing adopted by the majority owners.
- (2) Third parties shall not be affected by restrictions in the powers of the operator unless notice thereof has been given in the shipping register.

Art. 12. *Assignment and Mortgage of a Share.*

Every part owner may assign his share in the ship. A part owner may mortgage his share with the agreement of the majority owners.

Art. 13. *Pre-emptive Rights of the other Part Owners.*

- (1) Where a part owner sells his share in a ship held in common, the purchaser shall notify such act to the other owners within fifteen days, otherwise the sale shall be null and void.
- (2) Within fifteen days from such notification, the part owners may exercise their pre-emptive right over the share sold, provided that within the same period of time they settle the cost and expenses in cash.
- (3) The part owners, as between themselves, shall distribute the pre-empted share in proportion to their own shares, where all exercise their pre-emptive right, or otherwise in proportion to the shares of those who have exercised such right.

Art. 14. *Sale of a Ship under Common Ownership.*

- (1) Unless otherwise agreed in writing, the sale of a ship under common ownership shall only be effected with the consent of the majority owners.
- (2) Such sale shall be conducted in the same manner as a sale by order of the court.

Chapter 5. Maritime liens and mortgage of a ship

Section 1. Maritime Lien

Art. 15. *Designation and Priority of Maritime Liens.*

The following claims shall alone give rise to maritime liens with priority as follows:

- (1) Legal costs and other expenses incurred in the common interest of the creditors, in order to preserve the ship and to procure her sale and the distribution of the proceeds of sale; tonnage, dues, light or harbour dues and other public taxes and charges of the same nature; pilotage dues and the cost of watching and preservation from time of entry of the ship into her last port;
- (2) claims arising out of the articles of agreement of the master, the crew and other persons engaged in the service of the ship;
- (3) remuneration due for assistance and salvage and the contribution of the ship in general average;
- (4) indemnities in respect of collision and other accidents of navigation, as well as for damage caused to works forming part of harbours, docks and navigable waterways, and the cost of removal of objects obstructing navigation, due to the acts of the ship, indemnities for bodily injury to passengers and crew and indemnities for loss of or damage to cargo and baggage;
- (5) claims arising out of contracts entered into or acts done by the master outside the home port within the scope of his authority where such contracts or acts are necessary for the preservation of the ship or the continuation of the voyage, whether or not the master is at the same time owner of the ship and whether or not the claim is his or that of ship chandlers, repairers, lenders or other contractual creditors;
- (6) resulting damages due to charterers;
- (7) the amounts of premium for insurance taken out on the hull of the ship and the fittings and equipment of the ship due for the last voyage insured in the case of a voyage policy or for the last period insured in the case of a time policy, but not exceeding one year's premium in both events;

- (8) any claim based upon an inaccurate or incomplete statement in a bill of lading.

Art. 16. *Classification by voyage of claims secured by lien.*

Classification of claims secured by lien shall be by voyage. Claims secured by lien in the last voyage of whatever priority shall be preferred against those of previous voyages. Claims arising out of one and the same crew's articles shall be deemed claims in the last voyage, even when they arise out of an earlier voyage.

Art. 17. *Classification of Claims arising out of the same voyage.*

- (1) Claims arising out of the same voyage shall rank in the order set out in Art. 15.
- (2) Claims arising out of the same voyage and which are of the same priority shall share concurrently and rateably in the event of the funds available being insufficient to pay the claims in full.
- (3) All remuneration for assistance and claims arising out of ships' stores and repairs shall be given priority in the inverse order of the dates on which they came into being.

Art. 18. *Date of claims arising out of the same maritime incident.*

Claims arising out of the same maritime incident shall be deemed to have come into being at the same time.

Art. 19. *Proof.*

Liens set forth in the preceding articles shall come into being as soon as the claim is set up; they shall not be subject to any formality nor to any special conditions as to proof, unless the law requires such formalities or conditions.

Art. 20. *Priority of Creditors secured by Mortgage.*

Creditors secured by mortgage on the ship rank for priority in order of registration immediately after the creditors secured by lien referred to in Art. 15 (1) to (5) (inclusive).

Art. 21. *Property to which Liens attach.*

- (1) Liens shall attach to the ship, to the freight for the voyage during which the lien came into being and to ships' accessories and freight acquired after the commencement of the voyage.
- (2) The lien set up by Art. 15 (2) shall attach to the whole of the freight due in respect of all voyages made during one and the same articles of agreement.

Art. 22. *Definition of Ship's Accessories and Freight.*

With respect to the exercise of a lien:

- (1) compensation due to owners for material damage sustained by the ship and not repaired, or for loss of freight;
- (2) contributions due to owners in general average, in respect of material damage sustained by the ship and not repaired, or in respect of loss of freight;
- (3) remuneration due to owners for assistance or salvage services rendered at any time before the end of the voyage, after deduction of any sums allotted to the master and other persons in the service of the ship, are deemed to be ship's accessories and freight.

Art. 23. *Amounts deemed freight or excluded from Ship's accessories and freight.*

- (1) Passage money and, where appropriate, lump sums due under a ship-owner's limited liability shall be considered to be freight.
- (2) Payments due to the owner under insurance policies, or bounties, subsidies or other State grants shall not be deemed accessories of the ship or freight, with respect to the exercise of a lien.

Art. 24. *Duration of Lien on freight and Ship's Accessories.*

A lien on freight shall subsist for so long as the freight has not been paid or for so long as the amount thereof is held by the master or by the owner's agent. The same shall apply to a lien on a ship's accessories.

Art. 25. *Claims secured by Lien follow the ship.*

Claims secured by lien shall follow the ship into whatever hands she may pass.

Art. 26. *Limitation.*

- (1) All liens set forth in Art. 15 shall be barred after one year with the exception of the lien securing claims attached to ship's stores which shall be barred after six months.
- (2) In the case of liens securing claims in respect of remuneration for assistance and salvage, the period of limitation shall run from the day when the services terminate; in the case of liens securing claims in respect of collision and other accidents and in respect of bodily injuries, from the day when the damage was caused; in the case of liens for the loss of or damage to cargo or baggage, from the day of the delivery of the cargo or baggage or from the day when they should have been

delivered; for repairs and supplies and other cases mentioned in Art. 15 (2), from the day when the claim originated.

- (3) In all other cases, the period shall run from the date when the claim became enforceable.
- (4) The claims as set out in Art. 15 (2) of persons engaged on board shall only be enforceable at the end of the voyage, notwithstanding the right of such persons to request advances or payments on account during the voyage.
- (5) The periods so determined above shall not run for as long as it has not been possible to arrest the ship in the territorial waters of the Empire when the creditor has his domicile or principal place of business in the territory of the Empire, provided that the period of limitation shall not in such event exceed three years from the time when the claim originated.

Art. 27. Other Modes of Extinguishment of Liens.

- (1) Apart from general provisions for the extinguishment of obligations, liens shall be extinguished:
 - by judicial sale under the procedure set forth in this Code;
 - by a voluntary sale of the ship, under the following conditions:
 - (a) The conveyance shall be made in accordance with the provisions of this Code;
 - (b) The conveyance shall be made public by an entry in the Official Commercial Gazette and in a daily newspaper available at the ship's port of registry, as well as by a notice affixed at the entry of the register office, the entry and notice being required to contain an indication as to the domicile of the purchaser;
 - (c) No objection has been notified by the creditor to the purchaser during the month following publication.
- (2) After this period has expired, the creditor's lien shall subsist on the purchase money for as long as such purchase money has not been paid, provided that before payment the creditor has lodged an objection.
- (3) The lodging of an objection as provided in paragraph (2) shall be notified to the creditor.

Art. 28. Registration of a Lien.

Creditors secured by lien may register their lien. It shall be made on the ship's entry in the Register. Such registration shall not affect priority of liens.

Art. 29. Case where a ship is not managed by the owner.

The preceding articles shall apply to ships under the management of a person who operates them without owning them or to the principal charterer, except in cases where the owner has been dispossessed by an illegal act, or where the claimant is not in good faith.

Section 2. Mortgage

Art. 30. *Scope of Mortgage.*

Ships of two tons gross tonnage and above may be mortgaged, but only under an agreement between the parties.

Art. 31. *Mortgagor.*

- (1) A mortgage of a ship may only be contracted by the owner or by his agent acting under a special power.
- (2) Where there are several owners, a ship may be mortgaged by the managing owner for the purposes of fitting out or navigation, with the approval of the majority owners, where such majority also represents three quarters of the interests of the general body of owners. Where a three quarters majority is not obtained, the part owners may request the court to make such order as is in the general interest of the part owners. Where one part owner wishes to mortgage his share, he may only do so with the approval of the majority.

Art. 32. *Property on which mortgage is secured.*

- (1) Unless otherwise agreed, a mortgage granted on a ship or on a share in a ship shall attach to the hull of the ship, and the ship's gear, apparatus, machinery and other accessories.
- (2) A mortgage shall not attach to the freight, nor to Government bounties and subsidies.
- (3) A mortgage shall attach to indemnity for damage, unless such indemnity is used to repair the ship or for her preservation.
- (4) A mortgage shall not attach to insurance compensation. The mortgage deed may by express assignment attach such compensation for the benefit of the secured creditors. Such assignment may only be set up against the underwriters where they have given their approval in writing or where the assignment has been notified to them.

Art. 33. *Mortgage of a ship under construction.*

- (1) A maritime mortgage may be made on a ship under construction.
- (2) A declaration shall be made before mortgage to the port manager within whose area the ship is under construction.
- (3) Such declaration shall indicate the length of the vessel's keel and her other approximate dimensions as well as the estimated tonnage. It shall also indicate the site where the ship is under construction.

Art. 34. *Formalities.*

- (1) A mortgage instrument shall be in writing. It may be by simple contract.
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- (2) The instrument creating the mortgage may be transferable. Negotiation by endorsement shall transfer the mortgage claim.

Art. 35. *Limitation of interest rates.*

The rate of interest provided under a mortgage loan on a ship shall not exceed 12%.

Art. 36. *Formalities of Registration.*

- (1) Registration shall be effected by an entry in the Register at the port office where the ship is registered. Where the mortgage charges a ship under construction, registration shall be entered in the Register of the register office under whose jurisdiction the shipyard comes.
- (2) Before registration, a certified true copy of the mortgage instrument shall be handed to the register office. The instrument shall have annexed to it two schedules signed by the claimant, containing the following details:
 - (a) Surname and other names, domicile and profession of the mortgagee and mortgagor;
 - (b) date and form of the instrument;
 - (c) amount of the debt as given in the instrument;
 - (d) conditions of interest and repayment;
 - (e) name and description of the ship under mortgage, registration certificate or declaration relating to her construction;
 - (f) the address for service of the mortgagor within the place of registration under the jurisdiction of the register office.
- (3) The register office shall enter in the Register a statement of the details contained in the two schedules. The said office shall return to the claimant one of the two schedules bearing a note as to registration. The office shall make a note of the registration of the mortgage in the ship's registration entry.

Art. 37. *Effect of Registration.*

- (1) Registration shall preserve the mortgage for a period of five years from the date thereof; it shall cease to have effect where not renewed before the expiry of five years.
- (2) Registration of a mortgage shall guarantee at the time of sale two years' interest with the same priority as the capital, in addition to interest for the current year.

Art. 38. *Arrest and sale of a mortgaged ship.*

- (1) Claims secured by registered mortgage of a ship or a share thereof may follow the ship into whatever hands she may pass in order to be classed and paid in the order of registration.

- (2) Where a mortgage charges a share in a ship only, the creditor may only arrest and sell the share to which the mortgage attaches. Where more than a half share in the ship is mortgaged, the creditor may, after arrest, sell the whole ship, it being his responsibility to summon the part owners to the sale.
- (3) Where the ship is sold to a part owner or falls to him after division, even where such owner is a person other than a part owner having contracted during the period of common ownership a mortgage of his share, such mortgage shall subsist as such after division or sale.
- (4) In the event of sale by order of the court for the benefit of a person not being an owner, in the forms determined by law, the rights of creditors secured by mortgage of a share in the ship shall be limited to that part of the purchase money relating to the interest mortgaged.
- (5) The same shall apply to charges on each share of ownership, such charges being transferred as of right to that part of the purchase money representing the value of such shares.

Art. 39. Discharge of mortgage.

- (1) The purchaser of a ship or a share in a ship who wishes to secure himself against the proceedings under Art. 38 shall transmit a copy of the certificate of rights in rem over the ship to all creditors entered thereon, at the address for service. Such transmittal shall take place before proceedings and within fifteen days, as soon as the purchase has been registered.
- (2) The purchaser shall declare that he is prepared to pay forthwith the mortgage debts, whether or not they are due, up to the amount of the price paid by him.

Art. 40. Overbid by one tenth.

- (1) A registered creditor may require the sale by auction of a ship or of a share thereof charged by mortgage by offering to increase the purchase price by one tenth and by giving security for the payment of the price and expenses.
- (2) The request signed by the creditor shall be transmitted to the purchaser within ten days of the notification. It shall contain a summons to appear before the court having jurisdiction at the place where the ship is, with a view to obtaining an order for sale by public auction.

Art. 41. Deposit of purchase money where there is no overbid.

Where no creditor secured by mortgage requests a sale by auction, the purchaser may discharge the mortgages on the ship by paying the amount of his purchase money into court. He may then require that the registration be cancelled.

Art. 42. Sale by auction.

Sale by auction shall take place at the request either of the creditor or of the purchaser, in accordance with the procedure laid down by law

Art. 43. Summary Schedule of Mortgage Registration.

Ship's papers shall include a summary schedule of mortgage registrations entered up to the date of departure, showing the date of registration, the names of creditors and the value of the mortgages.

Art. 44. Prohibition of sale abroad of a ship mortgaged in the Empire.

- (1) No ship mortgaged in the Empire shall be sold outside the Empire without the permission of the mortgagor having first been obtained. Any such sale shall not be entered in the Register.
- (2) An owner who intentionally sells a mortgaged ship abroad without the permission of the mortgagor shall be guilty of an offence and shall be liable on conviction to the penalties specified in Art. 641 of the Penal Code.

**Chapter 6. Registration of Ships and of Rights in Rem
relating to the Ship**

Art. 45. Registers.

- (1) In every port designated by the Government of Ethiopia there shall be kept registers for the purpose of recording the registration of Ethiopian ships and of rights in rem relating to such ships.
- (2) Every entry in such registers shall be given a serial number and initialed by the Registrar. The serial number of the entry shall be the same as the ship's registration number.
- (3) Every ship shall be registered at the port where her owner is domiciled or has his address for service.
- (4) The manner of keeping registers shall be prescribed.

Art. 46. Ship's Markings.

- (1) Every Ethiopian ship shall carry the prescribed clear distinguishing markings and the name of the ship and the port of registry in Amharic and Latin characters.
- (2) The owner and master of an Ethiopian ship shall be responsible for maintaining in proper condition the prescribed distinguishing markings and shall be guilty of an offence if they are obliterated, concealed or covered, or if false marks are carried.

Art. 47. Registration of Ethiopian Ships.

Every Ethiopian ship shall be registered at the time and in the manner prescribed.

Art. 48. Cancellation of Registration.

Where a ship is sold to a foreigner, or has been lost to the enemy or by fire or in any other manner, the owner in whose name she is registered shall without delay return the ship's certificate of nationality to the port register office for the entry of the registered ship in the Register to be cancelled.

Art. 49. Arrest of unregistered Ship.

- (1) Any Ethiopian ship which is subject to registration and has not been registered shall be arrested in the first Ethiopian port where she touches; where the ship is met at sea within Ethiopian territorial waters, she shall be brought to the nearest Ethiopian port and shall be arrested by the Port Manager who shall draw up a report. The report shall be communicated to the court having jurisdiction and a copy of the report sent to the Minister.
- (2) Where the owner is intentionally avoiding registration he shall be guilty of an offence and liable on conviction to the punishments provided in Art. 428 of the Penal Code.
- (3) Where the owner acted negligently he shall be liable on conviction to the punishment provided in Art. 758 of the Penal Code.

Art. 50. Effect of Registration.

