

CODE, COMMERCIAL CODE

Indonesian

Type: CODE

Number: S. 1847-23

Title: COMMERCIAL CODE (WETBOEK VAN KOOPHANDEL VOOR INDONESIA)

Annotation:

This entire Commercial Code is applicable to the non-Chinese and Chinese Asian Foreigners' group, except for changes by editing article 396; S.1924-556, article 1, B; S.1917-129, article 1 sub-paragraph 2°.

GENERAL PROVISIONS.

Article 1.

(Legalized by S.1938-276.)

Insofar as there are no special deviations in this Code in comparison to the Civil Code, the Civil Code shall also be applicable to matters discussed in this Code. (AB.15; Civil Code 1617, 1774, 1878; Commercial Code 15, 79 etc., 85, 119, 168a, 286, 296, 747, 754.)

The second paragraph is canceled by virtue of S.1938-276.

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter I, TRADERS AND TRADING

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter I, TRADERS AND TRADING / 01-01-00, I. TRADERS AND TRADING

Indonesian

Book: I. First. TRADING IN GENERAL

Chapter: I. TRADERS AND TRADING

Article: 2-5

By virtue of S.1938-276 effective starting July 17, 1938, Chapter I concerning Traders and Trading (articles 2 up to and including 5) was revoked.

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter II, BOOK-KEEPING**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter II, BOOK-KEEPING / 01-02-00, II. BOOK-KEEPING**

Indonesian

Book: I. First. TRADING IN GENERAL

Chapter: II. BOOK-KEEPING

Article: 6-13

Article 6.

(Legalized by S.1938-276).

Every person running a company is obligated to keep records in accordance with his company's requirements concerning his assets and any matters related to his company, so that based on such records his rights and obligations are evident any time. (Commercial Code 35, 66, 86, 96, 348; Civil Code 396 etc.).

Such person is required to prepare the balance sheet in the first six months every year based on the requirements of the company concerned, and to sign the same in person. (Civil Code 1881.)

Such person is required to keep books and documents in which the records mentioned in the first paragraph and the balance sheet are contained, for a period of thirty years, and correspondence and telegrams received by him as well as copies of outgoing correspondence and telegrams for a period of ten years. (Commercial Code 35.)

Article 7.

(Legalized by S.1938-276)

For any person's interest, a judge is free to accord to the book-keeping evidence that he/she might deem to be required for each special event. (Civil Code 1881; Commercial Code 12, 35, 67, 86).

Article 8.

(Legalized by S.1938-276)

In the course of a suit, the judge may order upon request or due to his/her position, to each of the parties to one of the parties concerned to present books, correspondence and documents which they are obligated to make or maintain by virtue of article 6 third paragraph, so that the contents thereof can be seen or excerpts thereof can be made as required in connection with the matter in dispute.

The judge may hear experts regarding the nature and contents of the documents presented, either in a court proceeding or in a manner set forth in articles 215 up to and including article 229 of the Regulation on Legal Claims (Rv.)

If such order is not complied with, the judge is free to make a conclusion to the best of his/her judgment. (Civil Code 1888, 1915, etc.; Commercial Code 67.)

Article 9.

If the books, documents or correspondence are located in a location different from the domicile of the judge hearing the case, he/she may instruct the judge at such different location to conduct investigation required for such matter and to draw up minutes of his/her opinion and deliver the same. (RO.33; Commercial Code 35.)

Article 10 and 11

Revoked by S.1927-146.

Article 12.

(Legalized by S.1927-146; S.1938-276.)

Nobody can be forced to show his/her books except to those parties having direct interest as heirs, as parties concerned of a partnership, as a company, as a party appointing the management of the company or managers and finally in the events of bankruptcy. (Civil Code 573, 1082; Commercial Code 35, 67).

Article 13.

Revoked by S.1927-146.

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter III, VARIOUS TYPES OF COMPANIES**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter III, VARIOUS TYPES OF COMPANIES / 01-03-01, GENERAL PROVISIONS. (1)**

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: III. VARIOUS TYPES OF COMPANIES. (1) (1)(2)
Part: 1. GENERAL PROVISIONS. (1)
Article: 14-15

Article 14

Revoked by S.1938-276.(3)
(2)

Article 15

(Legalized by S.1938-276)

Companies referred to in this chapter are subject to the agreement of the parties concerned, this [Commercial] Code and the Civil Code. (Civil Code 1618 etc., Commercial Code 1.

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter III, VARIOUS TYPES OF COMPANIES / 01-03-02, 2. PARTNERSHIP UNDER A FIRM AND COMPANY ESTABLISHED BY LENDING MONEY OR CALLED LIMITED PARTNERSHIP

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: III. VARIOUS TYPES OF COMPANIES
Part: 2. PARTNERSHIP UNDER A FIRM AND COMPANY ESTABLISHED BY LENDING MONEY OR CALLED LIMITED PARTNERSHIP
Article: 16-35

Article 16.

(Legalized by S.1938-276)

A Partnership Under a Firm is a company established to engage in a business under a common name.(Commercial Code 19 etc., 22 etc., 26-1°, 29; Regulation on Legal Claims (Rv.) 6-5°, 8-2°, 99.)

Article 17.

Every shareholder, unless those not permitted, have the authority to act, expend and receive money on behalf of the company, and to bind the company with third parties, and third parties to the company.

Actions not related to the company, or those that the shareholders are not authorized to undertake based on the agreement concerned, are not included in this provision. (Civil Code 1632, 1636, 1639, 1642; Commercial Code 20, 26, 29, 32.)

Article 18.

In a partnership under a firm, each shareholder is responsible with all of his personal assets for the commitments of the company. (Civil Code 1282, 1642, 1811.)

Article 19.

A company formed by lending money, or also referred to as a partnership, is established by an individual or by several shareholders responsible with all their private assets, and by one or more persons as lenders.

A company may at the same time have the form of a partnership under a firm in relation to its shareholders and the form of a partnership in relation to the lender.(Commercial Code 16, 20, 22 etc.)

Article 20.

Without prejudice to the exceptions set forth in the second paragraph of article 30, the name of a shareholder in a partnership may not be used in a partnership under a firm. (Commercial Code 29-21).

Such shareholder may not undertake management actions or work in such company, not even by virtue of a power of attorney. (Commercial Code 17, 21, 32.)

Such shareholder shall not bear losses greater than the amount of money he invested or is required to invest in the company, without the obligation to return profits previously received by him. (Civil Code 1642 etc.)

Article 21.

Partners in violation of the provisions of the first or the second paragraph of the article hereinabove shall be liable with their entire assets for all debts and commitments of such company. (Commercial Code 18.)

Article 22.

Partnerships under a firm must be established based on authentic deeds, without a third party being able to claim that such deed does not exist. (Civil Code 1868, 1874, 1895, 1898; Commercial Code 1, 26, 29, 31.)

Article 23.

Shareholders of a partnership under a firm are obligated to register such deed in the registry provided for such purpose at the court of justice within the legal domicile of the company concerned. (Ov.82; Civil Code 152; Commercial Code 24, 27, etc., 30, etc., 38, etc.; S.1946-135 article 5.)

Article 24.

However, shareholders of a partnership under a firm are only permitted to register excerpts from such deed in authentic form. (Commercial Code 26, 28.)

Article 25.

Any person may examine the deed or the registered excerpt thereof, and may obtain copies thereof at his/her cost. (Commercial Code 358; S.1851-27 article 7.)

Article 26.

(Legalized by S.1938-276.)

The excerpt mentioned in article 24 must include the following:

1. name, given name, occupation and resident address of the shareholders of the partnership under a firm;

2. statement of the partnership under a firm indicating whether the company concerned is a public company or whether it is limited to a special line of business of a certain company, and in the latter case, indicating such special line of business; (Commercial Code 17.)
3. appointment of shareholders who are not entitled to sign on behalf of the partnership under a firm;
4. the time of inception and termination of the company;
5. furthermore, in general, parts of the agreement which must be applied in determining the rights of third parties in relation to the shareholders. (Commercial Code 27 etc.)

Article 27.

The registration must be completed with the date of the day on which the deed or an excerpt thereof is taken to the registrar. (Commercial Code 23.)

Article 28.

In addition to the above, the shareholders shall be obligated to announce the excerpt from the deed in an official newspaper in accordance with the provisions of article 26. (Ov.105; Civil Code 444, 1036; Commercial Code 29, 38.)

Article 29.

(Legalized by S.1938-276.)

Before the registration and announcement are made, the aforementioned partnership under a firm in relation to third parties shall be deemed as a general company for all matters, it shall be deemed to have been established for an indefinite period of time and it shall be deemed that none of the shareholders are prohibited from exercising the right to undertake actions and sign on behalf of such partnership under a firm.

In the event that there is a discrepancy between matters registered and announced, provisions related to the aforementioned article announced in an official newspaper shall be applicable towards third parties. (Civil Code 1916; Commercial Code 30, etc., 39.)

Article 30.

The partnership under a firm of a dissolved company may be continued by one or more persons, either by virtue of agreement of its establishment or if specifically permitted by a former shareholder whose name is mentioned therein, or in the event of demise, his consenting heirs, and in such event a deed must be drawn up as evidence thereof, and it must be registered and announced in an official newspaper by virtue of and in a manner determined in article 23 and following articles, and with the legal sanctions as set forth in article 29.

The provision of the first paragraph of article 20 shall not be applicable if the resigning shareholder of a partnership under a firm becomes a shareholder in a limited partnership. (Civil Code 1651, Civil Code 26.)

Article 31.

The dissolution of a partnership under a firm prior to the time determined in the agreement, or due to resignation or termination, extension of time after the expiration of the determined period of time, as well as all changes in the original agreement related to third parties, shall also be drawn up in the form of an authentic deed, and the aforementioned provisions regarding registration and announcement in an official newspaper shall be applicable.

As a consequence of failure in the above matters, the aforementioned dissolution, resignation, termination or changes shall not be applicable in relation to third parties.

The provisions of article 29 shall be applicable in the event of failure to register and make announcement concerning the extension of the duration of the company. (Civil Code 1646, etc.; Commercial Code 22, 26, 30.)

Article 32.

At the time of the company's liquidation, the shareholders previously entitled to manage must settle the company's affairs on behalf of the partnership under a firm, unless otherwise determined in the agreement, or all shareholders (the shareholders of limited partnerships not included) shall appoint another care-taker by casting one vote each, based on a majority of votes.

If the voting fails, the court of justice shall make a decision that in its opinion serves the best interests of such company being dissolved. (Civil Code 1652; Commercial Code 17, 20, 22, 31, 56; Regulation on Legal Claims (Rv.) 6-5°, 99.)

Article 33.

If the cash position of the company being dissolved is not sufficient to pay collectible debts, those given the task of take care of such matter may collect the money which should be paid into the company by each of the shareholders according to their respective shares (Commercial Code 18, 22.)

Article 34.

Money which can be paid out of the company's cash during liquidation must be temporarily distributed. (Commercial Code 33.)

Article 35.

After such liquidation and distribution, unless there is an agreement stating otherwise, the books and records previously owned by such dissolved company shall remain in the possession of a shareholder elected based on a majority of votes or appointed by court of justice if the voting fails, without prejudice to the right of shareholders or parties receiving rights to examine the same. (Civil Code 1801, etc., 1652, 1885; Commercial Code 12, 56.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter III, VARIOUS TYPES OF COMPANIES / 01-03-03, 3. LIMITED LIABILITY COMPANY

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: III. VARIOUS TYPES OF COMPANIES
Part: 3. LIMITED LIABILITY COMPANY (1) (3)(2) (a)(4)
Article: 36-58

(Concerning Indonesian Joint-stock Company (Maskapai Andil Indonesia) and the amendment of Limited Liability Company to become Indonesian Joint-stock Company (Maskapai Andil Indonesia), refer to S.1939-569.)

Article 36.

(Legalized by S.1938-276.)

Limited liability companies shall not have partnership under firms, and shall not use the name of one or more shareholders, but shall be merely named based on the objectives of the company concerned.

(Legalized by S.1937-572.)

Before such a company may be established, its deed of establishment or plan for its establishment must be submitted to the Governor General (in this case the President) or an official (3) (5) appointed by the President to obtain such approval.

(6)

Such approval must also be obtained for any changes in terms and for the extension of the company's duration. (Commercial Code 3 etc., 37, b51; Regulation on Legal Claims (Rv.) 99; S.1870-64.)

Article 37.

(Legalized by S.1937-572.)

If the aforementioned company is not in violation of morality or public order, and if there is no substantive objection to its establishment, and its deed does not set forth provisions which are contradictory to matters stipulated in articles 38 up to and including 55, approval shall be granted.

In the event that such approval is not granted, the applicants concerned shall be notified about the reasons, unless the giving of such notice is deemed improper.

If there are reasons do so, such approval may be granted under the condition that the company concerned shall be willing to be dissolved if in the opinion of the Governor General (in this case the Minister of Justice) it is necessary in the interest of the public in general.

If such approval is granted unconditionally, the company cannot be dissolved by public authority, unless after the high-court (currently: the Supreme Court), whose opinion must be heard in this case, states that the management no longer meet provisions and conditions [contained] in the deed of such company. (AB.23; Civil Code 1335, 1653; Commercial Code 45, 50.)

Article 38.

The deed of the aforementioned company must be drawn up in an authentic form with the threat of becoming null and void. (Commercial Code 22, etc., 42, 48, etc., 52 etc., 56, 58.)

(Legalized by S.1923-548, 594; S.1937-572.)

Shareholders shall be obligated to register such deed in its entirety, together with licenses obtained in the registry maintained for such purpose at the court of justice registrar at the domicile of the company concerned, and to announce the same in an official newspaper. (Ov.82, 105; Commercial Code 23; S.1946-135.)

All of the aforementioned matters shall be applicable to changes in the conditions or the extension of the company's duration.

The provisions of article 25 are also applicable to the same matters.

Article 39.

Before registration and notification as intended in the aforementioned article takes place, the management shall be personally and fully liable to third parties in respect of their actions. (Commercial Code 45, 47.)

Article 40.

The company's capital shall be divided into shares or in-the-name shares or blank shares.

The shareholders' responsibility shall not exceed the full amount of such shares. (Commercial Code 42, 47, 50 etc.)

Article 41.

No shares or blank shares shall be issued before the full amount is fully paid into the company's cash account. (Civil Code 1977; Commercial Code 43; Regulation on Legal Claims (Rv.) 6-7.)

Article 42.

The procedure for the transfer of shares or in-the-name shares; it can be done by giving notice to the management of the company concerned and the party receiving the transfer, or by giving such notice in the company's books and signed by or on behalf of both parties. (Civil Code 613 etc., 1977.)

Article 43.

Before the full value of such shares is fully paid up, the original shareholders or their respective heirs or those obtaining right, shall continue to be responsible for the payment of amounts due to the company, unless the management and commissioners, if any, expressly state their consent in view of approving such new entitled party, in which case the former shareholders shall be free from all responsibility. (Civil Code 833, 955, 1417; Commercial Code 41.)

Article 44.

The company shall be managed by the management, the shareholders or other parties appointed by the shareholders, with or without receiving compensation, with or without the supervision of a commissioner.

The management cannot be appointed irrevocably. (Civil Code 1636, 1814 etc.; Commercial Code 17, 28, 52, 54 etc.)

Article 45.

The management's responsibility shall be limited to their performing tasks entrusted to them to the best of their ability; they shall not be personally responsible to third parties for the company's commitments.

However, if they violate one of the provisions of the deed or amend its conditions thereafter, they shall be responsible with their personal assets respectively to third parties for all losses suffered by third parties due to the above. (Civil Code 1800 etc.; Commercial Code 39, 47, 55.)

Article 46.

The limited liability company shall be established for a definite period of time, without prejudice to the possibility of extension each time such period of time expires. (Civil Code 1646-1°; Commercial Code 38.)

Article 47.

If it becomes obvious to the management that there is a loss equivalent to 50 per cent of the company's capital, they shall be obligated to announce this matter in the registry maintained for such purpose at the Court of justice registry, as well as in an official newspaper.

If such loss reaches seventy-five per cent, the company shall be dissolved by law, and the management shall be responsible to third parties for agreements entered into by them after having gained knowledge or after they should have gained knowledge of such loss. (Commercial Code 39, 45, 48.)

Article 48.

In order to avoid dissolution by virtue of the aforementioned provision, the deed must set forth provisions for the establishment of cash reserves which may be utilized for covering such shortage in funds, partially or entirely. (Commercial Code 49.)

Article 49.

The aforementioned deed may not set forth provisions on fixed interest rates.

Distributions must be taken from revenues after deducted by all expenses.

However, an agreement may be made for such distributions not to exceed a certain amount. (Commercial Code 48, 55.)

Article 50.

(Legalized by S.1937-572; S.1938-161.)

The approval intended in article 36 shall not be granted unless it is evident that the initial founders jointly represent not less than one fifth of the company's capital; a time-frame shall be determined further within which remaining shares must be issued.

Upon the request of the founders, such time-frame may be extended by the Governor General (in this case the President) or by an authorized official appointed by the President by virtue of the second paragraph of article 36. [Footnote (1) not translated in the Indonesian version] (Commercial Code 36 etc.) (1)

(7)

Article 51.

The company may not start operation until not less than ten per cent of the joint capital is paid up. (Commercial Code 41, 50.)

Article 52.

If the duties of commissioners are limited to the supervision of the management, and therefore they have no involvement in the management at all, they may be granted the authority in the deed to examine and ratify the management's calculations and accountings, on behalf of the shareholders.

In the opposite case, such supervision and ratification must be implemented by the shareholders or parties appointed in the deed. (Commercial Code 43 etc., 54 etc.)

Article 53.

In a company the maximum insurance on certain property must be set forth in the deed concerned, which may not be exceeded in insuring the same property, unless the shareholders in the deed concerned firmly submitted to the decision of the management, with or without the commissioners. (Commercial Code 246 etc., 253.)

Article 54.

(Legalized by Law No.4/1971, State Gazette 1971-20.)

- (1) Only shareholders shall be entitled to cast votes. Each shareholder shall be entitled to cast not less than one vote.
- (2) In the event that the company's capital is divided into shares with equal nominal value, each shareholder shall be entitled to cast the same number of votes as the number of shares owned by them respectively.
- (3) In the event that the company's capital is divided into shares with different nominal value, each shareholder shall be entitled to cast votes equivalent to the multiple of the nominal value of the smallest share in the company in relation to the total nominal value of shares owned by the shareholder concerned.

Remaining votes not reaching consensus shall not be taken into account.

- (4) The limitation of votes which may be cast by shareholders may be provided for in the deed of establishment, provided that a shareholder may not cast more than six votes if the company's capital is divided into one hundred shares or more, and may not cast more than three votes if the company's capital is divided into less than one hundred shares.
- (5) None of the management or commissioners may act as proxy in voting.

Article 55.

The management shall be obligated to prepare a report concerning profits and losses gained or suffered in the preceding year.

Such report may be made either in the general meeting, or by sending a list to each shareholder, or by providing a calculation to be reviewed and notified to the company's shareholders, within a certain time frame determined in the deed. (Commercial Code 52; Regulation on Legal Claims (Rv.) 764 etc.)

Article 56.

A company in dissolution shall be liquidated by the management, unless determined otherwise in this deed. (Commercial Code 32 etc.; Regulation on Legal Claims (Rv.) 99, 539-571.)

Provisions of article 35 shall be applicable in this matter.

Article 57 and 58.

Revoked by S.1938-276. (1) (8)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter IV, TRADE EXCHANGE, BROKERS AND CASHIERS**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter IV, TRADE EXCHANGE, BROKERS AND CASHIERS / 01-04-01, 1. TRADE EXCHANGE**

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: IV. TRADE EXCHANGE, BROKERS AND CASHIERS
Part: 1. TRADE EXCHANGE
Article: 59-61

Article 59.

The trade exchange is the meeting place of merchants, ship-owners, brokers, cashiers and other parties involved in trading. This is implemented under the authority of the Governor General (in this case the Minister of Finance). (Civil Code 1156; Commercial Code 61; Regulation on Legal Claims (Rv.) 595-3°.)

Article 60.

Based on negotiations and agreements conducted on the exchange, provisions on exchange rates, prices of goods, insurance and vessel cargo, sea and land transportation costs, domestic and offshore bonds, funds, and other commercial papers shall be determined which may be applied for determining the exchange rate.

Such various exchange rates or prices shall be set forth in accordance with local regulations or practices. (Civil Code 389, 398, 177, 1155, 1427; Commercial Code 151(3), 262, 621 etc.)

Article 61.

The business hours of the exchange, and all matters related to its orderly function shall be stipulated by the Governor General (in this case the Minister of Finance) in a separate regulation.

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter IV, TRADE EXCHANGE, BROKERS AND CASHIERS / 01-04-02, 2. BROKERS

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: IV. TRADE EXCHANGE, BROKERS AND CASHIERS
Part: 2. BROKERS
Article: 62-73

Article 62.

(Legalized by S.1906-335; 1938-276.)

Brokers are intermediary traders appointed by the Governor General (in this case the President) or by an official authorized by the President for such purpose. They shall run their respective companies performing work as intended in article 64 and shall receive a fee or a certain commission, upon the instruction and on behalf of another person who is not in a permanent working relationship with them.

Before they are permitted to engage in the work, their oath must be taken before the court of justice at the place of their domicile, pledging that they shall perform the tasks entrusted to them in an honest manner. (Civil Code 1078; Commercial Code 59, 71 etc., 681; S.1920-69.)

Article 63.

Actions of intermediary traders not appointed in the aforementioned manner shall not have any further consequences than those incurring based on the trustee agreement. (Civil Code 389, 1155, 1792 etc.; Commercial Code 67 etc.)

Article 64.

The broker's job consists of conducting for his/her boss the purchase and sale of trading goods, vessels, shares in public funds and other securities and bonds, bills of exchange, orders and other commercial papers, arrange for discounts, insurance, loans with vessel and vessel cargo guaranty, money lending and other matters. (Civil Code 1078; Commercial Code 62, 681 etc.)

Article 65.

Brokers shall be appointed for general matters, i.e. for all fields, or the appointment deed shall set forth the field or fields in which the broker concerned may engage.

Brokers may not engage in trading, either directly or through the mediation of another party, or jointly with other parties, or through a partnership, nor may they act as guarantors for acts undertaken with their mediation in the field or fields in which they act as brokers. (Commercial Code 62, 64, 71 etc.; Civil Code 1468 etc.)

Article 66.

Brokers shall be obligated to immediately record all actions undertaken by them in their pocket notebooks, and to copy these notes into their diaries, without blank space, without gaps in lines, or footnotes, indicating clearly names of the parties concerned, time of action or the time of submission, the nature thereof, the amount and price of the commodity concerned, and all terms of actions undertaken. (Commercial Code 6.)

Article 67.

Brokers shall be obligated to provide to the parties concerned at any time and upon request, excerpts from their books containing all their notes concerning actions related to such parties. (Commercial Code 12.)

A judge may order the brokers to present their books before the court for the purpose of verification of excerpts issued against their respective originals, and they may claim explanation regarding these matters. (Civil Code 1905.)

Article 68.

Unless all their actions are being denied, records copied by brokers from their respective pocket notebooks to their diaries shall constitute evidence among the parties concerned regarding time, the undertaking of action and its submission, regarding the type and quantity of goods, regarding price and conditions serving as a basis for undertaking such action. (Commercial Code 66.)

Article 69.

Unless brokers are released by the parties concerned, they must retain samples of each quantity of goods sold based on the samples through their mediation, until the time of delivery, with sufficient notes for identification of the same.

Article 70.

After the conclusion of sale-purchase of bills of exchange or other tradable securities of similar type, the broker concerned shall submit the same to the buyer, [and] shall be responsible for authenticity of the seller's signature thereon. (Commercial Code 65, 100, 110-113, 178, 187, 506 etc.)

Article 71.

Brokers in violation of any of the provisions set forth in this part, to the extent of matters concerning them, shall be temporarily discharged from their duties by the general authority having appointed them, as the case may be, or shall be terminated from their post, without prejudice to the laws applicable in this matter, and to the compensation for costs, losses and interest being their obligation in their capacity of recipients of instruction. (Civil Code 1801, 1830; Commercial Code 62, 65 etc., 69.)

Article 72.

A broker shall be temporarily discharged from his/her duties by reason of the state of bankruptcy, and may be consequently terminated from his/her post by a judge.

In the event of violations set forth in the second paragraph of article 65, a broker declared bankrupt must be terminated from his/her post. (Commercial Code 62, 71.)

Article 73.

A broker terminated from his/her post cannot be reinstalled to his/her post. (Commercial Code 71 etc.)

**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter IV,
TRADE EXCHANGE, BROKERS AND CASHIERS / 01-04-03, 3. CASHIER**

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: IV. TRADE EXCHANGE, BROKERS AND CASHIERS
Part: 3. CASHIER
Article: 74-75

Article 74.

A cashier is a person entrusted with the safekeeping and payment of money by obtaining a certain fee or commission. (Civil Code 1694 etc., 1792 etc., 1812; Commercial Code 6 etc., 59.)

Article 75.

A cashier postponing payment or goes bankrupt shall be deemed to have caused his/her business to fail due to his/her own fault. (Civil Code 1916.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter V, COMMISSIONER, EXPEDITER, FORWARDER AND VESSEL OWNER SAILING IN RIVERS AND INLAND WATERWAYS

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter V, COMMISSIONER, EXPEDITER, FORWARDER AND VESSEL OWNER SAILING IN RIVERS AND INLAND WATERWAYS / 01-05-01, 1. COMMISSIONER

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: V. COMMISSIONER, EXPEDITER, FORWARDER AND VESSEL OWNER SAILING IN RIVERS AND INLAND WATERWAYS
Part: 1. COMMISSIONER
Article: 76-85a

Article 76

(Legalized by S.1938-276.)(2)
(9)

A commissioner is a person running his/her company by engaging in agreements on his/her own behalf or on behalf of his/her partnership under a firm, and obtains certain fee or commission, upon the order and at the charge of another party. (Civil Code 1792 etc.; Commercial Code 6 etc., 62, 79, 85a.)

Article 77.

The commissioner shall not be obligated to inform the person he/she is dealing with about the party for whose account his/her aforementioned action is undertaken.

He/she shall be directly responsible to his/her partners in agreement as if such act was his/her own affair. (civil Code 1802; Commercial Code 78, 85a, 240, 262.)

Article 78.

The ordering party shall not have the right of collection towards parties the commissioner is dealing with, and the party dealing with the commissioner shall not be entitled to make claims to the ordering party. (Civil Code 1799.)

Article 79.

However, if a commissioner has acted on behalf of the ordering party, his/her rights and obligations, including those to third parties, shall be subject to the provisions of the Civil Code in the Chapter entitled "Placing Orders".

He/she shall not have priority right as intended in the articles herein under. (Civil Code 1792 etc., 1812; Commercial Code 80 etc.)

Article 80.

For claims against the ordering party as commissioner, and also in the event of prepaid funds, interests, fees and commissions, as well as for his current commitments, the commissioner shall have priority right over goods delivered to him/her by the ordering party for sale, or for storing until further determination, or purchased by him/her for the ordering party and already received by him/her, insofar as such goods are still within his/her control.

Such priority right shall supersede all other rights, with the exception of article 1139-1° of the Civil Code. (Civil Code 1134, 1139-4°, 5° and 7°; Commercial Code 81 etc., 85, 85a.)

Article 81.

In the event that the goods intended in article 80 are sold and delivered on behalf of the ordering party, the commissioner shall by himself/herself the amount of his/her expenses having priority rights as intended in the aforementioned article, which shall be deducted from the proceeds of sales. (civil Code 1425 etc.; Commercial Code 85a.)

Article 82.

In the event that the ordering party has already delivered the goods to the commissioner, with the order to store the same until further instruction or limits the commissioner's right to sell the same, or in the event that the order to sell the same is revoked, and the first mentioned does not pay the commissioner's bills subject to the priority rights by virtue of article 80, then by upon presenting the required evidence, based on a simple request, the commissioner may obtain the approval of the court of justice at his/her domicile to sell such goods in their entirety or partially in a manner determined by the judge's decision.

Such commissioner shall be obligated to notify the ordering party both about the request for such permission, and about the sale conducted based on such permission by not later than the following day, if there are daily post or telegraphic services, or else by the first outgoing mail available. Notice by telegraphic wire or by registered mail shall prevail as valid notice. (Civil Code 1366 etc.)

Article 83.

A commissioner who has already purchased and received goods for the ordering party, may be authorized by the court of justice at his/her domicile in a manner determined in the above article to sell such goods, if the ordering party does not pay the bills issued by the commissioner to him and those that are granted priority right by virtue of article 80.

The last paragraph of article 82 shall be applicable to this matter. (Commercial Code 81, 85a.)

Article 84.

(Legalized by S.1906-348.)

In the event that the ordering party goes bankrupt, the provisions of articles 56, 57 and 58 of the bankruptcy rules concerning pledged parties or the debtor shall be applicable to and against the commissioner concerned.

The postponement of payment granted to the ordering party shall not prevent such ordering party from using the authorities granted to him by virtue of articles 81, 82 and 83.

Article 85.

The granting of authorities mentioned in articles 81, 82 and 83 shall not prejudice to any extent whatsoever the retention rights granted to the commissioner by virtue of article 1812 of the Civil Code. (Commercial Code 76-79.)

Article 85a.

(Legalized by S.1938-276.)

If a person on his own behalf or on behalf of his firm and by benefiting from a certain wage or commission, at the order and for the account of another person enters into an agreement without making a business concern of it, such person shall also be subject to articles 77, 78, 80 up to and including 85, 240 and 241. (Commercial Code 6 etc., 76; Civil Code 1792, 1794.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter V, COMMISSIONER, EXPEDITER, FORWARDER AND VESSEL OWNER SAILING IN RIVERS AND INLAND WATERWAYS / 01-05-02, 2. EXPEDITER

Indonesian

Book: I. First. TRADING IN GENERAL

Chapter: V. COMMISSIONER, EXPEDITER, FORWARDER AND VESSEL OWNER SAILING IN RIVERS AND INLAND WATERWAYS

Part: 2. EXPEDITER

Article: 86-90

Article 86.

An expediter is a person whose business is the arrangement of transportation of goods and other goods on land and by waterways.

Such person shall be obligated to enter regular notes in the daily register concerning the type and quantities of goods or merchandise to be transported, and if requested, in respect of its value as well. (Civil Code 1139-7°, 1147, 1792 etc.; Commercial Code 6 etc., 76, 90, 95.)

Article 87.

The expediter must also guarantee an orderly and prompt delivery of such goods and goods received by him, in compliance with all facilities which can be used by him to ensure proper delivery. (Civil Code 1244, 1367, 1800 etc.; Commercial Code 88.)

Article 88.

The expediter must also be responsible for the damage or loss of goods and goods after delivery of the same caused by his mistake or negligence. (Commercial Code 91 etc.)

Article 89.

The expediter must also take responsibility for the intermediary expediter used by him. (Civil Code 1803.)

Article 90.

The bill of lading is an agreement between the sender or the expediter and the forwarder or ship-owner, and shall include, besides matters that may have been agreed upon by the parties concerned, for instance concerning the time frame within which the shipment must be made, and the indemnification in the case of delay, among other things:

- 1°. the name and weight or the dimensions of the goods to be transported as well as the brands and quantity;
- 2°. the name of the party receiving such goods;
- 3°. the name and address of the forwarder or ship-owner;
- 4°. the amount of transportation fee;
- 5°. date of signature;
- 6°. sender's or expediter's signature.

All freight must be recorded in the daily register by the expediter. (Commercial Code 86, 454 etc., 506.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter V, COMMISSIONER, EXPEDITER, FORWARDER AND VESSEL OWNER SAILING IN RIVERS AND INLAND WATERWAYS / 01-05-03, 3. FORWARDERS AND SHIP-OWNERS THROUGH RIVERS AND INLAND WATERWAYS

Indonesian

Book: I. First. TRADING IN GENERAL

Chapter: V. COMMISSIONER, EXPEDITER, FORWARDER AND VESSEL OWNER SAILING IN RIVERS AND INLAND WATERWAYS

Part: 3. FORWARDERS AND SHIP-OWNERS THROUGH RIVERS AND INLAND WATERWAYS

Article: 91-99

Article 91.

Forwarders and ship-owners must take responsibility for all damages incurred to commodities or goods received for shipping, unless such matter is caused by the deficiency of the goods concerned, or is incurred outside their control, or by the fault or negligence of the sender or expediter himself. (Civil Code 1139-7°, 1147, 1246, 1367, 1617; Commercial Code 87 etc., 93, 95, 98, 342 etc., 533, 693.)

Article 92.

The forwarder or ship-owner shall not be responsible for delays in transportation, if such matter is caused by a force majeure. (Civil Code 1245; Commercial Code 87.)

Article 93.

After the payment of freight for the transportation of commodities and goods shipped based on the order received, all rights to the claim of losses to the forwarder or ship-owner concerned in the event of damage or deficiency shall be void, if such deficiency is externally visible at that particular time.

If the damage or deficiency is not externally visible, a court may conduct an examination after the goods are received, regardless of whether or not payment of the freight expenses has been received, insofar as such examination is requested within the period of two times twenty-four hours after receipt, and if it is evident that the goods are in still in their original state of form. (Commercial Code 485 etc., 746, 753.)

Article 94.

(Legalized by S.1925-497.)

If commodities or other goods are rejected, or if a dispute arises in connection with the same, the chairman of the Court of justice, or if any, the resident judge or if he/she is prevented or is not available, then the head of the local government shall order, based on a simple request, to undertake actions necessary for the examination of such goods by experts, after hearing the other party, if such party is available at the same place, and as such may also order to store the same in an appropriate manner, so that costs of freight and other costs may be paid to the forwarder or the ship-owner therefrom.

The court of justice or the Resident Judge or the Head of the local government (1) (10) are authorized, in a manner as stated hereinabove, to grant the powers to sell by auction easily damaged goods or part of such goods with the aim of fulfilling the payment of freight and other costs. (Commercial Code 81, 493 etc.)

(11)

Article 95.

All rights to file claims against the expediter, forwarder or ship-owner for the total loss of goods, for delay in delivery and for the damage of commodities or goods, for overdue shipment within the territory of Indonesia, for one year and for two years in the event of shipments from Indonesia to other places, in the event of loss of goods, shall be from the day the shipment of commodities and goods should have been completed, and in the event of damage and late delivery, shall be from the date such goods should have been delivered at the destination.

Such expiration shall not be applicable in the events of fraud or dishonesty. (Civil Code 1967; Commercial Code 86 etc., 91, 93.)

Article 96.

Without prejudice to matters which may be stipulated in a special regulation, the stipulations of this section shall also be applicable to owners of public transportation vehicles for land and waterway transportation. They shall be obligated to register goods received by them.

If such goods consist of money, gold, silver, jewels, pearls, precious stones, securities, coupons or other commercial papers of similar kind, the sender shall be obligated to declare the value of such goods, and he/she may claim the registration of such matter in the aforementioned registry.

If such declaration does not take place, in the event of loss or damage, evidencing in respect of value shall only be permitted based on the physical form of the same.

If the value is declared, such matter may be proven with all instruments of evidence by law, moreover, the judge shall be entitled to fully trust the declaration of the sender under oath, and to estimate and determine compensation for loss based on such declaration. (Commercial Code 86, 91 etc., S.1823-3.)

Article 97.

Regular shipping service companies and all other forwarders shall remain subject to prevailing laws and regulations in this field, insofar as such matter is not in violation of the provisions of this Chapter.

Article 98.

The provisions of this chapter shall not be applicable to the rights and obligations between buyer and seller. (Civil Code 1457 etc., 1473 etc., 1513.)

A. BILLS OF EXCHANGE AND ORDERS

By S. 35-480 the related agreements and protocols drawn up on June 7, 1930 in Geneva were announced.

- 1°. for validating a uniform law concerning bills of exchange and promissory notes;
- 2°. for the settlement of certain legal disputes concerning bills of exchange and promissory notes;
- 3°. concerning stamp duty related to bills of exchange and promissory notes.

By law dated April 25, 1935 (Dutch S. No. 224) these agreements were declared valid for Indonesia, Surinam and Curacao, after these had been enforced for Indonesia and Curacao on October 14, 1935; refer to the Decree of the King dated September 1935 (Dutch S. 579) in the aforementioned S.

B. CHECKS

By S. 35-561 the related agreements and protocols entered into on March 19, 1931 in Geneva were announced.

- 1°. for validating a uniform law concerning checks;
- 2°. for the settlement of legal disputes concerning checks;
- 3°. concerning duty stamp related to checks.

By virtue of law dated April 25, 1935 (Dutch S. No. 490) the above mentioned agreements were declared valid for Indonesia, Surinam and Curacao, and on December 29, 1935 these were validated for Indonesia and Curacao; refer to the King's Decree dated October 21, 1935 (Dutch S. 617) in the aforementioned S.

Based on the specification of S.37-496 jo. 39-37, 435, the countries specified here below took part in the above mentioned agreements: (for exceptions refer to the S. quoted and to the attachments to the above mentioned agreements)

| A. (1°. and 2°.) | A. 3°. | B, (1°. and 2°.) | B, 3°. |
|--|---|--|---|
| Belgium <i>Danzig</i> Denmark Germany Finland France Greece Italy Japan Monaco Holland with Indonesia Surinam and Curacao Norway Austria Poland Portugal (without colonies) Soviet Russia Sweden Switzerland | The same countries as specified under 1°. and 2°, except Greece; and including Great Britain and North Ireland with the following territories: Australia, the Bahamas, Basuto, Betchuana, the Bermuda Islands, Windward Islands, English Guyana, English Honduras, Sailan, Cyprus Malvinas Islands Fiji Islands, Gambia Gibraltar, Gilbert and Ellis Islands, Gold Coast, Kenya, States, Malta, Mauritius, New Guinea Nauru, Newfoundland, New Hebrides, North Rhodesia-Norfolk Nyassaland, Uganda, Palestine, Papua, Salomon Islands, Seychelles, Sierra Leone, St. Helen and Ascension, Settlements Straits, Swaziland, Tanganyika, Tonga, Transyordania, Trinidad and Tobago, Independent Irish State, Zanzibar. | <i>Danzig</i> Denmark Germany Finland France Greece Italy Japan Monaco Holland with Indonesia Surinam and Curacao Nicaragua Norway Poland Portugal (without colonies) Sweden Switzerland | The same countries as specified under 1 and 2°, and including Great Britain and North Ireland with the following: Australia, the Bahamas, Barbados, Basuto, Betschuana, the Bermuda Islands, the Windward Islands, British Guyana, British Honduras, Sailan, Cyprus, Malvinas Islands, Fiji Islands, Gambia, Gibraltar, Gilbert and Ellis Islands, Gold Coast, Kenya, Malay Confederation and Non-Confederation States, Malta, Mauritius, New Guinea Nauru, New Hebrides, North Rhodesia- Norfolk Island, Nyassaland, Uganda, Palestine, Papua, Salomon Islands, Seychelles, St. Helen and Ascension, Settlements Straits, Swaziland, Tanganyika, Tonga, Transyordania, Trinidad and Tobago, Independent Irish State, Zanzibar. |

In order that provisions concerning bills of exchange and promissory notes are adjusted as much as possible to the provisions of the Dutch law N.S. 32-405 dated July 25, 1932, by S. 34-562 jo. 35-531 effective as of January 1, 1936 chapter six is superseded by the following new chapter, by revoking article 99.