- (1) Any agreement inter vivos, and all voluntary acts, whether gratuitous or subject to consideration, all judgments which have become final and, in general, all acts having as their object to set up, transfer, declare, modify or extinguish a right in rem in a registered ship, shall take effect from the date of entry in the Register.
- (2) The right to registration of rights in rem in ships arises out of the agreements, acts, judgments or facts set forth in sub-art. (1). Failing voluntary performance by a party, registration in the Register may be ordered by the court, without prejudice to the right of the party aggrieved to compensation for damages.

Art. 51. Conclusive proof of Registration.

Whosoever acquires in good faith a right in a registered ship on the basis of the entries in the Register shall have a valid title.

Art. 52. Cancellation and Modification of Entries.

- (1) A person aggrieved by reason of an entry, alteration or cancellation made

without good cause may obtain the cancellation or alteration thereof, either by agreement between the parties or by order of the court.

- (2) Cancellation or alteration may not be set up against a third party in good faith whose rights were registered prior to alteration or cancellation.

Chapter 7. Arrest of a Ship

Section 1. Detention

Art. 53. *Conditions.*

- (1) Detention of a ship may be ordered by the court on grounds of debts due by the ship.
- (2) Detention may be ordered notwithstanding that the master has received permission to sail or is in a port of call or transit.

Art. 54. *Security and Release.*

- (1) The Court may require the claimant to give security or sufficient bail in order to meet the possible costs or damages arising out of the detention.
- (2) The defendant may lodge a claim with the court for release from the detention. Release shall be ordered where proper and sufficient security is given.

Art. 55. *Service of Warrant of Arrest.*

- (1) A copy of the warrant shall be served forthwith on the master or in his absence on his substitute.
- (2) The person serving the warrant shall at the same time serve a copy thereof on the port manager together with an order to hold the ship under arrest.
- (3) In the case of an Ethiopian ship, the Registrar shall enter the arrest in the Register.

Art. 56. *Summons to appear.*

- (1) The warrant of arrest shall contain a summons to the master to appear before the court having jurisdiction. The hearing shall be fixed upon a day not earlier than the fifteenth day from the arrest nor later than the thirtieth day after the arrest.
- (2) These periods of time shall not be extended or varied.

Art. 57. *Judgment confirming arrest.*

- (1) The judgment confirming the arrest shall include the order for sale, the upset price, the conditions of sale and the date when the auction and sale

shall take place before the court. The judgment is not subject to objection.

- (2) An appeal may be lodged whatever the amount of the claim within fifteen days following delivery of judgment; execution shall be stayed for fifteen days and until the appeal is decided.

Art. 58. Minimum Period before Proceeding to Execution.

A party may only proceed to execution after twenty-four hours following the demand for payment.

Art. 59. No execution in certain cases.

Unless execution relates to debts contracted in respect of the voyage to be undertaken, execution may not be levied on a ship which has had permission to sail or after the master is in a port of call.

Art. 60. Demand for Payment.

- (1) Demands for payment shall be served on the owner in person or at his address for service.
- (2) Where the owner is not present, such demand may be served on the master where the claim relates to the ship or the maritime adventure.

Art. 61. Maximum Period for proceeding to Execution.

Where the claimant allows more than ten days to elapse after demand, he shall renew such demand before proceeding to execution.

Art. 62. Information in the report on execution.

The person drawing up the report shall state therein:

- (a) the names, profession and domicile of the claimant for whom he is acting;
 - (b) the basis and amount of the claim;
 - (c) that the claimant has an address for service within the jurisdiction of the court before which proceedings for sale are opened, and at the place where the ship under arrest is anchored;
 - (d) the names of the owner and the master;
 - (e) the names, type, tonnage and nationality of the vessel;
 - (f) the particulars and description of the launches, boats, tackle, equipment, supplies and stores,
- and shall appoint a caretaker.

Art. 63. Notification and serving of process.

- (1) The person seeking arrest shall, within three days, send to the owner a copy of the report on execution and summon him to appear before the court which may order the sale of the things arrested.
- (2) Where the owner is not domiciled within the court's jurisdiction, service and summons shall be effected on the person of the master of the ship

arrested, or on the person representing the owner or master, within fifteen days.

- (3) Where the owner is a foreigner and is neither domiciled nor resides in the Empire, and is not represented there, service and summons shall be made as provided in the Judicial Code.

Art. 64. Entry of the Report in the Register.

- (1) The report shall be entered in the Register of the ship's port of registry, or at the place where the ship is under construction.
- (2) From the day of such entry, the debtor whose property is arrested may not assign or mortgage the ship.

Art. 65. Notification to Registered Creditors.

- (1) Within three days from the entry in the Register, the Registrar shall deliver to the registered creditors a schedule of entries, and within eight days thereafter the person seeking arrest shall transmit to such creditors, at the registered address for service, the summons referred to in Art. 63. The creditors may enter appearance within fifteen days of such service.
- (2) Where the ship is a foreign ship, notice shall be given, within eight days from transmission of the schedule of mortgage by the consulate, to the registered creditors shown in such schedule, as provided in the Judicial Code. Such creditors may enter appearance within fifteen days, which period may be extended.

Art. 66. Sale by Auction.

- (1) The Court at the place of arrest shall fix the date and the upset price, and the conditions of sale at the request of the party seeking arrest.
- (2) Where no offer is made at the sale, the court shall fix a fresh upset price, lower than the first, and another date for the sale.

Art. 67. Applications to whithdraw execution or alleging defects.

- (1) Applications to withdraw execution or alleging defects shall be lodged before sale.
- (2) Where such application is lodged after sale, such application shall be treated as an objection against the release of the sums arising out of the sale.
- (3) Such applications shall not be entertained unless they have been entered in the Register.

Art. 68. Procedure on applications under Art. 67.

- (1) The claimant or party objecting shall file his reasons for objection within three days. The defendant shall file his reply within three days.

- (2) The case shall be heard on summons. Execution shall not be stayed unless the Court so orders.

Art. 69. Sale of Ship under arrest.

Fifteen days after the affixing of the bills referred to in Art. 70 and the publication of a notice in two local newspapers and such other publications as the court may order, the sale shall take place in court.

Art. 70. Particulars in Notices and Bills.

Notices and bills shall contain the following particulars:

- (a) the name, profession and domicile of the party bringing the suit;
- (b) the basis of the claim;
- (c) the value of the amount due;
- (d) that the claimant has an address for service in the place where the court presides and where the arrested ship is anchored;
- (e) the name, profession and domicile of the owner of the arrested ship;
- (f) the particulars of the ship entered in the Register;
- (g) the name of the master;
- (h) the place where the ship is;
- (i) the upset price and conditions of sale;
- (j) the date, time and place of sale.

Art. 71. Prohibition against overbids.

Overbids are not permitted on sale by the Court.

Art. 72. Payment of Purchase Price.

The purchaser shall pay the purchase price, without any deduction for costs, to a government designated bank within twenty-four hours after sale, subject to resale by auction.

Art. 73. Resale by auction.

Where the purchase price is not paid, the ship shall again be put up for sale by auction, three days after fresh notices and bills have been published as provided in Art. 69. The original purchaser shall be liable for the payment of any deficit, damages and costs.

Art. 74. Recourse.

No application under Art. 67 (2) may be made in respect of a judgment under Art. 73: Provided that an appeal by way of summons may be made to the Court of Appeal within five days from the sale solely on the ground that there is procedural irregularity on the face of the judgment. The date of hearing shall be mentioned in the summons to be three days after the issue of the summons.

Art. 75. Registration of Sale by the Court in the Register.

Sale by the court shall be entered in the Register at the request of the Court Registrar, as soon as it has become final.

Art. 76. Effect of Sale.

The sale frees the ship from all liens, mortgages or actions for rescission held by persons having received the notification referred to in Art. 63. Entries regarding such liens, mortgages and actions shall be struck off upon the lodging of the judgment by the purchaser with the register office, together with a certificate issued by the registry of the court having passed judgment, certifying that the judgment is final.

Art. 77. Distribution of the Residue.

Any residue arising out of the sale shall be distributed in accordance with the provisions of the Code of Civil Procedure.

TITLE II

SHIPOWNERS, MANAGERS AND THE MASTER

Chapter I. Liability of Shipowners and Managers

Art. 78. Definition of Manager.

A manager is a person who operates the ship. The shipowner shall be deemed to be manager unless otherwise evidenced.

Art. 79. Acts resulting in the liability of the Shipowner.

A shipowner shall be liable for the default of the master, the members of the crew, the pilot or any other person in the service of the ship, in the discharge of their duties. The shipowner shall also be liable in respect of obligations undertaken by the master in matters relating to the ship and the maritime adventure.

Art. 80. Limitation of liability.

- (1) The owner of a seagoing ship may limit his liability in accordance with Art. 86 in respect of claims arising from any of the following occurrences:
 - (a) Loss of life of, or personal injury to, any person being carried in the ship, and loss of, or damage to, any property on board the ship;
 - (b) Loss of life of, or personal injury to, any other person whether on land or on water, loss of or damage to any other property or infringement of any rights caused by the act, neglect or default of any person on board the ship for whose act, neglect or default the owner is responsible or any person not on board the ship for whose act, neglect or default the owner is responsible: Provided, however,

that in regard to the act, neglect or default of this class of person, the owner shall only be entitled to limit his liability when the act, neglect or default is one which occurs in the navigation on the management of the ship or in the loading, carriage or discharge of its cargo or in the embarkation, carriage or disembarkation of its passengers;

- (c) Any obligation or liability imposed by any law relating to the removal of wreck and arising from or in connection with the raising, removal or destruction of any ship which is sunk, stranded or abandoned (including anything which may be on board such ship) and any obligation or liability arising out of damage caused to harbour works, basins and navigable waterways.
- (2) In this Chapter the expression "personal claim" means a claim resulting from loss of life and personal injury; the expression "property claim" means all other claims set out in sub-art. (1) of this Article.

Art. 81. *Liability by reason of ownership, possession, custody or control of the ship.*

An owner shall be entitled to limit his liability in the cases set out in Art. 80. even where his liability arises, without proof of negligence on the part of the owner or of persons for whose conduct he is responsible, by reason of his ownership, possession, custody or control of the ship.

Art. 82. *Cases where liability is not limited.*

Nothing in Articles 80 and 81 shall apply:

- (a) to claims for salvage or to claims for contribution in general average;
- (b) to claims by the master, by members of the crew, by any servants of the owner on board the ship or by servants of the owner whose duties are connected with the ship, including the claims of their heirs, personal representatives or dependents;
- (c) if the claimant proves that the occurrence giving rise to the claim resulted from the actual fault or privity of the owner.

Art. 83. *Balance.*

If the owner of a ship is entitled to make a claim against a claimant arising out of the same occurrence, their respective claims shall be set off against each other and the provisions of this Title shall only apply to the balance, if any.

Art. 84. *Non-admission of Liability.*

The act of invoking limitation of liability shall not constitute an admission of liability.

Art. 85. *Limitation Fund.*

- (1) The limit of liability prescribed by Art. 86 shall apply to the aggregate of personal claims and property claims which arise on any distinct occasion without regard to any claims which have arisen or may arise on any other distinct occasion.
- (2) When the aggregate of the claims which arise on any distinct occasion exceeds the limits of liability provided by Art. 86, the total sum representing such limits of liability may be constituted as one distinct limitation fund.
- (3) The fund thus constituted shall be available only for the payment of claims in respect of which limitation of liability can be invoked.
- (4) After the fund has been constituted, no claimant against the fund shall be entitled to exercise any right against any other assets of the shipowner in respect of his claim against the fund, if the limitation fund is actually available for the benefit of the claimant.

Art. 86. *Amounts of Limited Liability.*

- (1) The amounts to which the owner of a ship may limit his liability under Articles 80 and 81 shall be:
 - (a) where the occurrence has only given rise to personal claims, an aggregate amount of Eth. \$ 516 for each ton of the ship's tonnage;
 - (b) where the occurrence has only given rise to personal claims, an aggregate amount of Eth. \$ 516 for each ton of the ship's tonnage; property claims, an aggregate amount of Eth. \$ 516 for each ton of the ship's tonnage, of which a first portion amounting to Eth. \$ 336 for each ton of the ship's tonnage shall be exclusively appropriated to the payment of personal claims and of which a second portion amounting to Eth. \$ 160 for each ton of the ship's tonnage shall be appropriated to the payment of property claims: Provided, however, that in cases where the fixed portion is insufficient to pay the personal claims in full, the unpaid balance of such claims shall rank rateably with the property claims for payment against the second portion of the fund.
- (2) In each portion of the limitation fund the distribution among the claimants shall be made in proportion to the amounts of their established claims.
- (3) If before the fund is distributed the owner has paid in whole or in part any of the claims set out in Art. 80, he shall pro tanto be placed in the same position in relation to the fund as the claimant whose claim he

has paid, but only to the extent that the claimant whose claim he has paid would have had a right of recovery against him.

- (4) Where the shipowner established that he may at a later date be compelled to pay in whole or in part the claims set out in Art. 80, the court may order that a sufficient sum shall be provisionally set aside to enable the shipowner at such later date to enforce his claims against the fund in the manner set out in the preceding paragraph.

Art. 87. Procedure.

The rules relating to the construction and distribution of the limitation fund, if any, and all rules of procedure shall be as prescribed.

Art. 88. Calculation of tonnage burden.

For the purpose of the preceding Articles, tonnage shall be calculated as follows:

In the case of steamship or other mechanically propelled ships there shall be taken the net tonnage with the addition of the amount deducted from the gross tonnage on account of engine room space for the purpose of ascertaining the net tonnage.

In the case of all other ships there shall be taken the net tonnage.

Art. 89. Arrest of the ship, bail or other security.

- (1) Whenever a shipowner is entitled to limit his liability under this Chapter, and the ship or another ship or other property in the same ownership has been arrested or bail or other security has been given to avoid arrest, the court may order the release of the ship or other property or of the security given if it is established that the shipowner has already given satisfactory bail or security in a sum equal to the full limit of his liability under this Chapter and that bail or other security so given is actually available for the benefit of the claimant in accordance with his rights.
- (2) The provisions of sub-art (1) shall apply likewise if the bail or other security already given is in a sum less than the full limit of liability under this Chapter provided that satisfactory bail or other security is given for the balance.
- (3) Where the shipowner has given bail or other security in a sum equal to the full limit of his liability under this Chapter such bail or other security shall be available for the payment of all claims arising on a distinct occasion and in respect of which the shipowner may limit his liability.

Art. 90. Liability of the Ship.

In this Chapter liability of the shipowner includes the liability of the ship herself.

Art. 91. Application to other persons than the Shipowner.

Subject to Art. 92, the provisions of this Chapter shall apply to the charterer, manager or operator of the ship, and to the master, members of the crew and other servants of the owner, charterer, manager or operator acting in the course of their employment, in the same way as they apply to an owner himself: Provided that the total limits of liability of the owner and all such other persons in respect of personal claims and property claims arising on a distinct occasion shall not exceed the amounts determined in accordance with Art. 86.

Art. 92. Actions against the Master.

When actions are brought against the master or against members of the crew, such persons may limit their liability even if the occurrence which gives rise to the claims resulted from the actual fault or privity of one or more of such persons. If, however, the master or member of the crew is at the same time the owner, co-owner, charterer, manager or operator of the ship, the provisions of this Article shall only apply where the act, neglect or default in question is an act, neglect or default committed by the person in question in his capacity as master or member of the crew of the ship.

Art. 93. Ships of Less than 300 tons Burden.

The owner of a ship of less than 300 tons burden may limit his liability either to an amount not exceeding the amount provided in Art. 86 or to an amount corresponding to the value of the ship at the time of the occurrence giving rise to the claim.

Chapter 2. The Master

Art. 94. Appointment and Duties of Master.

- (1) The master shall be appointed by the manager or by the charterer to whom the ship is demised. He shall be solely responsible for the maritime adventure.
- (2) In the event of his death, absence or incapacity due to illness or any other cause the command of the ship shall pass to the next senior officer after the master. The person who appointed the master shall be given notice thereof forthwith so that a new master may be appointed.

Art. 95. Termination of Master's Appointment.

The person who appointed the master may at any time terminate the appointment of the master.

Art. 96. Powers of the Master.

- (1) The master is the agent of the manager, subject to the provisions of Art. 97.
- (2) He may represent him in legal proceedings.
- (3) He shall exercise the powers conferred upon him by law in respect of all parties having an interest in the ship and cargo.

Art. 97. Scope of the Master's Agency.

- (1) The master may only represent the manager where the manager is not present or is not represented by attorney. Such representation shall extend to all acts necessary in respect of the ship and the adventure.
- (2) Contracts entered into, and dealings made by the master shall give rise to a lien on the ship and on the freight on the conditions specified by Art. 5 (5). Such contracts and dealings, if made with a view to preserving the cargo, shall in addition give rise to a lien on the cargo, which shall rank after the liens specified by Articles 249 (2) and 283.
- (3) In any place where the manager is present or is represented by attorney, the master may only carry out day to day acts of management of the ship, as well as minor repairs. He may dismiss members of the crew.
- (4) The presence of the manager or his attorney may only be set up against third parties who knew of such presence.

Art. 98. Liability of the Master.

- (1) The master shall be liable for his default. He shall also be liable in respect of goods in his charge.
- (2) The liability of the master shall be as prescribed.

Art. 99. Duties of the Master.

The master shall remain on board his ship from the beginning of the voyage until arrival in port and shall perform such other duties as shall be prescribed.

Art. 100. Duty of the Master in case of Pilotage.

Even where pilotage is compulsory, the master shall be responsible for the navigation of the ship.

Art. 101. *Liability in case of Pilotage.*

The ship shall be liable towards third parties in respect of all damage or loss, even though due to the negligence of the pilot.

Art. 102. *Ship's Papers.*

During the voyage the master shall keep on board the ship's papers regarding the ship, the crew, passengers and cargo, and such other papers and documents as may be prescribed.

Art. 103. *Ship's Log-book and engine-room Log-book.*

The master shall keep such log-books as are prescribed and they shall be kept in the manner prescribed.

Art. 104. *Stamping of Log-book in Port.*

Upon arrival at the port of destination or at a port of call the master shall have the ship's log-book stamped within twenty-four hours by the port manager, or, if abroad, by the Ethiopian consul or in his absence by the competent local authority.

Art. 105. *Maritime Declaration.*

The master shall make the prescribed maritime declaration where prescribed exceptional circumstances occur.

Art. 106. *Verification of the Maritime Declaration.*

The prescribed authority on receiving the maritime declaration shall carry out its prescribed duties.

Art. 107. *Borrowing and Sale of goods by the Master in Case of Urgency.*

- (1) In case of pressing need during the voyage the master may borrow upon the ship, and if the amount raised is insufficient, upon the cargo. He shall obtain the authorisation of the president of the court of the place where such loan is made, or otherwise of the administrative authorities and where abroad of the Ethiopian consul or otherwise of the competent local authority.
- (2) Where he is unable to borrow he may, with the same authorisation, sell goods up the amount recognised as being required.
- (3) The manager or the master shall account to the owner in respect of goods sold, on the basis of the price fetched for goods of the same kind and quality at the place of unloading of the ship at the time of arrival.

- (4) Shippers or persons claiming under them may object to the pledging or sale of their goods and require their unloading provided they pay the whole freight.

Art. 108. Sale of ship by the Master in the event of Unseaworthiness.

- (1) Unless a ship be proved to be unseaworthy, the master may not sell her except under special powers given by the owner, subject to the sale being declared void.
- (2) Unseaworthiness shall be shown in a report drawn up by sworn experts appointed by the president of the court or by the administrative authorities and, where abroad, by the Ethiopian consul or by the competent local authority.
- (3) A sale consequent on unseaworthiness shall be by public auction.

Art. 109. Master sailing for Joint Profit.

When a master sails for joint profit on the lading he may not undertake any trade on his own behalf, unless otherwise agreed. In the event of a breach of this provision, he shall lose his share in the common profit, without prejudice to resulting damages where appropriate.

Art. 110. Discharge of a Master who is a part owner of the Ship.

Where a master who is discharged is a part owner of the ship, he may give up his share and require repayment of the capital amount thereof, which shall be determined by experts appointed by agreement or by the court. Such right of renunciation may not be exercised after a period of thirty days from the date of the interpellation made by the other part owners. Where the right of renunciation has been exercised within this period of time, the part owners shall repay the master's share within thirty days following the expert determination of the amount.

TITLE III

REGULATION OF MARITIME EMPLOYMENT

Art. 111. Definition of a Seaman.

"Seaman" includes every person (except masters, pilots, and apprentices duly indentured and registered), employed or engaged in any capacity on board any ship.

Art. 112. *Seaman's Articles of Agreement.*

With the exception of a ship of under 5 tons burden, the articles of agreement concluded between a shipowner or his representative and a seaman shall be regulated by the following provisions:

The terms and stipulations of maritime articles of agreement shall be entered in the list of crew. The seaman, after such terms and stipulations have been read out to him, shall accept such terms and stipulations by affixing his signature or his mark. The prescribed authority shall satisfy themselves before the departure of the ship that all seamen having embarked are employed under articles of agreement by examining the entries in the list of crew.

Art. 113. *Particulars in Articles of Agreement.*

The articles of agreement shall contain the following particulars:

- (a) whether they are concluded for a definite or an indefinite period or for a voyage;
- (b) the capacity in which the seaman is to be employed;
- (c) the date upon which the employment is to begin;
- (d) the method of remuneration agreed between the parties;
- (e) the amount of wages or the basis of determination of profits;
- (f) the place at which and the date on which the agreement was concluded.

Art. 114. *Remuneration out of profits or freight.*

- (1) The articles of agreement under which the seaman's remuneration consists in whole or in part of a share in the profits or the freight shall specify the costs and charges to be deducted from the gross profits to make up the net profits.
- (2) Compensation paid to the ship in respect of the breaking, reducing the duration, or the prolongation of the voyage, loss of profits or of freight, will be deemed to form part of the gross profits.
- (3) This provision shall not apply to insurance compensation except where the seaman has contributed to the payment of premiums from the beginning of the voyage.
- (4) Unless otherwise agreed, bounties and other Government subsidies shall not be included in amounts to be distributed.
- (5) Where seamen are remunerated out of profits or freight no compensation shall be paid to them in respect of the postponement, prolongation or reduction in duration of the voyage by reason of force majeure.

Art. 115. *Remuneration by voyage.*

Where seamen are paid by voyage, the voluntary reduction in the duration of the voyage shall not result in any reduction in wages, whatever the cause may be.

Art. 116. *Duties of Seaman.*

A seaman shall embark at the time appointed by the master. He shall obey all orders of his superiors on land and on board as may be prescribed.

Art. 117. *Prohibition against carrying cargo on their own account.*

- (1) No cargo shall be carried on board a ship by the master or a seaman on his own account, except with the permission of the shipowner. In the event of a breach of this provision, the parties in cause shall pay freight at the highest rate stipulated at the place and time of loading, without prejudice to such damage as may be due.
- (2) The master may order the jettison of goods loaded without permission where the goods are of such a nature as to imperil the safety of the ship or to incur fines and expenses.

Art. 118. *Advance on wages.*

Any advance on a seaman's wages shall be entered in the list of crew if made before a voyage and in the ship's book if made during a voyage. The seaman shall sign or affix his mark to acknowledge receipt. No advance shall be made except under the foregoing conditions. The total sum of advances may not exceed one-fifth of the wages earned at the time the advance is requested.

Art. 119. *Home Remittances.*

Home remittances may be made only to the wife, dependent children and parents of a seaman.

Art. 120. *Repayment of Advances.*

- (1) Advances not by way of home remittances, payments on account and bounties on engagement shall only be repaid to the shipowner in the event of a breach of contract by the seaman without prejudice to disciplinary measures and resulting damages.
- (2) Home remittances shall in no case be repaid notwithstanding any agreement to the contrary.

Art. 121. *Attachment of wages*

Seamen's wages and profits may not be attached or assigned except for the reasons and within the limits given below:

- (1) up to one quarter in the case of:
 - (a) a debt to the State or to a provident fund;
 - (b) a debt for supply of provisions, apparel or lodging;
 - (c) a debt due to a shipowner arising from a payment over and above the balance of wages due in respect of a previous voyage, an advance or payment on an account not due, or in respect of damages;
- (2) up to a further amount of one-quarter, for a debt due under a judgment of a competent court on which execution proceedings have been started.

Art. 122. Medical Examination prior to Employment.

- (1) No seaman shall be employed unless he has been passed medically fit for service by a medical practitioner appointed by the port authority. No seaman shall be employed who is suffering from an infectious disease.
- (2) An entry that sub-article (1) has been complied with shall be made by the master in the list of crew.
- (3) A master who fails to comply with the provisions of this Article shall be guilty of an offence and shall be liable on conviction to the penalties specified in Art. 819 of the Penal Code.

Art. 123. Sickness or Injury while in the Ship's Service.

- (1) Medical treatment shall be afforded to seamen injured in the service of the ship or who become ill during the voyage at the owner's expense:
Provided that where the injury or sickness is due to, or arises out of, indiscipline, misconduct, drunkenness or in the case of congenital disease such as insanity or epilepsy, or in the case of disease of venereal origin, sickness expenses advanced by the shipowner shall be chargeable to the account of the injured or sick man.
- (2) The cost of treatment shall no longer be due after such time as the injury or sickness has become incurable.

Art. 124. Wages or allowances payable to a sick or injured seaman.

- (1) A seaman who has become sick or is injured in the ship's service shall be entitled to wages for so long as he remains on board.
- (2) After being landed, he shall be entitled to an allowance equivalent to wages during a period not exceeding four months. Where landing takes place abroad, an amount equivalent to payment of wages for the four months period shall be deposited with the Ethiopian Consul or his representative.
- (3) The right to wages or allowance is personal. It shall terminate upon death, recovery, or the expiry of four months.

- (4) A seaman whose injury or sickness is due to indiscipline or drunkenness or is constitutional or of venereal origin, shall be entitled to food and care for as long as he remains on board, but not to payment of wages or an allowance.
- (5) Where a seaman dies as the result of sickness or injury in the service of the ship, whatever the cause of such sickness or injury, the costs of burial shall be borne by the ship.

Art. 125. Repatriation.

- (1) The shipowner shall repatriate seamen landed for any reason. In the event of termination of the articles of agreement by mutual consent, the costs of repatriation shall be borne by the party designated.
- (2) In addition to transportation costs, the right of repatriation shall include accommodation and food.

TITLE IV

CONTRACTS RELATING TO THE USE OF THE SHIP

Chapter 1. Charter by Demise

Art. 126. Definition.

- (1) A charter by demise is a contract whereby one party undertakes to procure to the other party the possession of a ship for a definite period, subject to payment of a rent.
- (2) The contract shall be in writing.
- (3) The contract shall be subject to the Civil Code and the special provisions of this Code.

Art. 127. Prohibition against sub-charter.

The charterer may not sub-charter the ship or assign his right under the agreement unless so authorised by the owner.

Art. 128. Duties of the Owner

The owner shall deliver the ship, together with its accessories, in a seaworthy condition and shall furnish the documents necessary for navigation. He shall execute repairs required as a result of force majeure or normal wear and tear resulting from the agreed use of the ship.

Art. 129. Liability of the Owner.

The owner shall be liable for damages resulting from unseaworthiness, unless he can show that such unseaworthiness was caused by a latent defect which a prudent owner could not have discovered.

Art. 130. Duties of the Charterer.

The charterer shall use the ship in accordance with the specifications given in the certificate of seaworthiness and in accordance with the terms and conditions contained in the charter party.

Art. 131. Duration of the Charter.

- (1) Where the charterer retains possession of the ship after the expiry of the terms agreed upon, the charter shall not automatically be renewed unless expressly so agreed by the owner.
- (2) In case of delay caused by the charterer in returning the ship to the owner, the owner may claim an amount of rent double that agreed upon in respect of the period of time exceeding the agreed period.

Art. 132. Limitation of Rights arising out of the Charter.

- (1) The rights arising out of a charter by demise shall be barred after one year from the expiry of the charter, or in the case mentioned in the foregoing article, from the date of the return of the ship to the owner.
- (2) In the event of a presumptive loss of the ship, the period of time shall run from the date on which the ship was struck off the Shipping Register.

Chapter 2. Contract of Affreightment

Section 1. General Provisions

Art. 133. Definitions.

- (1) A contract of affreightment is a contract whereby the shipowner undertakes, subject to payment of freight, to proceed with a particular ship on one or more voyages (voyage charter) or, during the period agreed upon, on the voyage required by the charter under the terms of the contract or as determined by custom (time charter).
- (2) A contract of carriage is a contract of carriage covered by a bill of lading or any similar document of title insofar as such document relates to the carriage of goods by sea and shall be subject to the special provisions laid down in Section 5 of this Chapter.

Art. 134. Particulars in the Contract.

A contract of affreightment shall be in writing. The contract, termed a charter party, shall indicate:

- (a) the name, tonnage and nationality of the ship;
- (b) the name of the master;
- (c) the names and addresses of the shipowner and charterer, and their status;

- (d) the nature and quantity of the cargo so that it may be determined;
- (e) the method of calculation of freight;
- (f) the duration of the contract or a statement of the voyages to be undertaken.

Art. 135. *Sub-charter.*

- (1) The charterer may not grant a sub-charter, nor assign the rights arising out of the contract of affreightment in whole or in part, without the permission of the shipowner.
- (2) In the event of a sub-charter or total or partial assignment of the rights arising out of the contract, the principal charterer shall be liable to the shipowner for obligations undertaken by virtue of the contract of affreightment.

Art. 136. *Goods shipped by the Shipowner in the Chartered Ship.*

The shipowner may not, without the permission of the charterer, ship goods in the chartered ship, or in that part of the ship under charter.

Art. 137. *Placing of the ship at the disposal of the Charterer.*

The shipowner shall place the ship at the disposal of the charterer at the time and place agreed on.

Art. 138. *Duties of the Shipowner.*

The shipowner shall be bound, before and at the beginning of the voyage, to exercise due diligence to:

- (a) make the ship seaworthy;
- (b) properly man, equip and supply the ship;
- (c) make the holds, refrigerating and cool chambers, and all other parts of the ship in which goods are carried, fit and safe for their reception, carriage and preservation.

Art. 139. *Exemption of the Shipowner from Liability.*

- (1) The shipowner shall incur no liability for loss or damage arising out of, or due to, unseaworthiness, unless such loss or damage results from his failure to carry out his duties under Art. 138 or results from a latent defect which a prudent shipowner could not have discovered.
- (2) The burden of proof under this Article shall rest with the shipowner or with any other person pleading the exemption under this Article.

Art. 140. *Liability of the Charterer.*

The charterer shall be liable for damage to the ship or to the goods ship-

ped, due to his own fault or that of his servants or representatives, or due to a concealed defect in the goods.

Art. 141. *Port of Destination.*

- (1) The ship shall proceed to the agreed port. If the ship is unable to reach such port, she shall proceed to the port nearest to the place of destination and the shipowner shall bear the expenses of forwarding the goods.
- (2) These expenses shall be borne by the charterer where the hindrance results from force majeure.
- (3) Where the charterer has reserved the right to designate the port of arrival at a subsequent date, and he designates a port which the ship cannot safely reach, he shall be liable for all the consequences thereof.

Art. 142. *Ship not placed at the disposal of the Charterer as agreed.*

- (1) Where the ship is not placed at the disposal of the charterer at the time and place agreed upon, the charterer may terminate the contract by giving notice in writing to the other party.
- (2) A shipowner shall have the same right when the charterer has not started loading within the agreed period.
- (3) The period of time for loading shall be deemed to expire only after the lay days have run.

Art. 143. *Compensation due to Charterer.*

In the case provided under Art. 142 (1), the charterer shall be entitled to compensation without lodging any formal claim, unless the shipowner can show that the delay is not due to his fault.

Art. 144. *Termination of the Contract of Affreightment.*

- (1) A contract of affreightment shall terminate as of right and without payment of compensation by either party, where before its performance has commenced such performance is prevented by force majeure.
- (2) Where force majeure occurs prior to the departure of the ship but after performance has commenced, the contract shall terminate subject to the payment of compensation, where appropriate.
- (3) Where force majeure temporarily prevents the departure of the ship, the contract shall remain in force, without any increase in the freight or the payment of any compensation. The contract shall terminate as of right where the delay results in the breaking off of the commercial transaction by virtue of which either party or both parties had entered into the contract.