Article 99.

Deleted by virtue of S.1938-276.

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI, BILLS OF EXCHANGE AND ORDERS**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI, BILLS OF EXCHANGE AND ORDERS / 01-06-00, VI. BILLS OF EXCHANGE AND ORDERS**

Indonesian

Book: I. First. TRADING IN GENERAL

Chapter: VI. BILLS OF EXCHANGE AND ORDERS

Annotation:

The previous chapter is being replaced by the chapter by the deletion of article 99, based on S.1934-592 Jo. 1935-531, effective from January 1, 1936. The purpose of this is to ensure that provisions regarding Bills of Exchange and Orders are treated equally, as much as possible, with the provisions of the Law of the Netherlands dated July 25, 1932, N.S. 1932-405, adjusted to the Geneva Treaty dated June 7, 1930 concerning:

1. adoption of uniform laws concerning bills of exchange and orders;
2. settlement of disputes concerning bills of exchange and orders;
3. stamp duty for bills of exchange and orders.

By the law dated April 25, 1935 (N.S.No.224) the aforementioned treaties are declared applicable to Indonesia, Surinam and Curacao from October 14, 1935 for Indonesia and Curacao.

**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI,
BILLS OF EXCHANGE AND ORDERS / 01-06-01, 1. ISSUANCE AND FORM OF
BILLS OF EXCHANGE**

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 1. ISSUANCE AND FORM OF BILLS OF EXCHANGE
Article: 100-109c

Article 100.

Bills of exchange shall include the following: (Commercial Code 174, 178.)

1. providing the name "bill of exchange", given in the text itself and stated in the language used in such bill; (AB.18.)
2. unconditional order to pay a certain amount of money; (Commercial Code 104 etc.)
3. name of the paying party (drawee); (Commercial Code 102.)
4. determination of the due payment date; (Commercial Code 101, 132 etc.)
5. determination of the place of payment; (Commercial Code 101, 103, 126.)
6. name of the party receiving payment, or another party appointed to receive such payment; (Commercial Code 102, 109a).
7. statement of the date of signing and place of drawing such bill of exchange; (Commercial Code 101.)
8. signature of person issuing the bill of exchange (drawer). (Commercial Code 106 etc.)

Article 101.

A letter in which one of the statements set forth in the aforementioned article is not indicated shall not prevail as a bill of exchange, with the following exceptions: (Commercial Code 175, 179.)

A bill of exchange the payment maturity date of which is not determined, shall be deemed to be payable on the day of its being sighted.

If no specific place is indicated, the place indicated next to the name of the drawer shall be deemed as the place of payment and also as the domicile of the drawee.

A bill of exchange not indicating the place of its drawing shall be deemed to have been signed at the place indicated next to the drawer's name. (Civil Code 1915 etc., 1921.)

Article 102.

Bills of exchange may be issued to persons appointed by the drawer.

These may be drawn on the account of the drawer himself.

And they may be drawn on the account of a third party's account.

The drawer shall be deemed to be drawing on his own account if it is not evident from such bill of exchange or his notification letter on whose account it is being done. (Commercial Code 183; Civil Code 1915 etc., 1921.)

Article 102a.

If the drawer indicates on the bill of exchange the words "value for collection", or "for collection", "ordered", or another statement meaning only collection, the receiving party may use all rights incurring from the bill of exchange, however, he cannot endorse the same in a way other than by instruction.

In such a bill of exchange, the debtors of the bill of exchange may only use objection instruments against the holder which they should be able to use against the drawer.

The instruction set forth in the bill of exchange for collection shall not cease by reason of the demise of the party giving instruction or because the party giving instruction subsequently becomes incompetent. (Commercial Code 100, 117; Civil Code 1792 etc., 1813.)

Article 103.

The bill of exchange may be paid at the domicile of a third party, either at the domicile of the drawee, or at another place. (Commercial Code 100-5°, 126, 185; Civil Code 17 etc., 24.)

Article 104.

In the bill of exchange payable upon being sighted or within a certain time after being sighted, the drawer may determine that such amount of money bear interest.

In every other bill of exchange, such interest clause shall be deemed to not have been written.

Such interest shall be counted from the day of signing the bill of exchange, unless a different day is determined.

Article 105.

The amount of the bill of exchange shall be spelled out completely in words as well as in figures, so that in the event of a discrepancy, the amount written in words completely shall prevail.

If the amount of a bill of exchange is spelled out completely both in words and in figures several times, then in the event of a discrepancy, only the smallest amount shall prevail. (Civil Code 1878 etc.; Commercial Code 186.)

Article 106.

In the event of a bill of exchange bears the signature of persons who are not competent by virtue of law to enter into commitments by using bills of exchange, bears fake signature, signature of fictive persons, or the signature of persons who, due to any other reason may not enter into commitments with persons signing or persons on whose behalf such matter is done, however the commitments of other persons whose signature is indicated on such bill of exchange shall be effective. (Civil Code 108, 113, 1446, 1872, 1876 etc.; Commercial Code 70, 187; Civil Code 264.)

Article 107.

Each person signing on a bill of exchange in his capacity as the representative of a person on whose behalf he is not entitled to act, such person himself shall be committed based on such bill of exchange, and after effecting payment, shall have the same rights as those of the person he claims to be representing. The same shall be applicable to representatives exceeding their respective authorities. (Civil Code 1797, 1806; Commercial Code 188.)

Article 108.

The drawer shall guarantee his acceptance and payment. (Civil Code 120 etc., 137 etc., Regulation on Legal Claims (Rv.) 299, 581.)

The drawer may declare himself free from acceptance guaranty; each clause releasing him from payment guaranty obligation shall be deemed not to have been written.

Article 109.

In the event that a bill of exchange which is incomplete at the time of its issuance is completed, contradicts to the agreements entered into, no claims may be filed against the holder of such bill of exchange by reason of not honoring such agreements, unless the holder obtains such bill of exchange in bad faith or as a result of a major default. (Commercial Code 168.)

Article 109a.

The drawer shall be obligated to determine at the receiver's option whether payment must be made to the party receiving such bill of exchange, or to another party; in both cases to the appointed party and without the addition of words "to appointed party", or with the addition of a word as intended in the second paragraph of article 110. (Commercial Code 102.)

Article 109b.

The drawer or a person at whose expense the bill of exchange is drawn, shall be obligated to endeavor so that the drawer has sufficient funds for paying, even though such bill of exchange must be paid to a third party, however with the understanding that the drawer himself shall remain personally responsible to the holder and former receivers of endorsement. (Commercial Code 102 etc., 127a, 146a.)

Article 109c.

The drawee shall be deemed to possess such required funds, if on the maturity date of such bill of exchange, or at a time when based on the third paragraph of article 142 the holder may use his regress right, the drawee owes the drawer or another person for whose account the bill of exchange has been drawn, an amount of collectible money, which is not less than the amount of such bill of exchange. (Commercial Code 127a, 146a.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI, BILLS OF EXCHANGE AND ORDERS / 01-06-02, 2. ENDORSEMENT

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 2. ENDORSEMENT
Article: 110-119

Article 110.

Each bill of exchange, including those that do not expressly state to the appointed party, may be transferred to another party by way of endorsement.

If the drawer indicates in such bill of exchange the words: "not to an appointed party" or a similar statement, such bill of exchange may only be transferred to another party in the form of an ordinary assignment (cessie) along with its consequences. Such an endorsement attached to a bill of exchange shall prevail as an ordinary assignment (cessie). (Civil Code 613.)

Such endorsement may even be made in favor of the drawee, either as accepting party or as a non-accepting party, in favor of the drawer or any bill of exchange debtor. Such persons may further endorse such bill of exchange. (Commercial Code 111 etc., 119, 166.)

Article 111.

Such endorsement must be unconditional. Any condition included therein shall be deemed as not to have been written. (Commercial Code 114.)

Partial endorsements shall be void.

Sight endorsements shall prevail as blank endorsements. (Commercial Code 112(2), 113(2).)

Article 112.

Endorsement must be made on a bill of exchange or on an attached page (attachment). It must be signed by the endorsing party concerned.

Such endorsements must allow for the endorsed party not to be mentioned, or endorsements shall bear only the signature of the endorsing party (blank endorsement). In the latter case, in order to be valid, such endorsements must be made on back of the bill of exchange concerned or on its attachment. (Commercial Code 111(3), 113(2).)

Article 113.

By such endorsements, all rights arising from the bill of exchange concerned shall be transferred to another party. (Commercial Code 114.)

If such endorsements are blanks, holders thereof may: (Commercial Code 111(3), 112(2).)

- 1°. fill in such blanks using either their own respective names or the names of other parties;
- 2°. further endorse such bill of exchange in blank or to another person;
- 3°. submit such bill of exchange to a third party without filing the aforementioned blank and without endorsing the same. (Civil Code 612 etc.; Commercial Code 194.)

Article 114.

Unless otherwise required, the endorsing party shall guarantee the acceptance and payment thereof. (Regulation on Legal Claims (Rv.) 299, 581-1 sub 1°.)

The endorsing party may prohibit new endorsements; in such an event, the endorsing party shall not guarantee his acceptance and payment to those subsequently receiving the endorsement of such bill of exchange. (Commercial Code 111, 113(1).)

Article 115.

The person holding a bill of exchange shall be deemed as the valid holder, if such party proves his right by presenting a series of uninterrupted endorsements, even though the last endorsement is made as a blank endorsement. Deleted endorsements shall be deemed not to have been written. If a blank endorsement is followed by another endorsement, the signer of such last endorsement shall be deemed to have obtained such bill of exchange because of the blank endorsement. (Commercial Code 139(3).)

If a party loses in any manner whatsoever the bill of exchange in his possession, the holder thereof proving his right in the manner stipulated in the paragraph hereinabove shall not be required to give up such bill of exchange, unless such holder has obtained it in bad faith or as a result of a major default. (Civil Code 582, 1977; Commercial Code 167a, 167b.)

Article 116.

The parties subject to collection based on a bill of exchange towards its holder may not use instruments of contest based on their personal relationship with the drawer or previous holders, unless at the time of obtaining such bill of exchange such holder acted purposefully in a way as to cause loss to the debtor. (Commercial Code 102a, 118.)

Article 117.

If such endorsement bears the statement: "value for collection", "upon order", or other statements with the only meaning of collection, the holder thereof may exercise all his rights arising from such bill of exchange, but may not endorse the same in a way other than by order (instruction).

In such an event, the debtors of a bill of exchange may only use instruments of contest towards its holder, as applicable towards the endorsing party.

The instruction indicated in a collection endorsement shall not cease due to the demise of the party giving instruction or because the party giving instruction becomes incompetent based on law. (Commercial Code 102A; Civil Code 1792 etc., 1813.)

Article 118.

If an endorsement bears the statement: "guaranty value", "pledge value" or other statements meaning the provision of pledge, its holder may exercise all rights arising from such bill of exchange, however endorsements made by him shall only be valid as endorsements given by instruction. (Civil Code 1150, 1152 etc.)

Bill of exchange debtors may not use instruments of contest towards its holder based on their personal relationship with the endorsing party, unless at the time of obtaining such bill of exchange the holder concerned purposefully acted to cause loss to the debtor. (Commercial Code 116.)

Article 119.

Endorsements made after payment maturity date shall have the same consequences as endorsements made prior to such maturity date. However, endorsements made after a protest for non-payment or after the expiration of the time frame for filing such a protest shall only have the consequences of an ordinary assignment (cessie). (Civil Code 613.)

With a possibility to prove the opposite, undated endorsements shall be deemed to have been made before the expiration of the time frame determined for filing such a protest. (Civil Code 1915 etc.; Commercial Code 143.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI, BILLS OF EXCHANGE AND ORDERS / 01-06-03, 3. ACCEPTANCE

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 3. ACCEPTANCE
Article: 120-128

Article 120.

Up to the payment maturity date, the bill of exchange may be submitted by a valid holder or by a party only carrying it, to the drawee at his address for acceptance. (Commercial Code 121, 124, etc.)

Article 121.

It may be set forth by the drawer in any bill of exchange, with or without determining a time frame, that such bill of exchange must be submitted for acceptance.

(The drawer) may prohibit in such bill of exchange its submission for acceptance, except for bills of exchange payable by third parties, or may set forth that it must be paid at a place other than the address of the drawee or that it must be paid at a certain time after sighting. (Commercial Code 108, 122, 132.)

(The drawer) may also set forth that submission for acceptance may not be done before a certain day. (Commercial Code 127c.)

Each endorsing party may set forth, with or without determining a time frame, that such bill of exchange be submitted for acceptance, unless it was already stated by the drawer that no acceptance may be requested for such bill of exchange. (Commercial Code 127b.)

Article 122.

A bill of exchange payable at a certain time after being sighted must be submitted for acceptance within one year after having been signed. (Commercial Code 132 etc., 143, 152.)

The drawer may reduce or increase such time frame.

The endorsing parties may reduce such time frames.

Article 123.

The drawee may request a second submission on the day following submission on the first day. The parties concerned shall not be allowed to use it as a pretext that they have not granted such request, unless such request is quoted in the protest.

The holder shall not be obligated to release to the drawee the bill of exchange submitted by him for acceptance. (Commercial Code 143.)

Article 124.

Acceptance shall be made on the bill exchange. This shall be stated with the words: "accepted", or with similar words; it shall be signed by the drawee. One signature only of the drawee on the front page of such bill of exchange shall prevail as acceptance. (Commercial Code 127, 127b.)

If such bill of exchange must be paid at a certain time after being sighted, or if it must be submitted for acceptance within a certain time frame by virtue of an express requirement, such acceptance must include the date of the day on which it was made, unless its holder requests the day of its submission. If such date is not mentioned, its holder must seek the determination of such default by way of a protest at the time, with the possibility of losing regress right towards the endorsing parties and towards the drawer who have made their funds available. (Commercial Code 122, 126, 143, 165.)

Article 125.

Such acceptance shall be unconditional, however the drawee may limit it up to a certain portion of its amount. (Civil Code 122, 126, 143, 165.)

All other changes made by the accepting party in respect of matters set forth in such bill of exchange shall prevail as rejection of acceptance. However, accepting parties shall be bound in accordance with their respective acceptances. (Commercial Code 128, 143, 150.)

Article 126.

If the drawer determines in the bill of exchange that payment must be made at a place other than the drawee's domicile, without appointing a third party to whom payment must be made, then the drawee may indicate the same on his acceptance. In the absence of such appointment, the accepting party shall be deemed to have committed to pay at the place of payment. (Commercial Code 101.)

If such bill of exchange is payable at the drawee's domicile, the latter may determine in his acceptance the address at the place of payment. (Commercial Code 143a.)

Article 127.

With such acceptance the drawee commits to pay his bill of exchange on its payment maturity date. (Commercial Code 164.)

In the event of payment default, the holder even though in his capacity as drawer, shall have a direct account receivable arising from such bill of exchange towards the accepting party, in respect of all matters which can be claimed based on articles 147 and 148. (Regulation on Legal Claims (Rv.) 299, 581-1 sub 1°.)

Article 127a.

Parties holding sufficient funds made available specially for the payment of drawn bills of exchange shall be obligated to grant acceptance, under the threat of compensation for costs, losses and interest towards the drawer. (Civil Code 1243 etc.; Commercial Code 109c, 127c, 146a, 152a.)

Article 127b.

A promise to accept a bill of exchange shall not prevail as acceptance, however it shall grant the right to the drawer to claim compensation for loss to the promising party refusing to fulfill his promise.

Losses shall consist of costs of (filing) a protest and drawing of a new bill of exchange, if such bill of exchange was drawn for the account of the drawer himself.

If drawing is made at a third party's expense, the above mentioned loss and interest shall consist of the costs of (filing) a protest and drawing of a new bill of exchange, and of the amount prepaid by the drawer for the credit of such bill of exchange, based on the promise made by a promising party, to the aforementioned third party. (Civil Code 1243 etc.; Commercial Code 121, 151.)

Article 127c.

The drawer shall be obligated to advise the drawee in a timely manner regarding the bill of exchange drawn by him, and failing to do so, the former shall be obligated to pay the expenses incurred as a consequence of acceptance refusal or payments incurred due to the same. (Civil Code 1243 etc.; Commercial Code 127a.)

Article 127d.

If such bill of exchange is drawn at a third party's expense, only such person shall be committed to the accepting party. (Commercial Code 102.)

Article 128.

If the drawee deletes the acceptance indicated in the bill of exchange prior to the resubmission of such bill of exchange, such deletion shall be deemed to have been rejected. With the possibility of proving the opposite, such deletion shall be deemed to have taken place prior to the resubmission of such bill of exchange. (Commercial Code 125.)

However, if the drawee already stated his acceptance in writing to its holder or to a person whose signature is indicated in such bill of exchange, the drawee shall be committed to such person in accordance with his acceptance. (Commercial Code 127, 127b.)

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Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 4. AVAL (GUARANTY AGREEMENT)
Article: 129-131

Article 129.

The payment of a bill of exchange may be guaranteed by a guaranty agreement (aval) for the entire or partial amount of such bill of exchange.

Such guaranty may be granted by a third party, or even by a person whose signature is indicated in such bill of exchange. (Civil Code 1820 etc.; Commercial Code 125.)

Article 130.

The above mentioned aval shall be written on the bill of exchange concerned or on an attached page.

It shall be stated using the words: "good for aval" or with a similar statement; it shall be signed by the provider of aval.

The mere signature of the party providing aval on the front page of the bill of exchange concerned shall prevail as aval, unless such signature belongs to the drawee or the drawer. (Civil Code 1824.)

This can also be done in a separate text or in a letter stating the place of its being granted.

The aval must indicate the party in whose favor such aval is granted. If it is not stated, the aval shall be deemed as being granted to the drawer. (Commercial Code 203.)

Article 131.

The party granting an aval shall be bound in the same manner as the person receiving such aval. (Civil Code 1280, 1282, 1831 etc.; Regulation on Legal Claims (Rv.) 299, 581-1 sub 1°.)

The commitment shall be valid, even though the commitment guaranteed by it becomes void due to a reason other than being defect in form. (Civil Code 1821.)

By making payment, the party granting the aval shall obtain the rights which may be exercised by virtue of such bill of exchange towards the person receiving such aval, and towards parties committed to him based on such bill of exchange. (Civil Code 1839 etc.; Commercial Code 115.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI, BILLS OF EXCHANGE AND ORDERS / 01-06-05, 5. MATURITY DATE

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 5. MATURITY DATE
Article: 132-136

Article 132.

A bill of exchange may be drawn:

- at the time of sighting;
- at a certain time after sighting;
- at a certain time after its date;
- on a certain day.

A bill of exchange the maturity date of which is otherwise determined or which is payable in installments shall be void. (Commercial Code 101.)

Article 133.

A bill of exchange drawn as a sight draft must be paid at the time of sighting. Such bill of exchange must be submitted for payment within one year after its date. The drawer may reduce or extend such time frame.

The drawer may determine that a bill of exchange may not be submitted for payment prior to a certain day. If such is the case, the time frame shall be counted from such day. (Commercial Code 122, 136, 143(3).)

Article 134.

The payment maturity date of a bill of exchange drawn for payment at a certain time after sighting shall be determined based on the date of acceptance, or the date of a protest.

If there is no protest, an undated acceptance shall be deemed to have been made towards the accepting party on the last day within the time frame determined for its submission for acceptance. (Commercial Code 122, 124, 135(2), 142 etc.)

Article 135.

(In the event of) a bill of exchange drawn for payment one or several months prior to its date or after sighting, its maturity date shall be on the day in the month determined for effecting such payment. If there is no such day, such bill of exchange shall reach maturity date for its payment on the last day in the month concerned.

In the event that a bill of exchange is drawn with a maturity date of one or several months plus half a month after its date or after sighting, the full months shall be counted first.

If such maturity date is determined at the beginning, middle (middle of January, middle of February etc.) or at the end of a month, then such terms must be interpreted as follows: the first, the fifteenth, the last day in the month concerned.

The terms: "eight days", "fifteen days" must not be interpreted as one or two weeks, but as a period of time consisting of eight or fifteen days.

The terms: "half a month" shall mean a period of time of fifteen days. (Commercial Code 137.)

Article 136.

(In the event of) the maturity date of a bill of exchange payable on a certain day, at a certain place, where the calendar is different from the calendar used at the place of its issuance, shall be deemed to have been determined according to the calendar (prevailing at) the place of payment.

The day of issuance of a bill of exchange drawn between two places with different calendars and payable at a certain time after sighting, shall be counted on the day of the calendar used at the place of payment, and the maturity date of its payment shall be determined in accordance therewith.

The time frame for submission of a bill of exchange shall be counted in accordance with the provisions of the aforementioned paragraph.

This article shall not be applicable if based on the clauses contained in the aforementioned bill of exchange or its wording it can be concluded that there is a different intention. (AB. 18; Commercial Code 207.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI, BILLS OF EXCHANGE AND ORDERS / 01-06-06, 6. PAYMENT

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 6. PAYMENT
Article: 137-141

Article 137.

The holder of a bill of exchange which is payable on a certain day or at a certain time after sighting must submit the same for payment, on the date such bill of exchange becomes payable, or on one of the two work days thereafter.

The submission of a bill of exchange to a settlement agency shall prevail as submission for payment. The Governor General (in this case the President) shall appoint agencies which shall be deemed as settlement agencies in the context of this chapter. (Commercial Code 100-4°, 120, 122, 133, 135, 139, 141.)

Article 138.

In events other than those intended in article 167b, while paying the bill of exchange, the drawee may claim the submission of such bill of exchange to him complete with a valid receipt for the full payment thereof from its holder.

The holder may not refuse partial payment. (Commercial Code 125.)

In the event of lump sum payments, the drawee may claim that such payment be stated in such bill of exchange and that a receipt for such payment be obtained by him. (Civil Code 1390; Commercial Code 150, 164, 168, 169, 211.)

Article 139.

The holder of a bill of exchange may not be forced to accept payment prior to the maturity date of the same.

The drawee effecting payment prior to maturity date shall do so at his own responsibility. (Civil Code 1360 etc.)

Any party having paid a bill of exchange on its maturity date shall be fully released, provided that such party is not involved in fraud or a major default. Such party shall be obligated to examine the orderliness of the series of endorsements, but not the signatures thereon. (Civil Code 1385 etc.; Commercial Code 115.)

If such party, after having effected payment without being released, is required to pay for the second time, he shall have the right of collection towards parties who have obtained such bill of exchange in bad faith, or those who have obtained it as a result of a major default. (Civil Code 1270, 1386, 1405-4°; Commercial Code 147(2), 167a, b, 212.)

Article 140.

A bill of exchange payable in a currency different from the currency prevailing at the place of its payment, may be paid using the currency of its country based on the exchange rate prevailing on its maturity date. If the debtor defaults, the holder may claim at his option that the amount indicated on such bill of exchange be paid in the currency of its country based on the exchange rate (prevailing) either on its maturity date or on the payment date.

The value of such foreign currency shall be determined based on the practice prevailing at the place of its payment. However, the drawer may determine that the amount of the payable amount be calculated based on the exchange rate determined in the bill of exchange concerned.

The above stipulation shall not be applicable if the drawer determines that payment must be made in a certain currency appointed by him (actual payment in foreign currency clause).

If the amount of the bill of exchange is denominated in a currency with the same name, but with a different value in the country of its issuance and in the country of the place of payment, the currency of the place of payment shall be deemed applicable. (Civil Code 1756 etc.; Commercial Code 60, 100-2°, 151(3), 213.)

Article 141.

If the bill of exchange is not sighted for payment within the time frame determined in article 137, each debtor shall be entitled to submit such amount to an authorized party for safekeeping at the cost and the responsibility of its holder. (Civil Code 1280 etc., 1382, 1385, 1387, 1393, 1395, 1404 etc., 1407 etc., 1409 etc.; Commercial Code 127(1), 133, 139, 142, 146.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI, BILLS OF EXCHANGE AND ORDERS / 01-06-07, 7. REGRESS RIGHT IN THE EVENT OF NON-ACCEPTANCE OR NON-PAYMENT

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 7. REGRESS RIGHT IN THE EVENT OF NON-ACCEPTANCE OR NON-PAYMENT
Article: 142-153

Article 142.

(Legalized by S.1937-590.)

The holder of a bill of exchange may exercise his regress right towards the endorsing parties, towards the drawer and other debtors of the bill of exchange: (Commercial Code 108, 109b, c, 114, 127, 131.)

On its maturity date: (Commercial Code 100-4°.)

If payment is not made. (Commercial Code 132 etc., 137, 141.)
Even before its maturity date:

1. if acceptance is entirely or partially rejected; (Commercial Code 120 etc., 125.)
2. in the event of the drawee's bankruptcy, either as accepting party or as non-accepting party and from the effectiveness of the postponement of payment; (Commercial Code 143(5),(6); F.1 etc., 212 etc., 216.)
3. in the event of the bankruptcy of the drawer of the bill of exchange for which no acceptance can be requested. (Commercial Code 143(6); F.1 etc.)

Article 143.

The rejection of acceptance or payment must be drawn up in an authentic deed (protest for non-acceptance or non-payment).

Protests for non-acceptance must be filed within the time frame determined for submission for acceptance. If in the event of matters stipulated in the first paragraph of article 123, the first submission is made on the last day of such time frame, such protest may still be filed on the following day.

Protests for non-payment of a bill of exchange payable on a certain day, or at a certain time after its date or after sighting, must be filed on one of the following two work days after the day on which such bill of exchange becomes due. In the event of a bill of exchange payable upon sighting, such protest must be filed in accordance with the provisions set forth in the above paragraph for filing protests for non-acceptance.

A protest for non-acceptance shall render submission for payment and protest for non-payment unnecessary.

In appointing caretakers upon the drawer's request, the accepting or non-accepting party concerned, for postponement of payment, the holder concerned may not exercise his regress right before such bill of exchange is submitted to the drawee for payment and a protest is filed.

If the drawee, accepting or non-accepting party is declared bankrupt, or if no acceptance can be requested from the drawer of the bill of exchange, is declared bankrupt, the holder concerned can exercise his regress right by merely showing the judge's decision determining such bankruptcy. (Commercial Code 120 etc., 125, 132 etc., 143b, 143d, 145, 171, 217; F.1 etc., 212, 214.)

Article 143a.

The request for payment of a bill of exchange and the protest following it must be made at the domicile of the drawee.

If such bill of exchange is drawn for payment at another appointed domicile, or by another appointed person, either within the region (currently the equivalent of a regency), or another regency, the request for payment and protest must be made at the appointed domicile or to such appointed person.

If the person obligated pay such bill of exchange is completely unknown or cannot be found, such protest must be filed at the post office at the address appointed for payment, and if no post office is available there, in the region of the Government in Java and Madura to the resident assistant and outside such region to the Head of the Local Regional Government. The same procedure shall be applicable if a bill of exchange is drawn for payment in the regency outside the drawee's domicile, and if there is no appointed address for its payment. (Civil Code 1393; Commercial Code 100-3°, 102, 126. 143b-2 sub 2°, 218a; F.96(2).)

Article 143b.

All protests, both protests for non-acceptance or protests for non-payment, must be drawn up by a notary or a bailiff, in the presence of two witnesses.

Such protests shall include the following:

1. a transcript from its bill of exchange, of its acceptance, of the endorsements, of its aval and of the addresses indicated thereon;
2. a statement that they have requested acceptance or payment thereof to persons or at a place set forth in the aforementioned article, and did not obtain it;

3. a statement concerning the reason quoted for non-acceptance or non-payment;
4. a reminder to sign such protest, and reasons of its rejection;
5. a statement stating that the notary or bailiff, have already filed a protest for such non-acceptance or non-payment.

In the event of a protest concerning a lost bill of exchange, an elaborate description of the contents of such bill of exchange shall suffice, as replacement for matters stipulated in 1° of the previous paragraph. (Commercial Code 112, 124 etc., 130, 137, 155 etc., 159, 167a etc., 218b; Notation 1, 20 etc.)

Article 143c.

Notaries or bailiffs shall be obligated, under the threat of bearing costs, losses and interest, to draw up a copy of such protest and state it in such copy, and to register the same in a special registry, in chronological order, with a number and certificate of approval by the Head of the court of justice, if their respective domicile is located within the regency of the court of justice, and outside such regency by the judge of the resident court; if such does not exist, is prevented or is not capable of taking action, within the region of the Government in Java and Madura by the resident assistant and outside such region by the Head of the local Regional Government. They shall also be obligated, if required, to submit one or more sets of copies of such protest to the parties concerned. (Commercial Code 218c; Regulation on Legal Claims (Rv.) 4, 8.)

Article 143d.

As a protest for non-acceptance, and subsequently also as a protest for non-payment, the statement indicated in the bill of exchange with the permission of its holder shall be applicable, dated and signed by the person requesting its acceptance or payment, stating his refusal, unless the drawer already noted that he wishes to apply the authentic procedure. (Commercial Code 143, 217-2°.)

Article 144.

The holder concerned must inform the endorsing parties and the drawers about such non-acceptance or non-payment within four working days following the day of protest, or if such bill of exchange was already drawn under the no-expense clause, on the day following submission. Each endorsing party must inform about the notice received by him within the following two working days from the day of receiving such notice, by indicating the name and address of the parties giving notice as first mentioned, so it shall be further returned to its drawer. Such time frames shall be counted from the day of receiving the notices first mentioned.

If a notice is given based on the above paragraph to a party whose signature is indicated on the bill of exchange, the same notice must also be given within the same time frame to the party granting his aval.

If an endorsing party does not state his address or states it in an illegible manner, a notice to the previous preceding endorsing party shall suffice.

A party obligated to give notice may do so in any form whatsoever, even by merely returning his bill of exchange.

Such party must prove that he gave such notice within the determined time frame. It shall be deemed that such time frame has been honored if the letter containing such notice is delivered by post within the aforementioned time frame. (Civil Code 1916.)

A party giving notice outside the aforementioned time frame shall not cause himself to lose his rights; if he has a reason, he shall be responsible for all losses caused by his negligence, however, costs, compensation for losses and interests shall not possible exceed the amount of the bill of exchange concerned. (Civil Code 1243 etc.; Commercial Code 143 etc., 153, 219.)

Article 145.

A drawer, endorsing party or a party providing aval may release the holder from filing a non-acceptance or non-payment protest, for exercising his regress right, by way of a "no-charge", "no-protest" clause or other clause of similar kind to be written and signed on the bill of exchange concerned.

Such clause shall not release the holder from submitting such bill of exchange within the time frames determined or from giving notice regarding such matter. Evidence of non-observance of such time frame must be provided by the person who on the basis thereof claims it from the holder.

If such clause is not made by the drawer, he shall bear consequences towards all parties whose signatures are included in the bill of exchange concerned; if it is done by the endorsing party or the party providing aval, it will only have consequences towards the endorsing party or the party providing aval. If the holder files a protest anyway, even though such clause was set forth by the drawer, the expenses thereof shall be for the former's account. If such clause comes from an endorsing party or a party providing aval, if a protest is filed, the expenses thereof may be claimed to all of the parties whose signatures are included in the bill of exchange concerned. (Commercial Code 143, 143d, 147-1 sub 3°, 220.)

Article 146.

Every person drawing, accepting, endorsing or signing a bill of exchange for aval, shall be bound to its holder with the former's personal assets. Furthermore, a third party at whose expense such bill of exchange was drawn and he already benefited from the value thereof shall also be responsible to the holder concerned.

The holder may sue these persons, either jointly or severally, without the obligation to take into account the order in which they committed themselves respectively.

Such right shall also be granted to any person whose signature is indicated on such bill of exchange and who effected payment in fulfillment of his regress obligation.

A charge filed against one of the debtors of the bill of exchange concerned shall not prevent the filing of charges against other debtors, even though the latter committed themselves after the first accused parties. (Civil Code 1280 etc., 1283, 1292 etc.; Commercial Code 102 etc., 110 etc., 120 etc., 127, 131, 152, 152a, 157, 165, 167, 221; F.132; Regulation on Legal Claims (Rv.) 299, 581-1 sub 1°.)

Article 146a.

The holder of a bill of exchange being the subject of protest shall not have any rights on the drawer's reserve funds held by the drawee.

If such a bill of exchange is not accepted, in the event of the drawer's bankruptcy, such funds of the bill of exchange shall be included in his assets. (F.19.)

In the event of acceptance, such funds shall remain in the drawee's possession up to the value in such bill of exchange, without prejudice to his obligation towards the holder to fulfill his acceptance. (Commercial Code 109b etc., 127a, 221a.)

Article 147.

The holder shall claim the following to parties against who he is exercising his regress right:

1. the unaccepted or unpaid amount of the bill of exchange, together with interest thereon, if required;
2. interest in the amount of six percent, calculated starting from payment maturity;
3. expenses related to filing a protest, giving notice and other expenses. (Commercial Code 145(3).)

If the regress right is not exercised prior to the maturity date, a deduction shall be made from such amount of bill of exchange. Such deduction shall be calculated based on an official discount (bank discount) prevailing at the domicile of the holder, on the day of exercising regress right. (Civil Code 1250(3); Commercial Code 104, 127, 139, 142 etc., 143d etc., 148, 151, 152a, 157, 222.)

Article 148.

A person having paid a bill of exchange with the purpose of fulfilling his regress obligation may claim the following to the person having a regress right in respect thereof:

1. the entire amount of money paid by him;
2. interest in the amount of six percent calculated from the day of payment;
3. expenses already paid by him. (Civil Code 1250(3); Commercial Code 147, 151, 223.)

Article 149.

Every debtor of a bill of exchange, against whom a regress right is or may be exercised, may claim by making payment as a fulfillment of his regress obligation, to submit such bill of exchange together with his protest and calculations signed as receipt.

Every endorsing party having paid such bill of exchange in fulfillment of his regress right may delete his own endorsement and subsequent endorsements. (Commercial Code 138, 146 etc., 224.)

Article 150.

In the event of a partial acceptance, the person who already paid a part of such unaccepted bill of exchange in order to fulfill his regress obligation may claim that such payment be mentioned in such bill of exchange and such person shall receive a receipt. In addition to the above, the holder must submit to such person a true copy of the aforementioned bill of exchange along with protest, in order to enable the further exercise of his regress rights. (Civil Code 1390; Commercial Code 125, 143, 166 etc.)

Article 151.

Any person entitled to exercise regress right, unless otherwise required, may obtain for himself compensation for such losses through a new bill of exchange (reissued bill of exchange) drawn as a bill of exchange for one of the parties having regress obligation towards him, and it must be paid at his domicile.

Such reissued bill of exchange shall cover matters except amounts of money intended in articles 147 and 148, and amounts of commission and stamp duty of such bill of exchange.

If such a reissued bill of exchange is drawn by the holder, its amount shall be determined based on the rate of a sight draft, drawn at the place where the original bill of exchange is payable, at the domicile of the party with regress obligation. If such reissued bill of exchange is drawn by an endorsing party, its amount shall be determined based on the rate of a sight draft drawn at the domicile of the drawer of such reissued bill of exchange, at the domicile of the party with regress obligation. (Commercial Code 140, 146.)

Article 152.

Upon the expiration of the determined period of time: (Commercial Code 153.)

- for the submission of a bill of exchange drawn by a bearer or for a certain period of time after sighting; (Commercial Code 122, 133 etc., 137.)
- for filing non-acceptance or non-payment protests; (Commercial Code 143.)
- for submission for payment in the event that a non-charge clause exists, (Commercial Code 145.)

the holder's right towards the endorsing party, towards the drawee and towards other debtors of the bill of exchange shall cease, with the exception of the accepting party. (Commercial Code 127.)

In the event of a failure to submit for acceptance within the time frame determined by the drawer, the holder's regress right shall cease, either by cause of non-payment or non-acceptance, unless it is clear from the wording of such bill of exchange that the drawer only wishes to release himself from the obligation to guarantee his acceptance. (Commercial Code 146, 153.)

If there is a clause in the bill of exchange determining a time frame for submission, only the endorsing party concerned may use it as a basis. (Commercial Code 110 etc., 119.)

Article 152a.

Even though a non-acceptance or non-payment protest is filed in respect of a bill of exchange, the drawer shall be obligated to (grant a) release, even though such protest is not filed at the proper time, unless the drawer proves that on the payment maturity date there are funds in the drawee's possession for the payment of such bill of exchange. If only part of the funds which must be provided are available, the drawer shall be responsible for the shortage. (Commercial Code 109b etc.; 127a, 143, 146a.)

If such bill of exchange is not accepted, if the protest is not filed at the proper time, the drawer under the threat of being obligated to release, shall be obligated to release and submit to its holder a claim in respect of such funds received from him by the drawee on the payment maturity date, and which covers such bill of exchange; he must also provide to the holder at his cost sufficient evidence in order to make such claim effective. If the drawer is declared bankrupt, the caretakers of his assets shall have the same obligation, unless they deem it more appropriate to permit such holder as debt collector in respect of the amount of the bill of exchange concerned. (Civil Code 613; Commercial Code 109c; F.1, 13.)

Article 153.

If the submission of a bill of exchange or the filing of a protest within the determined time frame is prevented by an obstacle which cannot be overcome (laws and regulations of a country or other matters outside his control), such time frame shall be extended.

Its holder shall be obligated to immediately notify the endorsing party concerning such condition out of his control, and to indicate such notice on the bill of exchange concerned or on its attachment with the date and signature thereof; for further matters, the provisions of article 144 shall be applicable.

After such condition outside his control is over, the holder must immediately submit the bill of exchange concerned for acceptance or payment, and must file a protest if there is a reason to do so.

If such condition outside his control continues during more than thirty days from the date of payment maturity date, his regress right can be exercised without requiring submission or the filing of protest.

In the event of bills of exchange drawn as bearer bills of exchange or with a payment maturity date at a certain time after sighting, the aforementioned time frame of thirty days shall be counted from the date on which the holder concerned notifies about such condition outside his control to the endorsing party concerned, even before the expiration of the time frame for submission; in the event of bills of exchange drawn with a payment maturity date at a certain time after submission, such time frame of thirty days shall be extended by the time frame for sighting stated in the bill of exchange concerned.

Facts which are of personal nature to the holder of the bill of exchange concerned, or to persons appointed by him to submit such bill of exchange or to file a protest, shall not be considered as matters outside his control. (Commercial Code 121 etc., 133 etc., 143, 152, 225.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI, BILLS OF EXCHANGE AND ORDERS / 01-06-08, 8. MEDIATION

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 8. MEDIATION
Article: 154-162

x1. General Provisions**Article 154.**

The drawer, an endorsing party or a party providing aval may appoint a person to make acceptance or payment in an emergency situation. (Civil Code 1792 etc.)