Art. 145. *Sale of the Ship.*

- (1) The transfer of ownership in the ship shall not result in the termination of a contract of affreightment entered into prior to such transfer by the seller, where the purchaser had notice of such contract.
- (2) The purchaser shall be deemed to have had notice of the said contract where the seller had declared its existence at the time of sale.

Art. 146. *Limitation of Actions.*

- (1) The rights arising out of a contract of affreightment shall be barred after a period of one year from the date of delivery of the goods, and in the event of total loss from the day when the goods should have been delivered.
- (2) Save as is otherwise provided in sub-article (1), the period of limitation shall run:
 - (a) in the case of time charter, from the date of expiration of the contract or the end of the last voyage, where the voyage is prolonged under the terms of Art. 177;
 - (b) in the case of a voyage charter, from the date of termination of the voyage;
 - (c) where there are several voyages, from the date of termination of each voyage.
- (3) Where a voyage has not commenced or terminated, the period shall run from the date on which the occurrence took place which resulted in impossibility of performance of the contract or continuation of the voyage. In the event of presumptive loss of the ship, the period shall run from the date when the ship was struck off the Shipping Register.
- (4) In the event of recovery of sums paid by mistake, the period shall run from the date of payment, and in respect of actions by way of recourse, from the date of bringing the principal action.

Section 2. Freight

Art. 147. *Freight Pro rata.*

Freight shall not be due in respect of goods not delivered to the consignee or not placed at his disposal at the port of destination, except in the event of a stipulation for freight pro rata.

Art. 148. *Cases where freight is due.*

Freight shall be due:

- (1) where failure to deliver is due to the fault of the charterer;

- (2) where the goods have perished through inherent vice (*vice propre*);
- (3) where dangerous, harmful or prohibited goods, the nature of which has not been declared to the shipowner at the time of loading, have been destroyed.

Art. 149. *Perishable Goods.*

- (1) Freight for perishable goods shall be due, even where the goods perish during the voyage due to their nature.
- (2) Freight shall be due for the carriage of animals which die in transit for any cause not resulting from the fault of the carrier.

Art. 150. *Repayment of Advances to Master.*

Where freight is not due, the master shall repay advances made to him on such freight.

Art. 151. *Ship held up during the voyage.*

Where the ship is temporarily held up during the voyage due to a cause not the fault of the shipowner, the agreement shall remain in force and neither damages nor an increase in the freight may be claimed.

Art. 152. *Freight for goods delivered before arrival at Destination.*

Where a charterer wishes to take delivery of goods before arrival at their destination, he shall pay the whole freight.

Art. 153. *Failure to load full and complete cargo.*

Where a charterer fails to load a full and complete cargo, he shall pay the whole freight; he shall pay such expenses as result to the ship therefrom. He shall be entitled to an allowance in respect of any saving to the ship in expenses and in respect of three quarters of the freight of goods loaded by way of replacement.

Art. 154. *Prohibition against discharge from payment of freight by abandonment of goods.*

A charterer may not free himself from payment of freight by abandoning the goods even where, during the voyage, such goods have diminished in value or quantity, or have been damaged.

Art. 155. *Shipowner's Lien.*

- (1) The shipowner shall have a lien on the goods making up the cargo for a period of fifteen days after delivery, where such goods have not passed to third parties.
- (2) This lien shall rank after the liens specified in Articles 97 (2), 249 (2) and 283.

Art. 156. *Shipowner's Right to detain Cargo.*

- (1) Where the freight is not paid, the shipowner may detain the cargo at the port of destination, unless he is given such security as is deemed sufficient by the court having jurisdiction.
- (2) The court may order the sale of the goods, up to the amount of the claim for freight, in accordance with the provisions of the Code of Civil Procedure.

Art. 157. *Goods mixed with other goods of the same nature. Upholding of the Lien.*

The lien securing payment of the freight and its accessories shall be maintained, even where the goods for which freight is claimed are mixed with other goods of the same nature.

Section 3. Lay Days and Demurrage

Art. 158. *Lay Days.*

- (1) The days fixed for the loading and unloading of the cargo shall be known as lay days.
- (2) The lay days shall be determined by agreement or by custom in the port.

Art. 159. *Demurrage.*

Time running after the lay days shall be known as demurrage; such time may not exceed the time allotted for lay days. During this time, liquidated damages against the charterer may be claimed as of right by the shipowner. The amount of liquidated damages shall be fixed by agreement or by custom in port.

Art. 160. *Damages for Detention.*

Damages for detention shall be due after the expiry of demurrage. During such time, the liquidated damages under Art. 159 shall be increased by one half, in addition to any compensation that may be due to the fault of the charterer.

Art. 161. *Calculation of Lay Days.*

Lay days shall be calculated by day and from hour to hour.

Art. 162. *Time for the beginning of Lay Days.*

- (1) Lay days shall run from the time when the master has given notice that the ship is ready to load and unload.
- (2) They shall be calculated from the time of the resumption of work following the time at which the master gave the aforementioned notice.

Art 163. *Rights of the Master at the Expiry of the Lay Days.*

After the expiry of the lay days, the master shall have the right to unload

the cargo at the risk and cost of the charterer. The master shall take all necessary steps for the preservation of the cargo.

Art. 164. *Averaging lay days.*

Lay days for loading and unloading may not be set off the one against the other unless otherwise agreed.

Art. 165. *Suspension of Running of Lay Days.*

- (1) Lay days shall not run on holidays and other days of rest provided by the custom in port, unless loading or unloading has actually taken place on such days.
- (2) The running of lay days shall be suspended by force majeure.
- (3) The running of time for demurrage and for damages for detention shall not be suspended by force majeure, but the court may reduce the amount due for demurrage where the hindrance is prolonged.

Art. 166. *Bonus for Dispatch.*

- (1) A charterer who releases the ship before the lay days have run shall be entitled to a bonus for dispatch calculated at the same rate as for lay days.
- (2) In calculating such bonus, all the days, shall be taken into account including days suspending the running of lay days.
- (3) The provisions of sub-art. (1) and (2) may be set aside by agreement between the parties.

Art. 167. *Set Off.*

Any set off as between demurrage and a bonus for dispatch in respect of loading or unloading shall be calculated in value and not in time.

Art. 168. *Liens and Limitation.*

The liens and the period of limitation laid down in respect of freight shall apply to demurrage and damages for detention.

Art. 169. *Lien for Demurrage and Damages for Detention which have not been settled.*

There is a lien for demurrage and damages for detention incurred on loading unless expressly excluded in the contract of carriage.

Section 4. Special Provisions Regarding Time Charters

Art. 170. *Time Charters.*

A time charter relates to the whole or to a determined part of the ship.

Art. 171. *Duties of the Shipowner.*

- (1) The shipowner shall carry out the duties in connection with the operation of the ship.
- (2) He shall commission, maintain and provision the ship, and shall engage, board and pay the crew.

Art. 172. *Duties of the Charterer.*

- (1) The charterer shall carry out the duties in connection with the commercial management of the ship.
- (2) He shall supply fuel, water for the boilers and lubricants. He shall defray cost of crew's overtime worked on his orders, as well as harbour dues, pilotage, towage and other expenses in connection with the commercial operation of the ship.

Art. 173. *Debt for Freight.*

Freight is due by the charterer for the time the ship is at his disposal. In the event of embargo, seizure, condemnation or loss of the ship, the freight is due up to the date thereof.

Art. 174. *Presumptive Loss.*

In the event of presumptive loss, freight is due up to the date of the last news of the ship, and for one half of the time which has elapsed since that date and the date on which the voyage should have been accomplished.

Art. 175. *Delay of the Ship.*

- (1) Freight is due where the ship is delayed for navigational reasons.
- (2) Where the ship is delayed for a consecutive period of more than forty-eight hours as a result of her unseaworthiness or embargo or through the acts of the crew, no freight shall be due for the delay.

Art. 176. *Rights of an Unpaid Shipowner.*

- (1) A shipowner who has not been paid for freight which is due is entitled to take over the ship one full day after delivery of a demand to pay which has not been complied with, in addition to any other damages which may become due.
- (2) In this event he shall carry the cargo to its destination and may detain the cargo on arrival.

Art. 177. *Extension of the Contract by the Charterer.*

- (1) A charterer who is unable to return the ship at the time agreed, the ship being on voyage, shall pay the amount of the freight for the duration of the extension of the contract during the fifteen days following the expiration of the contract, in addition to any other damages which may become due for any period of extension exceeding the first fifteen days.
- (2) Freight shall not be reduced where the ship is returned before the expiry of the agreed period.

Art. 178. *Return of the Ship.*

The ship shall be returned to the shipowner, at the expiry of the charter, at the agreed place.

Art. 179. Charterer taking over the Commercial and Nautical Operation of the Ship.

- (1) A ship and crew may be handed over by the shipowner to the charterer for a specified period. The charterer shall take over the commercial and nautical operation of the ship.
- (2) The provisions of Articles 173, 174, 175, 176 (1), 177 and 178 shall apply to any such agreement.

Section 5. Special Provisions Regarding Contract of Carriage
Supported by a Bill of Lading

Art. 180. Scope.

- (1) The provisions of this Section shall only apply to contracts of carriage of goods supported by a bill of lading or any other document of a similar nature.
- (2) They shall not apply to charter parties, provided that where there is affreightment by charter party any bill of lading or similar document issued under or pursuant to a charter party shall be subject to these provisions from the moment at which such bill of lading or similar document regulates the relations between a carrier and a holder of the same.
- (3) They shall apply only during the period from the time when the goods are loaded to the time when they are discharged from the ship.
- (4) They shall not apply to the transport of live animals and goods as are being carried on deck under the contract of carriage.
- (5) The term "carrier" includes the owner of the ship or a person managing the ship, or the charterer, who enters into a contract of carriage with a shipper.

Art. 181. Issue of Bill of Lading.

The carrier or his representative shall, after receiving the goods, issue to the shipper a bill of lading.

Art. 182. Particulars in the Bill of Lading.

The bill of lading shall be dated and signed by the carrier or his representative. It shall contain the following particulars:

- (a) the name and address of the carrier;
- (b) the name and address of the shipper;
- (c) the name and nationality of the ship;
- (d) the place of destination and, where the bill of lading is issued to a named person, the name of the consignee;

- (e) the goods delivered to the carrier;
- (f) the place and date of loading;
- (g) the amount of freight.

Art. 183. *Shipping Marks.*

- (1) The bill of lading shall show the shipping marks, the number of packages, and objects, or the quantity or weight of the goods, in accordance with the particulars given by the shipper in writing before shipment, and the apparent order and condition of the goods.
- (2) The marks shall be such as to identify the goods and shall be affixed so as to be ordinarily legible until delivery.
- (3) The carrier or his representative may refuse to enter in the bill of lading the particulars given by the shipper concerning the marks of goods, or their quantity, nature or weight, where he has reasonable grounds for suspecting their accuracy or where he has had no reasonable means of checking their accuracy.

Art. 184. *Inaccurate Statement by Shipper.*

Where a shipper has not accurately described the marks, number, quantity, nature and weight of goods, he shall be liable to the carrier for all loss, damages, and expenses resulting therefrom. An inaccurate statement has effect only against the shipper.

Art. 185. *Voluntary false statements.*

Where a shipper has intentionally made a false statement regarding the nature, quantity or value of the goods, the carrier shall not be liable for loss of, or damage to, such goods.

Art. 186. *Receipt before Shipment.*

The receipt delivered to the shipper before the goods are shipped shall be proof of the delivery of the goods to the carrier. After shipment of the goods on board, the receipt shall be exchanged against a bill of lading, which shall be proof of the shipment of the goods.

Art. 187. *Original of Bill of Lading.*

- (1) The bill of lading shall be drawn up in two originals, of which one shall be delivered to the shipper and the other retained by the carrier.
- (2) The original retained by the carrier shall be signed by the shipper or his representative and shall carry an express notice that it is not transferable.
- (3) The original handed to the shipper shall be signed by the carrier or some other person on the carrier's behalf and confers on a holder in due course the right to procure delivery of the goods and to dispose thereof.

Art. 188. *Bills of Lading drawn in Several Parts.*

- (1) The original of the bill of lading delivered to the shipper may be drawn in several identical parts, each with a serial number in the text of the instrument. Each part shall show the number of parts in circulation.
- (2) Each part shall confer the same rights. Where title to one part accrues, the others shall be of no value.

Art. 189. *Forms of Bill of Lading.*

A bill of lading shall be drawn to a named person, to order or to bearer.

Art. 190. *Circulation of Bills of Lading.*

- (1) A bill of lading to a named person may be assigned, but is not negotiable. The carrier may only deliver the goods to the person named.
- (2) A bill of lading to order is negotiable by endorsement. The goods may only be delivered to the beneficiary under the endorsement.
- (3) A bill of lading to bearer or a bill of lading to order endorsed in blank is negotiable by simple delivery. The carrier shall deliver the goods against surrender or the bill of lading.

Art. 191. *Prohibition against Negotiation.*

Prohibition against the negotiation of a bill of lading shall be clearly indicated on the bill of lading.

Art. 192. *Conflict between holders.*

Where a dispute arises between holders of several negotiable parts of a single bill of lading to order, before any delivery of the goods by the carrier, preference shall be given to the holder of the part bearing the earliest endorsement.

Art. 193. *Delivery of the goods to a holder in good faith.*

After delivery of the goods to a holder in good faith of a negotiable part of a bill of lading, the holder of another part may be preferred against such holder in good faith, even under an earlier endorsement.

Art. 194. *Conflict between the terms of a Bill of Lading and those of a Charter Party.*

- (1) The terms of a bill of lading may only be preferred against the terms of a charter party where it is shown that the parties have so agreed.
- (2) The terms of a charter party may be set up against a third person holder of a bill of lading where such third party holder knew of the existence of the charter party.

Art. 195. Delivery Warrants.

- (1) Any person entitled to dispose of goods by bill of lading may, where so stipulated in the contract of carriage, require the carrier or consignee to hand over delivery warrants on the master or consignee, relating to separate batches of the goods represented by the bill of lading.
- (2) Where the carrier issues such delivery warrants, he shall note the fact on the negotiable original of the bill of lading, together with the particulars of goods specified on the warrants. The warrants shall be signed by the carrier and the claimant. Where the cargo represented by the bill of lading is divided between several delivery warrants, the carrier shall take up the negotiable original of the bill of lading.
- (3) Delivery warrants so issued shall confer the rights mentioned in Art. 187 (3). They may be drawn to a named person, to order or to bearer.

Art. 196. Duties of the Carrier.

- (1) The carrier shall be bound by the duties set forth in Art. 138.
- (2) He shall properly and carefully load, handle, stow, carry, keep, care for and discharge the goods carried.

Art. 197. Liability of a Carrier.

- (1) Neither the carrier nor the ship shall be responsible for loss or damage arising or resulting from :
 - (a) Act, neglect, or default of the master, mariner, pilot, or the servants of the carrier in the navigation or in the management of the ship;
 - (b) Fire, unless caused by the actual fault or privity of the carrier;
 - (c) Perils, dangers, and accidents of the sea or other navigable waters;
 - (d) Act of God;
 - (e) Act of war;
 - (f) Act of public enemies;
 - (g) Arrest or restraint of princes, rulers, or people, or seizure under legal process;
 - (h) Quarantine restrictions;
 - (i) Act or omission of the shipper or owner of the goods, his agent or representative;
 - (j) Strikes or lock-outs or stoppage or restraint of labour from whatever cause, whether partial or general;
 - (k) Riots and civil commotions;
 - (l) Saving or attempting to save life or property at sea;

- (m) Wastage in bulk or weight or any other loss or damage arising from inherent defect, quality, or vice of the goods;
 - (n) Insufficiency of packing;
 - (o) Insufficiency or inadequacy of marks;
 - (p) Latent defects not discoverable by due diligence;
 - (q) Any other cause arising without the actual fault or privity of the carrier, or without the fault or neglect of the agents or servants of the carrier, but the burden of proof shall be on the person claiming the benefit of this exception to show that neither the actual fault or privity of the carrier nor the fault or neglect of the agents or servants of the carrier contributed to the loss or damage.
- (2) The shipper shall not be responsible for loss or damage sustained by the carrier or the ship arising or resulting from any cause without the act, fault, or neglect of the shipper, his agents or his servants.