Such bill of exchange may be accepted or paid under the conditions set forth hereunder by a person acting as intermediary of a debtor who can be subjected to regress right.

Such intermediary may be a third party, even the drawer, or a person already bound based on the bill of exchange concerned, except for an accepting party. (Civil Code 1354, 1382.)

Such intermediary shall notify the party having appointed him as an intermediary about his mediation within two days. In the event that he does not honor such time frame, if there is reason for it, he shall be responsible for losses caused by his negligence, however, the costs, compensation for loss and interest may not exceed the amount of money covered by the bill of exchange concerned. (Civil Code 1355 etc.; Commercial Code 146, 155 etc.)

x2. Acceptance Through Mediation**Article 155.**

Acceptance through mediation may occur in any situation, when the holder of an acceptable bill of exchange may exercise regress right prior to payment maturity date. (Commercial Code 121(3).)

In the event that a person is appointed in a bill of exchange to accept or pay the same at its place of payment in an emergency situation, the holder may not exercise his right towards the appointing person and towards those subsequently signing such bill of exchange, before its payment maturity date, unless he already submitted such bill of exchange to such appointed person and already filed a protest in respect of his refusal to accept. (Commercial Code 142 etc., 154(1).)

In other events of mediation, the holder may reject acceptance through mediation. However, if he (the holder) accepts it, he shall lose his regress right prior to maturity date towards parties in whose favor such acceptance was made, and towards parties who subsequently signed such bill of exchange. (Commercial Code 146, 148, 154(3).)

Article 156

Acceptance through mediation shall be indicated on the bill of exchange concerned. It shall be signed by the intermediary concerned. This shall be an appointment of the person in whose favor such acceptance was granted; in the absence of such appointment, it shall be deemed to have been done in favor of the drawer. (Civil Code 1915 etc.; Commercial code 124, 161.)

Article 157

Accepting parties through mediation shall be bound towards the holder and towards the endorsing parties having already endorsed such bill of exchange after the person in whose favor such mediation is provided, in the same way as those mentioned hereinabove.

Even though an acceptance is made through mediation, the person in whose favor it was done and those persons having regress obligations towards such person may claim from its holder the submission of such bill of exchange, his protest and calculation signed as receipt for payment, by returning the amount of money intended in article 147, if there is a reason to do so. (Commercial Code 127, 146, 159 etc.)

x3. Payment Through Mediation.

Article 158.

Payment through mediation may be made under all circumstances when the holder has regress right, either on maturity date or before maturity date.

Such payment must cover the entire amount of money payable by the person on whose behalf such payment is made.

It must be done by no later than the last day on which a non-payment protest may be filed. (Commercial Code 143, 146 etc.)

Article 159.

If the bill of exchange concerned is accepted by an intermediary having domicile at the place of payment, or if it is stated that the person domiciled at the same place intending to pay in an emergency situation, and if there is reason to do so, a non-payment protest must be filed by no later than the day following the last day on which this can be done. (Civil Code 17 etc., 24.)

If no protest is filed within such time frame, the person having given an emergency address or in whose favor such bill of exchange was accepted, and the subsequent endorsing party, shall be free from all their respective commitments. (Commercial Code 143 etc., 145, 164.)

Article 160.

A holder refusing payment through mediation shall lose his regress right towards those parties which should be released by him. (Commercial code 146, 158.)

Article 161.

Payment through mediation must be stated in the form of a receipt for payment, included in the bill of exchange concerned indicating the party for which it was done. If such appointment is provided, it shall be deemed that such payment was made for the drawer. (Civil Code 1915 etc.)

The bill of exchange concerned and its protest, if such is filed, must be submitted to the party making payment in his capacity as intermediary. (Commercial Code 149.)

Article 162.

A person making payment as intermediary shall obtain the right deriving from the bill of exchange concerned towards the person on whose behalf he effected such payment, and towards those who are bound to the latter by virtue of such bill of exchange. However, such person may not re-endorse such bill of exchange.

Subsequent endorsing parties for which payment was made shall be free from all commitments.

If several persons submit for payment through mediation, the payment causing the largest amount of release shall be given priority. An intermediary intentionally violating this provisions shall lose his regress right towards the parties which should have been released. (Commercial Code 110 etc., 146, 154(3).)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI, BILLS OF EXCHANGE AND ORDERS / 01-06-09, 9. BILL OF EXCHANGE COUPONS, COPY OF BILL OF EXCHANGE COPY AND LOST BILL OF EXCHANGE

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 9. BILL OF EXCHANGE COUPONS, COPY OF BILL OF EXCHANGE COPY AND LOST BILL OF EXCHANGE
Article: 163-167b

x1. Bill of Exchange Coupons.

Article 163.

A bill of exchange may be drawn in several identical coupons. Such coupons must be given a number in a text separate from the document granting the right concerned, and in the absence of such, each coupon shall be deemed as a separate bill of exchange.

Each holder of a bill of exchange, on which it is not stated that it was drawn in one coupon only, may claim at his own cost to submit several coupons. For such purpose the holder has to contact the endorsing party giving endorsement directly to him, who shall be obligated to assist the holder in making a request to his own endorsing parties, and so forth until it goes back to his drawer. The endorsing parties shall also be obligated to write such endorsement on a new coupon. (Commercial Code 100, 226.)

Article 164.

Payment made on one of the coupons shall cause release, even though is not a requirement that such payment shall invalidate other coupons. However, the drawee shall still be bound by every accepted coupon not submitted to him. (Commercial Code 124.)

An endorsing party having submitted such coupons to several persons, as well as subsequent endorsing parties, shall be bound the coupons bearing their respective signatures and not submitted. (Commercial Code 110 etc., 138, 227.)

Article 165.

A party having sent one of the coupons for submission must indicate on the other coupons the name of the person holding such coupon. Such person shall be obligated to submit such coupon to valid holders of other coupons.

If such person refuses, the new holder may exercise his regress right, after he states in the form of a protest:

1. that the coupon sent for acceptance was not submitted upon request;
2. that he was not successful in obtaining an acceptance or payment on other coupons. (Commercial Code 120, 143, 143b, 146.)

x2. Copy of Bill of Exchange

Article 166.

Every holder of a bill of exchange shall be entitled to make several copies thereof.

A copy must authentically reflect the original together with endorsements thereof and all other statements included in the same. Such copy must indicate where such copy ends.

Copies may be endorsed and signed for aval in the same manner and with the same consequences as their respective originals. (Civil Code 1888 etc.; Commercial Code 110, 129, 163, 167.)

Article 167.

Copies must indicate the person holding the original. Such person shall be obligated to submit the original to the valid holder of the copy thereof.

If such person refuses to do so, the new holder may only exercise his regress right towards those parties having endorsed their respective copies or having signed the same for aval, after he files a protest stating that the original requested was not submitted to him.

In the event that after the last endorsement made on it, before a copy is made, the original coupon includes a clause stating: "starting from now the endorsement shall only be valid on its copy", or a similar clause, endorsements subsequently made on its original shall be void. (Civil Code 1888 etc.; Commercial Code 146, 166.)

x 3. Lost Bill of Exchange.

Article 167a.

The holder of a bill of exchange having lost the bill of exchange concerned may only claim payment from the drawee by undertaking a guaranty for thirty years. (Civil Code 1830, 1967; Commercial Code 115, 137, 139, 143b(2), 167b, 227a; Regulation on Legal Claims (Rv.) 611 etc.)

Article 167b.

The holder of a bill of exchange having lost the bill of exchange concerned, which has reached maturity and a protest should have been filed (in respect thereof), may only exercise his right towards the accepting party and the drawer by undertaking a guaranty for thirty years. (Civil Code 1830, 1967; Commercial Code 115, 137, 139, 143b(2), 167a, 227b, Regulation on Legal Claims (Rv.) 611 etc.)

**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI,
BILLS OF EXCHANGE AND ORDERS / 01-06-10, 10. AMENDMENTS**

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 10. AMENDMENTS
Article: 168

Article 168.

If the text of a bill of exchange is amended, the parties subsequently signing such bill of exchange shall be bound by the amended text; the parties having signed prior to that shall be bound by virtue of the original text. (Commercial code 109, 228; Civil Code 264.)

**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI,
BILLS OF EXCHANGE AND ORDERS / 01-06-11, 11. STATUTE OF
LIMITATIONS**

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 11. STATUTE OF LIMITATIONS
Article: 168a-170

Article 168a

Without prejudice to the provisions of the article here below, the debt of a bill of exchange shall be canceled by all initiatives for debt release as set forth in the Civil Code. (Civil Code 1381; Commercial Code 228a.)

Article 169.

All legal claims arising from a bill of exchange towards the accepting party shall expire due to the lapse of a period of three years, counted from its maturity date.

Legal claims of a holder towards endorsing parties or drawees shall expire due to the lapse of time of one year, counted from the date of filing a protest at the time, or from its maturity date in the event that a no-cost clause exists.

Legal claims of one endorsing party towards the other and towards the holder shall expire due to the lapse of time of six months counted from the date on which such bill of exchange is paid by the endorsing party concerned in fulfillment of his regress obligation, or from the day the endorsing party himself is sued in a court.

(Legalized by S. 1935-77 jo. 562.)

The expiration intended in the first paragraph may not be applied by the accepting party, if and insofar as he already received funds or enriched himself in an unfair manner; likewise, the expiration intended in the second and third paragraphs may not be applied by the drawee, if and insofar as he does not make funds available, and it cannot be applied either by the holder or the endorsing parties who enriched themselves in an unfair manner, all of the foregoing without prejudice to the provisions of article 1967 of the Civil Code. (Civil Code 190c, 110 etc., 120 etc., 127, 132 etc., 143, 145 etc., 168a, 170, 229, 229k.)

Article 170.

The prevention of expiration shall only be applicable to persons against whom such action of prevention of expiration has taken place. (Civil Code 1979 etc., 1982.)

(Legalized by S.1935-77 jo. 562.)

Contrary to articles 1987 and 1988 of the Civil Code the expiration intended in the above article shall be applicable to under-age parties and to parties being under custody, as well as to husband-wife, without prejudice to the right for collection of under-age parties and those being under custody towards their respective guardians or custodians. (Commercial Code 229a.)

**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI,
BILLS OF EXCHANGE AND ORDERS / 01-06-12, 12. GENERAL PROVISIONS**

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 12. GENERAL PROVISIONS
Article: 171-173

Article 171.

The payment of a bill of exchange with its maturity date falling on an official holiday may only be claimed on the following work day. Likewise, all other actions related to a bill of exchange, namely its submission for acceptance and its protest, may only be undertaken on work days.

If one of those actions must be undertaken within a certain time frame the last day of which coincides with an official holiday, such time frame shall be extended up to the first work day following the expiration of such time frame. Holidays in between shall be taken into account when estimating time frame. (Commercial Code 120, 122, 131, 132 etc., 135, 137, 43, 144, 152 etc., 58, 171a, 172, 229b, 229j; Regulation on Legal Claims (Rv.) 17(1).)

Article 171a.

(Legalized by S.1935-77; S.1937-572; S.1938-161.)

Considered as official holidays intended in this section shall be as follows: Sundays, New Year, the Christian second Easter and Pentecost days, the two Christmas days, Ascension Day, and other holidays recurring every year stipulated by the related Minister. Dates of all official holidays intended in this article, except for Sundays, are determined every year through a stipulation letter announced in an official newspaper prior to the beginning of the year concerned. (Commercial Code 229b. etc.)

Article 172.

The time frame determined by the virtue of law or agreement, does not include the first day of such time frame. (Commercial Code 122, 132(1), 133(1), 135, 137, 141, 143(2), 144, 152, 153, 169, 229c.)

Article 173.

No postponements shall be permitted, either by virtue of law, or by virtue of a judge's decision. (Commercial Code 143, 229d.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VI, BILLS OF EXCHANGE AND ORDERS / 01-06-13, 13. ORDER

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VI. BILLS OF EXCHANGE AND ORDERS
Part: 13. ORDER
Article: 174-177

Article 174.

An order (Civil Code 100, 179) shall include the following:

1. both the clause regarding the appointed party, and the terms "order" or "promissory note to appointed party" included in the text thereof and stated in the language used in such document; (AB.18.)
2. unconditional promise to pay a certain amount of money;
3. determination of maturity date; (Commercial Code 132 etc., 175(2).)
4. determination of the place where payment must be made; (Commercial Code 103, 126.)
5. name of the person receiving such payment or the appointed party to whom such payment must be made; (Commercial Code 102, 109a.)
6. indication of date and the place of the order's signature;
7. signature of the party issuing such document (signing).

Article 175.

A document not indicating one of the statements stipulated in the aforementioned article, shall not prevail as a promissory note, except in the events set forth herein under.

A promissory note the maturity date of which is not determined shall be deemed to be payable upon sighting.

In the absence of a special appointment, the place of signing such promissory note shall be deemed as the place of its payment and also as domicile for the purpose of signing.

An order not indicating the place of its signing shall be deemed to have been signed at the place indicated next to the name of the signing party. (Civil Code 1915 etc., 1921; Commercial Code 101.)

Article 176.

Insofar as it is not in violation of the nature of an order, the following provisions concerning bills of exchange shall be applicable in respect thereof:

- endorsement (articles 110-119);
- maturity date (articles 132-136);
- payment (articles 137-141);
- regress right in the event of non-payment (articles 142-149, 151-153);
- payment through mediation (articles 154, 158-162);
- copy of bill of exchange (article 166 and article 167);
- lost bill of exchange (article 168);
- expiration (articles 168a, 169-170);
- holidays, counting term of validity and prohibition for postponement (articles 171, 171a, 172 and 173).

Likewise, provisions regarding bills of exchange payable by third parties or at a place different from the drawer's domicile (article 103 and 126), interest clauses (article 104), differences in the statement concerning the amount payable (article 105), consequences of signing in the absence of conditions intended in article 106, consequences of a person's unauthorized actions (article 107) and blank bills of exchange (article 109) shall also be applicable to orders.

Likewise, stipulations concerning aval (articles 129-131) shall also be applicable to orders; if an aval does not indicate the beneficiary of such aval in accordance with the provision of the last paragraph of article 13, it shall be deemed to have been issued for the account of the party signing the aforementioned order.

Article 177.

The party signing an order shall be bound in the same manner as an accepting party of a bill of exchange. (Commercial Code 127; Regulation on Legal Claims (Rv.) 299, 581-1 sub 2°.)

An order payable at a certain time upon sighting, must be submitted to the signing party for signing as "sighted" within the time frame determined in article 122. The time frame for sighting shall be counted from the date of such signature, which must be indicated by the signing party on the aforementioned order.

A refusal to sign as mentioned above must be stated in the form of a protest (article 124), the date of which shall constitute the commencement of the time frame for sighting.

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-00, VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS**

Indonesian

Book: I. First. TRADING IN GENERAL

Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS

Annotation:

The former Chapter VII is being replaced with this new Chapter VII by virtue of S.1935-77 jo. 562, becoming effective as of January 1, 1936, with the purpose of adjustment to the provisions of Law dated November 17, 1933, N.S. 1933-613, set forth in accordance with the Geneva Treaty dated March 19, 1931.

This treaty has the following objectives:

1. effectuate uniform laws concerning checks;
2. provide for the settlement of certain legal disputes concerning checks;
3. stipulate law regarding check stamp duty levies.

This treaty has been declared effective towards among others Indonesia by virtue of Law dated August 2, 1935, N.S.1935-490 effectively from December 29, 1935.

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-01, 1. ISSUANCE AND FORM OF CHECKS

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS
Part: 1. ISSUANCE AND FORM OF CHECKS
Article: 178-190b

Article 178.

Checks shall indicate the following: (Commercial Code 100, 174.)

1. the name "check" to be included in the text itself and stated in the language used in the document concerned; (AB.18.)
2. an unconditional order to pay a certain amount of money;
3. the name of the paying party (drawee);
4. appointment of the place of payment; (Commercial Code 185.)
5. statement of the date of signing and the place of the check concerned having been drawn; (Commercial Code 179(4).)
6. the signature of the person issuing such check (drawer).

Article 179.

A document not setting forth one of the statements determined in the above article shall not prevail as a check, except in the following matters.

In the absence of a special appointment, the place written next to the name of the drawer shall be deemed as its place of payment. If several places are indicated next to the drawer's name, such check shall be payable at the place first written.

In the absence of such appointment or any other appointments, such check shall be payable at the domicile of the drawee's head-office.

A check not indicating the place where it was drawn shall be deemed to have been signed at the place indicated next to the drawer's name. (Commercial Code 101, 175.)

Article 180.

The aforementioned check must be drawn on a banker in control of the funds for the drawer's interests, and based on an agreement which explicitly or implicitly stipulates that the drawer has the right to use such funds by drawing checks. However, if such provisions are not complied with, such document shall continue to prevail as a check. (Commercial Code 190a etc., 214-216, 229a, etc.)

Article 181.

A check cannot be accepted. A statement for acceptance indicated on such check shall be deemed not to have been written. (Commercial Code 120 etc.)

Article 182.

A check may be determined to be payable:

- to a person whose name is mentioned with or without the explicit clause: "to appointed party"; (Commercial Code 183(1), 191.)
- to a person whose name is mentioned with the clause: "not to an appointed party", or a similar clause;
- upon sighting.

A check determined to be payable to a person whose name is mentioned with the statement "or upon sighting", or with a similar term, shall prevail as a sight check.

A check without a statement concerning its acceptance shall prevail as a sight check.

Article 183.

A check may be written in the name of a party appointed by the drawer.

A check may be drawn upon third parties. The drawer shall be deemed to have drawn for his own account if it is not evident from such check or the notice thereof on whom it has been drawn.

A check may be drawn on its drawer. (Commercial Code 102.)

Article 183a.

If the drawer states in the check: "value for collection", "for collection", "ordered" or makes other statements with the only meaning to collect, the receiving party may exercise all rights occurring based on such check, however, he cannot endorse the same in a manner other than by ordering it.

In such a check the debtors of the check concerned may only use instruments of protests towards its holder as those which should be usable towards the drawer.

The instruction included in a collection check shall not cease due to the demise of the party giving such instruction or due to the instructing party's becoming incompetent based on law. (Civil Code 1792 etc., 1813; Commercial Code 102a, 117(3), 200, 210, 221.)

Article 184.

Interest clause included in a check shall be deemed as not to have been written. (Commercial Code 104.)

Article 185.

It may be determined in a check that it is payable at a third party's domicile, at the drawee's domicile, or at another place. (Civil Code 17 etc., 24; Commercial Code 103.)

Article 186.

In the event of a check the amount of which is spelled out completely in letters and in figures as well, the amount spelled out completely in words shall be applicable if there is a difference.

In the event of a check the amount of which is spelled out several time, both in words and in figures, only the smallest amount shall be applicable if there is a difference. (civil Code 1878 etc.; Commercial Code 105.)

Article 187.

If a check indicates the signature of a person who is not capable by law to bind himself by using a check, a false signature or the signature of a fictitious person, or the signature of persons who, for any reason whatsoever, cannot bind the signing persons or persons signing on their behalves, however, the commitments of other persons whose signatures are indicated on such check shall be valid. (Commercial Code 106; Civil Code 264.)

Article 188.

Any person signing on a check as the representative of a person on whose behalf the former is not authorized to act, the former shall be bound by such check, and after having effected payment, he shall have the same rights as those the person represented by him would have. This shall also be applicable to a representative exceeding his authority. (Civil Code 1797, 1806; Commercial Code 107.)

Article 189.

The drawer guarantees his payment. Any clause canceling such obligations shall be deemed not to have been written. (Commercial Code 108, 190a, 229f; Regulation on Legal Claims (Rv.) 229(2), 581-1 sub 1°.)

Article 190.

If a check which is incomplete at the time of its issuance, is completed, contradictory to the agreements previously made, no claims can be filed against the holder for non-fulfillment of such agreements, unless the holder obtained such check in bad faith or as a result of a major default. (Commercial Code 109.)

Article 190a.

The drawer or a party at whose charge such check is drawn shall be obligated to endeavor in order for the funds required for payment on the date of its submission be available at the drawee's end, even though it is determined that such check be payable by a third party, without prejudice to the obligations of the drawer in accordance with article 189. (Commercial Code 109b, 190b.)

Article 190b.

The drawee shall be deemed to possess necessary funds if at the time of the submission of such check to the drawer or to a party for whose account such check was drawn, it has debt in the amount of the collectible money, which is not less than the amount indicated on such check. (Commercial Code 109c, 180, 217a, 221a.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-02, 2. TRANSFER

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS
Part: 2. TRANSFER
Article: 191-201

Article 191

Checks determined to be payable to the person whose name is indicated on it with or without an express "to appointed party" clause may be transferred by way of endorsement.

Checks determined to be payable to a person whose name is indicated under a "not to an appointed party" clause, or a similar clause, may only be transferred in the form of a regular cession with all of its consequences. Endorsements placed on such check shall prevail as regular cession. (Civil Code 613.)

Such endorsements may be even determined in the favor of the drawer concerned or any other debtors of the check concerned. Such person may re-endorse the said check. (Commercial Code 110 etc., 192 etc.)

Article 192.

Endorsements shall be unconditional. Any condition set forth in an endorsement shall be deemed not to have been written.

- Partial endorsements shall be void.
- Likewise, drawee endorsements shall be void.
- Bearer endorsements shall prevail as blank endorsements.
- Endorsements to drawee shall only be applicable as statement on full payment, unless the drawee has several offices and if such endorsement is determined in favor of an office other than the office upon which the check concerned has been drawn. (Commercial Code 193.)

Article 193.

Endorsements must be made on the check concerned on an attached sheet (attachment). It must be signed by the endorsing party. It must be signed by the endorsing party.

Such endorsement may not mention the endorsed party, or such endorsement may consist of the signature of the endorsing party only (blank endorsement). In the latter case, for the purpose of legal validity, such endorsement must be made on the reverse side of the check concerned or on its attachment. (Commercial Code 112, 203(3).)

Article 194.

By such endorsement, all rights arising from such check shall be transferred.

In the event of a blank endorsement, its holder may:

- 1°. Fill such blank either with his own name or with the name of another person;
- 2°. re-endorse such check in blank or to another person;
- 3°. submit such check to a third party without filling the blank and without endorsing it. (Civil Code 612; Commercial Code 113.)

Article 195.

Unless otherwise determined, the endorsing party shall guarantee his payment. (Regulation on Legal Claims (Rv.) 299(2), 518-1 sub 1°.)

He may prohibit new endorsement; in such case, he shall not guarantee payment to parties to whom such check is endorsed thereafter. (Commercial Code 114.)

Article 196.

The party holding a check transferable by endorsement shall be deemed as its legal owner, if such party demonstrates his right by presenting a series of uninterrupted endorsements, even though the last endorsement is made as a blank endorsement. Scratched endorsements shall be deemed not to have been written. If a blank endorsement is followed by another endorsement, the party signing the latter endorsement shall be deemed to have obtained such check due to the blank endorsement. (Civil Code 1977; Commercial Code 115(1), 191(1), 198, 212, 227a.)

Article 197.

Endorsements on bearer checks shall render the endorsing party responsible in accordance with provisions concerning regress right; this shall not cause the check concerned to become a check [issued] to an appointed party. (Commercial Code 182, 191, 195, 217 etc.)

Article 198.

If a party in any manner whatsoever loses a check in his possession, the owner of such check shall not be obligated to re-submit, unless he obtained it in bad faith or due to a major default, and in this case no difference is made between bearer or endorsed checks, the right on such check to be proven by its owner in a manner set forth in article 196. (Civil Code 582; Commercial Code 115(2), 182, 191, 212, 227a.)

Article 199.

Parties receiving collection request based on a check towards its holder may not use appeal instruments based on their personal relationship with the drawer or former holders, unless at the time of obtaining such check he acted in a detrimental manner towards the debtor. (Commercial Cod)

The parties subject to collection based on a check towards its holder may not use instruments of contest based on their personal relationship with the drawer or previous holders, unless at the time of obtaining such he acted in a way as to cause loss to the debtor. (Commercial 116.)

Article 200.

If such endorsement bears the statement: "value for collection", "for collection", "upon instruction", or other statements with the only meaning of order for collection, the holder thereof may exercise all his rights arising from such check, but may not endorse the same in a way other than by instruction.

In such a case, the debtor of a check may only use instruments of contest towards its holder which would be usable towards the endorsing party.

Instructions made in collection endorsements shall not terminate due to the demise of the party giving instruction or due to the instructing party's becoming legally incompetent thereafter. (Civil Code 1792 etc., 1813; Commercial Code 117, 183a.)

Article 201.

Endorsements made on checks after an appeal or statement equivalent to an appeal, or upon the expiration of the time frame for submission, shall only bear consequences from a regular cessie. (Civil Code 613.)

Unless proven the contrary, undated endorsements shall be deemed to have been made prior to the protest or a statement to the same effect, or prior to the expiration of the time frame intended in the above paragraph. (Civil Code 1915 etc.; Commercial Code 119, 217 etc., 220.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHEKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-03, 3. AVAL (GUARANTY AGREEMENT)

Indonesian

Book: I. First. TRADING IN GENERAL

Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS

Part: 3. AVAL (GUARANTY AGREEMENT)

Article: 202-204

Article 202.

The payment of a check may be guaranteed by a guaranty agreement (aval), in its entirety or part of such check.

Such guaranty may be granted by a third party, or even by a person whose signature is indicated on such check, except for the drawee. (Civil Code 1820 etc.; Commercial Code 129, 178-3°, 192(3), 203 etc.)

Article 203.

The aforementioned aval shall be written on such check and on the attachment thereof. This shall be stated in the following words: "good for aval", or a similar statement; to be signed by the party issuing the aval concerned.

The mere signature of the party issuing an aval on the first page of the check concerned shall prevail as aval, unless it is the signature of the drawer. (Civil Code 1824.)

This can also be done in a separate text or in a letter indicating the place of issuance.

The aval must indicate the beneficiary of the same. If it is not indicated, it shall be deemed to have been issued in favor of the drawer. (Commercial Code 130, 204.)

Article 204.

The party issuing an aval shall be bound in the same manner as the party receiving the aval concerned. (Civil Code 1280, 1282, 1831 etc.; Regulation on Legal Claims (Rv.) 299(2), 581-1 sub 1°.)

The commitment shall be fully valid, even though the commitment guaranteed by it becomes void due to a reason other than deficiency in legal form. (Civil Code 1821.)

By making payment, the issuer of aval shall obtain rights which, based on the check concerned, can be applied towards the party receiving the aval concerned and towards those who become bound based on such check. (Civil Code 1839 etc.; Commercial Code 131.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-04, 4. SUBMISSION AND PAYMENT

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS
Part: 4. SUBMISSION AND PAYMENT
Article: 205-213

Article 205.

Checks must be paid at the time of presentation (sighting). Every statement to the contrary shall be deemed not to have been written.

Checks submitted for payment prior to the date indicated as the date of issuance may be paid on the day of their submission. (Commercial Code 206, 209.)

Article 206.

A check issued or payable in Indonesia must be submitted for payment within seventy days.

Such time frame shall commence as of the date indicated on the check concerned as date of its issuance. (Commercial Code 133(1), 137, 209, 217, 226, 229I.)

Article 207.

The date of issuance of a check drawn between two locations with different calendar shall be deemed to fall on the same day of the calendar of the place of payment. (Civil Code 136(2).)

Article 208.

Submission to a settlement agency (*verrekeningskamer*) shall prevail as submission for payment. (Commercial Code 217-3°.)

The Governor General (in this case the Government) shall appoint bodies considered as the agencies intended in this chapter. (Commercial Code 137(2).)

Article 209.

The revocation of such check shall only be valid after the expiration of the time frame for submission.

In the event that there is no revocation, the drawee may pay even after the expiration of the time frame. (Commercial Code 206.)

Article 210.

Neither the demise of the drawer nor his incapacity by law incurring after the issuance of such check shall bear any impact on the consequences of such check. (Civil Code 1792, 1813; Commercial Code 117(3), 183 a(3), 187, 200(3).)

Article 211.

Outside matters intended in article 227a, the drawee who already paid may claim the submission of such check complete with proper evidence of payment by the holder.

- The holder may not refuse partial payment.
- In the event of partial payment, the drawee may claim, even though payment is stated in a check and that he obtains a receipt for such payment (Civil Code 1390; Commercial Code 138.)

Article 212.

The drawee paying a check with endorsement shall be obligated to examine the regularity of the sequence of the, but not the signature of the endorsing parties. (Commercial Code 139(2), 196; Civil Code 1385 etc.; 1405-1°.)

If he, after having effected payment without discharge, is obligated to pay for the second time, he shall be entitled to claim to all parties having obtained such check in bad faith, or to those who have obtained the check as a result of a major default. (Civil Code 1386 etc.; Commercial Code 139(1), 198, 209, 227a.)

Article 213.

A check, the payment of which is conditioned for payment in a currency different from the currency prevailing at the place of its payment may be paid during the submission period using the currency of his country according to the exchange rate prevailing on the date of payment. If such payment is not effected at the time of submission, the holder may claim at his option that the amount indicated of the check concerned be paid in the currency of his own country according to the exchange rate, both of the date of submission or the date of payment.

The value of such foreign currency shall be determined based on the rate prevailing at the place of its payment. However, the drawer may determine that the amount payable be calculated based on a rate determined in the check concerned. (AB.18.)

The aforementioned matters shall not be applicable if the drawer determines that payment must be made in a certain currency determined (the original payment clause in foreign currency).

If the amount of such check is denominated in currencies having the same name, but with different value in the country of their respective issuance and in the country of their respective payment, it shall be deemed that the currency concerned is the currency of the place of payment. (Civil Code 1756 etc., 1915 etc.; Commercial Code 60, 140, 178-2°.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-05, 5. CROSSED CHECKS AND CHECKS FOR ACCOUNTING

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS
Part: 5. CROSSED CHECKS AND CHECKS FOR ACCOUNTING
Article: 214-216

Article 214.

The drawer or the holder of a check may cross the same with the consequences set forth in the following article.

Crossing shall be done by drawing two parallel lines on the front page of the check concerned. There is general crossing and special crossing.

A crossing is general if it does contain any assignment between the aforementioned two lines, or the statement: "banker" or similar words; a crossing is special if the name of a banker is indicated between the aforementioned two lines.

A general crossing may be changed into a special crossing, but a special crossing may not be changed into a general crossing.

The striking out of a crossing or of an appointed banker's name shall be deemed not to have been made.

Article 215.

- A check with a general crossing by the drawee may only be paid to the banker or to the client of the drawee concerned.
- A check with special crossing by the drawee may only be paid to the appointed banker, or if such banker is the drawee, only to one of his clients. However the aforementioned banker may transfer such check to another banker for collection.
- A banker may only receive a crossed check from one of his clients or from another banker. He may not claim at the charge of another person other than the aforementioned person.
- A check bearing more than one special crossing may only be paid by the drawee if it does not contain more than two crossings, one of which is for the purpose of claims by a settlement agency.

- A drawee or banker not complying with the above provisions, shall be liable for the loss in the amount of the check concerned. (Commercial Code 180, 229a, etc.)

Article 216.

The drawer as well as the holder of the check may prohibit cash payment by a statement on the front page written aslant as follows: "for depositing into account" or a similar statement.

In such case the check concerned shall provide a basis to the drawee only to enter the same (current account, giro or compensation). Entry shall prevail as payment.

The striking through the statement: "for depositing into account" shall be deemed not to have occurred.

The drawee not complying with the above provision shall be responsible for losses in the amount of the check concerned. (Civil Code 1338 etc.; Commercial Code 211-213, 218a.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-06, 6. REGRESS RIGHT IN THE EVENT OF NON-PAYMENT

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS
Part: 6. REGRESS RIGHT IN THE EVENT OF NON-PAYMENT
Article: 217-225

Article 217.

The holder may exercise his regress right towards the endorsing parties, drawers and other debtors of the check if the check is submitted in a timely manner is not paid, and if such change is determined:

1. either by an authentic deed (protest); (Commercial Code 218b.)
2. or by the drawee's statement dated and written on the check concerned stating the date of its submission; (Commercial Code 143d, 220.)
3. or by a dated statement issued by a settlement agency, stating that such check was submitted in a timely manner and was not paid. (Commercial Code 142 etc., 208(1), 227 etc.)

Article 217a.

If non-payment of a check is determined through a protest or through an equivalent statement, then in any event the drawer must pay indemnity, even though such protest or statement are not given on time, unless it can be proven that on the date the check was submitted the funds required for payment were in the hands of the drawee. If only part of the funds required are available, the drawer shall be responsible for the shortage.

In the event that a protest or statement is not given on time, the drawer under the treat of a sanction, shall be obligated to indemnify, shall be obligated to release and submit to the holder, claims on the drawer's funds held by the drawee on the day of submission in the amount of such check; and he shall be obligated to provide to the holder at his expense evidence required for invalidating such claim. If the drawer is declared bankrupt, the custodians of his assets shall have the same obligations, unless they prefer to allow to appear as collectors of the amount of the said check. (Commercial Code 152a, 180, 190a etc., 229g; Civil Code 613; F.1, 13.)

Article 218.

The protest or a statement equivalent to it must be submitted prior to the expiration of the time frame for submission.

If it is submitted on the last day of the aforementioned time frame, such protest or statement equivalent to it may be made on the first working day following thereafter. (Commercial Code 143(2)(3), 206.)

Article 218a.

The payment of a check must be requested and the protest following it must be made at the place of residence of the drawee. (Commercial Code 178-4°.)

In the event that the check concerned is drawn for payment at a place different from the one appointed or appointed by another person, either within the same regency, or in another regency, a request for payment must be requested and the protest shall be made at an appointed place or to such appointed person.

If the person obligated to pay such check is completely unknown or cannot be found, such protest must be made at the post office of the place of residence of the [party] appointed for payment, and if there is no post office there, within the territory of the Government of Java and Madura to the assistant resident, and outside that to the Head of the Local Government. This must also be done in the event of a check drawn for payment in a regency other than the place of residence of the drawee, and if the place of residence where payment must be made is not appointed. (Civil Code 1393; Commercial Code 143a, 205 etc.; F.96(2).)

Article 218b.

Non-payment protests shall be made by a notary or a bailiff. This must be done in the presence of two witnesses.

The aforementioned protest shall include the following:

1. an identical copy of the check concerned, of the endorsements, of its aval and of the addresses indicated thereon;
2. a statement stating that they requested payment from the persons or at the place set forth in the above article and did not obtain it;
3. a statement regarding the reasons stated concerned non-payment;
4. an acceptance to sign the said protest, and a reason for refusing to do so;
5. a statement that he, the notary or bailiff, filed a protest in view of such refusal.

If such protest concerns a lost check, it is sufficient to provide an as detailed copy as possible of such check, in order to replace matters set forth under number 1 of the aforementioned paragraph. (Commercial Code 143b, 217-1, 227a etc.; Notation 1, 20 etc.)

Article 218c.

Notaries or bailiffs under the threat of having to pay compensation for expenses, losses and interest, shall be obligated to make a copy of the aforementioned protest and make a note regarding this in the copy, and record it in a special registry in chronological order, complete with the number and date of approval of the Head of the court of justice, if their respective place of residence is within the regency in which the court of justice is domiciled and outside it, by the judge of the court of the residency; if he is not available, is prevented or incapacitated to act, within the territory of the Government of Java and Madura by the assistant resident and outside it by the Head of the local Regional Government. They shall also be obligated, if required, to submit one or more copies of such protest to the parties concerned. (Commercial Code 143c; Regulation on Legal Claims (Rv.) 4, 8.)

Article 219.

The holder must notify the endorsing party and to the drawer concerning such non-payment within four working days following the day of protest, or [by] an equivalent statement, if the check concerned is drawn without a no-cost clause, following the day of submission. Each endorsing party must inform the endorsing party within two working days following the day of receiving such notice, concerning the notice received by him, mentioning the name and address of those having given prior notice, and shall thereafter return to the drawer. This time frame shall commence from the receipt of prior notice.

If based on the above paragraph a notice is given to a party whose signature is indicated on the check concerned, the same notice must also be given within such time frame to the party providing aval.

If an endorsing party does not state his address or states it in an illegible way, prior notice to the endorsing party shall suffice.

A party obligated to give notice may do so in any form, even by merely returning the check concerned.

Such party may prove that he already gave the aforementioned notice within the determined time frame. It shall be deemed that such time frame was fulfilled if the letter containing the aforementioned notice is forwarded by post within the aforementioned time frame. (Civil Code 1916.)

A party not giving notice within the aforementioned time frame shall not cause himself to lose his right; if there is a reason, he shall be responsible for all losses caused by his negligence, however, such costs, losses and interest shall not possible exceed the amount of the check concerned. (Civil Code 1243 etc.; Commercial Code 144, 217 etc.)

Article 220.

The drawer, an endorsing party or a party providing aval may release its holder from filing a protest or a statement equivalent to a protest for exercising his regress right, by way of a "no-cost", "no-protest" or a similar clause written and signed on the check concerned.

Such clause shall not release of the holder from submitting the check concerned within the time frame determined or from giving notice. An evidence concerning the non-compliance with the aforementioned time frame must be provided by those whose rights towards the holder are based on such matter.

If the said clause is made by the drawer, this shall bear consequences towards all those parties whose signatures are indicated on the check concerned; if it is made by the endorsing party or by the party providing aval, he shall only bear consequences towards the endorsing party or the party providing aval. Even though there is a clause determined by the drawer, if the drawer, too, instructs to determine such refusal for payment by protest or an equivalent statement, the cost shall be at his expense. If such clause originates from an endorsing party or a party providing aval, the expenses for filing a protest or an equivalent statement, if such a deed is drawn up, may be charged to those whose signatures are indicated on the check concerned. (Commercial Code 145, 206, 217-2°, 219.)

Article 221.

All parties bound by the check concerned shall remain fully bound towards the holder of the same. In addition to the above, the third party at whose expense the check concerned is drawn and who benefited from the value thereof shall also be responsible towards the holder.

The holder may sue these persons, either severally or jointly, without the obligation to consider the order of their respective commitments.

The same right shall be enjoyed by each person whose signature is indicated on the check concerned and who already effected payment for meeting his regress obligations.

Claims filed against a check debtor shall not impede claims towards other debtors, even though they committed themselves after the first party having received a claim. (Civil Code 1280 etc., 1283, 1292 etc.; Commercial Code 146, 183a, 217, 221a; F.132; Regulation on Legal Claims (Rv.) 299(2), 581-1 sub 1°.)

Article 221a.

The holder of a check the payment of which is determined through protest or an equivalent statement shall have no rights whatsoever in respect of the funds being in the possession of the drawee from its drawee.

In the event of the drawer's bankruptcy, such money shall be included in his assets. (Commercial Code 146a, 190a etc.; F.19.)

Article 222.

The holder shall file a claim towards the parties against which he exercises his regress right:

1. the unpaid amount of the check concerned;
2. six per cent interest from the day of submission;
3. costs of the protest or of an equivalent statement, costs of the notice given and other costs. (Civil Code 1250(3); Commercial Code 147, 217, 218b.)

Article 223.

A person who paid the check concerned in order to meet his regress obligation may claim to parties who have regress obligations towards him:

1. the entire amount paid by him;
2. six per cent interest from the date of payment;
3. costs paid by him. (Civil Code 1250(3); Commercial Code 148, 217, 222.)

Article 224.

Every check debtor against whom regress right is exercised or may be exercised, by paying to meet his regress obligations, may claim the submission of his check with protest, or an equivalent statement, along with the calculation signed as receipt for full payment.

Every endorsing party having paid the check concerned for meeting his regress obligations may delete his own endorsement and subsequent endorsements. (Commercial Code 149, 217, 222, 227.)

Article 225.

If the submission of the check concerned or the preparation of protest or of an equivalent statement is impeded by an uncontrollable force within the determined time frame (the laws and regulations of a state or other matters outside his control), such time frame shall be extended.

The holder shall be required to immediately notify the endorsing party about the aforementioned force majeure and to indicate such notice on the check concerned or on the attachment thereto by adding date and signature; the provisions of article 219 shall be applicable for further matters.

If the aforementioned force majeure continues for more than fifteen days from the day of the holder's giving notice about the aforementioned force majeure to the endorsing party, even though it is done prior to the expiration of the time frame for submission, the regress right may be exercised without the requirement to file a protest or an equivalent statement.

Facts of personal nature to the holder [of the check concerned] or to a person authorized by him to submit such check or to file a protest or an equivalent statement, shall not be deemed as matters outside his control. (Civil Code 153, 205 etc., 217, 218.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHEKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-07, 7. CHECK BILLETS AND LOST CHECKS

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS
Part: 7. CHECK BILLETS AND LOST CHECKS
Article: 226-227b

Article 226.

Except for bearer checks, every check issued in one country and payable in another country or in an offshore region of the same country and vice versa, or is issued and is payable within the same offshore region or within an offshore region of a country, may be drawn in more than one billet with the same contents. If a check is drawn in several billets, such billets must be numbered, and each of the billet shall be deemed constitute an individual check, if they are not numbered. (Commercial Code 163, 178, 182, 206 etc.)

Article 227.

Payment made for one of the billets shall cause a discharge, even though not set forth, whereby such payment shall nullify the force of other billets.

The endorsing party having submitted such billet to another person, as well as subsequent endorsing parties, shall be bound by un-submitted billets bearing their signatures. (Commercial Code 164, 191, 224.)

Article 227a.

A person having lost a check of which he himself is the holder may only request payment to the drawee by giving a guaranty for a period of thirty years. (Civil Code 1830, 1967; Commercial Code 167a, 196, 198, 212; Regulation on Legal Claims (Rv.) 611 etc.)

Article 227b.

A person having lost a check of which he himself is the holder and which was already disqualified and in respect of which a protest should already been filed, may only exercise his right towards the drawee by providing a guaranty for a period of thirty years. (Civil Code 1830; 1967; Commercial Code 167b, 217, 218b; Regulation on Legal Claims (Rv.) 611 etc.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-08, 8. AMENDMENTS

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS
Part: 8. AMENDMENTS
Article: 228

Article 228.

If there are changes in the legal instrument of a check, those subsequently signing on such check shall be bound in accordance with the amended legal instrument; those signing on the check concerned prior to the aforementioned amendment shall be bound in accordance with the original legal instrument. (Commercial Code 168; Criminal Code 264.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHEKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-09, 9. EXPIRATION

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS
Part: 9. EXPIRATION
Article: 228-229a

Article 228a.

Without prejudice to the provisions of the following article, debts due to a check shall be canceled by all means of action of debt discharge set forth in the Civil Code. (Civil Code 1381; Commercial Code 168a.)

Article 229.

All regress claims of the holder towards the endorsing party, drawer and other check debtors shall expire by the lapse of a period of six months, from the expiration of the time frame for submission.

Regress claims by several debtors among themselves, being under the requirement to effect payment in respect of a check, shall expire by the lapse of a period of six months, from the date of payment by the debtor of such check in fulfillment of his regress obligation, or from the date such debtor is sued at a court.

The expiration intended in the first and the second paragraph may not be applied by the drawer, if or insofar as he does not provide funds, and it may not be applied by the drawer or the endorsing parties who have enriched themselves in an unjust manner, all of the foregoing without prejudice to the provisions of the Civil Code article 1967. (Commercial Code 169, 229k.)

Article 229a.

The prevention of expiration shall only be applicable to persons against whom an act of such prevention of expiration was taken. (Civil Code 1381; Commercial Code 168a.)

Notwithstanding article 1987 and 1988 of the Civil Code, the aforementioned expiration shall be applicable to persons under age and persons being under custody, as well as between husband and wife, without prejudice to the right of under-aged persons and persons being under custody to file a claim against their respective guardians or custodians. (Commercial Code 170, 229k.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHEKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-10, 10. GENERAL PROVISIONS

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS
Part: 10. GENERAL PROVISIONS
Article: 229-229d

Article 229a.

Bankers mentioned in the aforementioned parts before this chapter shall be equivalent to all persons or institutions who, in the course of their duties, hold money regularly for direct use by other parties. (Commercial Code 74 etc., 180, 214 etc.)

Article 229b.

Checks and protests in respect of checks may only be submitted on work days.

If the last day of the time frame determined by law for undertaking actions in respect of a check namely submission and filing a protest or an equivalent statement falls on an official holiday, such time frame shall be extended until the first working day following the last day of such time frame. The official holiday falling in between shall be included in the calculation of the time frame. (Commercial Code 171, 205 etc.; Regulation on Legal Claims (Rv.) 17(1).)

Article 229b.

Official holidays intended in this section shall be Sundays, New Year, Christian Easter and Pentecost, the second day of Christmas, Ascension Day, and other official holidays which shall be determined every year by the Minister of Justice. The date of each official holiday intended in this article, except for Sundays, shall be determined every year by a decision letter announced in an official newspaper before the beginning of the year concerned. (Commercial Code 171a, 229j.)

Article 229c.

The time frame determined in the sections before this chapter shall not include the commencement date of this time frame. (Commercial Code 172, 201, 205 etc., 218, 225, 227a etc., 229.)

Article 229d.

Not one day of postponement is permitted, either by law or by the decision of a judge.
(Commercial Code 173.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VII, CHEKS, PROMISSORY NOTES AND SIGHT RECEIPTS / 01-07-11, 11. RECEIPTS AND BEARER PROMISSORY NOTES

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: VII. CHECKS, PROMISSORY NOTES AND SIGHT RECEIPTS
Part: 11. RECEIPTS AND BEARER PROMISSORY NOTES
Article: 229e-229k

Article 229e.

Receipts and bearer promissory notes must indicate the correct date of issuance of the original. (Commercial code 229f etc., 229l; Regulation on Legal Claims (Rv.) 581-1 sub 2°.)

Article 229f.

The issuer of an original bearer receipt payable by a third party shall be responsible to fulfill his obligations towards each of the holders for twenty days after the date thereof the date thereof not included. (Commercial Code 108, 189, 229g.)

Article 229g.

However the responsibility of the initial issuer shall continue, unless he can prove that the time frame stipulated in the above article he had funds in the amount of the document issued by the person for whom it had been issued.

The original issuer, under the threat of sanction in respect of his continuing responsibility, shall be required to release and submit to the holder claims on the funds originating from him on maturity date to the person in whose favor such document was issued, and this in the amount of the issued document; and he must submit to the holder in respect of such expense evidence required to effectuate such claim. If the original issuer is declared bankrupt, the curators of his assets shall have the same obligations, unless they deem it more appropriate to permit such holder as [act as] collector of the amount of the aforementioned issued document. (Civil Code 613; Commercial Code 152a, 229k; F.1, 13.)

Article 229h.

In addition to the initial issuer, each person having provided the aforementioned document as payment shall remain liable for a period of six days thereafter, the date of its issuance not included, towards the person having received such letter from him. (Commercial Code 146, 217, 229j.)

Article 229i.

The holder of a bearer promissory note shall be obligated to claim the fulfillment thereof within six days after such document is received as payment, the date of the same not included, and if no payment is effected, he must submit such promissory note for cancellation within the same time frame, all of the foregoing under the threat of sanction of losing his right to claim to such person, however, without prejudice to his right towards other persons who signed such promissory note.

If the due date is indicated on such promissory note, the aforementioned time frame of six days shall commence a day after the aforementioned payment date stated. (Commercial Code 152, 206, 229j.)

Article 229j.

If the last day of a time frame set forth in one of the provisions of this section coincides with an official holiday intended in article 229b etc., the aforementioned obligation to be assume responsibility shall remain in force up to and including the first day following it which is not an official holiday. (Commercial Code 171.)

Article 229k.

All claims of right towards issuers of documents stated in this section, or towards those who, besides the initial issuer, issued such document as payment, shall expire by the lapse of a period of six months, starting from the date of the initial issuance.

The expiration mentioned above cannot be applied by the issuer, if and insofar as he does not make funds available, and it cannot be applied either by the issuer or by those who, besides the initial issuer, issued such document as payment if they enriched themselves in an unjust manner; all of the foregoing without prejudice to the provisions of article 1967 of the Civil Code.

Article 229 of the second paragraph shall be applicable to the expiration set forth in this article. (Commercial Code 169, 170(2), 229.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VIII, RECLAMATION OR CLAIM BACK IN THE EVENT OF BANKRUPTCY

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter VIII, RECLAMATION OR CLAIM BACK IN THE EVENT OF BANKRUPTCY / 01-08-00, VIII. RECLAMATION OR CLAIM BACK IN THE EVENT OF BANKRUPTCY

Indonesian

Book: I. First. TRADING IN GENERAL

Chapter: VIII. RECLAMATION OR CLAIM BACK IN THE EVENT OF BANKRUPTCY (1)(12)

Article: 230-245

Article 230.

In the event that movable goods are sold and submitted, and their purchase price is not fully paid, in the event of the buyer's bankruptcy the seller shall be entitled to claim back such goods in accordance with the following provisions. (Civil Code 574, 612, 1139-3°, 1144 etc., 1266 etc., 1459, 1478, 1517 etc.; Commercial Code 98, 231, 233 etc., 236; F. 36; Regulation on Legal Claims (Rv.) 714 etc.)

Article 231.

(Legalized by S. 1938-276.)

The requirement for claiming back is that such goods is that they must be in the same condition as at the time of their submission.

Evidence thereof shall be permitted, even though such goods are removed from packaging, are repackaged or reduced. (Commercial Code 98, 230, 234.)

Article 232.

Movable goods already sold, either with or without determining the period of time may be claimed back, if such goods are still in transportation, either by land or by air, or if such goods are still located at the bankrupt person, or a third party holding or storing such goods for him.

In both cases, claiming back may only be done within sixty days from the date such goods are stored under the control of the bankrupt person or the third party concerned. (Civil Code 1145, 1517; Commercial Code 76 etc., 86 etc., 230, 238. Co. 577; T. XX-280.)(a)
(13)

Article 233.

If the buyer pays a part of the purchase price, at the time of claiming back of the entire amount, the seller shall be obligated to return the money received by him into the aforementioned bankruptcy assets. (Civil Code 1266 etc.; Commercial Code 234, 236.)

Article 234.

If only a part of the goods sold can be found in the bankruptcy assets, the portion returned shall be in accordance with the balance and proportionately with the purchase price as a whole. (Commercial Code 231.)

Article 235.

The seller receiving back his goods shall be required to pay compensation for losses to the assets of the bankrupt person concerned for all matters already paid or remaining outstanding due to duty, freight, commission, insurance, general damage (general loss at sea), and furthermore all costs paid for the safety of merchandise. (Civil Code 1139-4°; Commercial Code 76 etc., 86 etc., 91 etc., 240, 246 etc., 699.)

Article 236.

If the buyer accepts with a draft or other commercial paper the full amount of the price of the goods being sold and submitted, there shall be no reclaim.

If such acceptance is made for a part of the outstanding purchase price, it may be claimed back, provided that a guaranty is issued for the interest of the assets of the bankrupt person for matters arising as a consequence of such acceptance, which may be claim from him. (Civil Code 1413-1°, 1415; Commercial Code 120 etc., 125, 174 etc., 178, 188 etc., 229e etc., 230, 233, 238, 244.)

Article 237.

If the goods claimed back are taken in good faith as guaranty of debt of a third party, the seller shall still have the right to claim back, however on the other hand, he shall have the obligation to the creditor to fulfill the amount of the loan, with interest and outstanding costs. (Civil Code 582, 1150 etc.; Commercial Code 232, 241, 247.)

Article 238.

The claiming back of goods shall be revoked if such goods are purchased in good faith by a third party during transportation based on invoice and bill of lading.

However, in such case the initial buyer shall be entitled to claim to the buyer his purchase price, insofar as not yet paid in the amount of his claim, and he shall be entitled to priority right in respect of such money, but shall not be permitted to mix such money with the assets of the bankrupt person.

The provisions of the above paragraph shall also be applicable in the event that the said goods, after having been in the possession of the bankrupt person or a person action for him, as a result of purchase and submission in good faith, become the property of a bankrupt person. (Civil Code 1381, 1402; Commercial Code 90, 232, 507 etc.; F.41 etc.; Co.578.) (a) [Footnote (a) not translated in the Indonesian version]

Article 239.

Managers of bankruptcy assets shall have the authority to keep such assets, goods being claimed back, provided that they fulfill the purchase price to the seller required in respect of the person in bankruptcy. (F.60; Co. 582; T.XX-283.)(a)[Footnote (a) not translated in the Indonesian version]

Article 240.

Insofar as the movable goods provided under commission are still held by the commissioner or by a third party in possession thereof or maintaining the same for the bankrupt person, such goods may be claimed back by the provider of commission, under the obligations stated in article 235.

The same right to claim back shall be applicable to the purchase of goods provided under commission and sold and submitted by the commissioner concerned, provided that the purchase price of the same is not paid in full prior to his bankruptcy, even though the commissioner concerned already calculated the profits as guaranty for the buyer, or called *del credere*. (Commercial Code 76 etc., 246 etc. Co. 581)

Article 241.

If the goods provided under commission are taken as a debt guaranty by a third party in good faith, the provisions of article 237 shall apply.

Article 242.

If in the bankruptcy assets there are drafts, commercial papers and other documents which did reached maturity date, or which reached maturity date but were not paid, submitted to the bankrupt person only with the instruction to claim the same and hold the amount of money concerned to be used by the sender, or to effect certain appointed payment or if it is meant to guarantee drafts drawn on the bankrupt person and it is accepted by the latter, or documents payable at his place of residence, then such drafts, commercial papers and other documents may be claimed back insofar as they can still be found at the bankrupt person, or at the third party being in control of or holding it, however all of the foregoing without prejudice to the right on such assets for requesting guaranty for which he can be claimed due to acceptance by the bankrupt person concerned. (Commercial Code 100 etc., 102a, 109c, 117, 127a, 146a, 174 etc., 178 etc., 229e etc., 231 etc., 2326.)

Article 243.

In addition to the purpose or acceptance mentioned in the above article, drafts, or commercial papers or other documents transferred to a bankrupt person may be claimed back, even though one or the other has been deposited in a current account, provided that the sender thereof at the time of dispatch or thereafter never owed any amount whatsoever to the bankrupt person and it does not include costs incurring due to such dispatch. (Commercial Code 100 etc., 174 etc., 178 etc., 229e etc.)

Article 244, 245.

Revoked by S.1938-276. (1) (14)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter IX, INSURANCE OR GENERAL INSURANCE**CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter IX, INSURANCE OR GENERAL INSURANCE / 01-09-00, IX. INSURANCE OR GENERAL INSURANCE**

Indonesian

Book: I. First. TRADING IN GENERAL

Chapter: IX. INSURANCE OR GENERAL INSURANCE

Article: 246-286

Article 246.

Insurance is an agreement, in which the insuring party commits to the insured party by obtaining premium, to pay compensation for a loss due to a loss, damage or un-obtained profit, which may be suffered due to an uncertain event. (Civil Code 1774; Commercial Code 60, 249, 252, 269, 286, 593.)

Article 247.

Such insurance may concern, among other things:

- fire risk; (Commercial Code 287 etc.)
- risk of un-harvested agricultural crops; (Commercial Code 299 etc.)
- the life of one or more person; (Commercial Code 302 etc.)
- maritime risks and slavery risk; (Commercial Code 592 etc.)
- risk during land, river and inland waterways transportation. (Commercial Code 686 etc.)

The last two items are stipulated in the following book. (AB.23; Civil Code 1337; Commercial Code 268, 599; Co.334 etc.)

Article 248.

All insurance, either those included in this book or in this Book Two of the Commercial Code shall be subject to the stipulations set forth in the articles herein under. (Commercial Code 256, 259, 275, 283.)

Article 249.

The insuring party is not obligated in any way whatsoever to assume liability for damages or losses occurring due to defect, self-decay, or due to the character and nature of the insured party himself, unless insured specifically for such purpose. (Commercial Code 276, 294, 637.)

Article 250.

If a person insuring for himself or a person on whose a third party makes an insurance, at a time when the insurance concerned does not have interests in the form of insured goods, the insuring party shall not be obligated to pay compensation for loss. (Civil Code 1234, 1246; Commercial Code 257, 264 etc., 266, 268, 281 etc.)

Article 251.

Every incorrect or false notice, or every concealment of facts known by the insured party, even though made in good faith, the nature of which is such that the agreement concerned would not have been made, or would not have been made under the same conditions if the insuring party learnt the factual situation of all these matters, shall render the insurance concerned void. (Civil Code 1320 etc., 1328; Commercial Code 1269 etc., 280 etc., 306, 593, 597 etc., 603 etc.; Criminal Code 381.)

Article 252.

Unless specified in the provisions of a law, no second insurance may be made for the same period of time, and for the same kind of risk for the goods insured for their entire value, under the threat of cancellation of the second insurance. (Commercial Code 253 etc., 256-1°, 266, 271 etc., 277 etc., 280, 609 etc.)

Article 253.

An insurance exceeding the price or actual interest, shall only be applicable up to the amount of its value.

If such goods are not fully insured, the insuring party, in the event of a loss, shall only be bound proportionately to the insured portion and the uninsured portion.

However, the parties entering into agreement shall be free to firmly stipulate that regardless of the excess value of the insured goods, the losses inflicted on such goods shall be indemnified up to the full insured amount. (Commercial Code 268, 289, 677.; Co. 357 etc.)

Article 254.

The release made at the time placing the insurance or during the term of the same, for matters required by law as a basis of such agreement, or matters explicitly prohibited, shall be void. (AB.23; Civil Code 1335 etc.; Commercial Code 249, 253, 256, 263, 287, 296, 299, 304, 306, 624 etc., 634, 637, 640 etc., 657, 659 etc., 688 etc., 695; Co.360.)

Article 255.

Insurance must be made in writing in the form of a deed, indicating the name of policy. (Commercial Code 256; Co. 332.)

Article 256

All policies, except for life insurance, must state:

1. the day of procuring such insurance;
2. the name of the person procuring such insurance at his own expense or for the account of another party;
3. a sufficiently clear specification of the insured goods;
4. the insured amount;
5. the risks taken by the insuring party at his expense;
6. the commencement and end of risks which may occur being the responsibility of the insuring party;
7. insurance premium; and
8. in general, all conditions which must be known to the insuring party, and all requirements agreed upon by the parties concerned.

The aforementioned policy must be signed by each insuring party (Commercial Code 247, 251 etc., 254, 258, 264 etc., 287, 296, 299, 302, 304, 592, 596, 624 etc., 686, 710; Co. 332.)

Article 257.

The insurance agreement shall be of immediate effect upon conclusion of the same; the rights and obligations of both parties of the insuring party and the insured party shall take effect starting then, even before the policy concerned is signed.

The conclusion of the aforementioned agreement shall bring about the obligation for the insuring party to sign the said policy within the determined time frame and to submit the same to the insured party. (Commercial Code 255, 259 etc., 681-1°.)

Article 258.

Written evidence must exist for proving the existence of the aforementioned agreement; however, all other instruments of evidence shall also be permitted if a commencement of a written evidence exists.

However, special agreements and conditions, if a dispute arises concerning the aforementioned matter during the time between the conclusion of the agreement and the submission of the policy, may be proven with all instruments of evidence;(1) (15)provided, however, that the condition which must be expressly stated in the policy must be evident in writing, under the threat of becoming void, in various insurance based on the provisions of law. (Civil Code 192; Commercial Code 68, 255, 262, 302, 603, 606, 615, 618, 681-1°.)

Article 259.

If insurance is concluded directly between the insured party, or a person instructed or authorized for that, and the insuring party, the policy concerned must be signed and submitted within 24 hours after being proposed by the insuring party, unless a longer time frame is determined by provisions of law, in a special case. (Commercial Code 260, 681-1°.)

Article 260.

If the insurance concerned is concluded through an insurance broker, the signed policy must be submitted within eight days after concluding an agreement. (Commercial Code 64, 684.)

Article 261.

In the event of negligence in respect of matters determined in the above two paragraphs, the insuring party or broker shall be obligated to pay compensation for losses that may occur due to such negligence. (Commercial Code 681.)

Article 262.

A person after having received another person's instruction to insure, holds back at his own expense, shall be deemed to become the insuring party under the initially determined conditions, and if such conditions were not determined, under conditions that may be applied for placing such insurance, at a place at which he is required to implement such instruction or if such place is not determined, at the place of his residence. (Commercial Code 60, 264.)

Article 263.

At the time of sale and all transfers of property rights in relation to the goods insured, the insurance shall prevail for the benefit of the buyer or the new owner, even without transfer, insofar as concerning losses incurred after such goods become a profit or the loss of the buyer or those having newly acquired the same; all of the foregoing being applicable unless determined otherwise between the insuring party and the initial insured party.

If at the time of sale or transfer of property right, the buyer or new owner refuses to take over the insurance concerned, and the initial insured party has continued interest in respect of the insured goods, such insurance shall remain valid for the benefit of the latter. (Civil Code 584, 1459 etc.; Commercial Code 281, 321.)

Article 264.

Insurance may be made not only at one's own expense, but also for the account of a third party, either based on a general or special instruction, or even without the acknowledgment of the party concerned, and in this matter the following provisions must be complied with. (Civil Code 1354 etc., 1792 etc.; Commercial Code 262, 333, 378, 598.)

Article 265.

In the event of insurance for a third party, it must be expressly stated in the policy concerned whether it was made based on instruction, or without acknowledgment by the party concerned. (Commercial Code 256, 264.)

Article 266.

Insurance without instruction and without acknowledgment of the party concerned shall be void if and insofar as the same goods were already insured by the concerned party, or by a third party upon the instruction of the former, prior to his gaining knowledge of the insurance concluded without his acknowledgment. (Civil Code 1357; Commercial Code 252, 254, 264, 277 etc., 281, 333, 378, 598, 652.)

Article 267.

If it is not stated in the policy that the insurance concerned was made for the account of a third party, the insured party shall be deemed to have made it for himself. (Commercial Code 265, 281 etc.)

Article 268.

Insurance may cover all interests which can be denominated in terms of money, which may be subject to risk and which are not excluded by law. (Commercial Code 247, 250, 599.)

Article 269.

Every insurance made for any interest whatsoever, the loss whereof is insured, already in existence at the time of entering into an agreement shall be void if the insured party or the person requesting, with or without instruction, for the insurance to be made, had previous knowledge of the existence of such loss. (Civil Code 1328; Commercial Code 246, 251, 281 etc., 306, 597 etc., 604, 606; Criminal Code 381; Co.365.)

Article 270.

There will be suspicion that a person had previous knowledge of the aforementioned loss if the judge, in compliance with his capacity, is of the opinion that since the existence of the aforementioned loss there was sufficient time for the insured party to be able to gain knowledge of it.

In the event of hesitation, the judge shall be free to order the insured party and the party receiving the instruction of the former to state under oath that at the time of entering into an agreement they had no knowledge of the aforementioned loss.

If such oath is charged by a party to his opponent, the judge must order such oath in any matter whatsoever. (Civil Code 1916-3°; 1929 etc., 1940 etc.; Commercial Code 282, 597 etc.)

Article 271.

The insuring party may reinsure matters already insured by it. (Commercial Code 252, 279.)

Article 272.

If the insured party releases the insuring party from his future obligation through a court, he can insure his interest for the same risk.

In such event, under the threat of cancellation, the former insurance as well as the order having been made through a court must be stated in the new policy. (Commercial Code 279 etc., 281 etc.)

Article 273.

If the value of the insured goods is not stated in the policy concerned by the parties concerned, it can be proven by all instruments of evidence. (Civil Code 1866; Commercial Code 256, 295, 621 etc.)

Article 274.

Even though the aforementioned value is stated in the policy concerned, the judge shall be entitled to order the insured party to specify the basis of feasibility of the stated value if a reason giving cause to founded suspicion of value overstatement is filed.

The insuring party shall be entitled in any event to prove such overstatement of value before a judge. (Civil Code 1922; Commercial Code 253, 275, 295, 619.)

Article 275.

However, if the value of insured goods was previously appraised by an expert appointed by the parties concerned for such purpose, and in the event of a suit, under oath before a judge, the insured party cannot oppose the same, unless in the event of a fraud; all of the foregoing without prejudice to the exceptions made by virtue of law provisions. (Civil Code 1328, 1449; Commercial Code 282, 295, 619.)

Article 276.

No losses or damages caused by the fault of the insured party himself shall be charged to the insuring party. The latter shall even be entitled to hold or bill his premium if he already started bearing risks. (Commercial Code 249, 282, 290, 294, 307, 637, 693.)

Article 277.

If several insurance are concluded in good faith in respect of the same goods, and the full value is covered under the first policy, only this will be applicable and the subsequent insuring parties shall be released.

If the first insuring party does not cover the full value, the subsequent insuring party shall be responsible for the excess value in accordance with the order in which such insurance was made. (Commercial Code 252.)

Article 278.

If in one and the same policy, even though on different days by several insuring parties an amount exceeding the actual value is covered, then the parties concerned shall jointly, proportionately to the amounts respectively signed by them, be only liable for the actual insured value.

This provision shall also be applicable if several insurances are concluded for the same goods on the same date. (Commercial Code 277, 280.)

Article 279.

In the events mentioned in the two above paragraphs the insured party concerned may not cancel the former insurance in order to make the subsequent insuring party liable.

If the insured party releases the initial insuring parties, he shall be deemed to have replaced them as the insuring party for the same value and in the same sequence.

When making reinsurance for himself, the reinsuring parties shall replace him in the same sequence. (Commercial Code 271 etc.)

Article 280.

It shall not be considered as an invalid agreement if, after certain goods are insured for their full value, the party concerned insures the same in their entirety or partially, with the express provision that the party concerned shall only be entitled to exercise his right toward the insuring parties if and insofar he is not eligible to receive indemnity from the former insuring party.

In the event of such agreement, an agreement previously entered into, under the threat of cancellation, must be clearly specified and it shall also be subject to the provisions of article 277 and article 278. (Commercial Code 252.)

Article 281.

In all matters where the insurance agreement its entirety or partially is disqualified, or becomes void, and provided that the insured party acted in good faith, the insuring party must return the premium, either in its entirety or a portion thereof in respect of which no risks occurred. (Commercial Code 250 etc., 266 etc., 269, 272, 276, 603, 615, 618, 635 etc., 652 etc., 662.)

Article 282.

If the agreement concerned becomes void due to deceit, fraud or a criminal act committed by the insured party, the insuring party shall get the premium, without prejudice to criminal procedure, if it is founded. (Civil Code 1328, 1452; Commercial Code 270, 653; Criminal Code 381.)

Article 283.

Without prejudice to the special provisions set forth concerning various types of insurance, the insured party shall be required to actively endeavor to avoid or minimize losses, after which event he must immediately notify the insuring party, all of the foregoing under the threat of paying compensation, expenses and interests, if any, for such reason.

Costs paid by the insured party to avoid or minimize losses shall be at the insured party's expense, even though these, if added to the losses suffered, exceed the insured amount, or such endeavors have no effect. (Civil Code 1357; Commercial Code 249, 294, 654, 718.)

Article 284.

The insuring party having paid compensation for losses in respect of insured goods shall obtain all rights possessed by the insured party towards third parties in respect of such losses; and the insured party concerned shall be responsible for all actions which may potentially damage the rights of the insuring party towards such third parties. (Civil Code 1354, 1365 etc., 1402; Commercial Code 290, 637, 656, 693.)

Article 285.

Revoked with S.1906-348.

Article 286.

Insurance or reciprocal guaranty companies must comply with the provisions of the agreement concerned and the applicable regulations, and if incomplete, they must comply with general legal principles. The prohibitions set forth in the last paragraph of article 289 shall be also be specifically applicable to these companies. (Commercial Code 15, 53, 308; S.1870-64 article 10, pg. 861.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter X, INSURANCE FOR RISK CONCERNING FIRE, UNHARVESTED AGRICULTURAL CROPS AND LIFE

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter X, INSURANCE FOR RISK CONCERNING FIRE, UNHARVESTED AGRICULTURAL CROPS AND LIFE / 01-10-01, 1. FIRE RISK INSURANCE

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: X. INSURANCE FOR RISKS CONCERNING FIRE, UNHARVESTED AGRICULTURAL CROPS AND LIFE
Part: 1. FIRE RISK INSURANCE
Article: 287-298

Article 287.

In addition to setting forth the requirements in article 256, a fire insurance policy must also state the following matters:

1. the permanent location and border of the insured goods;
2. usage;
3. the nature and usage of bordering buildings, insofar it may have a potential impact on the insured goods;
4. the value of insured goods;
5. the location and borders of the building and the location of the insured goods being placed, stored or piled.

(Civil Code 1186-4°; Commercial Code 247 etc., 254, 256-3°, 258, 263, 272, 293, 30, 302, 624 etc., 688; Regulation on Legal Claims (Rv.) 101.)

Article 288.

In the event of insurance of constructed property the loss suffered on the plot concerned shall be compensated for, or such plot shall be reconstructed or it shall be repaired up to the insured amount.

In the first event, the loss shall be calculated by comparing the value of the plot concerned before the disaster, with the remaining value immediately after the fire, and the loss shall be compensated for in cash.

In the second event, the insuring party shall be obligated to reconstruct or make repairs. The insuring party shall be entitled to make sure that the money payable by him, within the determined time frame, if needed through a judge, is indeed used for such purpose; the judge may even order the insured party at the insuring party's request, at cause, to guarantee this matter as required. (Civil Code 1241; Commercial Code 283.)

Article 289.

Insurance may be made for the full value of the insured goods. In the event that reconstruction is a requirement, it shall be made a requirement by the insured party that the costs required for such reconstruction be charged to the insuring party.

However, in such requirement the coverage may not in any event exceed the three-fold of such costs. (Commercial Code 53, 253, 286, 288.)

Article 290.

All losses and damages caused to the insured goods due to fire caused by extremely bad weather or other events, fire itself, negligence, fault or criminal act of his own servants, neighbors, enemies, robbers and others under any name whatsoever, regardless of the manner in which such fire occurs, either planned or unplanned, in an ordinary or an extraordinary manner, without exception, shall be borne by the insuring party. (Civil Code 1367, 1565; Commercial Code 276, 282, 284, 291 etc., 294, 637.)

Article 291.

Losses caused by fire shall be equivalent to losses caused as a consequence of fire, including cases when such matter occurs due to fire in nearby buildings, for instance if the insured goods decrease or decay caused by water or other means used to fight or extinguish such fire, or the loss of a part of such goods due to a theft or due to other causes during fire-fighting or rescue; also damages caused by the destruction of the entire or part of the insured goods occurring at the order of a superior for preventing the spreading of the fire. (ISR.133; Expropriation Act 84.)

Article 292.

Likewise damages caused by the explosion of ammunition, the explosion of steam boiler, lightning strike or another reason, even though such explosion or lightning strike do not cause a fire, shall be equivalent to damages caused by a fire.

Article 293.

If an insured building is used for another purpose, and if this causes a larger risk of fire, so that the insuring party would not have insured at all or not under the same conditions had this condition prevailed prior to the conclusion of the insurance concerned, his obligations shall cease. (Commercial Code 287-2°, 638, 652 etc.)

Article 294.

The insuring party shall be free from his obligation to pay compensation for losses if he proves that such fire was caused by the fault or a major negligence by the insured party himself. (Civil Code 1366; Commercial Code 2, 249, 276, 283, 290.)

Article 295.

In the event of insurance covering movable property and merchandise at residential premises, warehouse or other storage space, if there are no instruments of evidence stipulated in articles 273, 274 or 275 available, or they are incomplete, the judge may order the insured party to take an oath.

The loss shall be calculated according to the value of goods existing at the time of fire. (Civil Code 1940 etc.)

Article 296.

If there are no special provisions in the policy concerning movable goods, property at home, house equipment and decoration, such statements shall be interpreted in accordance with the stipulations of the Civil Code Book Two Chapter I, Part 4. (Civil Code 512, etc.; Commercial Code 356-5°.)

Article 297.

In the event that it is stipulated in a hypothec between the debtor and the collector that if the plot placed under such hypothec which is insured, or is going to be insured, the amount of insurance compensation paid up to the amount of outstanding debt and interest shall be a replacement for such hypothec, the insuring party notifying of such condition shall be obligated to calculate the amount of indemnity outstanding with the collector of the hypothec debt. (Civil Code 613, 1162 etc.; Commercial Code 268, 288; S.1908-542 article 14.)

Article 298.

The conditions of this article shall bear no consequences, unless and insofar as the collector of hypothec debt would have obtained profits had such loss not been inflicted. (Civil code 1209 etc.)

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Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: X. INSURANCE FOR RISKS CONCERNING FIRE, UNHARVESTED AGRICULTURAL CROPS AND LIFE
Part: 2. INSURANCE OF RISKS FOR UNHARVESTED AGRICULTURAL CROPS
Article: 299-301

Article 299.

In addition to the conditions set forth in article 256, the policy must state:

1. the location and borders of the land the crops of which are insured;
2. utilization. (Civil Code 1186-4°; Commercial Code 247, 251, 254, 258, 263, 272, 287-1° and 2°; Regulation on Legal Claims (Rv.) 101.)

Article 300.

Insurance may be made for one or more years. If no time frame is determined, it shall be deemed that the insurance concerned is made for one year. (Civil Code 1597.)

Article 301.

At the time of calculating losses, the value of proceeds from the harvest or of those enjoyed without the occurrence of a disaster, and the value thereof after the occurrence of a disaster shall be calculated. The insuring party shall pay the difference as indemnity. (Commercial Code 273 etc., 288.)

CODE, COMMERCIAL CODE / I. First, TRADERS AND TRADING / Chapter X, INSURANCE FOR RISK CONCERNING FIRE, UNHARVESTED AGRICULTURAL CROPS AND LIFE / 01-10-03, 3. LIFE INSURANCE

Indonesian

Book: I. First. TRADING IN GENERAL
Chapter: X. INSURANCE FOR RISKS CONCERNING FIRE, UNHARVESTED AGRICULTURAL CROPS AND LIFE
Part: 3. LIFE INSURANCE
Article: 59-61

Article 302.

(Legalized by S.1876-141.)

The life of a person may be insured for the benefit of the person concerned, either for a lifetime or for a period of time determined in the agreement concerned. (Commercial Code 247 etc., 304-4°.)

Article 303.

A concerned party may enter into insurance even without the acknowledgment or permission of the person whose life is insured.

Article 304.

The policy shall include the following:

1. the date of entering into such insurance;
2. the name of the insured party;
3. the name of the person whose life is insured;
4. the commencement and termination of risk for the insuring party;
5. the insured amount of money;
6. insurance premium. (Commercial Code 254, 258, 302, 306.)

Article 305.

The planning of the amount of money and the determination of the conditions of insurance shall be totally submitted to the agreement of the two parties concerned. (Civil Code 1780.)

Article 306.

If the person whose life was insured at the time of entering into the insurance passes away, such agreement shall terminate, even though the insured party may not be aware of such death; unless determined otherwise. (Civil Code 1779; Commercial Code 251 etc., 269, 281.

Article 307.

If the person insuring his life commits suicide or is sentenced to death, his insurance shall terminate. (Commercial Code 276.)

Article 308.

This part does not include funds for widows, life subsistence associations (*tontine*), counter-life insurance companies, and other similar agreements made based on the possibility of life and death, which are obligated to maintain certain savings or contributions or both for such purpose. (Commercial Code 286; S.1870-64 article 10.*

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Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: GENERAL PROVISIONS

Article: 309

Annotation:

Subsequent to S.1933-47 jo. S.1938-1 and 2, effective from April 1, 1938, Book Two Chapters I and II superseded by articles 309-340f as follows herein under.

GENERAL PROVISIONS.**Article 309.**

Vessels are all means of shipping, whatever the name and whatever the nature thereof.

Unless determined or agreed otherwise, it shall be deemed that vessels include vessel equipment.

Referred to as vessel equipment are all goods not constituting a part of the vessel concerned, but has the purpose of being used with the vessel concerned. (Civil Code 510, 513 etc.; Commercial Code 310 etc., 314, 593, 602, 748 etc.; F.34; Regulation on Legal Claims (Rv.) 532, 568; Tbs.1,3.)

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter I, SEA VESSELS AND THEIR CARGO

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter I, SEA VESSELS AND THEIR CARGO / 02-01-00, I. SEA VESSELS AND THEIR CARGO

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: I. SEA VESSELS AND THEIR CARGO

Article: 310-319

Article 310.

Sea vessels are all vessels used for shipping in seas or having been designed for such purpose. (Certificates of Registry (*Zeebr.*) 2; Ship Ordinance (*Schepenord.*) 2.)

In Chapter I up to and including Chapter IV of this book referred to as vessels are only sea vessels. (Commercial Code 748 etc.)

Article 311.

Indonesian flag carriers are those deemed as vessels by virtue of laws and regulations concerning certificates of registry and shipping passes. (Commercial Code 310(2), 312, 319, 748; Tbs. 21, 23; S.1934-78 jo. S.1935-89, 505, S.1937-629, 630.)

Article 312.

Vessels that have been or are being built in this country shall be deemed as Indonesian flag carriers, until the builder delivers them to the parties at the costs of whom the vessels have been or are being built or puts them into shipping in the seas at its own costs.

Article 313.

The approval of all shareholders shall be required for the transfer of a part of or the entire shares of a vessel causing such vessel to be no longer an Indonesian flag carrier. (Certificates of Registry (*Zeebr.*) 2.)

If the owner of a vessel loses his Indonesian citizenship or is no longer an Indonesian resident, or if the ownership title of a share in the vessel in its entirety or partially in a manner other than by submission, is transferred to a non-Indonesian citizen or non-Indonesian resident, so that therefore the vessel concerned is no longer an Indonesian flag carrier, each of the shareholders shall be entitled during a period of six months to apply to the court of justice at the place of registration of such vessel to issue an order to sell such share publicly. Such order shall be given upon properly hearing or summoning members of the shipping company concerned. Such summons shall be made registered mail by the committee. The share concerned may only be given to an interested person who, by obtaining the vessel concerned, shall meet again requirements stipulated for Indonesian flag carriers. Such vessel shall be thus deemed not to have lost its status as an Indonesian flag carrier. (Commercial Code 311, 314, 319, 324, 334; Netherlands (*Nedsch.*) 13 etc.; Netherlands Citizens (*Ned.ond.*) 2; *Tbs.* 21, 23.)