Art. 198. Global Statutory Limitation of Liability.

- (1) In respect of loss of or damage to goods, the liability on the carrier shall not exceed one thousand Ethiopian dollars.
- (2) The statutory limitation shall be determined by package, and in respect of goods loaded in bulk, on the basis of the unit normally serving for the calculation of the freight.
- (3) The statutory limitation may not be set up against the shipper where the nature and value of the goods have been declared by the shipper before shipment, and such declaration has been inserted in the bill of lading.

Art. 199. Goods not declared or misdeclared.

Where the master finds on board ship goods which have not been declared or which have been misdeclared, the master may, without prejudice to a claim for further damages, unload the goods, at the place of shipment or charge them for freight at the highest rate payable at the same place for goods of the same kind.

Art. 200. Dangerous Goods.

- (1) Goods of an inflammable, explosive, or dangerous nature to the shipment whereof the carrier, master or agent of the carrier has not consented, with knowledge of their nature and character, may at any time before discharge be landed at any place or destroyed or rendered innocuous by the carrier, without compensation. The shipper shall be liable for all damages and expenses directly or indirectly arising out of the unloading of the goods.

- (2) If any such goods shipped with such knowledge and consent shall become a danger to the ship or cargo, they may in like manner be landed at any place or destroyed or rendered innocuous by the carrier without liability on the part of the carrier except to general average, if any.

Art. 201. *Notice to be given to the carrier in the event of loss or damage.*

- (1) In the event of loss of, or damage to, the goods, notice in writing shall be given to the carrier or to his agent in the port of unloading prior to, or at the time of, the removal of the goods into the custody of the person entitled to delivery thereof under the contract of carriage. The goods shall be deemed to have been delivered by the carrier as described in the bill of lading when notice in writing has not been given.
- (2) In the event of loss or damage which is not apparent, notice may be given within three days after delivery, holidays being excluded.
- (3) The notice in writing shall not be required where the state of the goods has been determined by joint survey or inspection.

Art. 202. *Termination of Contract of Carriage.*

The provisions of Articles 144 and 145 shall regulate the termination of a contract of carriage of goods under bill of lading.

Art. 203. *Limitation.*

- (1) The rights arising out of a contract of carriage shall be barred after one year from the delivery of the goods and, where the goods have not been delivered, from the day when they should have been delivered.
- (2) In the case of recovery of payment made by mistake, the period shall run from the date of payment and, for proceedings by way of recourse, from the date of the introduction of the main action.

Art. 204. *Through Bill of Lading.*

- (1) A person who issues a through bill of lading shall alone exercise the rights and incur the liabilities arising out of the various stages of transit until the completion of the carriage. He shall be responsible for the acts of the successive carriers whom he has appointed in his place.
- (2) Each carrier so appointed shall only be liable for damage during the time that he was responsible for the goods.

Art. 205. *Nullity of Clauses in a Bill of Lading relieving a Carrier from Liability.*

- (1) Any clause in a bill of lading or any instrument of maritime carriage other than a charter party which directly or indirectly relieves a carrier from the liability imposed on such carrier by common law or the pro-

visions of this Section, or any clause reversing the burden of proof as set forth under the laws in force and the provisions of this Section, shall be null and void.

- (2) A benefit of insurance in favour of the carrier or similar clause shall be deemed to be a clause relieving the carrier from liability.

Art. 206. Carrier may increase his liability.

- (1) A carrier may surrender in whole or in part all or any of his rights and immunities, or increase any of his responsibilities and liabilities under this Section provided such surrender or increase shall be embodied in the bill of lading issued to the shipper.
- (2) A carrier or a shipper may insert in a contract stipulations, conditions, reservations or immunities concerning the obligations and liability of the carrier for loss of or damage to goods, or concerning their custody, care and handling prior to shipment and after unloading of the ship on which the goods are carried.

Art. 207. Special Cases.

Notwithstanding the provisions of the preceding Articles, in any case where either the special nature of the goods or the exceptional circumstances of the carriage warrant a special agreement, such agreement shall be drawn up by the parties, provided that no negotiable bill of lading is issued.

Art. 208. Jurisdiction.

The consignee or the shipper may bring proceedings against the carrier at the port of arrival of the goods where such port is in Ethiopia.

Art. 209. Arbitration Clause.

An arbitration clause inserted in a bill of lading may in no event grant to the arbitrators the power to settle a difference by way of composition.

Chapter 3. Carriage of Passengers

Art. 210. Definitions.

- (1) In this Chapter, the term "carrier" includes any of the following persons who enters in a contract of carriage, namely the shipowner, the charterer or the operator of the ship.
- (2) The term "contract of carriage" means a contract to carry passengers, and does not include a charter party.

- (3) The term "passenger" means only the person carried in a ship under a contract of carriage.
- (4) A contract of carriage of passengers shall be in the prescribed form.

Art. 211. Prohibition against Assignment of Ticket.

Where the contract ticket shows the name of the passenger, the passenger may only assign his right with the consent of the carrier.

Art. 212. Cost of Board.

Unless otherwise agreed, the cost of board for a passenger is included in the price of the passage.

Art. 213. Passenger embarking without a ticket.

- (1) Where a passenger embarks without a ticket, he shall forthwith notify the master or the purser.
- (2) Where the passenger fails to comply with this obligation he shall pay twice the price of the passage up to the port to which he is travelling or in which he is disembarked.

Art. 214. Passage not undertaken, the passenger not being at fault.

Where a passenger is unable to undertake the passage for reasons beyond his control, the contract shall terminate and the carrier shall be entitled to one quarter of the passage money, excluding the cost of boarding where board is included in the price.

Art. 215. Passenger failing to Embark.

Where a passenger fails to embark, he is liable for the full passage money.

Art. 216. Cancellation of the Contract.

- (1) The contract is cancelled without any compensation being due by either party where the ship is prevented from sailing for reasons outside the control of the carrier. The carrier shall repay the passage money received to the passenger.
- (2) Where the ship does not sail on the day fixed by the carrier or his representative, the passenger may require the cancellation of the contract, without prejudice to damages.

Art. 217. Termination of the Contract due to Hostilities.

The passenger may require the termination of the contract where, after the outbreak of hostilities, the ship is liable to capture and may no longer be considered as free.

Art. 218. *Termination through cancellation of sailing.*

- (1) The contract shall be cancelled where the carrier cancels the sailing and the voyage cannot be undertaken within a reasonable period on another ship of an equivalent class of the same carrier or of another carrier.
- (2) The cancellation of the contract may be required where the carrier changes the route in a manner prejudicial to the passenger.
- (3) In both events set forth above, the passenger is entitled to damages. Where cancellation of sailing or a change of route takes place for good reason, compensation may not exceed twice the amount of the passage money.

Art. 219. *Breaking of the Voyage due to Force Majeure.*

- (1) Where a voyage is broken as a result of force majeure, the passage money shall only be due in respect of that part of the journey actually accomplished.
- (2) The full amount shall be due where the carrier, within a reasonable period, and at his own expense, enables the passenger to proceed on his voyage by a ship of an equivalent class, and provides the passenger during the intervening time with boarding and lodging, where included in the price of the passage.

Art. 220. *Passenger obliged to break the voyage for reasons outside his control.*

- (1) Where a passenger is obliged to break his voyage for reasons outside his control, the passage money shall be due in proportion to the journey actually accomplished.
- (2) Where the voyage is broken due to the passenger's own acts, such passenger shall be liable for the cost of the remainder of the journey.

Art. 221. *Passenger suffering from an infectious disease.*

Where a passenger is suffering from an infectious disease he shall be landed at the first inhabited place where the ship touches.

Art. 222. *Liability of the Carrier for delay or failure to carry out the contract.*

The carrier shall be liable for any damage caused to the passenger by reason of delay or failure to carry out the contract, unless the carrier can show that such delay or failure was due to circumstances outside his control.

Art. 223. *Liability in case of death of or injury to Passenger.*

- (1) The carrier shall be liable for the damage arising out of the death of, or bodily injury to, a passenger, where such damage occurred whilst the passenger was on board, from the time of embarkation until disembarkation or during embarkation or disembarkation, unless the carrier can

show that such death or injury was due to circumstances outside his control.

- (2) The liability of the carrier for the death of or personal injury to, a passenger shall in no case exceed Eth. \$40,000.
- (3) Where damages may be awarded in the form of periodical payments, the equivalent capital shall not exceed the same limit.
- (4) Nevertheless, by special contract, the carrier and the passenger may agree to a higher limit of liability.
- (5) The carrier shall not be entitled to the benefit of the limitation of liability if it is proved that the damage resulted from an act or omission of the carrier done with intent to cause damage or recklessly and with knowledge that damage would probably result.

Art. 224. *Carriage of Baggage.*

- (1) The provisions regarding the carriage of goods shall apply to the carriage of baggage where the baggage is taken in custody against a receipt.
- (2) The carrier shall not be liable for loss of or damage to baggage in respect of which no receipt has been given and which remains in the custody of the passenger, unless the passenger can show that such loss or damage was due to the fault of the carrier or his representative.

Art. 225. *Gratuitous Carriage.*

- (1) The provisions of Articles 222, 223 and 224 shall apply to gratuitous carriage.
- (2) In the case of voluntary carriage, the carrier shall only be liable where the person carried can show that the damage arose through the fraud or gross negligence of the carrier or his representative.

Art. 226. *Articles 223 - 225 Always Applicable.*

The provisions of Articles 223 to 225 shall apply notwithstanding any agreement to the contrary.

Art. 227. *Carrier's Lien on Baggage.*

Carriers shall have a lien on the baggage of passengers on board for sums due under the contract of carriage.

Art. 228. *Limitation of Actions.*

- (1) Actions arising out of the contract of carriage of persons and of baggage for which no receipt has been given shall be barred after one year.
- (2) The period of limitation shall run from the day when the act complained of took place, or from the date of conclusion of the contract.

- (3) The provisions of Art. 203 shall apply to actions arising out of a contract of carriage for baggage taken into custody against receipt.

TITLE V

MARITIME COLLISIONS, ASSISTANCE AND SALVAGE

Chapter 1. Collisions

Art. 229. Rules Applicable to Collisions.

Where a collision occurs between ships, the compensation due for damages caused to the ships, or to any property or persons on board thereof, shall be settled in accordance with the following provisions.

Art. 230. Accidental Collision.

If the collision has been occasioned by a fortuitous accident or if it cannot be shown that any of the parties is to blame, the damage shall rest where it falls.

Art. 231. Collision fault of one ship.

When any damage to ships, goods or persons has been caused by a collision between ships, and one party alone is to blame, he shall be liable for any loss or damage caused thereby.

Art. 232. Collision fault of two or more ships.

- (1) When two or more ships are to blame, each party shall be liable for a portion of the damage in proportion to the faults committed on either side. If the circumstances afford no basis for an apportionment in any definite proportion, the damage shall be shared equally.
- (2) The damages caused, either to the ships or to their cargoes or to the effects or other property of the crews, passengers or other persons on board, are borne by the ships in fault in the above proportions, and even to third parties a ship is not liable for more than such proportion of such damages.
- (3) In respect of damages caused by death or personal injuries, the ships at fault are jointly and severally liable to third parties, without prejudice to the right of the ship which has paid a larger part than that which, in accordance with the provisions of sub-article (1), she shall bear to obtain a contribution from the other ship or ships at fault.

Art. 233. Collision caused by the fault of a Pilot.

Articles 230 to 232 shall apply where collision is caused by the fault of a pilot, even where pilotage is compulsory.

Art. 234. *Extent to which damages are made good.*

Articles 230 - 233 shall apply to making good damages which a ship has caused to another ship, or to goods and persons on board either ship, either by the execution or non-execution of a manœuvre or by the non-observance of the prescribed regulations concerning prevention of collisions at sea, even where no collision has taken place.

Art. 235. *Duties of the Masters.*

- (1) After a collision, the master of each of the ships in collision shall, so far as he can do so without serious danger to his ship, her crew and passengers, render assistance to the other ship, her crew and her passengers.
- (2) He shall as far as possible make known to the other ship the name of his ship, the port to which she belongs and the port from which she comes and to which she is bound.

Art. 236. *Procedure.*

- (1) The right to sue for the recovery of damages resulting from a collision shall not depend upon the fulfilment of any formality.
- (2) There are no legal presumptions of fault in regard to liability for collision.

Art. 237. *Courts having Jurisdiction.*

The following Courts shall have jurisdiction to try an action for damages arising out of a collision:

- (a) the court of the place of collision where the collision has occurred within the limits of a port or in territorial waters; or
- (b) the court where the defendant has his domicile; or
- (c) the court of the place of registry of the ship of the shipowner against whom the action is introduced; or
- (d) the court of the place where the ship has been arrested, even after release has been ordered upon bail or other security.

Art. 238. *Limitation.*

- (1) Actions for damage to property or persons arising out of one of the acts referred to in Articles 230 to 234 shall be barred after two years from the date of the occurrence:
Provided that a claim under Art. 232 (3) shall be barred after one year from the date of payment.
- (2) The periods specified in sub-article (1) shall not run where arrest of the defendant vessel in the territorial waters of the State in which the claimant has his domicile or principal place of business has not been possible.

Chapter 2. Assistance and salvage at sea

Art. 239. *Rules applicable to assistance and salvage.*

Assistance and salvage are subject to the provisions of this Chapter.

Art. 240. *Remuneration.*

Every act of assistance or salvage which has been successful shall give a right to equitable remuneration which shall not exceed the value of the property salvaged.

Art. 241. *No remuneration for forced salvage.*

No one shall be entitled to any salvage reward who forces his salvage services upon the ship against the express and proper refusal of the person in command.

Art. 242. *Assistance of Ships by Shipowners.*

Salvage remuneration shall be due although the salving ship belongs to the same owner as the salvaged ship.

Art. 243. *Exceptional Assistance in Towage and Piloting.*

If anyone has undertaken by contract to assist the ship by piloting, towing or the like, and the ship comes in distress, he shall not be entitled to any salvage reward unless the assistance thus rendered cannot be held to be covered by the contract.

Art. 244. *Saving of Life.*

- (1) No remuneration shall be due from the persons whose lives are saved.
- (2) Salvors of human life who have taken part in the services rendered on the occasion of the same dangers are entitled to a fair share of the remuneration awarded to the salvors of the ship, her cargo and accessories.

Art. 245. *Determination of the amount of remuneration.*

- (1) The amount of remuneration shall be fixed by agreement between the parties, and, failing agreement, by the court.
- (2) The proportion in which the remuneration is to be distributed among the salvors, or among the owners, the master and the crew of each salving ship shall be determined in the same manner.
- (3) Where the salving ship is a foreign ship, the apportionment among the owner, master and persons in the service of the ship shall be determined in accordance with the national law of the ship.

Art. 246. *Cancellation or Alteration of the Salvage Agreement by the Court.*

- (1) Any agreement as to assistance or salvage entered into at the moment and under the influence of danger may, at the request of either party, be cancelled or varied by the court for good reason.

- (2) Where it is shown that the consent of one of the parties has been obtained by fraud or concealment, or where the remuneration is disproportionate to the services rendered, the agreement may be cancelled or varied by the court at the request of the party affected.

Art. 247. *How remuneration determined.*

- (1) The remuneration shall be fixed by the court having regard to the following considerations:
- (a) the measure of success which the salvage operations have had;
 - (b) the competence and skill shown by the salvage services, the time used and the exertions made in them;
 - (c) the danger to which the salvaged ship, her passengers, crew or goods have been exposed;
 - (d) the danger to which the salvors or their property have been exposed;
 - (e) the risk run by the salvors of any liability in damages to third parties or of any other loss;
 - (f) the loss of life, personal injury or the damage to property suffered by the salvors, the expenses they have incurred and the losses sustained, further the value of the appliances used in the salvage operations;
 - (g) the fact that the ship used by the salvors has been specially fitted for salvage operations;
 - (h) the value of the property salvaged.
- (2) The Court may reduce or refuse to grant remuneration, where it appears that the salvors have by their fault rendered the salvage or assistance necessary, or have been guilty of theft, receiving stolen goods, or other acts of fraud.
- (3) The considerations set out in sub-article (1) shall be taken into consideration when determining an apportionment under Art. 245 (2).