Article 314.

Indonesian flag carriers with the gross weight of not less than 20 m3, may be registered in the vessel registry by virtue of regulations to be stipulated separately. (Commercial Code 749; *Tbs.*, S.1993-48 jo. S.1938-1, 2* after Law of the Commercial Code.)

The aforementioned regulations shall also set forth the way of transferring ownership and delivering vessels registered in the aforementioned vessel registry or vessels under construction and shares in such vessels or in vessels under construction. (*Tbs.* 21 etc., 27.)

A hypothec may be placed on vessels under construction or on shares in such vessels and on vessels under construction registered in the vessel registry. (Civil Code 1162 etc.; *Tbs.* 24 etc.)

Vessels mentioned in the first paragraph may not be pledged. Article 1977 of the Civil Code shall not be applicable to vessels entered in the books. (Civil Code 319.) (1)
(16)

Article 315.

The order of the level among hypothecs shall be determined by the date of their respective registration. Hypothecs registered on the same date shall be of equivalent level. (civil Code 1181; Commercial Code 315c and d, 316a, 317a, 318, 319, 750.) (1)
(17)

Article 315a.

If the accounts receivable are interest bearing, the above hypothec shall also prevail as a guaranty for the interest on the principal amount in the year concerned, and in the two preceding years. (Civil Code 1184; Commercial Code 315c, 316b, 317b, 319, 750.) (1)
(18)

Article 315b.

Creditors whose accounts receivable are guaranteed by hypothec may claim their respective rights on the vessel concerned or their respective shares in the vessel concerned, whoever may hold such vessel. (Civil Code 1198 etc.; Commercial Code 315c, 316, 319, 750.)

Article 315c.

Vessel hypothecs, insofar as it is made possible by the nature of the collateral concerned, shall be implemented in accordance with the provisions of the Civil Code articles 1168, 1169, 1171 third and fourth paragraph, 1175, 1176 second paragraph, 1177, 1178, 1180, 1186, 1187, 1189, 1190, 1193-1197, 1199-1205, 1207-1219, 1224-1227 concerning hypothecs. (Ov.24 etc., 31 etc., 34, 37 etc.; S.1933-48 jo. S.1938-2.) (1)

(19)

Article 1185 of the Civil Code shall also be applicable to matters related to lease as well as to time charters of vessels under hypothec. If such vessels are insured against risks of fire or other risks, articles 297 and 298 of the Commercial Code shall also be applicable. (Commercial Code 319, 750.)

Article 315d.

If a vessel due to a reason other than seizure-auction is no longer an Indonesian flag carrier, its hypothec claim shall be collectible, if not yet collectible. Such claim shall remain collectible upon such vessel until paid in full, by giving priority to subsequent claims, even though registered outside Indonesia. (civil Code 1268, 1271; Commercial Code 315e, 316 etc., 316e, 319, 750; Certificates of Registry (*Zeebr.*) 2.) (1)

(20)

Article 315e.

In the event of a seizure-auction outside Indonesia in respect of a vessel registered in the vessel registry, the vessel concerned shall not be released from the hypothec charged on it based on the above article, unless the creditors are summoned to exercise their respective rights in respect of the proceeds of such auction and also expressly give an opportunity for this to be done. (1)

(21)

Hypothecs on shares shall remain valid after the transfer or distribution of the vessel concerned. (Commercial Code 319, 750.)

Article 316.

(Legalized by S.1934-214 jo. S.1938-2.)

Claims with priority right in respect of a vessel, without prejudice to the provisions of article 318, shall be as follows:

- 1°. the costs of seizure-auction; (Commercial Code 316b.)
- 2°. claims of the captain and the crew of the vessel in respect of labor agreements, during their term of duties on the vessel concerned; (Commercial Code 395 etc., 399-401, 409, 412, 415, 416-416c. 421-424, 430, 452c, 452e, 452f.)
- 3°. assistance fee, navigation fee, traffic and seaport fee, and other shipping fees; (Commercial Code 316a(4).)
- 4°. claims due to collision. (Commercial Code 543, 536 etc.) Article 1139 of the Civil Code shall not be applicable to vessels. (Commercial Code 316a etc., 319, 750.) (1)

(22)

Article 316a.

The level of claims with priority rights shall be determined based on the number enlisting each claim mentioned in the above article.

Number one claims shall be of the same level and shall be paid proportionately, unless the claims concerned are for the purpose of assistance fee, in which case the more recent claims shall be given priority over the older claims. (Civil Code 1136.)

Claims with priority right shall be given priority over a hypothec. (Civil Code 1134(2).)

The priority right mentioned under item 3° of the above article shall become void if the vessel concerned embarks on a new journey. (Commercial Code 319, 750.) (1)
(23)

Article 316b.

Claims with priority right cover interest and costs by virtue of law, insofar as these are not yet included in item 1° of article 316. (Civil Code 1250; Commercial Code 319, 750.) (1)
(24)

Article 316c.

Claims with priority right in respect of a vessel shall also have priority right over claims submitted by the shipping company concerned, such as claims for the payment of cargo and freight, assistance fee, if the vessel concerned is used for storage services, navigation fee, if the vessel concerned is used for navigational services. (Commercial Code 309, 316d, 318, 319, 750.) (1)
(25)

Article 316d.

The priority right specified in articles 316 and 316c shall be extended to indemnity incurred by the damage or loss of the vessel concerned or due to the loss of a part of or of the entire claim mentioned in article 316c.

The above priority right shall not be extended to claims arising from insurance agreements. (Commercial Code 316e, 318, 319, 750.) (1)
(26)

Article 316e.

Creditors with claims having priority right may claim their right in respect of the vessel or shares in the vessel concerned, regardless of who holds the same as well as in respect of claims set forth in articles 316c and 316d, even after the transfer or pledge of the same to a third party. (Civil Code 1198 etc.; Commercial Code 318, 319, 750.) (1)
(27)

Article 317.

Claims with priority right over cargo shall be as follows:

- 1°. seizure-auction costs;
- 2°. claims for the payment of assistance fee and general loss at sea;
- 3°. claims arising from transportation agreements.

The above claims shall have priority over claims specified in article 1139 of the Civil Code (Commercial Code 317a(2).)

In the event of sea fishing vessels, the fish caught and placed on board of the vessel concerned shall also be included in the definition of cargo. (Commercial Code 319, 750.) (1) (28)(2)

Article 317a.

The order of level of claims with priority right shall be determined based on the number enlisting such claim in the above article.

Among claims specified under item 2° of the above article, more recent claims shall be given priority over older claims. (Commercial Code 319, 750.) (1) (29)

Article 317b.

The above mentioned claim with priority shall cover interest and costs by virtue of law, insofar as these are not included in item 1° of article 317.

The priority right shall be extended to compensation payable due to damage or loss of a part of the cargo concerned.

The priority right shall not be extended to claims occurring by virtue of insurance agreements. (Civil Code 1250; Commercial Code 319, 750.) (1) (30)

Article 318.

Claims concerning vessels or shipping companies or based on the obligation of the shipping entrepreneur specified in article 321, after claims with priority right mentioned in article 316, and after hypothec claims, shall have priority right in respect of the vessel concerned and compensation set forth in article 316d over all claims arising from other matters.

Such claims shall be of equivalent level and shall be paid proportionately. Articles 316c and 316e shall not be applicable towards such claims. (Commercial Code 318a, 319, 750.) (1) (31)(2)

Article 318a.

Accounts receivable and claims set forth in articles 316 and 318 may be claimed with priority right in respect of the vessel concerned, also in the event that these are incurred as a consequence of using the vessel concerned on sea by a third party other than its owner, unless the person using the vessel concerned is not authorized towards the owner and the creditor acts in bad faith. (Commercial Code 319, 320 etc., 750.) (1) (32)(2)

Article 318b.

If the proceeds from a foreign flag carrier are distributed by court in Indonesia, the costs of seizure-auction, assistance fee, navigation fee, traffic and sea port fee and other costs whatsoever shall be placed on the level provided for such purposes in article 316. (Commercial Code 319, 750; Regulation on Legal Claims (Rv.) 756.) (1) (33)(2)

Article 319.

The provisions of articles 311-318b shall not be applicable to vessels owned by the State or an official body, used for public services. (Commercial Code 750.) (1) (34)

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Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: II. SHIP ENTREPRENEURS AND SHIPPING ENTREPRENEURS

Article: 320-340

Article 320.

Ship entrepreneurs are persons using vessels for shipping at sea navigating by themselves or by employing a captain. (Commercial Code 309 etc., 323, 341, 453, 751; Civil Code 806, 813.)

Article 321.

Ship entrepreneurs are bound by legal actions undertaken by those permanently or temporarily employed on board of the vessel concerned, in their respective capacities, within the scope of their respective authorizations.

Ship entrepreneurs shall be responsible for damage caused to a third party by an unlawful act committed by those working permanently or temporarily on the vessel concerned for the purpose of the vessel concerned or the cargo thereof, in their respective capacities or in the course of implementing their respective duties. (Civil Code 1233, 1367; Commercial Code 318, 322, 326, 331, 342, 344, 358a(3), 360-363, 365, 373, 397, 474, 525, 539, 541, 751.)

Article 322.

Parties who, prior to the registration of the lease or borrowing of a vessel in the vessel registry, based on the provisions of the first paragraph of the above article, obtain a claim towards the lessee or borrowing party, may also sue the owner the vessel concerned, unless at the time of incurring such claim they were aware of such lease or borrowing.

The owner of a vessel may claim the above mentioned payment to the lessee or the borrowing party. (Civil Code 1548, 1740; Commercial Code 314, 751.)

Article 323.

(Legalized by S.1938-1 jo.2.)

If a vessel is owned by several persons who, on a basis other than the company agreement intended in Book One Chapter III, use it at joint cost for shipping at sea, then there is a shipping company among them. (Civil Code 514, 1618; Commercial Code 324 etc.)

Article 324.

Membership in a shipping company shall be transferred entirely or partially by the transfer of the ownership right for the vessel's entire or partial shares. (Civil Code 514, 1641; Commercial Code 313, 323, 333.)

Article 325.

A shipping company shall not be liquidated by cause of bankruptcy or the demise of one of the members, placing such member in an institution due to mental illness or under custody. (Civil Code 433 etc., 1646; Commercial Code 333, 335, 340e; F.19, 22 etc., 34, 55, 60-62; Insanity (*Kr.*) 10 etc., 22 etc., 37.)

No termination of membership in a shipping company may be requested; likewise, the membership of a member in the shipping company cannot be declared lost.

Article 326.

Members of a shipping company shall be responsible for the commitments of their company, each of them proportionately to their respective shareholding in the vessel concerned. (Commercial Code 18, 321, 323 etc., 333, 340.)

Article 327.

A book-keeper may be appointed in a shipping company. A company may be appointed as book-keeper. (Civil Code 1792 etc.; Commercial Code 15 etc.; 36 etc., 323, 329, 331 etc., 333, 334; Tbs.19(3).)

Article 328.

If the book-keeper is a member of a shipping company, if the company terminates him from employment, he shall be entitled to claim that his shares be taken over by the company at a price deemed appropriate by experts, unless the company terminates such employment due to a pressing reason.

The book-keeper shall have the same rights, if he terminates employment due to a pressing reason, as granted to him due to the company's deliberate action or fault. (Civil Code 1603e etc., 1603o and p; Commercial Code 329, 333.)

Article 329.

The appointment and termination of book-keeper cannot be quoted as a reason to third parties until this matter is recorded in the vessel register, unless they are aware of this matter. (Commercial Code 314, 327 etc., 333; Tbs.7.)

Article 330.

If the appointment of an book-keeper is not evident from the vessel register or the person appointed based on the vessel register as book-keeper passes away, is placed in an institution due to mental illness, is placed under custody, is declared bankrupt or does not reside in Indonesia, one or more members of the shipping company jointly or severally owning more than half of the shipping company may represent the shipping company inside or outside court, and they may represent and act for the shipping company concerned.

If the appointment of book-keeper is not evident from the vessel register or one of the conditions intended in the first paragraph occur, the shipping company concerned shall have legal domicile at the place the central vessel register is maintained for [the purpose of] vessel registration. (Civil Code 17 etc., 433 etc.; Commercial Code 314, 323, 327, 333; Insanity (Kr.) 10 etc., 22 etc., 37; Tbs. 7.)

Article 331.

The book-keeper shall be authorized to act with third parties for his shipping company and to represent it both inside and outside the court concerning all matters usually transported by the vessel concerned in accordance with its stipulated purposes.

The limitation of the book-keeper's authorities may only be quoted as a reason to third parties if this matter is known to such parties. (Commercial Code 323, 327 etc., 329, 332 etc., 338 etc., 340a-d; Tbs.7.)

Article 332.

A judge's order in respect of the shipping company or an book-keeper in his capacity as such may be executed in respect of the joint assets of the owners of such shipping company. (Commercial Code 323, 327, 333, 361.)

Article 333.

No deviations may be made from the provisions of article 324-332. (AB.23.)

Article 334.

All decisions concerning the shipping company's affairs must be made based on a majority of votes by members of such shipping company.

The smallest share shall grant the right to cast one vote, a larger share to a number of votes proportionately to the multiplication thereof, so that such shares shall include the smallest share.

Decisions concerning the appointment of a book-keeper not residing in Indonesia, non-member of the shipping company concerned, non-Indonesian citizen, not a company intended in article 31 of this Commercial Code treated equally as an Indonesian citizen, concerning the sale of the vessel other than by public auction and the dissolution of the shipping company in the course of a charter or a voyage undertaken, must be made based on unanimous votes. (Civil Code 14 etc.; Commercial Code 313, 327, 330, 335, 337, 340d and g, 452 etc.; Certificates of Registry (*Zeebr.*) 2.)

Article 335.

If due to an obstacle in collecting documents hinders the usage of the vessel concerned, upon the request of one or several members of the shipping company concerned, and after hearing or properly summoning all of the members, the judge may order the sale of the vessel concerned in a public auction. (Commercial Code 321, 334, 340e.)

Article 336.

Each member of the shipping company concerned shall be obligated to bear the expenses of the company concerned proportionately to the shares owned by them. (Commercial Code 326, 340.)

Article 337.

If it is decided to repair the vessel concerned, except during a voyage, or to undertake a new voyage, each member of the shipping company concerned not participating in making such decision may expect that those who participated in making such decision shall take over their respective shares at a price assessed by experts at the time such take-over is expected.

He [such member] must notify the book-keeper of his expectation for take-over, or in the event that there is no book-keeper those having cast affirmative votes, within one month after he is informed of such decision.

Each of those obligated to take over shall obtain a portion of the transferred shares proportionately to their respective shares in the vessel concerned. (Commercial Code 323, 327 etc., 334, 338(2), 362.)

Article 338.

In respect of the shipping company, the above mentioned book-keeper shall always be obligated to act in accordance with the provisions of his appointment and instructions given to him based on such appointment.

He shall request the prior approval of the shipping company concerned before embarking on a new voyage, undertaking extraordinary repairs or insurance of the vessel concerned, or the appointment or termination of its captain, unless determined otherwise.

In addition to the above, his authorities, including those in his relation to the shipping company, shall be evaluated based on the provisions of the first paragraph of article 331. (Civil Code 1792 etc.; Commercial Code 323, 327 etc., 337, 341e, 362, 364, 395 etc., 408, 411, 592 etc.)

Article 339.

The book-keeper must manage the affairs of the shipping company as a good shipping entrepreneur. He must perform his responsibilities determined by law for shipping entrepreneurs.

He shall be responsible to members of the shipping company for losses suffered due to his deliberate action or fault. (Civil Code 1800 etc.; Commercial Code 327, 331, 338.)

Article 340.

Members of the shipping company shall distribute profits or losses proportionately to their respective shares in such vessel. (Civil Code 1633; Commercial Code 323, 326, 336.)

Article 340a.

The book-keeper shall notify each member about all of his wishes, of all matters concerning the shipping company and shall present all books, letters and notes related to the management thereof. (Civil Code 1802; Commercial Code 6, 12.)

Article 340b.

The book-keeper shall be obligated to, any time as customary, but at least after the lapse of a period of 1 year, provide calculations and accounting to members of the shipping company in view of his management, by presenting all evidence related thereto and he shall give each of them whatever is their right.

The requirement by law to provide the above mentioned calculations and accounting shall expire by the lapse of 10 years after the expiration of the time frame for the requirement to provide such calculations and accounting. (Civil Code 1802, 1805, 1967; Commercial Code 323, 340c etc.; 364; Regulation on Legal Claims (Rv.)764 etc.)

Article 340c.

Each member of the shipping company shall be obligated to audit and close the book-keeper's calculations and accounting and to pay a portion of the amount payable to the book-keeper. (Civil Code 1807 etc.; Commercial Code 323, 340b, d; Regulation on Legal Claims (Rv.) 775.)

Article 340d.

The confirmation of calculations and accounting by the majority of members of the shipping company concerned shall only be binding on those giving such confirmation, but it shall also be binding on fellow shipping entrepreneurs not confirming such calculations and accounting, if they fail to contest such calculations and accounting before a court within 3 years after they may have acknowledged the same, and after such confirmation is approved by a majority of the members and they are notified in writing about it. (Commercial Code 323, 334, 337, 340b etc.)

Article 340e.

If it is decided to dissolve the shipping company, the vessel must be sold. The decision or instruction give based on article 335 to sell the vessel concerned shall be equivalent to the decision to dissolve the shipping company concerned. (Civil Code 1457 etc.; Commercial Code 323, 325, 334, 362.)

Article 340f.

Following the decision for dissolution, the shipping company shall continue to be in existence insofar it is required for the liquidation thereof. The book-keeper, if any, shall be assigned for such liquidation. (Commercial Code 32, 56, 323, 327.)

Article 340g.

Revoked by S. 1938-1 jo. 2.

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter III, SHIP'S CAPTAIN, CREW AND PASSENGERS**CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter III, SHIP'S CAPTAIN, CREW AND PASSENGERS / 02-03-01, 1. GENERAL PROVISIONS**

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: III. SHIP'S CAPTAIN, CREW AND PASSENGERS

Part: 1. GENERAL PROVISIONS

Article: 341-341b

Annotation:

Dg.S.1934-214 jo. S. 1938-1 and 2 effecting from April 1, 1938; Book Two Chapter III and IV replaced by new chapters the provisions of which were adjusted as much as possible to the law of June 14, 1930. (N.S. 1930-240). The above mentioned Chapter III is applicable to Indonesians by virtue of S. 1933-49 jo. S.1934-214, S. 1938-2, * pg.1041.

Article 341.

The captain is the person leading the ship. (Commercial Code 341d, 342 etc., 397, 399, 408 etc., 427 etc.)

The ship's crew (ABK) are those included in the crew list (*monsterrol*). (Commercial Code 375, 395, 401, 413, 434.)

The ship's officer is a crew member promoted to the rank of officer. (Commercial Code 376.)

Crew assistants are all of the remaining members of the ship's crew. (commercial Code 388, 393, 400.)

Passengers intended in this Commercial Code are those on board of the ship concerned, except its captain. (Commercial Code 393 etc.)

Cargo coolies and laborers temporarily working on the ship shall be subject to the provisions of this chapter which are applicable to the ship's crew members, unless otherwise determined. (Commercial Code 382.)

Article 341a.

If the shipping entrepreneur does not stipulate the relationship among the ship's officers, among the ship's crew members and between the ship's officers and the ship's crew members, the captain shall decide. (Commercial Code 376, 393, 395, 397, 413 etc., 428, 434 etc.)

Article 341b.

The provisions of this chapter shall not be applicable to ships with a gross weight of 100 m³ if such ship is equipped with a mechanical moving device, and with a gross weight of 300 m³ if it is not equipped with mechanical moving device.

The provisions of this chapter shall not be applicable either if a ship sails only in a trial voyage. (Commercial Code 407.)

(Legalized by S. 1938-1.) However, article 373a shall be applicable to all ships regardless of their size or usage.

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter III, SHIP'S CAPTAIN, CREW AND PASSENGERS / 02-03-02, 2. CAPTAIN

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: III. SHIP'S CAPTAIN, CREW AND PASSENGERS

Part: 2. CAPTAIN

Article: 341-374

Article 341c.

Revoked by S. 1938-1, 2.

Article 341d.

If the captain is prevented, or if he is not in a position to lead his ship, the first mate shall act as captain; in the event that the first mate is also absent or prevented, if there are more than one ship mates, the mate of the higher rank shall be entitled to act as captain, and thereafter among the remaining ship mates the one with the higher rank; and if they are also absent or prevented, the person appointed by the ship's board [shall act as captain]. (Commercial ode 341a, 345, 376.)

Article 341e.

The shipping entrepreneur shall be entitled to revoke at any time the captain's authority over his ship. (Commercial Code 411.)

Article 342.

The captain shall be obligated to act with adequate knowledge, accuracy and wisdom in properly performing his duties. (Commercial Code 373.)

He shall be responsible for losses caused by him to other parties due to his deliberate action or major fault. (Civil Code 1244 etc.; Commercial Code 91 etc., 318, 321, 343 etc.; 358a(3), 359 etc., 371, 707.)

Article 343.

The captain shall be obligated to abide by the usual regulations and existing stipulations in order to ensure that the ship is ready to sail and its safety, its passengers' safety and the transportation of its cargo.

He shall not undertake a voyage unless his ship meets the requirements, is properly equipped and is provided with sufficient number of crew members for such purpose. (Commercial Code 341, 344 etc., 367 etc., 371, 431.)

Article 344.

The captain shall be obligated to use a pilot, wherever the laws and regulations, usual practices or caution require it. (Commercial Code 316-1 sub 3°, 345, 539; *Loodsdiendstord.* 4, S.1927-62; S. 1927-63, Official provisions concerning piloting in which tariffs, among other things, have been set forth; by S.15-327 it has been stipulated that the Government shall not be responsible for actions or negligence of pilots.)

With ordinance dated April 3, 1920, S.20-274, the following was stipulated:

- If something appears on the shore, or on board of a ship, close to or in the shipping route, heading towards a port or a estuary, during the day 3 red balls or during the night 3 red signals shall be given arranged vertically one upon the other, which shall be a sign that such port or estuary should be approached with extreme caution and every vessel shall be prohibited from sailing in or out without a pilot. At such time every ship can be inspected and shipping in or out may be prohibited.
- All release from the mandatory use of pilot shall be revoked at the time such signals are given.

The implementation of provisions for restricting certain ports or estuaries mentioned hereinabove shall not be subject to prior announcement.

Article 345.

The captain may not leave his ship during a voyage or in the event of danger, unless he must absolutely leave or is forced to do so for saving his life. (Commercial code 341d; Criminal Code 468.)

Article 346.

The captain shall be obligated to take care of the property of a passenger having passed away during the voyage, and to draw up adequate minutes thereof in the presence of two passengers, or to instruct such minutes to be drawn up, to be signed by him and by the aforementioned two passengers. (Civil Code 947; Commercial Code 341, 393 etc.)

Article 347.

The captain must possess on the ship: (Commercial Code 432.)

certificates of registration and shipping pass, measurement certificate and excerpt from the ship register including all records of the ship concerned up to the last day of its departure from an Indonesian port. (Certificates of Registry (Z.) and *S.besl.* 3 etc.; Certificates of Registry (Z.) and Ship Ordinance (*S. ord*)2, 16; Certificates of Registry (Z.) and *S. verord.* 2; S.1927-210 article 3; S.1927-212 article 32 etc.; Tbs.8.)

a list of the ship's crew members, cargo manifest, charter party and bill of lading, or copies of the aforementioned documents; (Commercial Code 357 etc., 454, 506 etc.; Criminal Code 560.)

Laws and regulations prevailing in Indonesia regarding passage and all other documents required. (Criminal Code 561.; Regulation Concerning Ports 1925 article 7.)

This obligation shall no be applicable to charter party and bill of lading under conditions stipulated by the Head of the Marine Department. (Commercial Code 348, 352a, 374, 478.)

Article 348.

The captain shall endeavor to maintain a daily ship's logbook on the ship (daily registry or journal) in which all significant matters occurring during the voyage concerned shall be accurately recorded.

The captain of a mechanically driven vessel shall, in addition to the above, also endeavor so that a personnel of the engine room maintain an engine daily log-book. (Commercial Code 6, 349 etc., 352a, 356, 374; Criminal Code 466, 561, 562-1 sub 1°.)

Article 349.

On an Indonesian flag-carrier it shall only be permitted to use a daily log-book the pages of which are numbered in sequence and legalized by the ship's crew member registration clerk or outside Indonesia by an official of the Indonesian consulate, each page thereof being numbered in sequence and legalized. (Commercial Code 311, 348, 353, 374.

If possible, such daily log-book should be updated on a daily basis, indicating the date and signed by the captain and the ship crew member assigned by the captain to maintain such log book. (Commercial Code 350, 352, 356, 385(2).

In addition to the above, the procedures for the aforementioned daily log-book shall be stipulated by or on behalf of the Head of the Marine Department. (S.1938-4* after Commercial Code).

Article 350.

The captain and the ship entrepreneur must give an opportunity to interested parties, to inspect the daily log-book at their request, and to provide copies thereof at their cost. (Civil Code 1885; Commercial Code 12, 320 etc., 339, 341(2), 348 etc., 374; Criminal Code 561-1 sub 4°.)

Article 351.

If the captain discussed important matters with ship crew members, the advice given to them shall be entered into the daily log-book. (Commercial Code 348, 349(2), 374; Criminal Code 561-1 sub 1°.)

Article 352.

The captain shall be obligated to present or give instruction for it to be presented, within 48 hours after arriving at an emergency port or at the port of final destination, the ship's daily log-book or the daily log-book to the ship crew member registration clerk, and to request that such log-book be signed by the aforementioned clerk as evidence of him having seen it. (S.1938-4 the fifth*.)

Notwithstanding the stipulations of the above paragraph, it may be stipulated by or on behalf of the Head of Marine Department that in certain events the captain be obligated to present or give instruction for it to be presented the ship's daily log-book or the daily log-book at a determined time at a certain port appointed for such purpose.

Outside the territory of Indonesia, the captain shall be obligated to appear before the official of the Indonesian consulate or if such official is not available, before an authorized official. (Commercial Code 341, 341d, 348 etc., 353 etc., 356, 374; S.1927-33; Ship Ordinance 15 etc., 23; S.1927-34; *Schepenbesl.* 124, 126 etc.; *Cons.* 2 etc.; S.1923-15; *Reedenregl.* 7 etc., 11; S.1938-4 the second*.)

Article 352a.

There must be a punishment registry on the vessel, in which each page must be initialed by the ship's crew member registration clerk. (S.1938-4 the fifth*.)

Records intended in article 390 shall be entered into this registry, and it shall also include records of all criminal acts committed at open sea on board of the vessel concerned. (Criminal Code 562-1 sub 2°.)

At the request of or on behalf of the captain, the ship's crew member registration clerk shall write "seen" in the punishment registry presented to him, and shall sign and include the date. (Commercial Code 374.)

Article 353.

After arriving at a port, the captain may instruct an authorized official to provide a ship statement concerning events occurring during the voyage concerned. (Civil Code 1868 etc.; Commercial Code 354 etc., 452b; Criminal Code 451 etc.)

If such vessel or the cargo thereof is damaged or an extraordinary event occurs, the captain, within 3x24 hours upon arriving at a port, where an official authorized to provide a ship statement, must instruct the preparation of at least a provisional ship statement. Such provisional ship statement must be followed by a complete statement within 30 days. (Ship Ordinance 15 etc., 23; *Schepenbesl.* 126 etc.)

Outside Indonesia, the captain must appear before the official of the Indonesian consulate concerned or if such official is not available, an authorized official. (The Dutch Commercial Fleet; *Cons.* 2 etc.)

The official mentioned in the first and the third paragraph shall provide a copy of the ship statement, upon payment of the cost thereof, to any party requesting the same.

The Head of the Marine Department shall appoint officials authorized to prepare ship statement, and shall determine the tariff of the same. (S.1938-4* after the Commercial Code)

Article 354.

(legalized by S.1934-214 Jo. S.1938-2, effective as of April 1, 1938.)

In calculating the time frame based on the law mentioned in the first paragraph of article 352, and the second paragraph of article 353, Sundays and days equivalent to Sundays as intended in the second paragraph of article 153 shall be taken into account and, outside Indonesia holidays by virtue of laws prevailing there shall not be taken into account.

354. (Correction by virtue of S.35-77 Jo. 562, effective as of January 1, 1936.)

In calculating the time frame based on law set forth in articles 352 and 353, official holidays set forth in article 171a, and overseas official holidays prevailing there, shall not be taken into account.

The aforementioned matters have been stipulated by S. 34-214 article 354 of the Commercial Code. The effectiveness of S. 34-214 should have been further stipulated, however, it was subsequently postponed.

The following changes to the Commercial Code were stipulated by S.34-562, article III:

in articles 227 and 354 the words "article 157" were replaced by "article 171a".

New text was stipulated for articles 171a and sub-article 9 in the Commercial Code by S.35-77, Article III, stipulating as follows: Article 354 of the Commercial Code shall read as follows:

(Refer to the contents of the aforementioned article).

The provisions in S.34-562 and 35-77 by virtue of S.35-531 and 562, both consecutively coming into effect as of January 1, 1936, and the former article 354 of the Commercial Code were replaced by the new corrections from S.35-77, which is clearly contradictory to the purpose of the law maker. The provisions of S.31-211, after having been amended by S.38-1, were subsequently effectuated as of April 1, 1938 by virtue of S.38-2, without furthermore amending article 354 of the Commercial Code. Therefore (at least in the opinion of the person who has compiled these pieces of writing) the amendment of article 354 of the Commercial Code effectuated as of January 1, 1936, in accordance with S.35-77, is hereby being replaced by S.34-211 also quoted hereinabove.

Article 355.

The ship's crew members appointed by the captain at the time of preparing ship statement must assist by providing information concerning their opinion. (Commercial Code 341, 353, 452b; Criminal Code 451 etc.)

Article 356.

The judgment on the force of evidence of the ship's daily log-book and the ship statement concerning events during the voyage contained therein, shall be in each case submitted to the judge. (Civil Code 1881, 1922; Commercial Code 7, 348.)

In the event of testimony by witnesses concerning events during the voyage occurring towards passengers of the ship during the voyage concerned, the first paragraph of article 1910 of the Civil Code shall not be applicable, however, such persons can release themselves from giving testimony under the aforementioned article. (Civil Code 1909; Commercial Code 341(5).)

Article 357.

If very much required, for the sake of security of the ship or the cargo thereof, the captain is authorized to throw into the sea or use up entirely the ship's equipment and part of the cargo. (Commercial Code 309(3), 358, 391, 394(3), 479, 519y, 699-2°, 729 etc.; Criminal Code 471; cf.27-34, Shipping Decree, article 117, discarding dangerous cargo into the sea.)

Article 358.

In emergency situations during voyage, the captain shall be authorized to take, by paying compensation, food possessed by passengers or food being part of cargo, to be used for the interest of all people on board of the ship concerned. (Commercial Code 341(5), 357, 533j.)

Article 358a.

The captain shall be obligated to provide assistance to people in danger, especially if the ship is involved in a collision, to other ships involved and people on board of such ship, within the limits of the captain's capabilities, without gravely endangering his own ship and passengers thereof.

In addition to the above, he shall be obligated, if it is possible for him, to inform the other ship involved in such collision, about the name of his ship, the port at which his ship is registered as well as about the port of origin and its destination.

If such obligation is not met by the captain, it shall not grant him the right of claim towards the ship entrepreneur. (Commercial Code 320 etc., 341, 341d, 342(2), 345, 370, 534 etc., 545 etc., 560 etc.; Criminal Code 478, 566; S.1914-225, regulation concerning collision of ships.)

Article 358b.

The captain of an Indonesian flag-carrier with destination to Indonesia, and being at a port outside Indonesia, must take to Indonesia sailors who are Indonesian citizens and inhabitants who are there and are in need of help, if there is space for them on board of the ship concerned, at the request of a consulate official or in his absence, of a local official.

Costs incurred for the above purpose shall be for the State's account. The above costs shall be determined on a basis set forth by the Head of the Marine Department.

Article 359.

The captain has the task of organizing the ship's crew members and all matters related to the loading and unloading of the ship, including the collection of freight, if the ship entrepreneur does not assign another person for this matter. (Commercial Code 321, 341, 343(2), 364, 375 etc., 386, 397, 441 etc., 470a, 480 etc., 491 etc. 505 etc., 571l-o, t, 518e, k-q, z, 519b, f, i, j, l-p, 520h-p, s, 524a, 530; Criminal Code 458, 567.)

Article 360.

At places where the ship entrepreneur is not represented and he himself is unable to undertake necessary measures in a simple manner, the captain of the ship shall be authorized to equip his ship with all necessities, and undertake actions that are usually required in using such ship, in accordance with the purposes intended by the ship entrepreneur, or actions very much required for saving the ship concerned.

However, no claims can be filed against third parties who together with the captain acted in good faith, by stating that the captain acted without authorization regarding that the ship entrepreneur was represented at the place concerned or that he himself could have acted in a simple manner. (Civil Code: 1338; Commercial Code 321, 342, 361-365, 367 etc., 370 etc., 373, 743, 747.)

Article 361.

Outside Indonesia, in matters involving his ship, the captain can be summoned to court, and he can act as plaintiff for the ship entrepreneur. The ship entrepreneur can any time take over the dispute concerned.

he judge's decision in respect of the captain and his actions shall be deemed to be in respect of the ship entrepreneur.

Notices by a bailiff to the ship entrepreneur outside Indonesia may be given on board of the ship concerned. (Civil Code: 1354; Commercial Code 342 etc., 364, 371, 373, 568a(2); Regulation on Legal Claims 1 etc., 436.)

Article 362.

The captain shall only be authorized for extraordinary repairs, to pledge or sell his ship, if such ship is outside Indonesia and a pressing and reasonable event occurs which makes it impossible to wait for the instruction of the ship entrepreneur or of a person authorized to act on his behalf.

The sale must be conducted in public. (Civil Code 1139-4°, 1354, 1471, 1796; Commercial Code 314(3), 315d and 4e, 321, 335, 338(2), 340e, 363 etc., 743, 747; Criminal Code 466; *Venduregl.* 1, 4, 10, 19 etc.)

Article 363.

The limitation of the captain's authorities based on law shall not be applicable to third parties, unless they are aware of it. (Civil Code 1340, 1815; Commercial Code 321, 342, 360 etc., 373.)

Article 364.

In respect of the ship entrepreneur, the captain shall be obligated at all times to act in accordance with the stipulations of his appointment and instructions given to him based on such appointment, provided that such provisions and instructions are not contradictory to the obligations imposed on him as leader based on laws and regulations.

He must keep the ship entrepreneur informed at all times about all matters concerning the ship and the cargo thereof, and must ask for his instruction before commencing important financial actions.

In addition to the above, the provisions of articles 359-362 shall also be applicable to his relationship with the ship entrepreneur. (Civil Code 1338 etc., 1603 etc., 2800 etc.; Commercial Code 320 etc., 327 etc., 342 etc., 365, 367, 369, 372 etc., 399, 408 etc., 427-433.)

Article 365.

If the captain being outside Indonesia does not possess funds for covering costs very much needed for continuing his voyage, and if he is unable to obtain such funds by issuing a draft for the ship entrepreneur's account or by other means, he shall be authorized to borrow money with his ship as guaranty or, if he is not successful in doing so, by pledging or selling part of his cargo. He must, if possible, provide an explanation to the ship entrepreneur and those concerned with the said cargo and wait for their instruction, before commencing any of the aforementioned actions.

No claims for the non-compliance with the above stipulated conditions can be filed against persons undertaking in good faith the aforementioned actions with the captain.

Such sale must be conducted in public or on the stock exchange. (Civil Code 1150, 1338, 1383, 1471, 1754 etc., 1765; Commercial Code 100 etc., 314, 321, 342 etc., 360, 362, 366, 371, 699-9°, 742 etc., 747; Criminal Code 466; S.1993-48; *Verduregl.* 1, 4, 10, 19 etc.)

Article 366.

The ship entrepreneur must account for the proceeds from the sale of such goods to the owners or must pay compensation for the value of the same according to the value of the goods of similar type and nature at the same place and time, where the excess cargo shall be shipped to the same destination, it shall be deducted by the savings on duty, fees and freight, if such value after such deduction exceeds the proceeds. (Commercial Code 365, 472, 699-20°; Regulation on Legal Claims 771 etc.)

Article 367.

If the captain learns that the flag under which he is sailing is no longer free, he must enter the nearest neutral port and must stay anchored there until he can set sail safely or until he receives an exact order from his ship entrepreneur to set sail. (Commercial Code 364, 368 etc., 419-1 sub-paragraph 3° Jo. Second line, 517s, t. u, 520a, 533m, u, y; Criminal Code 469.)

Article 368.

If the captain finds that the port determined as destination has been blocked, he shall be obligated to enter the nearest port in the surroundings. (Commercial Code 367, 369, 517s, t, u; Criminal Code 469.)

Article 369.

If the vessel is forced to enter a port, is captured or held up, the captain shall be obligated to reclaim the ship and its cargo and to take action for such purpose. He must immediately notify the ship entrepreneur and the party chartering the ship of such incident, and must as much as possible take action after having consulted them and having followed their instructions. (Commercial Code 367 etc., 371, 533m, u, y, 633, 699-12°; Criminal Code 469.)

Article 370.

The captain may deviate from his route in order to save human life. (Commercial Code 358a, 560.)

Article 371.

The captain must maintain the interest of those entitled to his cargo during the voyage, must undertake action for such purpose and if necessary, must act before a court.

The chartering party must be immediately notified of all events affecting the cargo; the captain must act as soon as possible after having consulted and followed the instruction of such chartering party.

In events of extreme emergency, he shall be entitled to sell his cargo, or a part of it, or to borrow money by pledging the cargo, in order to cover expenses incurred for such cargo. (Civil Code 1139-4°, 1196 etc., 1354-1357; Commercial Code 342, 361, 364 etc., 369, 518c, 519x, 533n.)

Article 371a.

If during a voyage a person not holding valid tickets are found, who is not willing and is not able to pay the fare upon the captain's first warning, the captain shall be entitled to order such person to do work he is able to do on the ship, and to remove him from the ship at the first opportunity. (Commercial Code 341, 530, 533b, c, l, j, m, z; Criminal Code 472 etc.)

Article 372.

The captain may not transport goods on board of the ship for his own account, unless based on an agreement with the ship entrepreneur or based on the latter's permission, and if the ship is chartered, also from the chartering party.

If this prohibition is violated, the highest freight determined or may be determined at the time of loading such cargo with the same destination must be paid, and in addition to that compensation for loss incurred must also be paid. (Civil Code 1246, 1365; Commercial Code 320, 341, 357, 364, 394, 399, 408 etc., 453, 466, 479, 491 etc., 518a, l, 533, 651.)

Article 373.

Without prejudice to the provisions of the second paragraph of article 342, the captain shall only be bound if he surpasses his authority or expressly accepts a personal obligation. (Commercial Code 321, 358a, 361, 363.)

Article 373a.

In case of a captain who acted in an inappropriate way in respect of the ship, its cargo or passengers, his authorization to sail as captain of an Indonesian flag carrier may be revoked by the decision of the Maritime Court for an indefinite period of time not exceeding 2 years. (Commercial Code 411-1°, 3°, 419-1 sub-paragraph 6°.)

This matter cannot be investigated, unless upon the complaint by the ship entrepreneur or a passenger filed within three weeks after the vessel's arrival at the first destination which is visited by the vessel concerned after the occurrence of the aforementioned inappropriate conduct. In Indonesia, such places shall only be places with harbormaster, and outside Indonesia only places with Indonesian consulate staff available. Such complaints must be forwarded to the Head of the Marine Department (Commander of the Navy), must be forwarded in Indonesia: to the harbormaster, outside Indonesia: to the consulate staff, and by the Commander of the Navy, for temporary consideration, it shall be forwarded to the Military Attorney General. (*It has been adjusted to the current situation.*) [#1]

If the aforementioned officer advises to reject, but the Head of the Marine Department approves the above matter, such complaint shall not be granted. If such advice is not to reject, or in the event that the Head of the Marine Department cannot approve such advice to reject, the complaint concerned shall be forwarded to the Navigation Court by the latter official for investigation and decision making. (Commercial Code 341b; S.1934-215.)

Article 374.

Articles 347-452a shall not be applicable to ships with a gross weight of less than 500 m3 (Commercial Code 341b; S.1934-215).

There must be certificates of registry or shipping pass, excerpt from the vessel registry, if such vessel has been registered, a list of the vessel's crew and laws and regulations applicable in respect of the vessel concerned. (S.1935-492 article 3; Tbs. 8; Commercial Code 375 etc.)

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter III, SHIP'S CAPTAIN, CREW AND PASSENGERS / 02-03-03, 3. THE SHIP'S CREW PERSONNEL

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: III. SHIP'S CAPTAIN, CREW AND PASSENGERS

Part: 3. THE SHIP'S CREW PERSONNEL

Article: 375-392

Article 375.

For each ship shall be made, before the employee appointed by the authorized company, a list of all people hired to serve on board of a ship, excluding the position of captain of the ship. In the duties of the ship's crew are not included the jobs performed by dock workers and other labor involved in on board activities of a temporary nature, and in cases of emergency to be carried out by the ship's passengers and crew. (KUHD 341 etc., KUHP Civil Code 560, 567)

Article 376.

The crew list is made in two fold, one copy for the employee assigned to make crew lists and the other copy for the employee assigned to make lists and the other copy for the captain of the ship.

The crew list shall master of the ship.

The crew list shall include besides the names of crew members, without prejudice to matters covered elsewhere:

1. name of the ship;
2. name of the shipping company and captain of the ship;
3. job description of each crew member serving on board the ship and those among the crew holding an officer's rank. (KUHD 341a, 337, 380, 383) The crew list is signed by or on behalf of the captain of the ship, and by the employee in charge of listing a ship's crew.

Ship crew lists are free from stamp duty. (KUHD 347, 378 etc., KUHP Civil Code 560; SG 1938-4)

Article 377.

In the event of change of captain (of the ship) or crew composition as referred in the crew list or a crew member's job position serving on board the ship the crew list kept in the file of the master shall be adjusted accordingly, at the first port where such can be undertaken, before the officer in charge of registration of ship crew. The adjustment shall be attested by or on behalf of the captain and the officer in charge of crew registration. (KUHD 341a, 341e, 376-2 sub 3j, 378; KUHP (Civil Code) 560, 567.)

Article 378.

When a crew member is to be included in a crew list, a copy of the recruitment contract concluded with the crew member, duly attested by the crew registration officer, shall be shown by or on behalf of the captain.

Recruitment contract copies of the entire crew shall be kept on board. (KUHD 3412, 399, 401.)

The provisions under this article also apply to a collective work agreement underlying one work contract or more concluded with those listed in the crew list.

Article 379.

Any crew member shall have the opportunity to see the crew list and the contract involving his person. (KUHD 376, 399, etc., 413 etc.)

Article 380.

The crew list shall only include those having concluded a work agreement with the operators of the ship or with another employer requiring them to serve as a crew member on board the ship or who with permission from the operators for own account do business on board the ship. (KUHD 375, 395 etc., 399-401 etc., KUHP 567.)

Article 381.

The crew registration officer shall have a register of crew lists prepared before them. (KUHD) 376 etc.)

Article 382.

Dock workers and other labor temporarily involved in work on board the ship, are mentioned in a list signed by the master of the ship and attested by the crew registration officer. (KUHD 341 (6), 375 (3), 383.)

Article 383.

Without prejudice to the provisions referred under article 371a and the following paragraph of this article, service duties of the crew may be performed only by those mentioned in the crew list.

Crew duty service may be performed by any person hired in the course of the journey. However, such persons are required to conclude a contract for marine work and to be included in the crew list at the first port where such can be undertaken. (KUHD 375 3, 382; KUHP 567.)

Article 384.

During the term crew members are serving on board of a ship they are required to duly carry out the orders from the captain of the ship. (KUHD 341a, 349 2, 414, 442.)

Article 385.

Without permission from the captain, crew members are not allowed to leave the ship. (KUHD 387, 388 2, 389, 414.)

When the captain refuses to grant permission, he shall enter the reasons for the refusal in the log book and present upon request of the person concerned within twelve hours a confirmation of the refusal. (KUHD 348, 349 (2), 405, 413.)

Article 386.

The captain of the ship has disciplinary powers over the crew members. To maintain these powers he may take any reasonable action required. (KUHD 384, 387, etc., 393, 394a, 397, 405, 414, 442.)

Article 387.

When a crew member goes off the ship without leave, fails to return on board in time, refuses to carry out any work, fails to perform his duties as required, adopts improper conduct against the captain of the ship, other crew members or passengers, and disturbs order, the captain of the ship may impose a fine expressed in cash with a maximum equal to ten days' wages, but not exceeding one third of the total wages payable for the whole journey. Within ten days no fine may be imposed with a total of more than aforesaid maximum amount. (KUHD 403.)

A fine may be imposed conditionally.

The provisions regarding the objective of fines shall be mentioned in the work agreement. A fine shall not benefit either the captain of the ship or the operator of the ship.

The Civil Code (KUHP - Kitab Undang-Undang hukum Perdata) article is not applicable in this case (KUHD) 384, 386, 388-390, 393, 394a, 397, 405, 417.)

Article 388.

Besides or in lieu of the fine as referred in the previous article, the captain of the ship may detain the helper of a crew member for one to three days in a cabin or send him to prison when he refuses to work, or acts improperly against the captain of the ship, against another crew member or passenger, and disturbs order.

The captain of the ship may retain in a cabin or imprison for one to three days a helper of a crew member who has been convicted once for being away from the ship without leave, has failed to return on board in time or has failed to perform duties as required, when repeating such in the course of the same journey. (KUHD 341, 341a, 384, 386, etc., 390, 393, 397.)

Article 389.

When because of the incident referred under article 387 the master of the ships terminates immediately the service relationship, hence no punishment is enforceable at the same time. (KUHD 405.)

Article 390.

Before imposing a punishment, the master of the ship shall hear the person concerned and two witnesses attended, where possible, by two ship officers under the crew list assigned thereto.

A punishment may not be imposed earlier than twelve hours and not later than one week after the incident has occurred, unless conditions urgently require otherwise.

Any punishment shall be registered promptly in the register of punishments, stating the incident causing the punishment and the date of the incident, including the date of imposing the punishment. Each registration shall be endorsed by the master of the ship and the officers referred to in the first paragraph. (KUHD) 352a.)

A punishment not included in the register is considered to be imposed illegally. (Civil Code - KUHPerd 1916, 1921, etc.)

A crew member may appeal to a higher court against the punishment, in Java and Madura with the resident judge of the territory where the ship is located on the date of lodging the appeal, and outside Java and Madura with the Head of the Local Administration. An appeal for rehearing by a higher court will not be accepted when entered after ninety days since the crew member was convicted and be for the first time in an Indonesian port.

The Resident Judge or the Head of the Local Administration confirms, alleviates or sets asides the sentence declared. Registration of an appellate court's ruling in the register of sentences is undertaken by the captain of the ship besides the verdict decided upon. No protest can be entered against the verdict or to lodge an appeal with a higher court.

A ruling under the foregoing paragraph of this article is not taken unless after hearing or ordering the appearance of a sufficient number of parties. When the ruling involves a fine, such may be undertaken in the form referred to under article 435 of the Regulation for Civil Procedures. (KUHD 405.)

Article 391.

Crew members are not allowed to keep alcoholic drinks or weapons on board without permission from the captain of the ship.

Objects found on boards contrary to the ruling, may be seized by the captain of the ship and be destroyed or sold in the interest of a seamen's institution nominated by the Director General for Marine Communications, unless such is against the law.

The captain of the ship has the same powers with regard to smuggled goods, banned goods, opium or other narcotic drugs, kept by crew members or found with them on board. (KUHD 384, 386, 392 1, 393, 394 3, 397, 418-40.)

Article 392.

For use by the crew, no alcoholic drinks in excess of the quantity specified by or on behalf of the Head of the Marine Board shall be kept on board. (S. 1938-4.)

Said alcoholic drinks kept on board and against the rules, found by the police or customs, may be confiscated by them.

The alcoholic drinks may be sold in the interest of the institution referred under article 391, second paragraph.

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter III, SHIP'S CAPTAIN, CREW AND PASSENGERS / 02-03-04, 4. PASSENGERS

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: III. SHIP'S CAPTAIN, CREW AND PASSENGERS

Part: 4. PASSENGERS

Article: 393-394

Article 393.

The captain of the ship holds authority on board over all passengers. They shall obey orders given by the master of the ship in the interest of safety and to maintain order and discipline. (KUHD 341 5, 341a, 343, 384, 386.)

Article 394.

Passengers may not carry goods on board for personal account, unless under a contract with the operators of the ship or with their permission, and when the ship is sailing under a charter party, also with permission from the charterers of the ship.

In the event of any action contrary thereto, the goods shall be subject to the maximum shipping rate payable or the rate made payable for similar goods and the same destination at the time of loading, including payment of an eventual additional compensation.

When the goods create a hazard for other goods or the ship or are classified as banned goods, the captain of the ship has the authority to discharge them or when necessary to discard them at sea. (KUHPerd. 1246, 1365; KUHD 320, 341, 357, 400, 413, etc., 453, 466, 479, 491, etc., 519a and i, 533.)

Article 394a.

Against passengers committing a criminal act on board outside territorial waters, the captain of the ship is required to take any preventive action demanded by the nature of the case; should their free movements be deemed endangering, or should the interest of their indictment demand it, hence after where possible having discussed the matter with two ship officers indicated in the crew list, the captain of the ship may detain the persons concerned; he collects evidence of the acts committed, draws up a report of witness statements, records the action taken in the register of legal action, and reports the case to the authority in charge of prosecutions by showing the register of legal action and the evidence collected, upon arrival in an Indonesian port.

When the captain of the ship calls at a port outside Indonesian territory, the case shall be reported to the commander of an Indonesian naval vessel, if present eventually, and if not to the Indonesian Consul, and should the Consul not be available also, to the local authorities.

At the place, the captain of the ship shall consult the authorities and decide on an action, so that the person having committed the crime, with the available evidence may be duly and promptly brought before the proper judge in Indonesia.

The preventive action referred under the first paragraph is applicable also in the case of a person becoming insane in the course of the journey.

The events covered in the first paragraph of this article shall be entered also in the ship's logbook.

Although the captain of the ship is not required to keep a register of legal action on board, he has the authority to take any action referred under this article. Accordingly, upon arrival of the ship at the port of destination in Indonesia, he is required to promptly report the case and the crime committed on board to the authority concerned in charge of prosecution of criminal acts.

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter IV, MARINE HIRING CONTRACTS**CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter IV, MARINE HIRING CONTRACTS / 02-04-01, 1. MARINE HIRING CONTRACTS IN GENERAL**

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: IV. MARINE HIRING CONTRACTS

Part: 1. MARINE HIRING CONTRACTS IN GENERAL

Article: 395-426

1. General Provisions**Article 395.**

A marine hiring contract is a contract made between an operator of a ship as one party and a worker as another party, whereby the latter agrees to offer his services in the employment of the operator of the ship against payment of wages as captain of a ship or as a crew member. (KUHD 341, 375, 399 etc.)

A hiring contract between an employer and a worker where the latter agrees to work as a crew member on board of a ship, the contract remains in effect as long as the worker is included in the crew list referred in this chapter, excluding articles 399-402 and 404. (KUHD 375 etc., 396, 398-401, 408 etc., 413 etc.; KUHP 567.)

Article 396.

For marine hiring contracts, besides the provisions referred in this chapter, are applicable the provisions of the Civil Code (Kitab Undang-Undang Hukum Perdata) Book three, Chapter VIIA, Section 2, 3, 4, and 5 so far the application is not prohibited. (KUHD 402, 404 2, 410 4, 416b, 420 5, 428 2, 429 2, 430 2, 435 2, 441 3, 444, 445 2, 446 3, 448 2, 449 3, 450 4, 452C2, 452d.)

Article 397.

During the journey, the captain of the ship represents the operators of the ship and the other employers having employees serving on the ship under his command in fulfilling the hiring contract made with them. (KUHD 341a, 405, 5302.)

Article 398.

Marine hiring contracts may cover a definite period, a journey or more, an indefinite period or until termination of the contract. (KUHPerd. 1603g; KUHD 405.)

Article 399.

A work contract between an operator of a ship and a person to hold the position of captain of a ship or of a ship officer, shall be made in writing under penalty of the contract to be declared void.

Expenses for the deed and other additional expenses are for account of the operator of the ship. (KUHPerd. 1601d; KUHD 320, 331, 3411. 3, 541e etc., 375, 3782, 405, 108 etc., 428.)

Article 400.

A work contract between an operator of a ship and a person to serve as helper of a crew member, under penalty of being declared void, shall be made before an officer assigned by the authority in charge.

Before asking the person whether he accepts the contract, the officer explains in detail the contents of the contract to the said person and makes sure it is understood.

Promptly upon reaching an agreement, said officer prepares the contract.

The contract shall be signed by said officer, also by or on behalf of the operator of the ship and signed or finger-printed by the person concerned.

Expenses for the contract and other additional costs are for the account of the operator of the ship.

The agreement can be proven only by the work contract. (KUHPerd. 1601d, 1868, 1895, 1902; KUHD 3414, 375, 401-406, 413 etc., 435.)

Article 401.

A work contract between an operator of a ship and a person to serve as a crew member shall include besides the particulars referred in other parts: (KUHD 402-406):

1. name and Christian names of the person concerned, his date of birth or at least estimated age, place of birth.
2. place and date the contract was concluded;
3. identification of ship(s) on which the person is to serve under the contracts
4. journey(s) to be undertaken, if specified already;
5. the job position in which the person is to serve;
6. indication whether the person is also to perform duties on shore and if so in what position;
7. if possible, date and place of duties on board is to begin;

8. conditions referred under article 415 for days off;
9. matters regarding termination of the service agreement;
 - a. if the contract is for a definite period, its date of termination, and quotation of the contents of article 448;
 - b. when the contract covers a particular voyage, the port agreed upon for termination of the service agreement, with a quotation of the contents of article 449 second paragraph, if it is an Indonesian port also article 452 first and second paragraph, either with or without mentioning the name of that port;
 - c. if the contract is concluded for an indefinite term, the contents of article 450, first paragraph.

When the person's place and date of birth are unknown, such shall be mentioned in the service agreement.

Specification of the ship(s) on board of which the person shall serve may be indicated also by determining that he is to serve on board of any ship(s) named by the operators of the ships, including any ship used by the ship operators at sea.

When the parties want to deviate from the provisions under the articles 415, 448, 449, second paragraph, 450 first paragraph, or 452 first or second paragraph, when such is allowed under the law, such deviations shall be included in the contract. (KUHD 3412, 402-406, 434 etc.)

Article 402.

Determination of wages payable in cash may not be left to the discretion of either one of the parties.

A marine hiring contract, under penalty of being rendered void, shall specify the amount of wages payable in cash or determine how it will be specified.

A method that may be adopted is to refer to a wage scale, shown to the person concerned, that may not be amended to the disadvantage of the person concerned.

Not applicable hereto is the Civil Code (Kitab Undang-Undang Hukum Perdata) articles 1601j-1601m. (KUHPerd. 1601p; KUHD 316-1 sub 2.)

When under a hiring contract rendered void a crew member has performed duties, he shall be paid a compensation equal to wages customarily paid for such duties.

The Civil Code (Kitab Undang-Undang Hukum Perdata) article 1601x first paragraph does not apply hereto. (KUHD 399 etc., 405, 409-2, 415-5, 745.)

Article 403.

For the application of the provisions referred under the articles 387 first paragraph, 416a, 416b, 421, 447 and 452 third paragraph, wages specified per voyage are assumed to be specified for periods equal to the average duration of the voyages. (KUHD 405.)

Article 404.

A provision of a marine hiring contract restricting the freedom of a crew member to perform duties after the Contract has expired is that the contract is rendered void. (KUHD 399 etc.)

The Civil Code (Kitab Undang-Undang Hukum Perdata) for this matter is not applicable.

Article 405.

Under the contract, the parties may not deviate from the provisions referred under the articles 384-387, 389, 397-403, 410 first paragraph, 417, 420 first and third paragraph, 428, 429, 436-442, 445, 446, 452a, 452e, 452f, or from the provisions referred under the articles 409, 415, 416, 416a-416f, 420 fourth paragraph, 421-426, 430, 435, 443, 447, 449, 450, 452, 452e, and 452g, to the disadvantage of the master of the ship and the crew members.

They may not include under the agreement any provision deviating from legal provisions regarding jurisdiction of the Justice to hear disputes regarding the contract, without prejudice to the possibility of undertaking to refer the dispute for settlement by a Justice in Indonesia. (RO. 95, 116f, 124, 128, 164, 615.)

Article 406.

The Resident Justice is not to issue a decision under the articles 416f, second paragraph, 420, 452a, 452e, 452f, and 452g, before sufficiently hearing and calling the parties. In serving a writ for other parties to appear a copy of the request shall be attached.

For the matters referred under articles 416f second paragraph, 452a, 452e, 452f, and 452g, the decision may be issued in the form shown in the Regulation for the Hearing of Civil Cases, article 435.

Article 407.

The Provisions under this chapter do not apply to service on board of a ship of less than 100 m3 gross displacement, if the ship is equipped with mechanical equipment and of less than 300 m3 gross displacement, if other wise than such.

The provisions under this chapter do not apply either if the ship is doing exclusively a steam trial at sea. (KUHD 341b.)

x2. Captain of a Ship's Marine Hiring Contract

Article 408.

Since the commencement date of service under the contract, the captain of the ship shall report to the operators of the ship to take command of the ship referred to in the contract, or barring such, the ship specified by the operators of the ship, provided the ship is used by its operators for sea duty.

With no particulars about the service commencement date, for the application of the provision it is assumed to coincide with the contract date. (KUHD 320, 331, 3411, 341e etc., 397, 399, 411-2⁰, 427-432.)

Article 409.

Unless the contract is made for a voyage, the captain of the ship is, for each year of uninterrupted service with the other party, entitled to at least fourteen days off duty or according to the discretion of the operators to two times of eight consecutive days with pay. Leave shall be granted no later than upon the ending of the year, unless the operators of the ship prefer, for service reasons, to defer leave but not to exceed one year. Upon termination of the service agreement, the captain of the ship shall have been granted any leave due to him.

In determining leave during a specific service year, it can be reduced with the overseas leave due in that year or domestic leave which according to its nature is considered similar, the time spent for fulfilling compulsory military service and leave for attending a course for a higher rank. A captain of a ship living in Indonesia is given leave in the country if so desired, that is in the port of his choice if the ship on which he serves is calling at the port, and when such is compatible with service interests.

Right of leave is void, when the captain of a ship fails to apply for it before the year within which it is due expires. For any day of leave being due to the master of the ship, not being taken by him, besides the pay being due to him, he is entitled to a compensation equal in amount with the pay in cash last earned.

The compensation is not granted when the captain of the ship fails to use his rightful vacancy.

Referred to as salary in the first paragraph of this Article, are the wages that shall be paid without the addition of premiums and other allowances, whether related to the exploitation of the ship or the proceeds of the company, or by overtime work or special services to be done by the captain, or in connection with schedules, destination and specific loads of the ship, but added with the amount which makes the basis of the reckoning of the satisfaction of free food or that makes the basis for. (KUHD 316 -1 sub 2 o, 402, 405, 415 5, 429, 745)

Article 410.

The captain can only be fined as based on the terms in the agreement or on the basis of regulations stipulated in the labor, since the violation of provisions which are to be described therein and up to the highest amount which shall be fixed therein. The determining of the aim of fines shall be mentioned in the agreement. The fine shall not be to the profit of the ship owner (KUHD 339, 405, 428). Such fine shall have precedence over the part of salary of the ship's captain which shall be paid in cash, which can be retained up to that amount, and primarily to be burdened on the part of salary which shall be paid to the captain personally (KUHPerd 1134; KUHD 316-1 sub 2⁰)

Article 411.

Other than in such case as mentioned in the KUHPerd article 1603o 2nd paragraph, as for the shipping company it can be considered also as there being urgent reasons:

1. in case the captain has been molesting a passenger on board the ship commanded by him, rudely humiliating, threatening seriously; or attempting to do actions which are contradictory to laws and morals;
2. in case of the captain rejecting an order given him according to the provisions set forth in article 408;
3. in case the authority of the captain, temporarily or permanently is withdrawn from servicing as the captain of the ship;
4. in case beyond the knowledge of the ship owner, the captain has taken in smuggle wares or letting such commodity be taken in on board of the ship. (KUHD 391 3)

Article 412.

The articles 416-416b and 419-426 being valid against the labor agreement for captains.

The Maritime Labor Agreement for Ship's crew Personnel.

Article 413.

As from time the labor relation shall commence according to the labor agreement, the worker shall be liable to be at the ready for the shipping company for placement as ship's crew member on a ship assigned in the agreement. In case concerning the commencement of the labor relation nothing had been determined, then the commencement of this regulation shall coincide with the launching of the agreement (KUHD 413 2, 418-2⁰)

Article 414.

The ship's captain may call for help of the police/government apparatus against a worker who had already committed himself to work as a ship's crew member, if he rejects to his presence on board the ship or has left the ship without any permittance (KUHD 341 4, 384-387, 388 2, 389, 397; S. 1938-393 article r etc)

Article 415.

A ship's crew member who has already made an agreement for at least one year, for every year incessantly in service with another party, he shall have the right of 7 days of vacancy or by election of the ship owner two times 5 days subsequently with wages still being paid, excepting if the agreement is made according to routes. The vacancy days shall be given at the latest immediately after the end of the year, excepting if for the interest of work, the ship owner prefers to postpone the vacation days, but not later than one year. At the time of the termination of the labor relation the ship's crew member shall already have spent his rightful vacation days.

In computing the vacation days in connection with certain work relation, it may be reduced with the vacancy days abroad which fall within the working year or with the domestic vacation days which by their nature are similar to that, the time spent in military service and the vacation days for attending courses for his career promotion. The ship's crew member who lives in Indonesia shall be given his vacation days, in Indonesia, that is, at the port of his election, in case the ship at the port of his service stops at that port, and if such can be adjusted to the interest of his work.

The right of vacancy being annulled, if the ship's crew member who did not spend, apart from the wages to be paid to him, he has the right on indemnification which similar to the amount of wages for one day he lately benefited.

Referred to as wages in the first paragraph of this article are the wages which shall be paid by cash without adding the premium and other allowances, whether in connection with the exploitation the ship or the proceeds of the shipping company, or from overtime work or specific services to be done by the ship's crew member, or in connection with schedules, destination or special loads of the ship, but added with the amount which is the basis or should be the basis of reckoning for the satisfaction of free food (KUHD 341 4, 401, 405.)

Article 416.

A worker who had already negotiated a labor agreement for at least one year, or for as long as one and a half year incessantly working for the shipping company, and who suffered illness or have an accident during his service on board ship, also in case the labor relation has terminated previously, obtains the right on the full portion of his wages as fixed in cash according to the length of time, also on the treatment and adequate medication for as long as he is on board ship.

Article 416a.

A worker who negotiated a labor-agreement for at least one year, or for one-and-a half year incessantly working for the shipping company, suffering sickness or having an accident at the time he has no service on the ship, as of the day he contacted the disease or had the accident, he has the right on 80% of wages as fixed according to the length of time he spent, until his recovery, but at the highest for 26 weeks. (KUHD 316-1 sub 2⁰; 403, 405, 412, 416, 416b, c, d, g, 745)

Article 416b.

A worker who negotiated an agreement for less than one year, or for one-and-a half year incessantly working for the shipping-company (ship owner), in case he contracted a disease or had an accident, he has the right as laid down in article 416 and article 416a, in terms that the payment of wages can necessarily be paid during the course of the labor agreement, but at least for 4 weeks and not more than 26 weeks. (KUHD 316-1 sub 2⁰; 403, 405, 412, 416, 416a, d, c, e, 745)

Article 416c.

In article 416 and 416a not included in the wages as fixed according to the length of time, the premium, allowances other than that connected with overtime work or specific work to be performed by the worker, or those connected with the setting, the provisions regarding destination, or loads specifically of the ship. (KUHD 405, 412, 416a, g)

Article 416d.

In case the shipping-company during the voyage only has a ship whose gross-weight tonnage is below 300 cubic M, then, for ships with a gross weight tonnage of at least 100 cubic M equipped with mechanic appliances, the implementation for articles 416, 416a and 416b for the duration of 52 and 26 weeks and extended up to 38 and 16 weeks, the 80 percentage being reduced to 50. (KUHD 405, 412, 416c, g)

Article 416e.

The right of a worker according to article 416-416d shall become null and void:

1. in case he is to take upon himself the treatment and medication, if he on orders of the ship owner did not adequately follow the rules given by the doctor.
2. In case the treatment and medication become the burden of the ship owner, if he himself avoids the treatment and medication which has already begun without instantly being medicated at his own account to a certified doctor at the place of his existence, he is not constantly in medication until his recovery and while he does not adequately follow the rules given by the doctor. (KUHD 405, 412, 416g.)

Article 416f.

The payment of his wages may be denied or reduced by the ship owner, in case the disease or accident is the result of the element of deliberateness, or major fault of the worker. At the request of the worker, the resident judge within the region, shall be authorized to make a decision in accordance with advisability and if so, up to which amount the worker shall have rights on the payment of his wages. (KUHD 405, 406, 412, 416g.)

Article 416g.

The provisions of articles 416-416f being inapplicable as far as the rules of law are general in terms, also for the needs of a worker who had negotiated a maritime labor agreement, rules are made concerning money payments, treatment on medication during illness or an accident (KUHD 412.)

Article 416h.

The Civil code (KUH Perdata) article 1602c and article 1602b being not applicable here (KUHD 412.)

Article 417.

Fines as meant in article 387 having precedence on the portion of wages the worker which shall be paid in cash, which can be retained until its total and firstly be burdened on the portion of wages which are paid to the worker personally (KUHperd. 1134.)

On the portion of wages which according to the Civil Code (KUH Perd) article 1602r is permitted for compensation by the ship owner to the termination of work relations, less the retained money as a fine as meant here. (KUHPerd 1425; 405.)

Article 418.

Except in the matter as stated in the Civil Code (KUHPerd) article 1603o second line, which for the ship owner may be held as an urgent reason:

1. In case the worker is molesting the ship's captain or any other passenger, rudely humiliating, and seriously threatening, persuading or attempting to persuade to do an act with is in contravention with the law or morals (KUHD 314, 348, 386, 393.)
2. In case the work relation has commenced, and the worker did not report himself on the ship at the time appointed by the ship owner; (KUHD 413.)
3. In case the competence of the worker, for the time being or forever is withdrawn for service in the function he had committed himself for work;
4. In case without the knowledge of the ship owner or the ship's captain, the worker smuggled goods on the ship or stored them there.(KUHD 3913-3, 419.)

Article 419.

other than the matter stated in the Civil code (KUHPerd) article 1603p second line, as for the worker it can be considered an urgent reason:

1. In case this ship owner has given him an order which is in contravention with the labor agreement or with the task commissioned upon the worker under the law;
2. In case the ship owner had determined the destination of the ship to any port of a country which is embroiled in naval war, or to a port being blockaded; except when such matter pertinently has been previously regulated in the labor agreement which had been negotiated after the break-out of the war or after the blockade has been announced;
3. In case the matter of article 367, the ship owner has given the order to depart for the port of an enemy;

4. In case the ship owner employs or let his ship be employed for the slave trade, piracy, forbidden piracy voyages and/or for the transportation of goods the importation of which is forbidden or prohibited in the country of the destination; (KUHP 324, 324-327, 438-1 sub 2⁰, 443 etc., 451.)
5. In case the ship owner employs his ship the transportation of contraband goods, provided that the labor agreement makes a provision therein while it has been made after the war break-out;
6. In case of there being a danger threatening against him on the ship, that he may be molested by the captain or any passenger: (KUHD 373a, 411-10)
7. In case of his lodging on the ship is in a condition that may injure the health of the worker (KUHD 328.)
8. In case the food ration in his right is not given him or not furnished in good condition; (KUHD 439)
9. In case the ship had forfeited its right to use the Indonesian flag;
10. In case the labor agreement has been negotiated for one definite voyage only or for more, and the ship owner has ordered the ship to sail for another routes.

Matters defined in point 2, 3, and 5, shall not be considered as an urgent reasons, in case one or other thing happen by order of the Governor general (the Government) KUHD 412, 418, 420.)

Article 420.

Both parties are at any time, before commencement of service relationship also, for important reasons, competent to call at the office of the resident justice in the district of his jurisdiction, or if the ship is outside Indonesian territory, at the office of a diplomatic officer or a consular officer of the Republic of Indonesia, entering a petition for annulment of the hiring contract. (KUHD 405).

A crew member may enter the petition only if such is not interfering with the ship's sailing schedule.

Besides those referred under the second paragraph of article 1603v, considered also as important reason are the post hiring contract conditions or those arising thereafter, sailing conditions towards port of destination or conditions for continuing the voyage, where the petitioner's life may be endangered by conditions not foreseen before, unless the voyage is ordered by the Governor General. (KUHD 405).

Without prejudice to the fact that a crew member is under contract for a year or longer, if it will be likely for him to secure a higher job position, he shall have the competence to enter a petition as referred under the first paragraph, provided he offers a replacement without additional costs and acceptable to the ship operators. (KUHD 405)

Article 1603v, first paragraph of the Civil Code is not applicable hereto. (KUHD 406, 412).

Article 421.

If the work contract is held for journey and if due to the actions of the authority or the force of circumstances the journey can not be executed, or started but not continued, the contract is ended. In case of the latter, workers have the right to the wages that have been determined according to the length of time required to arrive back at the place where the contract was drawn, and if it was done outside Indonesia, in Jakarta, or until the time they get another job. If there is a dispute, the amount of wages is determined by the judge in residence, in whose area of authority the work contract was made or where the shipping company is located and if this is outside Indonesia, from the place in Indonesia from which this company is directed, and if such a place cannot be determined, in Jakarta.

If the worker has bound himself to work on a particular ship and if that ship sinks, the conditions in the first paragraph come into effect, although the work contract is not drawn up for a particular journey. (Commercial Code 367-369, 403, 405, 412, 452g³)

Article 422.

In so far as the wages are determined in an amount of money on the basis of a journey, the worker has the right to a proportionate increase in wages, if the journey is longer than usual because of actions taken by the shipping company.

The wages paid in money are not included in the bonus or other allowances related to the exploitation costs of the ship, income of the company or the particular cargo carried by the ship. (Commercial Code 406, 412.)

Article 423.

If due to war or retention in a port because of an emergency, or because of similar reasons the journey is lengthened beyond the usual time, the workers also have the right to a proportionate increase in wages in terms of money, in so far as it is determined according to the journey.

In the wages paid in money, apart from bonuses and other allowances mentioned in the second paragraph of the previous article, bonuses or other allowances related to overtime or other special jobs that have to be done by the worker, or according to the arrangement or conditions of the particular destination of the ship are also not included. (Commercial Code 405, 412)

Article 424.

If the work contract is drawn up for a journey and the journey is not embarked on because of actions on the part of the ship's management, or the journey is terminated after it is started, the work agreement is terminated. In this case the workers have the right to compensation which is determined in the Civil Code article 160q. (COMMERCIAL CODE 405, 412.)

Article 425.

If the work contract is terminated due to the termination of a journey or journeys which are the basis of the contract, due to a termination of contract by the worker apart from that regulated in article 419, due to an illegal breach of contract by the worker, due to the termination of the contract by the shipping management in an emergency which is directly informed to the workers or due to the termination of contract on the worker's request which are caused by very important reasons which are not included in the important reasons in listed in the Civil Code article 1603p or in article 419 of this book, then the workers who are domiciled in Indonesia have the right to receive the cost of transportation to the place where the contract was drawn up, or if it was done outside Indonesia, transportation to Jakarta.

If the worker is not domiciled in Indonesia, then he has the same right to free transportation to the place where the work contract on the ship was initiated, or to the port of the country where he is domiciled at the discretion of the shipping management.

This right is cancelled when the worker does not state his desire to be given free transportation before the ship sets sail and at the latest on the day after the end of the work contract not including the days mentioned in article 354. Free transportation includes living costs and accommodation starting from the final day of the work contract until the worker reaches his destination. (Commercial Code 405, 412)

Article 426.

The ship's management which has the obligation to give the worker free transportation to a port, is entitled to fulfill this obligation by giving the worker a job on a ship heading for the above mentioned port, in accordance with the position held in his work with the management of the ship, provided that the worker is capable of working.

A worker with Dutch citizenship can request that the position is given to him on a Dutch or an Indonesian ship. (Commercial Code 311 etc.)

Disputes about the execution of these regulations must be decided on in Indonesia by an employee in charge of the ship's crew registration, and in the kingdom outside Indonesia by an authorized official and outside the kingdom by a diplomatic official or a paid consulate official, or when not available, by an authorized authority. (COMMERCIAL CODE 405, 412; Cons. 1 etc.)

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter IV, MARINE HIRING CONTRACTS / 02-04-02, 2. DUTIES ON BOARD THE SHIP

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Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: IV. MARINE HIRING CONTRACTS

Part: 2. DUTIES ON BOARD THE SHIP

Article: 427-452g

d 1. The Captain's duties on the Ship

Article 427.

The captain is considered on duty from the day he accepts his position on the ship until the day he is released or resigns from his job. (Commercial Code 341¹, 341d, e, 399, 408, 411-2, 3, 412, 416 etc., 430, 432, 434.)

Article 428.

The regulations issued by the ship's management about the captain's duties on board the ship are binding, provided that he is given a copy, in so far as the contents are not contradictory with the work agreement signed by him.

Civil Code articles 1501j-1501m in this case are not valid. (Civil Code 1338; Commercial Code 399, 405, 435.)

Article 429.

During his service on the ship the captain is entitled to food and accommodation. (S. 1938-4.)

Civil Code article 160lp and article 160lr are not valid in this case. (Commercial Code 495, 408, 427, 433, 437.)

Article 430.

If the management of the ship without any legal reason obstructs the captain in a port from obtaining the wages which should be paid to him during or at the end of his services on board the ship, he is fined 3 guilders per day.

Civil Code article 1502q, in this case is not valid. (Commercial Code 405, 427, 433, 444, 445 etc.)

Article 431.

A captain who terminates his work contract while the ship that he heads is still on a journey, is obligated to take necessary measures to safeguard the ship, the passengers and the freight, and is liable to pay damages.

These damages have to be given priority from the wages that have to be paid to the captain which can be withheld up to the amount and initially taken from the wages paid to the captain in person. (Civil Code. 1134, 1239 etc., 1243 etc., 1425 etc., Commercial Code 341d, 342 etc., 345, 398 etc., 412, 419 etc., 432.)

Article 432.

After the completion of a journey, the captain is obligated to submit the ship's documents to the ship's management and obtain a receipt as proof of acceptance. (Civil Code 348.)

Article 433.

Articles 437, 440, and 445-452 are also valid for the captain's work agreement.

x2. The Duties of the Ship's Crew Members

Article 434.

The Ship's crew members are considered to be on duty on board the ship on the day the list of the members of the ship's crew is drawn up, until the day they are released or they terminate their work contract on board the ship. (Commercial Code 341², 375 etc., 413 etc., 452a.)

Article 435.

The regulations issued by the ship's management concerning their duties on board the ship bind the ship's crew members provided that a copy is displayed in a place so that it can be clearly read by all crew members and provided that the contents are not in contradiction with their work contract. (Civil Code 341², 375 etc., 413 etc., 452a.)

Article 1601j - 1601m, of Civil Code are not valid in this case.

Article 436.

It is the ship's management's responsibility to provide decent food and accommodation for the crew on board the ship. (S. 1938 -4 number 7.)

Except for the main meals, the food can be replaced by a food allowance, provided that the ship's management makes an advanced payment for a period not longer than one month. (Civil Code 1601s, t; Commercial Code 405.)

Article 437.

For each day that the food allowance is not paid or not paid in full, the crew has the right to compensation, the amount of which is determined by the work agreement or if this agreement does not mention this, it is based on conventional practices and appropriateness. (AB. 15; Commercial Code 399, 401, 405, 433.)

Article 438.

At the request of at least one third of the ship's officers or of the members of the crew, an investigation into the quality and quantity of the food and beverages can be done. In Indonesia this investigation is carried out by the crew register employee and outside Indonesia by an official from the Indonesian consulate, or if not available an authorized official. (Commercial Code 419 - 1 number 7.)

Article 439.

If at least the same portion of ship's officers and ship's crew members put forward a complaint to the ship's management about the lack of space to relax or rooms after the ship has set sail, an investigation will be carried out. (Commercial Code 419-1 number 8)

The captain is responsible for fulfilling the facilities lacking at the command of the official.

A captain who does not fulfill the commands given in accordance with this article and the previous article, is considered to behave badly towards his crew. (Commercial Code 373a, 405, 411-1, 419-1 number 6.)

Article 440.

If a member of the ship's crew dies outside his domicile which he is in service on the ship, his body is buried or buried at sea at the expense of the ship's management. (Civil Code 17 etc.; Commercial Code 405; 433.)

Article 441.

It is the duty of the captain to arrange the work of his crew members in accordance with the laws and regulations and within the limits of the regulations set in the work agreement.

Under whatever circumstances, work on Sunday must be limited to the most essential needs taking into consideration the decent needs of people on duty.