Art. 248. *Assistance compulsory in respect of persons found at sea in danger of being lost.*

- (1) The master shall, so far as he can do so without serious danger to his ship, her crew and passengers, render assistance to any person found at sea in danger of being lost.
- (2) No duties or liabilities are imposed on, or incurred by, the owner of the ship under this Article.

Art. 249. Claims for payment of assistance or salvage remuneration.

- (1) Claims of the payment of assistance or salvage remuneration shall be barred after two years from the day on which assistance or salvage has been completed: Provided that this period shall not run where arrest of the assisted or salvaged ship within the territorial waters of the State where the claimant is domiciled or has his principal place of business, has not been possible.
- (2) The claim shall give rise to a lien on the ship and freight in accordance with Art. 15 (3). It shall in addition give rise to a lien on the salvaged goods.

Art. 250. Application to Government Ships of Rules Regarding Assistance.

The rules laid down in this Chapter shall apply to Government ships. In the case of assistance lent or salvage made by Government ships, the Imperial Government shall have the same rights as a private managing owner.

TITLE VI

PARTICIPATION IN GENERAL AVERAGE

Art. 251. General Average Act.

There is a general average act when and only when, any extraordinary sacrifice or expenditure is intentionally and reasonably made or incurred for the common safety for the purpose of preserving from peril the property involved in a common maritime adventure.

Art. 252. Sacrifice and Expenses How Borne.

General average sacrifices and expenses shall be borne by the different contributing interests on the basis hereinafter provided.

Art. 253. Only Losses, etc. direct consequence of Act allowed.

Only such losses, damages or expenses which are the direct consequence of the general average act shall be allowed as general average.

Art. 254. Loss or Damage not Allowed.

Loss or damage sustained by the ship or cargo through delay, whether on the voyage or subsequently, such as demurrage, and any indirect loss whatsoever, such as loss of market, shall not be admitted as general average.

Art. 255. Result of Fault of One Party.

Rights to contributions in general average shall not be affected, though the event which gave rise to the sacrifice or expenditure may have been due

to the fault of one of the parties to the adventure; but this shall not prejudice any remedies which may be open against that party for such fault.

Art. 256. *Onus of Proof.*

The onus of proof is upon the party claiming in general average to show that the loss or expense claimed is properly allowable as general average.

Art. 257. *Extra Expenses.*

Any extra expense incurred in place of another expense which would have been allowable as general average shall be deemed to be general average and so allowed without regard to the saving, if any, to other interests, but only up to the amount of the general average expense avoided.

Art. 258. *Adjustment of Loss and Contribution.*

1) General average shall be adjusted as regards both loss and contribution upon the basis of values at the time and place when and where the adventure ends.

2) This Article shall not affect the determination of the place at which the average statement is to be made up.

Art. 259. *Jettison of Cargo.*

No jettison of cargo shall be made good as general average, unless such cargo is carried in accordance with the recognised custom of the trade.

Art. 260. *Damage by Jettison and Sacrifice for the Common Safety.*

Damage done to a ship and cargo, or either of them, by or in consequence of a sacrifice made for the common safety, and by water which goes down a ship's hatches opened or other opening made for the purpose of making a jettison for the common safety, shall be made good as general average.

Art. 261. *Extinguishing Fire on Shipboard.*

Damage done to a ship and cargo, or either of them, by water or otherwise, including damage by beaching or scuttling a burning ship, in extinguishing a fire on board the ship, shall be made good as general average; except that no compensation shall be made for damage to such portions of the ship and bulk cargo, or to such separate packages of cargo, as have been on fire.

Art. 262. *Cutting Away Wreck.*

Loss or damage caused by cutting away the wreck or remains of spars, or of other things which have previously been carried away by sea-peril, shall not be made good as general average.

Art. 263. *Voluntary Stranding.*

When a ship is intentionally run on shore, and the circumstances are such that if that course were not adopted she would inevitably drive on shore or on rocks, no loss or damage caused to the ship, cargo and freight or any of them by such intentional running on shore shall be made good as general average, but loss or damage incurred in refloating such a ship shall be allowed as general average.

In all other cases where a ship is intentionally run on shore for the common safety, the consequent loss or damage shall be allowed as general average.

Art. 264. *Carrying Press of Sail — Damage to or Loss of Sails.*

Damage to or loss of sails and spars, or either of them, caused by forcing a ship off the ground or by driving her higher up the ground for the common safety, shall be made good as general average; but where a ship is afloat, no loss or damage caused to the ship, cargo and freight, or any of them, by carrying a press of sail, shall be made good as general average.

Art. 265. *Damage to Machinery and Boilers.*

Damage caused to machinery and boilers of a ship which is ashore and in a position of peril, in endeavouring to refloat, shall be allowed in general average when shown to have arisen from an actual intention to float the ship for the common safety at the risk of such damage, but where a ship is afloat no loss or damage caused by working the machinery and boilers, including loss or damage due to compounding of engines or such measures, shall in any circumstances be made good as general average.

Art. 266. *Lightening a Ship when Ashore, and Consequent Damage.*

When a ship is ashore and cargo and ship's fuel and stores or any of them are discharged as a general average act the extra cost of lightening, lighter hire and re-shipping (if incurred), and the loss or damage sustained thereby, shall be admitted as general average.

Art. 267. *Ship's Materials and Stores Burnt for Fuel.*

Ship's materials and stores, or any of them necessarily burnt for fuel for the common safety at a time of peril, shall be admitted as general average, when and only when an ample supply of fuel has been provided, but the estimated quantity of fuel that would have been consumed, calculated at the price current at the ship's last port of departure at the date of her leaving, shall be credited to the general average.

Art. 268. *Expenses at Port of Refuge, etc.*

(1) When a ship shall have entered a port or place of refuge, or shall have

returned to her port or place of loading in consequence of accident, sacrifice or other extraordinary circumstances, which render that necessary for the common safety, the expenses of entering such port or place shall be admitted as general average; and when she shall have sailed thence with her original cargo, or part of it, the corresponding expenses of leaving such port or place consequent upon such entry or return shall likewise be admitted as general average.

- (2) When a ship is at any port or place of refuge and is necessarily removed to another port or place because repairs cannot be carried out in the first port or place, the provisions of this Article shall be applied to the second port or place as if it were a port or place of refuge. The provisions of Art. 269 shall be applied to the prolongation of the voyage occasioned by such removal.
- (3) The cost of handling on board or discharging cargo, fuel or stores, whether at a port or place of loading, call or refuge, shall be admitted as general average when the handling or discharge was necessary for the common safety or to enable damage to the ship caused by sacrifice or accident to be repaired, or the repairs were necessary for the safe prosecution of the voyage.
- (4) Whenever the cost of handling or discharging cargo, fuel or stores is admissible as general average, the cost of reloading and stowing such cargo, fuel or stores on board the ship, together with all storage charges (including fire insurance, if incurred), on such cargo, fuel or stores, shall likewise be so admitted. But when the ship is condemned or does not proceed on her original voyage, no storage expenses incurred after the date of the ship's condemnation or of the abandonment of the voyage shall be admitted as general average. In the event of the condemnation of the ship or the abandonment of the voyage before completion of discharge of cargo, storage expenses as above shall be admitted as general average up to date of completion of discharge.
- (5) If a ship under average be in a port or place at which it is practicable to repair her, so as to enable her to carry on the whole cargo, and if, in order to save expenses, either she is towed then to some other port or place of repair or to her destination, or the cargo or a portion of it is transhipped by another ship, or otherwise forwarded, then the extra cost of such towage, transhipment and forwarding, or any of them up to the amount of the extra expense saved shall be payable by the several parties to the adventure in proportion to the extraordinary expense saved.

Art. 269. *Wages and Maintenance of Crew and other Expenses bearing up for and in a Port of Refuge, etc.*

- (1) Wages and maintenance of master, officers and crew reasonably incurred and fuel and stores consumed during the prolongation of the voyage occasioned by a ship entering a port or place of refuge or returning to her port or place of loading shall be admitted as general average when the expenses of entering such port or place are allowable in general average in accordance with Art. 268 (1).
- (2) When a ship shall have entered or been detained in any port or place in consequence of accident, sacrifice or other extraordinary circumstances which render that necessary for the common safety, or to enable damage to the ship caused by sacrifice or accident to be repaired, if the repairs were necessary for the safe prosecution of the voyage, the wages and maintenance of the master, officers and crew reasonably incurred during the extra period of detention in such port or place until the ship shall or should have been made ready to proceed upon her voyage shall be admitted to general average. When the ship is condemned or does not proceed on her original voyage, the extra period of detention shall be deemed not to extend beyond the date of the ship's condemnation or the abandonment of the voyage or, if discharge of cargo is not then completed, beyond the date of completion of discharge.

Fuel and stores consumed during the extra period of detention shall be admitted as general average, except such fuel and stores as are consumed in effecting repairs not allowable in general average.

Port charges incurred during the extra period of detention shall likewise be admitted as general average except such charges as are incurred solely by reason of repairs not allowable in general average.

- (3) For the purpose of this and the other articles wages shall include all payments made to or for the benefit of the master, officers and crew, whether such payments be imposed by law upon the shipowners or be made under the terms or articles of employment.
- (4) When overtime is paid to the master, officers or crew for maintenance of the ship or repairs, the cost of which is not allowable in general average, such overtime shall be allowed in general average only up to the saving in expense which would have been incurred and admitted as general average, had such overtime not been incurred.

Art. 270. *Damage to Cargo in Discharging, etc.*

Damage to or loss of cargo, fuel or stores caused in the act of handling, discharging, storing, reloading and stowing shall be made good as general

average, when and only when the cost of those measures respectively is admitted as general average.

Art. 271. Deductions from Cost of Repairs.

In adjusting claims for general average, repairs to be allowed in general average shall be subject to deductions in respect of "new for old" according to the following rules, where old material or parts are replaced by new.

The deductions shall be regulated by the age of the ship from date of original register to the date of accident, except for provisions and stores, insulation, life and similar boats, gyro compass equipment, wireless, direction finding, echo sounding and similar apparatus, machinery and boilers for which the deductions shall be regulated by the age of the particular parts to which they apply.

No deduction shall be made in respect of provisions, stores and gear which have not been in use.

The deductions shall be made from the cost of new material or parts including labour and establishment charges, but excluding cost of opening up.

Drydock and slipway dues and costs of shifting the ship shall be allowed in full.

No cleaning and painting of bottom shall be allowed, if the bottom has not been painted within six months previous to the date of the accident.

A — Up to 1 year old.

All repairs shall be allowed in full, except scaling and cleaning and painting or coating of bottom, from which one-third is to be deducted;

B — Between 1 and 3 years old.

Deduction off scaling, cleaning and painting bottom as above under Clause A.

One-third shall be deducted off sails, rigging, ropes, sheets and hawsers (other than wire and chain), awnings, covers, provisions and stores and painting.

One-sixth shall be deducted off woodwork of hull, including hold ceiling, wooden masts, spars and boats, furniture, upholstery, crockery, metal and glass-ware, wire, rigging, wire ropes and wire hawsers, gyro compass equipment, wireless, direction finding, echo sounding and similar apparatus, chain cables and connections, winches and cranes and connections and electrical machinery and connections other than electrical propelling machinery other repairs to be allowed in full.

Metal sheathing for wooden or composite ships shall be dealt with by allowing in full the cost of a weight of metal sheathing stripped off

minus the proceeds of the old metal. Nails, felt and labour metalling are subject to a deduction of one-third.

C — Between 3 and 6 years.

Deductions as above under Clause B, except that one-third be deducted off woodwork of hull including hold ceiling, wooden masts, spars and boats, furniture, upholstery, and one-sixth be deducted off iron-work of masts and spars and all machinery (inclusive of boilers and their mountings).

D — Between 6 and 10 years.

Deductions as above under Clause C, except that one-third be deducted off all rigging, ropes, sheets, and hawsers, iron-work of masts and spars, gyro compass equipment, wireless, direction finding, echo sounding and similar apparatus, insulation, auxiliary machinery, steering gear, winches, cranes and connections and all other machinery (inclusive of boilers and their mountings).

E — Between 10 and 15 years.

One-third to be deducted off all renewals, except iron-work of hull and cementing and chain cables, from which one-sixth to be deducted, and anchors, which are allowed in full.

F — Over 15 years.

One-third to be deducted off all renewals, except chain cables, from which one-sixth to be deducted, and anchors, which are allowed in full.

Art. 272. *Temporary Repairs.*

- (1) Where temporary repairs are effected to a ship at a port of loading, call or refuge, for the common safety, or of damage caused by general average sacrifice, the cost of such repairs shall be admitted as general average.
- (2) Where temporary repairs of accidental damage are effected merely to enable the adventure to be completed, the cost of such repairs shall be admitted as general average without regard to the saving, if any, to other interests, but only up to the saving in expense which would have been incurred and allowed in general average if such repairs had not been effected there.
- (3) No deductions "new for old" shall be made from the cost of temporary repairs allowable as general average.

Art. 273. *Loss of Freight.*

Loss of freight arising from damage to or loss of cargo shall be made good as general average, either when caused by a general average act, or when

the damage to or loss of cargo is so made good. Deduction shall be made from the amount of gross freight lost of the charges which the owner thereof would have incurred to earn such freight, but has, in consequence of the sacrifice, not incurred.

Art. 274. Amount to be made good for cargo lost or damaged by sacrifice.

- (1) The amount to be made good as general average for damage to or loss of goods sacrificed shall be the loss which the owner of the goods has sustained thereby, based on the market values at the last day of discharge of the vessel or at the termination of the adventure where this ends at a place other than the original destination.
- (2) Where goods so damaged are sold and the amount of the damage has not been otherwise agreed, the loss to be made good in general average shall be the difference between the net proceeds of sale and the net sound value at the last day of discharge of the vessel or at the termination of the adventure where this ends at a place other than the original destination.

Art. 275. Contributory Values.

- (1) The contribution to a general average shall be made upon the actual net values of the property at the termination of the adventure, to which values shall be added the amount made good as general average for property sacrificed, if not already included, deduction being made from the shipowner's freight and passage money at risk, of such charges and crew's wages as would not have been incurred in earning the freight, had the ship and cargo been totally lost at the date of the general average act, and have not been allowed as general average; deduction being also made from the value of the property of all charges incurred in respect thereof subsequently to the general average act, except such charges as are allowed in general average.
- (2) Passengers' luggage and personal effects not shipped under bill of lading shall not contribute in general average.
- (3) The amount to be allowed as general average for damage or loss to the ship, her machinery and/or gear when repaired or replaced shall be the actual reasonable cost of repairing or replacing such damage or loss, subject to deduction in accordance with Art. 271. When not repaired, reasonable depreciation shall be allowed, not exceeding the estimated cost of repairs.

Art. 276. *Damage to Ship.*

Where there is an actual or constructive total loss of the ship the amount to be allowed as general average for damage or loss to the ship caused by a general average act shall be the estimated sound value of the ship after deducting therefrom the estimated cost of repairing damage which is not general average and the proceeds of sale, if any.

Art. 277. *Undeclared or Wrongfully Declared Cargo.*

- (1) Damage or loss caused to goods loaded without the knowledge of the shipowner or his agent or to goods wilfully misdescribed at time of shipment shall not be allowed as general average, but such goods shall remain liable to contribute, if saved.
- (2) Damage or loss caused to goods which have been wrongfully declared on shipment at a value which is lower than their real value shall be contributed for at the declared value, but such goods shall contribute upon their actual value.

Art. 278. *Provision of Funds.*

- (1) A commission of 2 per cent on general average disbursements, other than the wages and maintenance of master, officers and crew and fuel and stores not replaced during the voyage, shall be allowed in general average, but when the funds are not provided by any of the contributing interests, the necessary cost of obtaining the funds required by means of a bottomry bond or otherwise, or the loss sustained by owners of goods sold for the purpose, shall be allowed in general average.
- (2) The cost of insuring money advanced to pay for general average disbursements shall also be allowed in general average.