Civil Code article 1602v is not valid in this case. (Commercial Code 384, 386, 399-401, 435, 442, etc.)

Article 442.

It is the duty of the members of the crew to carry out the work commanded by their captain; however, it is their right to get extra payment for work done after the working hours determined by the laws and regulations or the work contract, except if the captain considers the work to be essential to the safety of the ship, the passengers or the freight. The amount of the additional wages is determined by the work agreement or, if it is not mentioned, by convention or propriety.

The captain requires them to make note of each hour of overtime work in the register provided for this purpose.

The right to obtain these extra wages are annulled a month after the service on the ship has been terminated on a ship in an Indonesian port, and 6 months after the termination of service on a ship outside Indonesia.

Regulations about overtime work do not hold for the ship's officers, and the head of office, doctor and the ship's radio operator. (KUHD 384, 385, 405.)

Article 443.

If after the commencement of a journey a member of the crew is temporarily assigned a job which is different from the one he is assigned to do in accordance with the position of work on the ship stipulated in the work agreement, and this job in accordance with the agreement or conventions is paid higher wages, then he has the right to those higher wages. (Commercial Code 376, 399-401, 405)

Article 444.

Deviating from what is stipulated in Article 1602p of Civil Law Code for various work agreements of a particular kind which have been appointed by Governor General, it can be determined that during the journey the crew members are not to be paid more than their proportion of wages to be paid in money determined by him (Commercial Code 445)

Article 445.

The portion wages for the services on the ship to be paid in money has to be executed in the currency stipulated in the work agreement, or in the currency used in the place of payment according to the exchange rate on the day of payment. In case of the latter, the rate of exchange used for the calculation should be noted in a journal and should be made available to the member of the ship's crew on request.

Article 446.

The right to the portion of wages that are earned during the services on the ship and which is to be paid in money, in so far as it is under his control, can only be released, including pawned, to meet his wife's needs to the amount of one third, for his children, for the caretakers of his children and his parents up to a maximum of a half of the amount, and for other blood related relatives four times removed and for other members of the family of the same degree a maximum of one third; all in so far as the total amount given does not amount to more than two-thirds of his whole salary determined in money.

The payment of wages based on the first paragraph which is done in good will on the request of the concerned member of the ship's crew to persons other than described above, or at a bigger portion than they have the right to receive, releases the ship's management.

Article 1602g paragraph two of the Civil Code is not valid in this case. (Commercial Code 405, 433, 444, etc.)

Article 447.

If a member of the ship's crew dies during his service on the ship, the portion of wages determined according to length of time is paid until the end of the month in which the death occurred; however, will not exceed the day that the work contract is to be terminated according to the work agreement. (Commercial Code 403, 405, 433.)

Article 448.

If the work contract covers a fixed period of time, and it ends while the ship where the member of the crew is working is still on a journey, the work contract will end at the first port the ship enters where there is an employee who is appointed to handle the registration of ship's crew members.

(s.d.u. dg. S. 1939-546.) Article 1603e, f, i ter Civil Code is not valid in this case. (Commercial Code 401, 433, 451.)

Article 449.

Contracts that are based on a journey are terminated if the journey or journeys, which are held in that contract, are completed.

However, after working one and a half years a member of the ship's crew can terminate his work contract with a notification at every port that the ship enters where there is an employee who is appointed to handle the registration of ship's crew members.

(s.d.u.dg. S 1939-546.) Article 1503e, f, i ter Civil Law Code is not valid in this case. (Commercial Code 401, 405, 433, 451.)

Article 450.

A work contract which is based on an unlimited time, can be terminated by both parties in so far as the member of the ship's crew is working on the ship, with a notification of termination taking into consideration the length of time required for that purpose at each port the ship enters to load or unload where there is an employee who is appointed to handle the registration of ship's crew members. Except in the case that an agreement has been made for a longer length of time, than the time is 3 times 24 hours. (Commercial Code 401 0 1 sub 9^o.)

The time limit for the ship's management should not be shorter than that of the ship's crew.

The work contract does not terminate with the death of the ship's management. However, the heirs as well as the members of the ship's crew are entitled to terminate the contract with a notification of the termination of the work contract for a certain period as if it were for an unlimited time contract.

(amended by S 1939-546.) Article 1503e, f, i ter, and k Civil Law Code is not valid in this case. (Commercial Code 405, 433, 451.)

Article 451.

During the ship's journey, where the crew members are working, only one party can terminate the work contract in accordance with the regulations in the Civil Law Code article 1603n when the ship is nearing a port of entry. (Commercial Code 433, 449-2, 451.)

Article 452.

If an agreement has been made that the work contract will terminate at the time the ship returns to a specified port in Indonesia, the ship's management has the right to terminate it in any port from which the Indonesian port can be reached, by a means of transportation other than an airplane, in 3 times 24 hours.

If the name of the port in Indonesia that will be reentered by the ship is not specified, the ship's management is entitled to terminate the work contract, at a port from which the port where the work agreement was made is reachable, or when the work agreement was drawn up abroad, Jakarta, by a means as mentioned in the first paragraph. (Commercial Code 403.)

The wages that are determined according to the length of time mentioned in the previous paragraph do not include bonuses and allowances related to overtime work or special work which has to be carried out by the ship's crew, and with a special arrangement for the ship's destination or freight. (Commercial Code 405. 433).

Article 452a.

If there is a dispute at the end of service on a ship concerning the settlement of payment, the ship's management should as far as possible submit to the member of the crew concerned a written calculation. The party that is most ready should face the judge in residence whose domain of authority the ship has entered or where the register of the ship's crew members was drawn up, and request an investigation and determination of the calculation.

If the service is terminated outside Indonesia, then each party can appear before the nearest official from the diplomatic corps or consulate. (Commercial Code 405¹, 406, 434; Cons.1 etc.)

Article 452b.

When the journey is completed, the member of the ship's crew whose work contract has terminated, is still obliged to assist in drawing up a ship declaration for the duration of three working days, if required by the captain. (Commercial Code 355).

Article 452c.

If the ship's management with out any legal reason obstructs the ship's officers or the ship's crew at a particular port from receiving the wages due to them during or at the end of their service on the ship, he can be fined 3 guilders per day for ship officers and one and a half guilders for members of the ship's crew.

Civil Law Code Article 1602q, is not valid in this case. (Commercial Code 405).

Article 452d.

Civil Law Code article 16021 and article 1602m are not valid in this case.

Article 452e.

The members of the ship's crew have the responsibility to safeguard the ship and its freight. They have the right to extra wages for their work during those working days.

If there is a dispute, then the wages are determined by the judge in residence, in whose area of authority the rescue occurred. Outside Indonesia this is determined by an official from the nearest diplomatic corps or the consulate. (Commercial Code 405¹, 406.)

Article 452f.

If a ship that is not design to tow, tows a ship which it comes across in the open ocean and which is not in the condition to give a compensation for the service, then the members of the ship's crew are entitled to a portion of the towing fee. The management of the ship is obliged to declare, if required, to each member of the ship's crew the amount of the towing fee and its division in writing.

If there is a dispute over the portion of the towing fee that is allocated to the members of the ship's crew is determined by the judge in residence in whose area of authority the ship has entered or where the list of the members of the ship's crew were registered. (Commercial Code 405¹, 406.)

Article 452g.

If the ship is lost in an accident and because of this the ship's crew become unemployed, the ship's management is obliged to pay compensation to the ship's crew, for not longer than 2 months, or until the same amount as the wages due as stipulated in the work agreement according to the length of time in terms of money, has been reached. If all the wages or part of the wages are not determined on a period of time, then the same amount should be paid according to the convention of such a journey where a ship is lost by determining all the wages according to the length of time; if a dispute occurs the judge in residence in whose area of authority the register of the members of the ship's crew was drawn up or where the shipping company is located, or if the company is located outside Indonesia, the decision is made by the judge in residence where the shipping company is managed in Indonesia, and if such a place cannot be identified, by a judge in Jakarta.

The wages determined on the length of time mentioned in the previous paragraph do not include bonuses and other allowances that are related to overtime work or other special work which has to be carried out by the members of the ship's crew in accordance with the arrangement, special destination and freight of the ship.

If the members of the ship's crew in accordance with article 421 are entitled to wages, then the wages are subtracted from the compensation mentioned here.

This compensation is given priority over all moveable property and fixed property belonging to the ship's management; this right for priority has the same strength as that mentioned in the Civil Code article 1149-4⁰.

The ship's management who think that one member of the ship's crew or more have contributed a great deal towards the ship's accident, and if the Maritime Court is requested to investigate the causes of the accident, can go to the judge in residence to request delay in fulfilling their duty towards certain members of the ship's crew, mentioned in the first paragraph, until the Maritime Court has made a decision about the cause of the accident. The judge in residence in accordance with the decision of the Maritime Court can release the ship's management from his duty for ever. (Commercial Code 405¹, 406.)

Based on S. 1933-47 jo. S. 1938-2, which has been in effect since 1 April 1938, then Chapter V and VI are replaced by Chapters V, VA, VB, and VI.

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter V, LOANING OUT AND CHARTERING SHIPS**CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter V, LOANING OUT AND CHARTERING SHIPS / 02-05-00, V. LOANING OUT AND CHARTERING SHIPS**

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: V. LOANING OUT AND CHARTERING SHIPS

Article: 453-465

x1. General stipulations

Article 453.

What is meant by loaning out and chartering is chartering in terms of time (time charter) and chartering in terms of journey (journey charter).

Chartering in terms of time is an agreement in which one party (the party which loans out the ship) binds itself to supply the use of a ship for the other party (the party which charters), to be used to sail on the sea, with the payment of a price that is calculated according to the length of time. (Commercial Code 460 etc., 517z, 518 etc, 518f, 533n, etc.)

Chartering in terms of journey is an agreement in which one party (the party which loans out the ship) binds itself to supply the use of a ship that is to be fully used or partly used by the other party (the chartering party) to transport passengers or goods by sea in one journey or more, by paying a certain price for this transportation. (Commercial Code 518h etc., 521, 533q etc., S. 1933-47.)

Article 454.

Each party can expect that official documents will be issued in accordance with the agreement. These documents will be called the charter party. (Commercial Code 90, 347, 453, 457, 511; Zeg. 23-1, 31-II-2.)

Article 455.

Whosoever engaged in a charter agreement for another person is in whatever conditions bound to another party, except if in the agreement he is acting within the limits of his authority and mentions the name of the authorizer. (Civil Code. 1792 etc., 1806; Commercial Code 62 etc., 76 etc.)

Article 456.

With the transferal of a ship, the charter agreement which is made with the previous owner is not cancelled. The new owner is obliged to fulfill the agreement together with the person who has sold the ship. (Civil Code 1243, 1280, 1576; Commercial Code 453.)

Article 457.

If the charter party is issued on behalf of someone else, then the party chartering the ship can transfer his rights and responsibilities to another person by endorsing and handing over the official documents.

If the charter party is not issued on behalf of someone else, then after the endorsement and the handing over of the documents, the party chartering the ship will be bound to the party that is loaning out the ship to fulfill the responsibilities of the agreement. (Civil Code 613, 1152bis; Commercial Code 110 etc., 174, 176, 191, 454, 506.)

Article 458.

If at the time stipulated in the agreement there is no ship available for the chartering party, he can cancel the agreement on the condition that he submits a written cancellation to the other party. In any case he has the right to get compensation without any declaration of negligence, except if the party loaning out the ship can prove that the delay cannot be blamed on him. (Civil Code 1238, 1243 etc., 1267; Commercial Code 456, 460, 463.)

Article 459.

Before using what is stipulated in the charter party, the chartering party is entitled to ask one expert or more to examine the ship at his expense.

The experts are appointed by the head of the court of justice in the area where the ship is, after hearing or adequately summoning the loaning party or his representative. The summons are done by means of a recorded letter written by the clerk of the court.

Outside the division (which is now the equivalent of regency) which has a court of justice, the experts are appointed by the head of the Local Government, where the ship is anchored.

The chartering party or his representative has the responsibility to, if necessary, assist in the investigation and is liable to pay damages.

In so far as there is no evidence of untruthfulness, the results of the investigation of the experts prevail in the agreement between the two parties as a proof to be used in court about the condition of the ship at the time of the investigation.

The chartering party is obliged to pay damages to the loaning party, if this party suffers from a loss caused by the investigation and the delay caused by it, except if the investigation proves that the ship is not in a good condition, does not have or is lacking or is not suitable for the use stipulated in the charter party. (Civil Code 1244 etc., Commercial Code 342 etc., 359 etc., 460, 470a, 524a, 700; Rv. 215 etc., 3160.)

x2. Time Chartering

Article 460.

If the charter is based on time, the loaning party has to provide a ship to be used by the chartering party, and maintain the ship at a good condition throughout the duration of the agreement, with the necessary facilities suitable to the use stipulated in the charter party, and a capable crew.

He is liable to pay damages that might be claimed by the chartering party due to the condition of the ship, except if he can prove that he has fulfilled his responsibilities in this matter.

If the agreement concerning the ship calls for a ship that is propelled mechanically, the fuel for the engine is the responsibility of the chartering party. (Civil Code 1244 etc.; Commercial Code 342 etc., 359 etc., 460, 470a, 524a, 700; Rv. 215 etc., 316.)

Article 461.

Wages for an assistance fee which the ship receives during the agreement, subtracted by all the costs and the portions that are the rights of other people, is divided equally among the chartering party and the loaning party. (Commercial Code 560 etc.)

Article 462.

The agreement ends when the ship sinks, and if the ship is lost, on the last day of news about it.

The costs for the charter of the ship need not be paid in so far as the ship cannot be used due to damages suffered caused by a lack of ship's crew members or lack of provisions. (Civil Code 1444; Commercial Code 460, 465, 517r, 519d, 533f,s.)

Article 463.

If the costs for the charter of the ship are not paid at the time stipulated, the loaning party can cancel the agreement, on the condition that the information about the matter is declared in writing to the other party. (Civil Code 1238, 1267; Commercial Code 453, 458, 464 etc.)

Article 464.

Each party can cancel the agreement by informing the other party about this cancellation in writing, if due to the actions the authority or because of the breaking out of a war, the execution of the agreement is obstructed and cannot be resumed in good time.

If the ship is carrying freight or passengers and is not in a port, the ship must sail to the nearest seaport. (Commercial Code 517s, 520a, etc., 533m, u, y.)

Article 465.

In all cases in which the agreement is terminated before it is completed, the charter costs must be fully paid until the last day of the agreement.

However, if in the case of article no 463 and article 464 the ship is carrying freight or passengers, the charter costs must be paid until the day the freight is unloaded and the passengers have disembarked. (Commercial Code 462 etc., 521 etc.)

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Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: VA. TRANSPORTATION OF GOODS

Article: 466-520t

x1. General Stipulations**Article 466.**

The forwarder in this chapter refers to the person who has bound himself both through time charter or journey charter, as well as other agreements, to provide services for fully or partially transporting goods by sea. (Commercial Code 86, 453, 520g, 521, 533.)

Article 467.

The forwarder within appropriate limitations, is free to choose the means of transportation to use, except if a certain means of transportation has been stipulated in the agreement. (Civil Code. 1374; Commercial Code 517g.)

Article 468.

A transportation agreement gives the forwarder the responsibility to safeguard the goods that are to be transported from the moment of acceptance up to the time the goods are submitted.

The forwarder has to pay for damages caused by his inability to deliver all the goods or part of the goods because of damage, except if he can prove that not all the goods were submitted for delivery or the damage was caused by a condition that could not be prevented or evaded as the result of the nature of the goods or the condition of the goods or that the goods were already defective when received or were damaged as the result of a fault of the deliverer.

He is responsible for the actions of the people that he employs, and for all the things that are used in the transportation. (Civil Code 1239, 1243, etc., 1367, 1613, 1706; Commercial Code 86 etc., 89, 91, 249, 342, 359, 371, 452, 469 etc., 472., 475, 477, 479, 483, 487, 517c, p, x, 518n, 519u, 522 etc., 533, 707, 741-1 number 3⁰, 746.)

Article 469.

The forwarder is only responsible for the theft of or loss of gold, silver, precious stones and other valuable goods, money and valuable documents, and also for the breakage of fragile goods, if he was informed of the nature and contents of the goods before or at the time that he accepted the goods. (Commercial Code 96, 468, 470, 517c.)

Article 470.

The forwarder is not free to set the conditions that he is not liable for damages incurred or only responsible for a limited amount of damages caused by his negligence in taking care of, or providing the appropriate facilities or staff for the means of transportation used, or its suitability for the transportation of the agreed goods, or because of the mistreatment of the goods or the lack of security. Those conditions are cancelled.

However, the forwarder has the authority to set the conditions that he will not be responsible for more than a certain amount of all transported goods, except if he has been informed of the nature and value of the goods before or at the time of acceptance. The amount should not be determined below f.600,-.

In addition to this, the forwarder can set the conditions that he is not responsible for the damages, if he was purposely misinformed about the nature and value of the goods. (AB. 23; Commercial Code 359 etc., 362, 469, 470a, 471, 471, 476, 493, 517b, c, 524, 527; S. 1927-262 article 27.)

Article 470a.

The conditions limiting the forwarder's responsibility in any case does not give him the freedom to prove that sufficient care, facilities, and a capable crew have been provided for the means of transportation agreed on, if it is proved that the damages are the result of a fault in the means of transportation or the arrangement thereof.

In this case there can be no deviations from the agreement. (AB. 23; Commercial Code 369 etc., 459, 471, 517c, 524a.)

Article 471.

The conditions limiting the responsibility of the forwarder does not free him from responsibilities, when proved that there are faults or negligence on his own part or of the people employed by him, except if the responsibility for even that is firmly annulled. (Civil Code 1366-1367; Commercial Code 321, 342, 468³, 470a, 517c, 700.)

Article 472.

Compensation for damages that have to be paid by the forwarder because he has not submitted all or a part of the goods, calculated according to the goods, the kind and nature of which are similar to that at the destination, when the goods should have been handed over, subtracted by what was saved for the expense and costs and transportation cost because there has not been any delivery.

If the remaining cargo with the same destination, which because of some reason is not the responsibility of the forwarder, has not reached its destination, then the payment for damages is calculated according to the value and the kind and nature of the goods at the place and time that the goods were initially received. (Civil Code 1246 etc.; Commercial Code 366, 473, 476, 517c.)

Article 473.

In case of the occurrence of breakage, the amount that should be paid is calculated by subtracting from the value mentioned in article 472, the value of the damaged goods, and the remainder is subtracted by what was saved from duty, cost and transportation costs due to breakage. (Commercial Code 476, 483, 517c.)

Article 474.

If the forwarder is a shipping company, then the responsibility over the damages suffered by the goods transported by ship, to the limit of f.50,- for each cubic meter net content of the ship, in so far as it involves a ship that is propelled mechanically, plus what is used to determine its contents minus gross content of the space that is used for the propelling engine. (Commercial Code 320 etc., 468, 479, 475 etc., 517c, 525, 541; Rv. 316a-4.)

Article 475.

If the forwarder is not a shipping company, the responsibility for paying damages according to article 468 concerning transportation by sea, which is limited to the amount lost through damages, based on the stipulations of the previous article, can be demanded from the shipping company.

If there is a dispute, the forwarder has to point out the limits of his responsibility. (Commercial Code 470, 474, 467, 517c, 526; Rv. 316r.)

Article 476.

By deviating from the stipulations in articles 472-475, complete payment for damages can be demanded, if the breakage was done on purpose or by a big error on the part of the forwarder himself.

Conditions of the agreement that are in contrast with this are cancelled. (AB.23; Commercial Code 470, 517c, 524, 527, 541.)

Article 477.

The forwarder is responsible for the damages caused by a delay in the delivery, except when he can prove that the delay was caused by a condition that could not be prevented or avoided. (Civil Code 1244 etc., Commercial Code 92, 342 etc., 367 etc., 370, 468, 517c, o 528, 741-1 number 3^o.)

Article 478.

The forwarder has the right to compensation paid for damages that are incurred by the negligence of handing over to him the documents required to transport the goods.

He is responsible for adherence to the government laws and regulations, if the documents and the information conferred to him make this possible. (Commercial Code 347, 454, 504, 517c, 528, 741; S. 1927-34 article 117 etc.)

Article 479.

The forwarder has the right to receive payment for damages that he suffers because of erroneous or incomplete information conferred to him about the characteristics and nature of the goods, except when he is familiar with or should already be aware of the nature and characteristics of the goods.

The forwarder can at any time free himself of those goods which endanger his freight or his ship, also by destroying it without having to pay for damages. This also holds for goods that are deemed to be smuggled, or if the forwarder is not given accurate and complete information about the goods. (Civil Code 1246 etc., Commercial Code 357, 372, 468, 504, 517c, 741; S. 1927-34 article 117 etc.)

Article 480.

If the ship does not reach its destination or does not reach the destination at an appropriate time due to the local conditions, the forwarder is obliged to make use of his own expenses and make the effort to deliver the goods to the destination using a barge or other means.

If it has been agreed that the ship will not need to go further than an accessible place with a calm and safe harbour, then the forwarder has the right to hand over the goods at the place nearest to the destination complying with the conditions, except when the obstructions are only temporary, so that the condition only causes a slight delay. (Commercial Code 517c, 529, 702; S. 1920-274.)

Article 481.

If in a place an employee appointed by the government has been placed to control the calculation, measurement, or weighing of goods that are to be handed over, then at the command of the forwarder or the receiver at the time of the handing over, the calculation, measurement or weighing of the goods can be done by or controlled by the above mentioned employee.

The results of the calculation, measurement or weighing which is done or controlled by the employee for those parties, are binding, except when it can be proved that they were not correct.

The expenses that have to be paid as wages to the employee are equally divided between the two parties. (Commercial Code 94, 482, 485, 489, 503.)

Article 482.

The matters stipulated in the first paragraph of the previous article is not valid, if and when because of it the unloading of the ship is delayed.

Article 483.

Both the forwarder and the receiver are entitled to demand a judge in residence to investigate the condition of the goods at the time they were handed over or had been handed over, in addition to the cost of estimating the damages incurred.

The appointment of the experts is done by the head of the court of justice, if within the area where the goods are handed over there is a higher court of justice, or if not available, by a judge in residence or if he is not able to attend or not at place, by the local head of government, and in all cases, after the other party has been sufficiently heard or summoned.

The investigation meant by this article should not be carried out in such a way that the regulations of service of shipping are disturbed because of it. (Commercial Code 94, 361, 472 etc., 481, 484 etc., 712, 746; Rv. 215 etc., 313.)

Article 484.

If this examination has been made in the presence of the opposite party or their representative after being duly summoned, then this official examination report, is valid as legal proof regarding the condition of the goods at the time of the examination. (Commercial Code 459-3, 481-3, 483, 489-3, 746)

Article 485.

If the goods have been accepted without having been examined as mentioned in article 481, as they were supposed to have been delivered without shortages, unless the receiver has made a written report regarding the existence of a shortage to the transporter or his representative, before or at the moment of delivery of the goods or if the shortages were not visible from their appearances, at the latest on the third day of the acceptance.

If a shortage has been definitely identified, and if it concerns goods of different kinds, the shortages are considered to be composed in the same manner and quantities as the goods delivered, unless there are reasons for a different opinion on the matter. (Commercial Code 93, 486 etc., 712, 746.)

Article 486.

If the goods have been accepted without having had the legal examination as mentioned in article 483, they are supposed to have been delivered in accordance with the contents of the bill of lading, unless the receiver, before or at the moment of acceptance of the goods or, if the damage is not visible from the appearance, after acceptance, has informed the transporter or his representative in writing the existence of damage. This information must make known the kind of damage in general. Damage comprises total or partial loss of the content. (Commercial Code 93, 485, 487 etc.)

Article 487.

The legal claim for damage must be submitted within one year after delivery of the goods or after the day on which the goods were supposed to be delivered. (Commercial Code 486, 488, 741.)

Article 488.

The receiver has priority against the damage claim concerning the freight before all the other creditors, except those mentioned in article 316, provided that he has had the transported goods impounded within the time mentioned in foregoing article. With this impounding the requirement of that article is considered to have been met. (Civil Code 1132 etc.)

If no documents exist, the impounding could be executed with the permit of the chairman of the Court of Justice of the region in which the goods have been delivered. This Court investigates the claim inclusive of the legitimacy hereof and the cancellation of the impound and also the demand to notify the claim to the third party.

Outside the region of the Court of Justice the impounding could be held with the permission of the residence judge, in whose resort the goods have been delivered. (Commercial Code 468 etc., 500: Rv. 728 etc.)

Article 489.

The receiver who is suspicious that the goods have been damaged has the right, before or at the delivery thereof to request a judicial examination regarding the manner the goods have been stored aboard the ship, and about the cause of the damage.

The appointment of the experts is done by the chairman of the Court of Justice if within the resort where the delivery has taken place there is a Court of Justice, otherwise by the judge in residence or in his absence or unavailability or by the Head of the local government, in all cases after hearing duly summoned of the opposite party or his representative.

In case this investigation has taken place in the presence of the opposite party or his representative, the result thereof will be valid as legal proof regarding the loading of the goods aboard the ship and the cause of the damage, as long as the untruthfulness thereof has not been shown.

The investigation mentioned in this article shall not take place if the regular schedules of the liners are affected. (Commercial Code 94, 361, 491, 493, 533a.)

Article 490.

The costs of the judicial examination as mentioned in article 483 and 489 are borne by the person who made the request.

However, if the transporter has to pay for the reported damage, the residence judge, if there are valid reasons, can have the costs of the examination be paid for by the transporter. (Commercial Code 468 etc., 473 etc., 481, 492.)

Article 491.

After the delivery of the goods at the place of destination, the receiver must pay the freight cost and whatever else he owes in accordance with the documents on the basis whereof he has received the delivery. (Commercial Code 359, 454, 466, 492 etc., 506, 511, 517p, 519u.)

Article 492.

If the freight cost has been fixed according to measurement, weight or number of goods to be transported, the cost of which is calculated according to the measurement, weight or number of the goods at the delivery to the receiver, unless it appears that the measurement, weight or number at the moment of taking over the freight, are less, in which case the calculation is done according to these data.

The cost of measuring, weighing, or counting at the delivery are borne by the transporter, unless there is a different convention in that port. (AB. 3; Commercial Code 481, 490 etc.)

Article 493.

Except for the ruling in the second paragraph of this article, the forwarder does not have the right to retain the goods, as a guarantee of what has to be paid to him concerning the transportation and as a partial payment of the general damage. Conditions of the agreement that are contrary to this are annulled.

Before handing over the goods, he has the right to demand the receiver to pay a payment guarantee for the transportation and as a contribution of the general damage.

In case of disputes regarding the amount or the kind of guarantee to be given, the chairman of the Court of Justice, if within the resort where the delivery has to take place there exists a Court of Justice, otherwise the residence judge, and in his absence or unavailability, the head of the local government, in all cases at the request of the most prepared party, after hearing or duly summoning of the opposite party or their representative. (AB. 14; Commercial Code 361, 470, 476, 489, 491, 509 etc., 524, 527, 533a; Rv. 613 etc.)

Article 494.

If at the payment dispute arises regarding the amount of money owed by the receiver or if at the fixation thereof a necessary calculation which could not be carried out quickly, the receiver is obliged to pay immediately the part on which all parties agree, the receiver is owing, while regarding the part in dispute or of the part of which the amount has not been defined, the receiver has the obligation to put up a guarantee.

If, in accordance with the foregoing article a guarantee has been put up already, the receiver is also obliged ensure that this guarantee is kept to a sufficient amount.

In case of dispute about the amount or the kind of the guarantee that has to be put up, or about the sufficient amount that has to be maintained, the chairman of the Court of Justice will make the decision, if within the resort where the delivery has taken place a Court of Justice exists or otherwise the residence judge in his absence hindrance of unavailability the head of local government in all cases at the request of the most ready party, after hearing or duly summons of the adverse party or his representative. (Civil Code 1820 etc.; Commercial Code 361, 491, 493, 533a; Rv. 613 etc.)

Article 495.

In case the receiver does not appear, if he refuses to accept the goods, or if the goods have been impounded on the basis of *revindicatio* (the goods of which can be demanded back by the rightful owners), the transporter is obliged to go down all this to be paid by and the risk to be borne by the rightful owners.

The transporter can put up the goods in a proper place if the receiver refuses to put up guarantees in accordance with the requirement of article 493 or if there is a dispute about the amount or the kind of guarantees to be established.

If at the place of destination no proper storage can be found or the transporter has no representative there, the forwarder in accordance with the second paragraph of this article is entitled to carry the goods to the next seaport where the storage can be done in a proper storage and he has a representative, at the expense and risk of the holders of the right to the goods. (Civil Code 1736 etc.; Commercial Code 94, 498, 516, 517j, k, t, 5191, 520m; Rv. 721 etc.)

Article 496.

If the goods that have been stored easily decay, the forwarder as well as the person who stored the goods can be authorized to sell all the goods or part of it according to the procedure to be established by the authority established in the next paragraph; the forwarder can also be authorized to take from the amount owed to him from the sale of the goods.

The authorization is given by the chairman of the Court of Justice in whose resort the goods are stored, if possible after hearing or proper summons of the co-holders of the rights to the goods or their representatives. Outside the resort where there is a court of justice, the authorization is given by the judge in residence or in his absence, or unavailability by the head of the local government.

Article 497.

The result of the goods sold will be judicially sequestered in case it is not sufficient to satisfy the claim of shortages to the person with whom he has concluded the transportation agreement.(Commercial Code 496, 408, 516, 533a)

Article 498.

In case the goods are impounded for a reason other than *revindicatio* (the goods of which can be demanded back by the rightful owners), the forwarder is also obliged to store the goods in a proper storage. If the goods are apt to decay easily, the forwarder is also obliged to store the goods in a proper storage. If the goods are apt to decay easily, then the forwarder as well as the storage owner and the bailiff and the receiver, can be authorized to sell.

The result of the goods sold, after subtracting the cost of storage will be kept by the court. (Civil Code 1694 etc., 1730 etc.; Commercial Code 495 etc., 516, 517j, k, 5191, 568g; Rv. 477 etc., 728 etc.)

Article 499.

The forwarder who makes the delivery not in accordance with the foregoing article, and the receiver who accepts this, knowing that the goods have been impounded, are individually responsible for the payment of the claim, for which the impound has been made, in so far as these claims at the time of the delivery could be satisfied on the goods.

In the absence of counter proof it is acceptable that the claim on the goods could fully be satisfied from these and that the receiver is aware of the impound. (Civil Code 1388; Commercial Code 568g; Criminal Code 231)

Article 500.

After the delivery, the forwarder of the forwarded goods wherever the goods are, can, after having acquired permission from the Court of Justice, impound the transported goods to the amount owed to him, if for the payment of the aforesaid, the receiver has guaranteed that the payment will be made, as far as a third party in bona fides has not acquired some right to the goods under a legal title, or one month has passed after the delivery.

Outside the resort where the Court of Justice is established the impound can be effected with the permission of the residence judge in residence.

Article 721-727 of the "reglement op de rechtsvordering" are applicable for this impound. The Court of Justice in whose resort the impound has been effected will acknowledge the claims for legalizing and the ending of the impounding. (Civil Code 1977; Commercial Code 487, 491, 493, 533a.)

Article 501.

In case the forwarder delivers the goods with out requesting the fulfillment of what is due to be paid to him for the transportation or without having acquired a guarantee for it, he loses his rights in this matter to the person with whom he has made the transportation agreement, if this person can prove that on the basis of the legal bond between him and the receiver, what has to be paid is the responsibility of the receiver and in case he cannot demand the payment from him, if he has already paid for it. (Commercial Code 491, 493.)

Article 502.

The receiver is not entitled to let go of his rights over all or part of the goods to pay for the transportation costs. (Commercial Code 517p, 519u.)

Article 503.

The cost of selecting the goods required to hand over the goods in an orderly way, is the responsibility of the forwarder. (Commercial Code 481, 492.)

Article 504.

The sender can request the forwarder to issue a bill of lading of the goods that have been received to be delivered, by taking back the receipt in case he has issued this.

On the other hand, the sender must submit at the right time materials required to complete the bill of lading. (Commercial Code 347, 479, 505 etc., 518k, 519s.)

Article 505.

The captain is entitled to issue a bill of lading of the goods that are accepted to be loaded on his ship, except in the case that there are other people who have the duty to issue it. (Commercial Code 341, 341a, d, 359, 353, 376², 397, 504, 518d, k, 519l, s.)

Article 506.

The bill of lading is a letter with a date in which the forwarder declares that he has accepted certain goods, to forward them to the place of destination, and to hand them over there to the appointed person, as well as the conditions of the agreement about how the handing over will be done.

This person can be named, both as the person appointed by the sender or the third party, as well as the person appointing the bill of lading, with or without next to the person whose name is mentioned.

The words "bearer" are considered to point out the appointed of the sender.

In case the bill of lading is issued after the loading of the goods, then on request of the sender the name of the ship should be stated in it. If the bill of lading is issued before the loading of the goods without mentioning the name of the ship that will transport them, the sender can expect the forwarder to mention the name of the ship and the date of loading, right after it has been carried out. (Civil Code 613, 1977; Commercial Code 90, 457, 491, 508, 531.)

Article 507.

A bill of lading issued in two copies which can be traded, in which is mentioned the number of copies issued, is valid all for one and one for all. The copies that cannot be traded have to be declared as such.

The forwarder has the responsibility to submit each copy on which there does not appear a statement of the number of copies issued and does not have a sign that it cannot be traded, to the person who received it in goodwill and guarantees it with a compensation. (Civil Code 613³, 1977; Commercial Code 347, 509 etc., 515; Commercial Code 383bis; Zeg. 31, II,2.)

Article 508.

The bearer bill of lading can be transferred with an endorsement and the submission of the documents. The endorsement does not need to mention the price or the bearer. One signature on the last page of the bill of lading is sufficient. (Civil Code 6133; Commercial Code 110 etc., 176, 506, 517a, 531.

Article 509.

If a bill of lading has been issued, the handing over of goods cannot be demanded before they arrive at the place of destination apart from returning all copies of the bill of lading that can be traded or, if not all are returned, with a guarantee for all damages incurred by it. If a dispute arises concerning the amount and nature of the guarantee, the matter is handed over to the judge's decision. (Commercial Code 493, 507 etc., 520h, j; Rv. 613.)

Article 510.

The legal holder has the right to demand the handing over of the goods at the place of destination in accordance with the bill of lading, except when he is not the legal holder by law.

Article 511.

The forwarding agreement or, if a charter party is implemented, the charter party can only be used as a tool to dispute the holder of the bill of lading and this can only be used as a pretext, if and only by the bill of lading appointed for that reason, except if he is alone or is acting at the expense of one of the parties in the agreement or in the charter party.

The holder of the bill of lading is not obligated to cover the extra costs of anchoring or paying damages for matters related to loading, except if the responsibility to pay is from the bill of lading or he is considered to be aware of the obligation to pay at the time that he received the bill of lading from another place, or the bill of lading states the general reference to the stipulations in the charter party and this determines that the responsibility of the chartering party over the extra anchorage costs or damages end with the ending of the loading. The exception at the end of the first paragraph also holds here. (Civil Code. 1792 etc., Commercial Code 76 etc., 454 etc., 466, 519s, 520g.)

Article 512.

If the holder of the bill of lading himself is the sender or acts for the account of, it is enough for the forwarder to hand over what he has received to be transported, although the description of the goods in the bill of lading do not match. (Civil Code 1792 etc.; Commercial Code 504, 506, 510.)

Article 513.

If the bill of lading contains a clause: "the content, nature, amount, weight or size unknown" or other such clauses, then the statement in the bill of lading about the content, nature, amount, weight and size of the goods does not bind the forwarder, except if he already knows this or should already know about the type and condition of the goods or the goods have been counted, weighed, or measured in front of him. (Commercial Code 481, 495, 492, 506, 510.)

Article 514.

If the bill of lading does not state the condition of the goods, the forwarder is considered to have received the goods in a good condition until there is proof otherwise, if from the appearance the goods seem to be in a good condition. (Civil Code 1915 etc., 1921; Commercial Code 506.)

Article 515.

The holder of the bill of lading who has reported himself to receive the goods mentioned in it, after receiving the goods in good condition, is obligated to submit his bill of lading to the undersigned or his representative by signing a receipt.

When requested, he is obligated to leave the bill of lading with a third party to guarantee its return, before the handing over of the goods is started.

In case of a dispute, the third party appointed by the court of justice if it exists in the area where the handing over is to take place, if not by a judge or if not available by the head of the Local Government, in any case at the request of the most willing party and after sufficient hearings and summons of the opponent or his representative. The summons are done through a registered letter. (Civil Code 17730 etc., Commercial Code 94, 507, 510.)

Article 516.

The forwarder is obligated to store the goods at the owner's expense and risk in a suitable place, if the holders of various bills of lading or various copies of the same bill of lading at the place of destination demand the handing over of the same goods.

If at the place of destination there is no appropriate storage or the forwarder does not have a representative, then the forwarder has the right to transport those goods to the nearest port which has appropriate storage and has a representative, and there store the goods in a suitable place all at the expense and risk of the owner.

Article 496 and article 497 hold in this case, except of this change, that the authority to sell can be requested by each of the holders of a bill of lading, if the goods decay easily. (Commercial Code 496, 498, 507, 510, 517j, t, 519l, 520m.)

Article 517.

The person having the strongest rights among the holders of various bills of lading of goods that are stored in accordance with the previous article, is the person who is the holder of the copies, after the holders that proceed them, who are holders of all the copies, the person who first became the holder with a goodwill and guarantees it with a compensation.

Article 517a.

The submission of a bill of lading before the forwarder hands over the goods stated in them, acts as the transferal of those goods. (Civil Code 613, 495, 508.)

Article 517b.

Bills of lading whose contents are contradictory with the stipulations in article 470, are not to be removed for transportation from an Indonesian port. (Commercial Code 504; Civil Code 568.)

Article 517c.

Articles 468-480 are valid for transportation by sea from Indonesian seaports. They also hold for sea transportation to Indonesian ports, except for the first paragraph of article 470 and the second paragraph of article 470a which still are not valid in this case. Only the conditions and the agreement intended there are valid according to the laws of the country where the goods were loaded. (AB. 18.)

Article 517d.

The stipulations in this chapter which are related to the loading and unloading and handing over of goods are always valid, if the loading or unloading and the handing over of the goods are carried out in Indonesia.

x2. Fixed Lines

Article 517e.

Transportation by shipping companies which have fixed lines between two places or more are subject to following stipulations. (Commercial Code 533d.)

Article 517f.

If the forwarder has announced the conditions of the forwarding and the tariff, he is obligated to forward the goods submitted to him in accordance with the above mentioned conditions and tariff, when this is made possible by the space that is provided for him and for the destination requested.

The forwarder is obligated to provide access for the general public to the conditions and tariffs that have been announced, except if the two parties have issued different stipulations in writing. (Commercial Code 517y, 533e, S. 1927-261 article 22, 32; S. 1927-262 article 3 etc., 6.)

Article 517g.