Art. 279. *Interest on Losses made good in General Average.*

Interest shall be allowed on expenditure, sacrifices and allowances charged to general average at the rate of 5 per cent. per annum, until the date of the general average statement, due allowance being made for any interim reimbursement from the contributory interests or from the general average deposit fund.

Art. 280. *Treatment of Cash Deposits.*

- (1) Where cash deposits have been collected in respect of cargo's liability for general average, salvage or special charges, such deposits shall be paid without any delay into a special account in the joint names of a representative nominated on behalf of the depositors in a bank to be approved by both.

- (2) The sum so deposited, together with accrued interest, if any, shall be held as security for payment to the parties entitled thereto of the general average, salvage or special charges payable by cargo in respect to which the deposits have been collected. Payments on account or refunds of deposits may be made if certified to in writing by the average adjuster. Such deposits and payments or refunds shall be without prejudice to the ultimate liability of the parties.

Art. 281. *General Average borne in Due Course.*

General average loss shall be shared rateably by the ship, freight, passage money, cargo and all property, as specified in Art. 275, directly at risk at the time of the general average act.

Art. 282. *Inadmissibility of a Demand for Contribution.*

A demand for contribution in general average shall be inadmissible where the damage has not been the subject of a reservation in writing made by the master or against him within three days from the delivery of the goods, holidays not included.

Art. 283. *Lien in respect of Claims in General Average.*

- (1) Claims in general average shall be secured by lien on the property salvaged up to the amount of the contribution due in respect of such item.
- (2) Liens in respect of ships shall be subject to the rules set forth in this Code.
- (3) The property to which the lien attaches may be detained by the carrier at the port of arrival, unless the carrier is given such sufficient and proper security as will ensure eventual payment of the contribution. The Court may order the attachment of the property including the sale thereof, up to the amount of the provisional contribution determined in accordance with the procedure laid down in the Code of Civil Procedure.
- (4) Where there are several claims in general average they shall rank in the inverse order of the dates on which they came into being.

Art. 284. *General Average Statement.*

The general average statement shall be drawn up for each interest, both in respect of the estimation of losses admitted in general average and in respect of the contribution, on the basis of the valuation at the time the voyage ended and, unless otherwise stipulated, at the place determined for the conclusion of the voyage and with effect from arrival in such place.

Art. 285. *Average Adjusters.*

- (1) The general average statement shall be drawn up by one or several average adjusters. Failing agreement between the parties, the adjusters shall be appointed by the Court having jurisdiction. The adjusters may appoint experts to assist them.
- (2) Failing agreement between all the parties, the general average statement shall be submitted to the Court for ratification by any party, the other parties being served.

Art. 286. *Costs and Honoraria.*

Costs and honoraria incurred in the average statement shall be borne by the contributory values, as a prior charge.

Art. 287. *Limitation of Proceedings for Claiming Contribution.*

- (1) Claims for contribution shall be barred after two years from the arrival of the ship at her destination or from the day when she was to arrive.
- (2) The period of limitation shall be suspended by the appointment of one or several average adjusters under Art. 285. A further period of two years shall run from the date on which the adjusters have declared that they are unable to fulfil their task.

TITLE VII**INSURANCE****Chapter. 1. Contract of Insurance****Art. 288. *Extent of Application of Rules.***

Any policy of insurance having as its principal object to guarantee a maritime risk, including collateral risks, shall be subject to the provisions of this Title.

Art. 289. *Form of the Policy.*

- (1) The policy of insurance shall be in writing.
- (2) Additions to, and modifications of, the original policy of insurance shall also be in writing.

Art. 290. *Cover-notes.*

A cover-note shall bind the parties.

Art. 291. *Particulars in the Policy of Insurance.*

- (1) The policy of insurance shall specify:
 - a) the place where the insurance is entered into;

- b) the date and time of conclusion of the policy;
 - c) the names and domiciles of the parties, showing where appropriate that the assured is acting on behalf of a third person;
 - d) the subject matter insured and the risk insured against;
 - e) the voyage or period of time or both, as the case may be, covered by the insurance;
 - f) the sum or sums insured;
 - g) the amount of premium;
 - h) the clause to order or to bearer, where agreed on.
- (2) The policy of insurance shall be signed by the underwriter or his representative. The parties shall be entitled, at their own expense, to a true copy of the policy.

Art. 292. *Subject matter which may be insured.*

- (1) Anything which can be valued in money's worth and which is exposed to maritime risk for lawful purpose may be insured.
- (2) No person may claim under the policy unless he has suffered damage as a result of the casualty.

Art. 293. *Reinsurance.*

An underwriter may reinsure the risks which he has agreed to cover.

Art. 294. *Insurance of a Ship under Construction.*

A ship under construction may be the subject of marine insurance as soon as she is laid down.

Art. 295. *Commencement of Risk for the Ship.*

- (1) With regard to the ship, the risks of the voyage shall run from the time when the shipment of cargo commences until the termination of unloading. Provided that the duration of risk may not exceed a period of fifteen days after arrival at the destination, nor go beyond the time when goods are shipped at the destination for further voyage.
- (2) Where the ship is in ballast, the risks of the voyage shall run from the time when she has cast off or shipped anchor, and shall terminate when she anchors or moors at the place of destination.

Art. 296. *Ship under Voyage.*

- (1) In the case of insurance of a ship taken out for a limited period where the ship is under voyage at the date fixed for the commencement or termination of the risks, the risks shall run as from the end of the voyage or shall be extended until the end of the voyage.

- (2) In the first case the premium shall be refunded in proportion to the period not having run. In the second case the premium shall be collected in proportion to the additional duration of the risks.

Art. 297. *Determination of the Value of Goods.*

- (1) Where the value of goods is not fixed by the contract, it shall be determined on the basis of the purchase price or on the basis of the price current at the date and place of loading and on the basis of charges paid and costs incurred up to the time of loading, freight pro rata, the cost of the insurance and, where appropriate, the anticipated profits.
- (2) The value shall be the value at the destination on the date of arrival, or where the goods do not arrive, on the date when they should have arrived, when such value is greater than that indicated above.

Art. 298. *Commencement of Risk in respect of Goods.*

In respect of goods, the risk shall run from the date when they are delivered to the carrier at the place of departure for the voyage insured. The risk shall terminate at the time when the goods are delivered to the consignee at the last place of arrival: Provided that delivery is effected within thirty days of unloading.

Art. 299. *Cancellation of the Contract.*

- (1) The underwriter may terminate policies in force in the event of the bankruptcy of the assured.
- (2) The underwriter has the same right, where a premium due is not paid and where he has served notice on the assured to pay the said premium within a period of twenty-four hours.
- (3) Cancellation and the notice to pay may be by registered letter or cable.
- (4) Cancellation shall result in the refund of the premium in proportion to the risks which have not run, without prejudice to other claims.
- (5) Cancellation shall be of no effect as regards third parties in good faith under a transfer prior to any casualty and to notice of cancellation, provided that such third parties have paid the premium where it has not been paid by the assured.
- (6) In the event of the bankruptcy of the underwriter, the assured has the same rights.

Art. 300. *Non-disclosure and Misrepresentation.*

- (1) Any concealment or misrepresentation on the part of the assured, by which the risk insured has been underestimated, shall result in the cancellation of the policy, even in the absence of fraud.
- (2) The policy shall be cancelled notwithstanding that the concealment or

misrepresentation does not relate to the damage to or loss of the thing insured.

- (3) The underwriter shall be entitled to the whole of the premium in the event of fraud, and to half the premium in the absence thereof.

Art. 301. *Increase of Risk.*

- (1) Any increase of the risk in course of insurance shall result in the cancellation of the policy, where such increase was not notified to the underwriter at the time it became known to the assured.
- (2) Where the underwriter is notified of an increase of the risk, due to the acts of the assured, he may either cancel the policy and claim for the premium or require an increase in the premium. If the increase is otherwise caused, the policy shall remain in force, subject to an increase in the premium.

Art. 302. *Cancellation by the Assured.*

The assured may cancel the insurance policy for so long as the risk has not started to run. Where the assured cannot show force majeure, he shall pay to the underwriter, as compensation, one half of the premium fixed in the policy.

Chapter 2. Rights and Obligations of the Assured

And the Underwriter

Art. 303. *Damage and Loss at the Risk of the Underwriter.*

Damage to, and loss of, the things insured resulting from storm, shipwreck, stranding, collision, jettison, fire, explosion and in general arising out of all perils of the sea and force majeure, are at the risk of the underwriter.

Art. 304. *Things insured against General Average.*

The underwriter shall be responsible for the contribution of the things insured in general average, unless the general average contribution arises out of a risk excluded from insurance.

Art. 305. *Policy Shall remain in Force in the event of Obligatory Deviation.*

- (1) The risks insured shall be covered in the event of an obligatory deviation, or change of voyage or of ship, as well as in the event of the fault of the master or the crew.
- (2) Where the hull of the ship is insured, the underwriter shall not be liable for the consequences of faults of the master by way of fraud or wilful

misrepresentation, where the master was chosen by the shipowner.

Art. 306. *Cases Considered as Obligatory Deviation.*

Deviations or changes which are decided on by the master without consulting the shipowner or the assured and deviations or changes having as their object to render assistance or salvage services to a ship or vessel in danger or to persons and things on board such ship or vessel, shall be considered as obligatory deviations, or changes in voyage or of ship.

Art. 307. *Shortening of Voyage.*

- (1) Where the voyage is shortened there is no change in voyage, provided that the new port of departure or of arrival be a port of call referred to in the policy.
- (2) In the event of a voluntary change in voyage or a deviation, the underwriter shall be liable in respect of casualties proved to have occurred in the course of the agreed route.

Art. 308. *Other Deviation or Changes of Ship.*

Any other deviation or change of voyage or ship shall discharge the underwriter, the premium vesting as soon as the risk begins to run.

Art. 309. *Underwriter not Liable for the results of Faults of the Assured.*

- (1) Save as is otherwise provided in Art. 305 the underwriter shall not be liable for the acts or faults of the assured, or of the servants and agents of, or persons claiming through, the assured.
- (2) Any agreement to the contrary may not set up a guarantee against fraud or wilful misrepresentation.

Art. 310. *Inherent Vice of the Thing Insured.*

- (1) Damage and loss resulting from the nature or inherent vice of the thing insured, including wastage and loss in transit shall not be borne by the underwriter, unless such loss or damage results from a latent defect in the ship which a prudent shipowner could not have foreseen.
 - (2) Where the hull of the ship is insured, the absence of certificates of inspection shall give rise to a presumption of the existence of a latent defect in the ship.
 - (3) Insufficiency in the conditioning of the goods shall be considered to be an inherent vice.
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Art. 311. *Damage to other goods caused by the Property Insured.*

Unless otherwise agreed, the underwriter shall not be liable for damage to goods and to persons caused by the property insured.

Art. 312. *Exclusion of War Risks.*

- (1) Risks arising out of civil or foreign war shall not be borne by the underwriter.
- (2) If otherwise agreed, the underwriter shall be liable for all damage and loss caused to the property insured by hostilities, reprisals, capture, arrest, detension, embargo and molestations by any government or authority whatsoever, by explosion of engines of war and, in general, by all fortune of war as well as by piracy.

Art. 313. *Contract Concluded for an Amount exceeding the value of the Things Insured.*

- (1) A contract of insurance concluded for an amount exceeding the value of the things may be cancelled on the demand of the underwriter where it is proved that there has been fraud or wilful misrepresentation, and the premium shall not be refunded.
- (2) Where there has been neither fraud nor wilful misrepresentation the contract is valid up to the amount of the value of the things insured and the underwriter has a right to half the premium for the amount of the excess valuation.

Art. 314. *Full Value Not Insured.*

Where the full value is not insured, the assured shall remain his own insurer in respect of the difference and shall bear loss and damage rateably.

Art. 315. *Same Risk Covered by Several Underwriters.*

Where the same risk is covered by several underwriters, each such underwriter shall only be liable in proportion to the amount for which he has given cover, without being jointly and severally liable with the other underwriters.

Art. 316. *Exercise by the Assured of His Rights against the Several Underwriters.*

- (1) Where, in the absence of wilful misrepresentation on the part of the assured, the same risk is the subject of several insurances, and provided that the total amount so insured does not exceed the value of the thing insured, the assured may exercise his rights against the several underwriters, in whatever order he selects, in proportion the capital value insured by each and within the limits of the damage incurred.

- (2) The assured shall declare to the underwriter the several policies which have been contracted.
- (3) Where there is wilful misrepresentation on the part of the assured, each contract may be cancelled at the demand of the underwriter.
- (4) In no case shall an underwriter who has acted in good faith refund the premium.

Art. 317. *Contract Concluded After the Loss or Arrival of the Thing Insured.*

- (1) A contract of insurance concluded after the loss or arrival of the things insured shall be of no effect if the news of the loss or arrival was available either at the place where the assured was present before taking out the insurance, or at the place where the contract was signed but before the underwriter had affixed his signature.
- (2) Where the subject matter is insured "lost or not lost," the contract may not be cancelled unless it is proved that the assured was personally aware of the loss, or the underwriter of the arrival.
- (3) A party shown to have acted in bad faith shall pay to the other party twice the amount of the agreed premium as compensation.
- (4) The insurance shall be of no effect where the assured, being aware of the loss after having requested the insurance, has failed to give the necessary instructions within as short a time as possible for the cancellation of his request prior to signature.

Art. 318. *Casualties occurring before Signature of the Contract.*

The underwriter shall not be liable for casualties occurring before signature of the contract unless the assured did not have presumptive or material knowledge thereof.

Art. 319. *Premium not to be Refunded After Risks Begin to Run.*

No refund shall be made by the underwriter after the risks begin to run.

Art. 320. *Notice to be given to Underwriter.*

In the case of occurrences likely to give rise to claims against the underwriter, the assured shall give notice to the underwriter within three working days of his becoming aware of such occurrences.

Art. 321. *Conservatory Measures Taken by the Assured.*

The assured shall, without prejudice to his right to abandonment, take all measures of preservation, arrange for or proceed to the salvage of the property insured and reserve all rights there may be against third parties.

The underwriter may himself take such measures, which shall not be deemed an acknowledgment of liability or an act of ownership.

Art. 322. Liability of the Assured for failure to fulfil his Obligations.

The assured shall be liable where he fails to comply with the provisions of Articles 320 and 321.

Art. 323. Subrogation.

An underwriter who has paid losses or damage shall be subrogated to the rights and actions of the assured against third parties liable or concerned in general average.

Art. 324. Floating Policies.

- (1) In the case of insurance upon goods subscribed by "floating" policies or "as interest may arise," the assured shall declare in interest, and the underwriter shall accept, during the period that the policy is in force and so far as they are applicable, all goods consigned on behalf of the assured or on behalf of third parties who have required the insurance of the goods, provided that such parties have an interest in the consignment.
- (2) Consignments made on behalf of the assured are covered from the time that the risk insured begins to run, even in respect to casualties of which the assured is aware before the declaration of interest, provided that such declaration was made within eight days from receipt by him of the notices concerning the consignment. This period shall not exceed three days for voyages between Ethiopian ports.
- (3) Where the declaration is made after the expiry of this period and in all cases where the consignment is made on behalf of a third person, the insurance shall take effect only from the date of the declaration, subject to the provisions of Arts. 317 and 318 which are applicable both to the assured and to the third party.

Art. 325. Failure to Make the Declaration of Interest.

- (1) Where the assured has failed to make the declaration of interest within the period provided in Art. 324, he shall pay to the underwriter, in addition to the premium, compensation equivalent thereto for the consignment not declared.
- (2) Where the extent of the failure to make the declaration or the repetition thereof shows that such failure was intentional, the policy shall be cancelled at the request of the underwriter. The underwriter may also,

by way of additional compensation, claim back payments made in respect of casualties relating to consignments made after the first failure to declare.

Art. 326. *Collision or the Rendering of Assistance or Salvage Services Between or by or to Ships belonging to the same Owner.*

- (1) In the event of collision or the rendering of assistance or salvage services between or by or to the insured ship and another ship belonging to the assured, the relations between the parties shall be the same as if the two ships belonged to different shipowners.
- (2) The same shall apply where the damage results from the execution or non-execution of a manoeuvre or by the non-observance of the regulations, even if no collision has taken place, as also in the case of a collision between the ship and a fixed or moving object belonging to the assured.
- (3) The same shall also apply where the goods are the property of the shipowner who carries them or who is the owner of the ship which has collided with, or rendered assistance to, the ship carrying the goods.

Chapter 3. Settlement of damage

Section 1. General Provisions

Art. 327. *Extent of the Liability of the Underwriter to pay Compensation.*

The underwriter shall in no case be liable to pay compensation exceeding the amount insured. He shall not be liable to repair or replace the property insured.

Art. 328. *Proof to be Furnished by the Assured.*

- (1) The assured shall prove that the risk has run and prove loss or damage or the existence of circumstances giving rise to abandonment.
- (2) Loss and damage or the circumstances giving rise to a right of abandonment shall, in the absence of proof to the contrary, be presumed to have arisen during the period of insurance and within its territorial scope.
- (3) In order to discharge himself the underwriter shall prove that the loss or damage or circumstances do not fall within the risks covered.
- (4) Where the insurance covers certain defined risks, the assured shall prove that the casualty resulted from such a risk.

Art. 329. *Period of Time for Payment of Compensation.*

- (1) Insurance compensation is payable thirty days following the production to the underwriter of the claim together with documentary evidence, and where appropriate, the act of abandonment. No proceedings may be brought against the underwriter during this period.

- (2) Where no agreement has been reached during this period, the documents shall be restored by the underwriter.

Section 2. Settlement in Average

Art. 330. *Cases where there is Settlement in Average.*

- (1) All damage and loss which is not the subject of an abandonment shall be settled in average.
- (2) For so long as abandonment is not accepted or adjudged proper the assured has the choice between abandonment and a settlement in average.
- (3) The right of abandonment does not create a right to a settlement in average. Settlement in average is only permitted where it is in conformity with the nature of the casualty and the actual stipulations in the contract.

Art. 331. *Limitation of the Liability of the Underwriter to Damage Directly affecting the thing insured.*

The underwriter shall only be liable for damage or loss directly affecting the thing insured. He shall not be liable for personal loss such as laying off, delay, difference in quotations, or an obstacle to the commercial transaction of the assured.

Art. 332. *Deduction new for old.*

The cost of repairs to the ship or its accessories shall be subject to deduction "new for old."

Art. 333. *Exclusion of Wages and Profits of the Crew.*

The underwriter shall not be liable for wages, profits and other remuneration of the crew, as well as their upkeep, nor for the costs of repatriation and all other expenses concerning the crew.

Art. 334. *Means of Settling Damage to Goods.*

Where goods are damaged the difference between the value of the damaged goods and their value immediately before damage shall be ascertained. The amount to be paid shall be their insurance value less the difference so ascertained.

Art. 335. *Contribution in General Average borne by the Underwriter.*

Contributions in general average shall be borne by the underwriter in proportion to the value which he has insured, subject to deduction of particular average which may have been borne by him, provided that the total amount shall not exceed the sums paid by the assured.

Section 3. Abandonment

Art. 336. *Limits of Abandonment.*

Unless otherwise agreed, the thing insured shall not be abandoned except in the cases set forth in the following articles.

Art. 337. *Cases where there is abandonment of the ship.*

Abandonment of the ship shall occur :

- (1) where the ship is a total loss;
- (2) where the ship cannot in any event be repaired;
- (3) where the ship cannot be repaired in the absence of repair facilities and she cannot be moved elsewhere for repair;
- (4) where the total cost of repairing the damage to the ship would amount to not less than three quarters of her value. In calculating the damage account shall be taken of the difference "new for old" and the value of the old materials. Expenses not directly related to the repair of the damage reported shall not be included.

Art. 338. *Abandonment of Goods.*

- (1) Abandonment of goods shall occur :
 - (a) where the goods are lost or totally destroyed;
 - (b) where, in the event that the ship is unseaworthy, the forwarding of the goods by some means has not been undertaken within a period of four months. This period shall run from the notification of the unseaworthiness by the assured to the underwriter; where the unseaworthiness has occurred at a place with which communications have been interrupted, the period of time shall be suspended during such interruption;
 - (c) where, during a voyage, the goods have been ordered to be sold as a result of material damage;
 - (d) where, apart from any expenses, the loss or material depreciation of the goods amounts to not less than three quarters of their value, the calculation being made in the manner provided in Art. 334.
- (2) In the cases provided in sub-articles (a), (b) and (d) and where the insurance is limited to loss and damage resulting from specific causes, abandonment is only possible where the casualty results from such a cause.

Art. 339. *Abandonment of Freight.*

In the case provided in Art. 338 (1) (b), the shipowner may give notice

of abandonment of freight not due pro rata, provided that he shows due diligence in forwarding the goods.

Art. 340. *Abandonment in the absence of news.*

- (1) Abandonment of the ship, goods and freight shall occur where there is no news of the ship within four months from the date of receipt of the last news.
- (2) In the event of interruption of communications, the period shall be suspended during such interruption.
- (3) The assured shall show that the ship was at sea at the time of the last news and that she has not arrived at the place where she was due to touch.
- (4) The ship shall be deemed to be lost on the date to which the last news refers.
- (5) The court may, taking into account the circumstances and the probabilities, attribute the loss to the perils of the sea or to fortune of war, or distribute the charges between these two risks in the proportion determined by the court.

Art. 341. *Abandonment in the case of insurance of war risks.*

- (1) Where war risks have been insured, abandonment of the ship or goods shall occur where the property insured has been captured, arrested or detained by the order of a power, or has been captured by pirates, and has not been restored to the assured within four months.
- (2) This period of time shall run from the notification of the occurrence by the assured to the underwriter.
- (3) Freight insured against war risks may be abandoned where it has not been possible to collect it within four months as a result of one of the occurrences set forth in this Article and which has affected the goods.

Art. 342. *Cases where abandonment is not admissible.*

In the cases provided in Articles 338 (1) (b), 339, 340 and 341, the forwarding of the cargo, the receipt of news of the ship, or the restoration to the assured of property captured, arrested or detained, even after the expiry of the periods of time fixed for the said articles, shall not justify abandonment, where such acts take place before the expiry of the period fixed in Art. 339. Abandonment shall be admissible where these acts take place after the expiry of that period.

Art. 343. Non-admission by the Underwriter of Expiry.

Where an underwriter alleges that the period provided in Articles 338 (1) (b), 339, 340 or 341 had not expired at the time of notice of abandonment, he shall lodge his objection within six months from the notice.

Art. 344. Special Insurance of Freight.

In the cases provided in Articles 338 (1) (b), 340 and 341 and where the freight at risk in respect of the goods has been the subject of a special insurance, the assured who has paid such freight may claim compensation therefor at the expiry of the periods fixed in the said Articles, subject to the provisions of Articles 342 and 343.

Art. 345. Nature of Abandonment.

Abandonment may not be partial or conditional.

Art. 346. Duty of the Assured to declare all Insurances taken Out.

- (1) In giving notice of abandonment, the assured shall declare all insurances that he has taken out.
- (2) An assured who has made an incorrect declaration in bad faith, shall not have the benefit of the insurance.

Art. 347. Effect of Abandonment.

- (1) An abandonment which is accepted or adjudged proper shall transfer to the underwriter the property in the things insured. The underwriter shall be required to pay the amount insured.
- (2) As between underwriter and assured, abandonment dates from the day of the occurrence which gave rise to abandonment.

Chapter 4. Limitation

Art. 348. Limitation of Actions arising out of an Insurance Contract.

All actions arising out of an insurance policy shall be barred after two years.

Art. 349. Action for payment of premium.

For actions for payment of the premium, the period of limitation shall run from the date of the acceptance of the policy of insurance.

Art. 350. Action in Abandonment.

The period of limitation of actions in abandonment shall run :

- (1) In the cases provided in Articles 338 (1) (b), 339, 340 and 341 from the

expiry of the periods of time set forth therein, subject to deduction of time having run between the date when the assured became aware of the unseaworthiness, capture, arrest or detention and the date of notification thereof to the underwriter;

- (2) In the case provided in Art. 338 (1) (c) from the date of sale.

Art. 351. Action in Average.

The period of limitation of actions in average shall run :

- (1) Where such action is based on an action brought by another person for a cause such as assistance, contribution in average, extraordinary expenses, contractual or tortious liability, from the date when such person has brought the action or from the date when he has been compensated by the assured;
- (2) In the case provided in Art. 344, as specified in Art. 350 (1).

Art. 352. Date from which period runs with respect to the ship and freight at risk for the ship.

With respect to the ship and to freight at risk for the ship, the period of limitation of actions in abandonment and actions in average shall run, unless otherwise expressly provided, from the date of the occurrence giving rise to abandonment or to an action in average.

Art. 353. Date from which period runs with respect to goods and freight at risk for the goods.

With respect to goods and to freight at risk for the goods being the subject of a special insurance, the period of limitation of actions in abandonment and actions in average shall run, unless otherwise expressly provided, from the arrival of the ship at her destination or from the date when she should have arrived or, where the occurrence giving rise to abandonment or to an action in average is subsequent thereto, from the date of such occurrence.

Art. 354. Limitation of Actions for repayment of sums paid by mistake.

As regards actions for repayment of any sums paid by mistake, the period of limitation of two years shall run from the date of the payment.

Art. 355. Limitation runs against persons legally incapable.

In all cases under this Chapter, limitation shall run against minors, persons under judicial disability or otherwise legally incapable.

Art. 356. Suspension of Limitation.

In addition to the ordinary causes of suspension, the period of limitation shall be suspended by the delivery of the documents establishing a claim under Art. 329. The period shall begin to run again upon the expiry of the period of thirty days provided in the said Article or from the date of return of the documents by the underwriter, where such date of return is later.

TITLE VIII

PENAL PROVISIONS

Art. 357. *Injuring owner by causing survey without good reason.*

Whosoever with the intention of injuring the owner of a ship prevents the sailing of a ship by causing the ship to be surveyed without good reason shall be guilty of an offence and shall be liable on conviction to a fine not exceeding Eth. \$2000.

Art. 358. *Misconduct endangering life or ship.*

If a master or seaman belonging to an Ethiopian ship by wilful breach of duty or by neglect of duty or by reason of drunkenness,

- (a) does any act tending to the immediate loss, destruction, or serious damage of the ship, or tending immediately to endanger the life or limb of a person to or on board the ship; or
- (b) refuses or omits to do any lawful act proper and requisite to be done by him for preserving the ship from immediate loss, destruction, or serious damage, or for preserving any person belonging to or on board the ship from immediate danger to life or limb,

he shall be guilty of an offence and shall on conviction be liable to a fine not exceeding Eth. \$2000 or to simple imprisonment not exceeding two years.

Art. 359. *General Offences.*

If a seaman lawfully engaged commits any of the following offences, he shall be liable on conviction to be punished as follows, that is to say,

- (a) if he assaults the master or any mate or certified engineer of the ship, he shall be liable on conviction to simple imprisonment not exceeding six months;
- (b) if he combines with any of the crew to disobey lawful commands or to neglect duty, or to impede the navigation of the ship or the progress of the voyage, he shall be liable on conviction to simple imprisonment not exceeding six months;
- (c) if he wilfully damages his ship, or steals or wilfully damages any of her stores or cargo, he shall be liable on conviction to fine or simple imprisonment not exceeding six months.

Art. 360. *Depriving Master of Command of Preventing his exercise unlawfully thereof.*

Whosoever being on an Ethiopian ship unlawfully usurps the command of such ship from the master or other lawful officer in command thereof or deprives him of authority and command on board or resists or prevents him in the free and lawful exercise thereof shall be guilty of an offence

and shall be liable on conviction to rigorous imprisonment not exceeding ten years.

Art. 361. *Abandoning ship without proper cause.*

- (1) Any master who without proper cause abandons his ship in times of distress shall be guilty of an offence and shall be liable on conviction to simple imprisonment not exceeding one year.
- (2) Any member of the crew who without proper cause abandons his ship in times of distress shall be guilty of an offence and shall be liable on conviction to simple imprisonment not exceeding six months.

Art. 362. *Offences in connection with ship's documents.*

Any master or engineer who:

- (a) makes or causes to be made an untrue entry, or
 - (b) knowingly omits or causes to be omitted an entry, or
 - (c) without good reason alters or causes to be altered an entry in the Log book or in any other ship's documents required to be kept by law,
- shall be guilty of an offence and shall be liable on conviction to a fine not exceeding Eth. \$500 or to simple imprisonment not exceeding two years.

Art. 363. *Failure to give information after Collision.*

Any master who after collision with another ship fails to give to the master of the vessel with which he came into collision any of the following particulars, namely:

- (a) the name of his ship;
 - (b) the port of registration
 - (c) the port of destination and last call,
- shall be guilty of an offence and shall be liable on conviction to a fine not exceeding Eth. \$1000.

Art. 364. *Master or Shipowner failing to ensure seaworthiness of Ship.*

Any master or shipowner who fails to carry out the requirements of law in respect of any of the following matters, namely:

- (a) ensuring the seaworthiness of his ship, or
 - (b) safeguarding the crew, passengers or other persons on board the ship,
- shall be guilty of an offence and shall be liable on conviction to a fine not exceeding Eth. \$ 2000.

Art. 365. *Failure of Master to carry out certain responsibilities.*

Any master of an Ethiopian ship who :

- (a) refuses without good cause to take on board his ship any person for whose voyage home the Ethiopian authorities are responsible, or
- (b) fails to comply with the decisions given by competent authorities in respect of disputes which have arisen between him and his subordinates,
- shall be guilty of an offence and shall be liable on conviction to a fine not exceeding Eth. \$ 500.

Art. 366. Acting as Master, Mate etc. without proper qualifications.

- (1) Any person who causes himself to be appointed as master or mate or engineer without having the qualifications prescribed by law shall be guilty of an offence and shall be liable on conviction to a fine not exceeding Eth. \$ 1000 or to simple imprisonment for a period not exceeding six months.
- (2) Any master or shipowner who knowingly employs on a ship any person who has not the qualifications prescribed by law shall be guilty of an offence and shall be liable on conviction to a fine not exceeding Eth.\$1000.

Art. 367. Offences against Discipline.

Offences against discipline shall be as prescribed.

Art. 368. Penalties.

Any person who contravenes the provisions of this Code or any regulations made thereunder for which no special penalty is provided shall be liable on conviction to a fine not exceeding Eth. \$. 1000 or to simple imprisonment not exceeding six months.

Art. 369. Saving of other powers.

Nothing in this Code shall prevent a prosecution under any other law, but so that a person shall not be punished twice for the same offence.

TITLE IX

MISCELLANEOUS

Art. 370. Interpretation.

For the purposes of this Code, the following words and expressions shall have the following meanings :

“Empire” means the Empire of Ethiopia.

“Minister” means the Minister of National Defence.

“Prescribed” means prescribed by Regulations under this Code.

Art. 371. *Regulation Making Power.*

- (1) The Minister on the recommendation of the Department of Marine may make regulations for carrying this Code into effect.
- (2) In particular, and without prejudice to the generality of the foregoing power, such regulations may prescribe :
 - (a) anything which by this Code may or is to be prescribed;
 - (b) the forms to be used;
 - (c) the fees and dues to be paid;
 - (d) any matters relating to the seaworthiness of ships and the control thereof;
 - (e) the procedure to be adopted and the conditions to be observed in connection with the registration of ships;
 - (f) the procedure to be adopted and the conditions to be observed in connection with the licensing of pilots, deck officers, engineers and seamen;
 - (g) the terms and conditions of service of seamen;
 - (h) any matters relating to navigation and steering;
 - (i) the procedure to be adopted and the conditions to be observed in connection with the carrying of dangerous cargo;
 - (j) the procedure to be observed in connection with the measurement of ships;
 - (k) the conditions to be observed for preserving the safety of life at sea;
 - (l) any matters in connection with the regulations of harbours and harbour services;
 - (m) any matters relating to lights and beacons;
 - (n) the penalties to be imposed for breaches of regulations.
- (3) The Minister may by order published in the *Negarit Gazeta* vary the amounts specified in Articles 86 and 223.