The forwarder is not obligated to forward the goods using a particular ship, without decreasing his responsibility over the delay in transportation. (Commercial Code 467, 477, 517h, o, 741.)

Article 517h.

The willingness to deliver the goods using a certain ship is cancelled if the goods are not handed over on time, without lessening the rights of the forwarder to obtain compensation for damages suffered because of this delay. (Civil Code 1239 etc., 1246 etc.; Commercial Code 467, 517g, 741.)

Article 517i.

The forwarder should submit the goods delivered at the destination, on board the ship or on land.

He has the responsibility to give notification about the arrival of goods and the methods of handing over the goods to those who have declared themselves as receivers and have shown proof of their rights. (Commercial Code 517m.)

For other receivers it is sufficient to disseminate the news in the conventional way (AB. 15.)

The stipulations in paragraph two and three do not hold if the local conditions do not allow it or if it is not useful. (Commercial Code 359, 510, 517j, k, 519i.)

Article 517j.

Goods that are handed over from a ship have to be received by the receiver from the unloading devices used by the forwarder, when they are notified by the forwarder of the delivery.

If the receiver at the time mentioned in the previous paragraph does not start to receive it, or if after the start does not continue properly at a proportionate pace with the capacity of the ship to unload, the forwarder is entitled to unload the goods and to put them into barges or store them in appropriate places at the expense and risk of the receiver.

If the unloading and the storage intended in the previous paragraph are impossible to be done or the forwarder has no representative in that particular place, the captain has the right to transport the goods further. The unloading and storage of the goods will then be done in the next port on the fixed line, in a port where this can be carried out most appropriately and where the forwarder has a representative, in barges or in appropriate storage, all at the expense and risk of the receiver.

In the case mentioned in the previous paragraph, the captain, if he deems this necessary, also has the right to retain the goods on board the ship and to hand them over when the ship reenters the port of destination. This is done at the risk of the receiver, who in addition to the original freight cost will also have to pay for the transportation costs from the place of destination to the next port on the fixed line and back as stipulated in paragraph three.

In the case of the storage of the goods, the continuous transport and retaining of the goods on board, the forwarder is obligated to notify the receiver about this as soon as possible, except if this has been informed in accordance with the methods described in article 517j. (Civil Code 1694 etc., 489, 516, 517k, l, m, s, t, 519k etc.)

Article 517k.

If in a certain place the forwarder has a representative and a suitable storage, the goods that should be delivered on land must be received there by the receiver mentioned in paragraph 2 article 517l, at the latest on the second day after receiving notification of the goods' arrival, or if a later date is mentioned, on that day, - by the other receivers at the latest on the second day after receiving notification, or if a later date is mentioned, on that date, and in the case that there is no notification, at the latest on the second day after the unloading on land.

If on the appointed day in the previous paragraph the receiver does not start receiving or after starting does not continue in the appropriate way and at an appropriate rate, the authorized forwarder is entitled to withhold the goods in an appropriate storage.

If the forwarder does not have a representative or an appropriate storage in the area, the goods have to be received by the receiver on land, right after the goods are ready to be received.

If in the case of the latter the receiver does not start receiving at the appropriate time, the captain has the right to reload the goods on the ship and to carry them on to the next port on the fixed line where the goods can be unloaded and stored in an appropriate manner and where the forwarder has a representative and to unload the goods on to barges or store them in an appropriate place at the expense and the risk of the receiver.

In the case mentioned in the previous paragraph, the captain also has the authority, if he deems it important for the receiver, after reloading the goods back on the ship, to withhold them on his ship, and to hand them over when the ship returns to the port of destination of the goods. This is carried out on the risk of the receiver, who in addition to the original freight costs will have to pay for the transfer to the other port and back mentioned in the fourth paragraph, as well as the cost of loading and unloading.

The stipulations in the last paragraph of article 517j are also valid here. (Civil Code 1694 etc., Commercial Code 495, 498, 516, 517j, l, m, s, t, 519l etc.)

Article 517l.

The forwarder is obligated to terminate the unloading or the storage which he started without the consent of the other party based on the stipulations of the previous articles, in the case that the receiver is still willing to declare himself to receive and to take the necessary measures to carry it out as soon as possible. (Commercial Code 510, 517m, 519m, 520m.)

Article 517m.

At the time of acceptance, the receiver will follow the stipulations of time and manner given by the forwarder except when the stipulations are such that the receiver cannot be expected to follow them. (AB.: 15; Civil Code 1338-3, 1339; Commercial Code 517l, j, n, o, 519n.)

Article 517n.

If the forwarder is not able to use his authority to load or store the goods at the place of destination, and the delay in delivery is the result of negligence on part of the receiver, then the receiver is liable to pay for the damages suffered by the forwarder. (Civil Code 1244 etc.; Commercial Code 416, 517l etc., 741.)

Article 517o.

A forwarder who is not ready to deliver goods when the receiver declares himself to receive the goods in accordance with the stipulations above, or hinders the delivery, he is obliged to pay for the damages incurred on the receiver caused by the delay. (Civil Code 1245 etc.; Commercial Code 477, 517g, l, j, k, 741.)

Article 517p.

The freight costs should be paid after the delivery of the goods at the destination.

However, the freight costs need not be paid if the goods are badly damaged and valueless, except if the damages were caused by the fault of the sender or by the nature, condition or defects of the goods. (Civil Code 1239, 1244, 1338 etc.; Commercial Code 462, 517g, s, t, y, 519d, 533f, s.)

Article 517q.

If it has been agreed the freight cost is to be paid at the place and time of dispatch, the invoice can only be sent to the sender and becomes his debt, even if the goods do not arrive at the destination. (Civil Code 1338 etc.; Commercial Code 517f etc., 517p, y, 533i.)

Article 517r.

The forwarder is not released of his responsibility when the ship carrying the goods cannot continue its journey or cannot complete the journey in an appropriate time. He has to make efforts to transport the goods to the destination at his own expense.

Article 517s.

The forwarding contract is annulled if before the departure of the ship carrying the freight:

1. the authorities obstructs its departure
2. the goods are not permitted to leave the port of departure or to enter the port of entry.
3. a war breaks out so that the ship or the freight are held up.
4. the port of departure or the port of entry is blockaded.
5. an embargo is imposed on the ship or the authorities revoke the ship's permit to carry the goods.

If in the cases of 2 and 3 the unloading of the goods requires rearrangement of some or all of the other goods, the cost is paid by the loader of the goods. In addition he is also required to pay for the damages suffered by the other loads because of the rearrangement.

Article 517t.

If after the journey has been started the conditions mentioned in 2 and 3 or number 5 of the previous article prevail and the ship is prevented by the authorities from sailing out of the port called at, the forwarder has the right to unload the goods and to store them at the expense of the owner at the port or at the nearest safe port that can be reached.

Article 517u.

The cost of freight need not be paid in the case of the previous articles. However, if those who have the rights over the goods have received some benefit from the transportation, the judge on the demands of the forwarder can decide that the freight costs should be paid and determine an appropriate amount. (Commercial Code 357 etc., 517p, t, y, 520r.)

Article 517u bis

(amended by S. 1940-34)

Without lessening the stipulations in article 517s, each party through a written notification to the opposite party is able to terminate the agreement, if the execution of the agreement is obstructed by a regulation issued by the authorities which revoke all or part of the space of a ship or more that has been allocated for the transportation of the goods from the forwarder, whereas the execution of the agreement cannot be restarted within an appropriate time.

After the end of the agreement, the forwarder is entitles to unload the goods and to store them at the expense of the holder of the rights to the goods in the port where the ship is, or at the nearest safe port that can be reached. The holder of the rights to the goods can demand that the goods be handed over at the port where the ship is, or at the first port the ship enters.

The freight cost that is determined by this article need not be paid.

If the goods have been transported and the rightful person has gain profit prom it, the judge, at the demand of the forwarder, can decide that the freight costs have to be paid and determine the appropriate amount to be paid.

Article 517v.

A forwarder, who at a place that is not included in the fixed line that he runs accepts goods to be transported or accepts goods that are to be transported to a place that is included in his fixed lines as a forwarder, also if part of the transportation is not by sea, is responsible for the whole transportation in accordance with the current laws that are valid for each part of the transportation.

If in the agreement or in the bill of lading (continual bill of lading or the continual forwarding bill of lading) issued have provisions that the responsibility of the transporter is limited to the direction of his lines, he has the responsibility to ensure that the previous or subsequent transportation is carried out according to the stipulations of the forwarding agreement of the bill of lading and also to ensure that the documents proving this are handed to the opposite party or another person who has been appointed to do so. If the documents of proof are related to the subsequent transportation, they also have to state that at the place of destination the goods will be handed over to the person appointed in the agreement or to the holder of the bill of lading (Civil Code 1239, 1243 etc., 1246 etc., 1613; Commercial Code 89, 468, 504 etc., 517 w, y, 741.)

Article 517w.

Two forwarders or more who receive the goods to be transported, fully or partially by sea on the connected lines of the forwarder, are fully responsible for the whole transportation, in accordance with the current laws that are valid for each part of the transportation.

If the forwarding agreement or the continuous bill of lading determine this transportation, that the responsibility of each forwarder is limited to their respective lines only, then each forwarder is obligated to take necessary measures to ensure that the subsequent transportation of the goods is carried out in accordance with the stipulations of the transport agreement or the bill of lading, and that the documents of proof which state this are submitted to the opposite party or to the person appointed to receive them. Those documents of proof should also state that at the place of destination the goods will be handed over to the person appointed in the agreement or to the holders of the continuous bill of lading. (Civil Code 1278 etc., Commercial Code 504 etc., 517v, y, 741.)

Article 517x.

The receiver is in any case entitled to subtract from the freight costs that have to be paid, compensation for damages that were incurred on his goods during transportation. (Civil Code 1425 etc., Commercial Code 517v, m, y.)

Article 517y.

Articles 517f, 517p-517x are valid in sea transportation from as well as to Indonesian ports. (Commercial Code 517c, d, 520f, t, 533c.)

x3. Timed charter

Article 517z.

Articles 518-518f are valid for the forwarding of goods by timed charter. (Commercial Code 533n.)

Article 518.

The chartering party is entitled to make an agreement for timed charter or journey charter with a third party, without lessening his responsibility towards the loaning party to fulfill the agreement that he has made. (Commercial Code 453 etc., 460, 518d, h, 533n.)

Article 518a.

The chartering party can make use of all the ship's hold, that is allocated for carrying cargo. Goods and passengers are not allowed to be carried in the rest of the space on the ship without his permission. (Commercial code 372, 377, 518b, l, 533n.)

Article 518b.

If in the charter party the loading capacity of the ship is bigger than the reality, the charter costs will be reduced in proportion to this and the loaning party is, in addition, liable to pay for damages incurred by this on the chartering party, except if the chartering party had previous knowledge of the real capacity of the ship. (Civil Code 1246 etc., Commercial Code 453 etc., 518a, j, 5330, r.)

Article 518c.

Within the limits determined by the charter party, the captain has to obey the orders of the chartering party in all matters related to the acceptance, transportation and handing over of the freight.

In this case he is entitled to act on behalf of the chartering party, except if the chartering party has appointed another person for this matter.

Whosoever has taken actions against the captain in accordance with that, except for the chartering party, can also charge the ship's management. (Commercial Code 321, 326, 371, 454, 518e, 533n.)

Article 518d.

The chartering party is entitled to accept goods to be transported from a third party at freight costs and conditions that are deemed appropriate.

If the Bills of lading issued for the goods are signed by or on behalf of the captain, the holders of the bills can charge the ship's management as well as the chartering party.

If because of this the ship's management gets more responsibility than that given to him by the charter party, he can claim damages from the chartering party. (Commercial Code 321, 505, 518, 518c, 520g, 533n.)

Article 518e.

The chartering party cannot demand that the ship to load, unload and the like, sail to places that cannot be easily reached and lay anchor safely. (Commercial Code 518c, l, 533n.)

Article 518f.

If the ship is chartered to go on one particular journey or more, the charter costs are calculated starting from the day the ship is made available for the chartering party in the port from which the first journey is to be started. The chartering party should be given written notification about this. The charter costs should be paid up to the day that the ship, after unloading, is returned to the loaning party. (Commercial Code 453, 533n.)

Article 518g.

The conditions of this paragraph are valid for the timed charter of ships carrying the Indonesian flag, provided that there are no other agreements, without considering the place where the charter was made. (Commercial Code 310 etc., 533p.)

x4.Journey charter.

Article 518h.

According to the agreements mentioned in article 453, the chartering party can only have a journey charter with a third party in so far as the charter party gives him this right. (Commercial Code 454, 518, 518k, 520f, 533n, q.)

Article 518i.

The chartering party can make use of the whole hold of the ship that is allocated for carrying cargo, if an agreement has been made concerning the whole transportation of a certain freight. No other freight or passengers can be carried in the rest of the ship without his permission. (Commercial Code 372, 377, 518a, j, x, 519z, 520f, 533o, r.)

Article 518j.

If in the charter party the capacity of the ship or the space of the chartered ship is stated bigger than the reality, then the chartering party is liable to pay damages caused by this, except if the chartering party had known its real capacity; in addition the charter costs are subtracted in proportion if for this purpose a fixed amount has been determined. (Civil Code 1246 etc., Commercial Code 454, 518b, l, x, 519z, 520f, 533o, r.)

Article 518k.

The charter company is authorized to receive goods from 3rd parties under conditions determined in the charter party and with freight costs considered as appropriate. If the bills of lading which are issued for those goods are signed, and/or in the name of the ship's captain, the holder may claim damages from the ship owner as well as its charterer. If because of this the ship owner receives responsibilities more than those incurred according to the charter party, then he may claim on the charterer. (COMMERCIAL CODE 321, 326, 371, 454, 504, etc., 518d, h, 520f, g.)

Article 518l.

The charterer indicates the place the ship will berth to provide unloading. For that, he must indicate a place usually used for unloading which is available and where said ship can reach and continuously dock safely, speedily and without impediment (AB.15). If the charterer fails or neglects to indicate more than one place of unloading, additional freight costs including also compensation of costs due to loss of time are on his account. (Criminal Code 1246 etc.; Commercial Code 518e, m, q, r, t, 519g, 533n, q.)

Article 518m.

If the charterer neglects to indicate that place in time if there is more than one charterer who fail to reach consensus on the indication, the charter company itself is free to choose the place of unloading. (AB.15; COMMERCIAL CODE 416, 518e, l, y, 519a, 520e, 533q.)

Article 518n.

Goods may not be unloaded onto uneven ground or surfaces or lighters without the permission of the charterer (COMMERCIAL CODE 468, 520i, 733, S. 1927-34.)

Article 518o.

The charterer must carry the goods to be unloaded near to the ship and unloading equipment should be located in proximity by the charter company. (COMMERCIAL CODE 518n, p, r, 520i.)

Article 518p.

The charterer is obliged to accept the goods to be transported for loading as soon as the chartering license is authorized. If at the time of loading, he causes delays, he is obligated to make compensation to the charterer (Criminal Code 518o, r, w, 520i.)

Article 518q.

The charter company reports to the charterer in writing concerning the days on which the ship will be prepared and the loading/unloading place. The loading time begins on that day, but not however before the first day after notice is given. (COMMERCIAL CODE 518, o, 520h, i.)

Article 518r.

If the loading time is not determined in the charter party, the valid time is when loading has been completed, during normal working hours and as is customary at that place, below and close to the ship, at a pace so as to enable a reasonable condition and that the ship can permit receiving them (AB.15; Criminal Code 1338 etc.; COMMERCIAL CODE 518o, t, x, 519, 519a, 520b.)

Article 518s.

If the charter company does not arrange for loading as already agreed, then with a written report to the opposing party or its representative, it may terminate that agreement provided that the loading has not yet begun. He is obligated to make compensation of losses to the charterer which are caused by that termination (Criminal Code, 1239, 1243, 1246 etc., 1266, 1338 etc., Commercial Code 518o, t, x, 519, 519a, 520b.)

Article 518t.

If on expiry of the time limit for loading, the taking of the goods for loading and not conditional on additional days of in port, then the charterer may regard the agreement as cancelled, provided that he reports this in writing to the opposing party. In this case he is entitled to compensation for the additional port fees and to losses suffered due to termination of that agreement. (Criminal Code 1238, 1239, 1243 etc.; 1246k etc.; 1266 etc.; Commercial Code 518r, s, u, v, x.)

Article 518u.

If additional days in port are conditional, after expiry of the time limit for loading, if the goods also have not yet been taken, the charter company may act as indicated in the previous article. In this case it is entitled to claim for the additional port fees, and for damages (Criminal Code. 1238 etc., 1243 etc., 1246 etc., Commercial Code 518v-y, 519p.)

Article 518v.

If the charter party establishes additional days in port, but however does not regulate on additional port fees, then in case of a dispute, this will be determined by a judge according to fairness. If the charter party establishes additional days of in port but not concerning the number of additional days in port then this total is considered to be 8 days. (Commercial Code 454, 518t, 519g.)

Article 518w.

If the total number of days in port or additional days in port is determined in the charter party, the calculation concerning these days, where the charter company fails to receive or is prevented from receiving goods for loading, they are not counted in the calculation (Commercial Code 454, 518p, u.)

Article 518x.

If the loading time has already expired or if the number of days specified for additional in port is likewise exceeded, and the loading is only a part, then without further delay, then the charter company may commence the journey. It has the authority to accept from other people (additional cargo) in place of the cargo shortfall. The charter company is obligated to make compensation for losses suffered by the charterer because only part of the total agreed cargo was delivered, thus likewise for payment of additional port fees, if there are additional days in port. If a part of the charter money is a specified amount, in such case it must be paid in full by deduction from freight costs estimated for the additional loading (Criminal Code. 1246 etc.; Commercial Code 518, r-v, z, 520d.)

Article 518y.

If the charterer is more than one person, and respectively they use the conditional additional days in port, they are obligated to pay the charter company for the additional days in port, without prejudice to their right to press for payment by those who may have been prevented from taking their goods for loading before the commencement of additional days in port (Commercial Code 518, n, o, u, v, 519a.)

Article 518z.

Concerning the amount or features of an agreement which has to be given, then this will be decided by the chairman of the court if there is one in the regency of the place of loading, or, if not, by a residential judge, or if such person is not available, by the head of the local regional government, as to how, at the request of the person most prepared, after hearing or after calling sufficient members from the opposing parties or their representatives. (Criminal Code, 1338 etc.; Commercial Code 518 x; Regulation on Legal Claims 513.)

Article 519.

Also after loading as agreed all or part of the cargo, while the ship has not yet departed, the charterer may terminate the agreement provided that he has guaranteed to pay the costs of unloading again and to reimburse all losses which may be suffered by the charter company due to said termination of agreement. The second paragraph of the previous article prevails in this case. (Criminal Code 1246, 1338 etc.; Commercial Code 518z, 519 a, 520 j.)

Article 519a.

If there is more than one charterer and these people among them do not reach accord concerning the agreement, then if because of this the ship's departure is delayed apart from the granting of a license. (Commercial Code 518 m, s, y, 519.)

Article 519b.

The charter company is obligated that the ship departs promptly after completion of loading and to arrange that the journey proceeds at an appropriate speed. It is liable for damages if, due to error or mistake, crew members are seized or arrested (Criminal Code, 1224 etc., 1336 etc., Commercial Code 342 etc., 519 c, 520 f, k, 339, 642, 768; Regulation on Legal Claims. 559 etc., 7714; Criminal Code 449, 453.)

Article 519c.

The charter company who through its own error causes the ship to be apprehended, is obligated to make compensation for work both of the charterer as well as for others involved in the loading (Criminal Code. 1246 etc. Commercial Code. 519 b, 520 f, k, 5339.)

Article 519d.

If the ship founders or is shipwrecked, and within reasonable time cannot be repaired, the charter agreement, is voided except if the charter company provides efforts itself for paying for other means of transporting the cargo to its place of destination. It is obligated to make a declaration within reasonable time. (Criminal Code. 462, 517, 519 e, f, u, v, 520 f, k, s, 701 - 6°.)

Article 519e.

If the ship does not complete its voyage because subsequent to loading, sea conditions are unsuitable or not conducive for traveling, then the charter company is obligated to make compensation for damages to the charterer (Criminal Code 1444 etc.; Commercial Code 519 d, 520 f, k, x, 741.)

Article 519f.

If, in mid-voyage, all the cargo is sold because it is damaged, the charter agreement is voided without prejudice to article 519 x. (Commercial Code 371³, 468, 519 d, 520 f, 637, 646.)

Article 519g.

The charterer indicates the place where the ship must unload. For this, he must indicate a normal place of unloading where the ship may safely and speedily enter and berth. If the charterer indicates more than one place of unloading in succession, then he pays the additional freight costs including also compensation for losses due to loss of time, should there be security to the charterer. AB. 15; Criminal Code, 1246 etc.; Commercial Code. 518e, l, 519h, 533q.)

Article 519h.

If the charterer fails to indicate on time or to the charter company, if there is more than one person, without consensus on the indication, the charter company itself is free to choose a place of unloading. In this case, there is the obligation to choose a place of unloading normally used for this purpose. (AB. 15.; Commercial Code 518 e, m, 520l, 533q.)

Article 519l.

If the ship has already arrived at the place of unloading, and is ready to deliver its cargo, the charter company reports this to the charterer or to his representative. Besides this, the ship owner is obligated to inform by the usual means to the charterer that Bills of Lading are issued for the cargo and signed by or in the name of the ship's captain. The provisions in this article are not valid here if local conditions preclude provision of this information, in which case it cannot be used. (AB. 15.; Commercial Code 320, 505, 517i, 518 k, 519 g, h, k, l, s, t.)

Article 519j.

The charter company is obligated to deliver the goods as quickly as possible in accordance with the capability of the ship. If the charterer is prevented from receiving the freight, he is obligated to make compensation for losses. (Criminal Code. 1246 etc.; Commercial Code. 519 t, 520 n, 741.)

Article 519k.

The charterer must accept his freight from the unloading equipment arranged by the charter company. He is obligated to begin on the first day after being informed as meant in clause 519i and subsequently with reasonable speed as is normal and in accordance with the existing conditions and the registered capability of the ship. If the informing based on the provisions in the final paragraph of 519i does not occur, the charterer must accept the goods directly after submission by the ship for delivery. (Criminal Code. 1374³; Commercial Code. 517 j. 519 g, h, l-n, s, t, 520 m.)

Article 519l.

If the charterer does not fulfill the conditions in the previous article, the charter company has the authority to offload the freight onto barges or an appropriate holding place at the cost and risk of the charterer. If the unloading or storage as referred to in the previous article is not possible, the ship's captain is authorized to transport those goods further. The unloading and storage of those goods is conducted at the most suitable port by transfer to lighters or to an appropriate place of storage, all at the cost and risk of the receiver.

In the case of storage or onward transportation, the charter company is obligated to notify this matter as quickly as possible to the charterer, and to the holders of Bills of Lading, except when this has already occurred, as meant in paragraph 519l (Criminal Code 1694 etc.; Commercial Code 495, 498, 516, 517j, k, t, 519 k, m, n, o, q, r, s, t.)

Article 519m.

The charter company which uses the authority as referred to in the first paragraph of the previous article, is obligated to halt the unloading and storage if the charterer notifies his willingness to receive the goods and take the steps necessary for their most expeditious arrangement (Commercial Code 510, 517l, 519s, t, 520m.)

Article 519n.

At the place of acceptance, the charterer will obey the rules of the charter company concerning the time and manner of acceptance, unless the rules are such that the charterer cannot reasonably be asked to comply. (AB. 15, Criminal Code 1338³, 1339 Commercial Code 517m, 519i - m, o, s, t, 520m.)

Article 519o.

If the charter company is not able to use its authority to unload or store at its place of destination, then the charterer is obligated to make compensation for the cost of receipt which was not carried out on time. (Criminal Code 1246 etc.; Commercial Code 416, 517n, 519k, l, r, s, t, 520m, 741.)

Article 519p.

If in the charter-party it is conditional that there is a specified total number of days in port, or additional days in port, a new charter company may commence unloading, storage, or continued transportation if, after those days are expired and the goods are still on the ship. In the calculation of those days, excluded are the days at the time when the charter company neglected or was prevented from delivering the cargo. (Commercial Code 454, 518u, w, 519j, l, r, s, t, 520o, p.)

Article 519q.

The charterer must pay for the additional days in port which were agreed. If the charter-party does not stipulate the fees, for additional days in port, then in the event of a dispute this will be regulated by a judge, in accordance with conventional practice.

If the charter-party stipulates the fees for additional days in port, but not the numbers of additional days in port, then this total will be considered as 8 days. (Commercial Code 454, 518 etc., 519s, 520p.)

Article 519r.

If, after expiry of the agreed number of additional days in port, the goods are still on the ship, then the charterer is obligated to compensate for losses resulting from those delays to the charter company. (Commercial Code 1239 etc.; 1234 etc.; 1246 etc.; 1338 etc.; Criminal Code 416, 519p, q, s, t, 741.)

Article 519s.

If Bills of Lading are issued for the goods loaded, signed by or in the name of the shipping entrepreneur, or by or in the name of the ship's captain, which indicate its unloading to its charter-party, then for holders of Bills of Lading who notify their readiness to accept the goods, which becomes their right, then the provisions in articles 519k - 519r are valid without prejudice to changes in articles 519k referred to in the following paragraph.

Each holder of a Bill of Lading is obligated to commence acceptance promptly if the goods are available, but not before the first day following provision of the information as mentioned in the first paragraph of article 519i on whichever day the ship is in port, as agreed that the charter-party commences.

Holders of Bills of Lading whose goods are still on the ship are severally responsible to the charter company for the fees for additional days in port if it is agreed in the charter-party on a certain total of days in port, or on additional days in port. Holders of Bills of Lading both individually and severally are obliged to arrange for acceptance in the manner stated in article 519k.

Whosoever neglects this obstructs other people in the timely taking of their goods and is responsible to them for losses. (Criminal Code 1246 etc., 1278 etc.; Commercial Code 320, 341, 341d, 454, 505, 510 etc., 519t, 320q, s, 741.)

Article 519t.

Every part of a ship's hold space whose purpose is to be used for charter agreements alone, is for preparation in articles 519i-s and is considered alone and individually. (Commercial Code 453³, 518h.)

Article 519u.

For goods delivered at the place of destination of a chartered ship, or in the case mentioned in article 519d, they are taken there at the cost of the charter company, and the freight costs must be paid in full.

However, it is not necessary to pay freight costs for goods which are damaged and arrive in a worthless condition, unless that damage is caused by an error of the sender or due to a feature, condition, or physical defect in the good itself. (Criminal Code 1239 etc.; 1244 etc.; 1444; Commercial Code 91, 468, 491, 502, 517p, 519v-z, 520f, r.)

Article 519v.

Without prejudice to the stipulations in articles 519v-519y, it is not necessary to pay the freight costs for goods which cannot be taken to the place of destination, or not taken there on the ship chartered, except in the cases mentioned in article 519d. Commercial Code 519u, z, 520f, r.)

Article 519w.

Costs of freight must be paid in full, if such freight is recalled by the charterer in mid-voyage. The charter company besides is entitled to payment of amounts which are pressed for due to general or other basic damages or agreements for this as well as compensation for all costs of delivery and for losses which may arise therefrom.

He is not obligated regarding their delivery, if the voyage was impeded. Criminal Code 1246 etc.; Commercial Code 472 etc., 477, 479, 491, 493 etc., 509, 511, 519, 519a, x, 520f, r, 699 etc.)

Article 519x.

It is not necessary to pay freight costs for goods which are sold in mid-voyage, because their damage does not allow their further transportation, except where their sale yields profit to the charterer, which in such case the total freight costs that must fairly be paid is determined by a judge.

Article 519y.

For goods which, based on article 357, are for the use of the ship's captain, or to be thrown into to sea, freight costs must be paid in full, unless there is reason for accepting that in this case, it is not necessary to pay, supposing that the ship's captain has not acted regarding those goods. (Commercial Code 519v, 520f, r, 620, 699-2^o, 729 etc., 739 etc.)

Article 519z.

If a fixed sum is agreed to be paid as freight cost, this amount will be reduced proportionately, if for a part of the cargo, freight costs do not have to be paid, based on what is set down in article 519u second paragraph, 519v, and 519x (Commercial Code 520f.)

Article 520.

Goods which are earlier delivered at the place of destination are to be paid for by the charterer and are for subsequent calculation, and if not agreed to the contrary, this is considered as an advance on the freight costs, of which all or part must be returned. If it turns out they do not have to be paid or if a smaller amount is to be paid.

It is considered that in agreeing to the contrary, deposit money charges a premium for insurance. Commercial Code 491, 519u, v, 520f, r.)

Article 520a.

(Legalized by 1940 - 34.)

If, because of actions taken by the authorities regarding the ship, or if war breaks out so that the ship is not at liberty, a voyage which does not commence at the proper time, or receives a time extension, the respective parties give written notice to the opposing party so as to obtain an interruption of the agreement. The same is valid if, by acts of the authorities, the ship's cargo space is withdrawn and chartered by the authorities.

If at that time the ship is not in port and loading, the charter company orders the ship to call at the first safe harbor, so that it can unload its cargo there. All costs of unloading are charged to the charter company. (Commercial Code 367, 369 number 2^o, 3^o, 420³, 421¹ 464, 517s, 520b-f, 533m, u, y.)

Article 520a.bis.

(Legalized by 1940 - 34.)

If a fixed amount is determined as charter money, then this is proportionately reduced if, by act of the authorities, a portion of the ship's hold is withdrawn and chartered.

Article 520b.

If, before loading begins, the transportation of the goods arranged in the charter-party are delayed by actions of the authorities or due to the outbreak of war, then the charter has the authority to submit other goods to be considered as replacement goods provided that the transportation of those goods does not bring about a greater or heavier load.

If the charter company does not use this authority, then the respective parties notify opposing parties in writing in order to interrupt the agreement. (Commercial Code 391³, 394³, 491-number 4°, 6°, 420³, 421¹, 517s, 520a, c-f, 533m, u, y.)

Article 520c.

If such conditions arise as mentioned in the previous article after loading has commenced, then the parties are notified in writing by the opposing parties, to have the agreement broken off.

If at that time the ship is not in port and loading, the charter company orders the ship to call at the first safe harbor, so that it can unload its cargo there. All costs of unloading are charged to the charter company. (Commercial Code 367, 369 number 2°, 3°, 420³, 421¹ 464, 517s, 520b-f, 533m, u, y.)

Article 520d.

If the steps taken only concern part of the cargo, or only that part which becomes apprehended, then the charter company may begin unloading that part, and the charterer concerned requests its unloading. All costs of the unloading, including the costs of stopping off at a harbor, if necessary, are at the expense of the charterer.

The charter company is entitled to accept goods from other people, in replacement for the goods unloaded, and to receive payment for their transportation. (Commercial Code 319³, 394³, 464, 517s, 520a-c, e, f, 553m, u, y.)

Article 520e.

For the goods unloaded in accordance with the stipulations in articles 520a, 520c and 520d, or not loaded in accordance with the stipulations in the second paragraph of 520b, it is customarily not necessary to pay the costs of transportation.

However, if the charterer has already received benefit from the transportation of those goods or implementation of that charter agreement has already carried out the voyage for which he does not receive the cost of transportation, or other conditions which, in the consideration of a judge, gives reason in that case, at the request of the charter company, the judge may decide that the transportation cost shall be paid, and the total of which shall be reasonable. (Commercial Code 519x, 520f, 533u.)

Article 520f.

Articles 518h-518k, 519b-519f and 519u are valid here, if the charter agreement is both for ships under the Indonesian flag or for the transportation of goods from or to Indonesian ports. (Commercial Code 517c, d, y, 520t, 533c.)

x5. Mixed transportation

Article 520g.

Mixed transportation means transportation based on agreements other than charter agreements.

For mixed transportation insofar as it is not conducted by regular voyages, then the following stipulations apply. (Commercial Code 453, 466, 517e etc.)

Article 520h.

The transportation carrier stipulates the place and for how long the ship will be in port for loading.

If the time in port for loading is not notified beforehand, each sender can demand that the ship departs after 3 weeks have elapsed after his goods have been loaded, or if the transportation is not prepared for that, to demand that his goods be unloaded again at the cost of the carrier. (Commercial Code 509, 520i.)

Article 520i.

Senders must bring their goods for loading as soon as the carrier requests. He is not obligated to load goods that are not brought on time, and is entitled to receive compensation if the ship departs without those goods.

The stipulations of articles 518n-518p are also valid here. (Criminal Code 1246 etc.; Commercial Code 520h, j.)

Article 520j.

So long as the ship has not departed, senders may request that their goods be unloaded, provided that the ship's departure will not be delayed as a result of that. They are obligated to pay freight costs as well as payment for the arrangement of other loading, if perhaps this is necessary.

Losses to other cargo caused by the rearrangement must be compensated for. (Criminal Code 1246 etc.; Commercial Code 359, 519, 519w, 520h.)

Article 520k.

The stipulations in articles 519b- 519e are also valid here. (Commercial Code 520t.)

Article 520l.

The carrier indicates the place where the ship will unload. He is obligated to indicate a place that is usually used for that purpose and will give notice in the customary manner concerning the ship's arrival at that place of unloading. The obligation to that notification is voided if local conditions do not allow it or if it is of no benefit. (AB.15; Commercial Code 517i, 518m, 519g, h, i, 520m.)

Article 520m.

Beginning on the first day after that notification, the receivers must accept their goods from the unloading facilities which must be provided by the carrier. They are respectively responsible to commence this promptly as soon as the carrier has prepared for delivery of their goods, and to continue this matter as quickly as possible, with consideration to the existing situation and the registered capability of the ship for delivery.

If the notification is based on the stipulations in the final paragraph of the previous article, receivers must accept their goods as soon as it is indicated that the ship is ready for delivery.

If the receiver does not organize for the stipulations in the first or second paragraphs, the carrier has authority to unload those goods onto a barge or at a suitable place of storage at cost and risk of the receiver.

If it is not possible to carry out the unloading as intended in the final paragraph, then the ship's captain is authorized to continue transportation of those goods. Unloading and storage of those goods is then at the most suitable port, in small ships or likewise at the most suitable place of storage, all at the expense and risk of the receiver.

In the case of storage or further transportation, the carrier is obligated to notify the receiver concerning this matter as quickly as possible, unless the notification has already been effected, as set down in article 520l.

The carrier who uses the authority as provided under the third paragraph is obligated to halt unloading or storage if the receiver still wishes to notify his willingness to receive and to take steps to organize that acceptance at speed on which it has become conditional. (Criminal Code 1694 etc.; Commercial Code 495, 498, 510, 516, 517j, k, l, t, 519k, l, m, n, 520l, q, s.)

Article 520n.

The provisions in articles 519j, 519n and 519o are also valid here. (Commercial Code 520s.)

Article 520o.

If in the Bill of Lading is determined a specific number of days in port or days in port with additional days in port, a new carrier may commence unloading, storage and onward transportation of the goods referred to in the Bill of Lading, if those goods if those days are already past, or part of the goods are still on the ship.

If there are stipulations for total days in port or days in port with additional days in port, those in connection with unloading the entire cargo, then those days in port come into effect on the first day following their notification, which is set down in article 520l. If notification is not arranged based on the second paragraph in article 520l, then those days in port become effective on the first day after the day of arrival of the ship. If those stipulations only concern the unloading of goods referred to in the Bill of Lading, then the days in port do not become effective earlier than the point in time of the day when that carrier is ready to deliver those goods. (Commercial Code 504, 519m, p, 520q, s.)

Article 520p.

The stipulations in articles 519p second paragraph, 519q and 519r are also valid here. (Commercial Code 520s.)

Article 520q.

Holders of Bills of Lading which have stipulations concerning numbers of days in port or numbers of days in port with numbers of additional days in port, in connection with unloading the entire cargo, if they make use of the additional days in port, the responsibility is in line order with regard to compensation for losses as meant in article 519r respectively as long as there are goods allocated to them on the ship. Concerning their peers, they are responsible for arranging the acceptance in the manner referred to in article 520m. Whosoever neglects this matter delays other people in receiving their goods on time, and is obligated to compensate them for losses. (Criminal Code 1246 etc., 1278 etc., 1365; Commercial Code 519s, 520o, s, 741.)

Article 520r.

(Legalized by S. 1940-34.)

The stipulations in articles 519u-519y, 520, 517s-517u *bis* are also valid here. (Commercial Code 520t.)

Article 520s.

If a ship conducts transportation of goods for implementing a charter agreement, and for goods loaded with the issuance of Bills of Lading signed by or in the name of the shipping enterprise or the ship's captain, that which concerns unloading and does not indicate to the charter-party, then the valid stipulations concerning unloading are in articles 520n- 520q. (Commercial Code 321, 331, 341¹, 341d, 504 etc.; 511, 518d, k, 519s, 520t.)

Article 520t.

Articles 520k, 520r and 520s are valid both for transportation by sea as well as for transportation to Indonesian ports. (Commercial Code 517d, y, 520f, 533c.)

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter Vb, TRANSPORTATION OF PEOPLE**CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter Vb, TRANSPORTATION OF PEOPLE / 02-05b-00, VB. TRANSPORTATION OF PEOPLE**

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Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: VB. TRANSPORTATION OF PEOPLE

Article: 521-533z

x1. General Stipulations**Article 521.**

Transportation in the understanding of this chapter is people who bind themselves in charter agreements according to time or according to voyage as well as other agreements for arranging the transportation of people (travelers, passengers) entirely or in part by sea. (Commercial Code 341¹, 371a, 372¹, 453, 466, 533, 533d, n, q, v.)

Article 522.

An agreement for transportation obligates the carrier for safeguarding passengers from the time of boarding until the time of disembarking from the ship.

The carrier is obligated to render compensation for losses resulting from injuries which befall passengers in connection with the transportation, except if there is proof that such injury is the result of an event unable to be prohibited or prevented, or resulting from the passenger's own mistake or error. If those injuries are the cause of death, then the carrier is obligated to compensate for the suffering husband or wife, children and parents of that passenger. If the transportation of that passenger is based on an agreement with a third party, the carrier both to the third party as well as to the passenger and his lineal heir, all paying attention to the stipulations in the final paragraphs. (Criminal Code 1244 etc.; 1365, etc.; 1370 etc.; Commercial Code 342 etc.; 468, 523 etc.; 525 etc.; 526a, 533c, 568i, 741; S. 1927- 33 article 2, 5 etc., 9, 11, 20 etc., 30; S.1927- 34 article 2, 5 etc., 9, 11, 20 etc., 30; S. 1927-33 article 10 etc., 37 etc., 64 etc.; 92 etc.; 94 etc.; *Stoomord 1* etc.; 6 etc.; 29.; *Petr. Vervoerord.*6 etc.; 15 etc.)

Article 523.

The carrier is responsible for the actions of those working for him, and the goods which are used for that transportation. (Criminal Code 1367; Commercial Code 359, 468³, 524, 533c, 742.)

Article 524.

The carrier is not free to set conditions that he is not responsible apart from a limited amount of damages due to inadequacy of maintenance efforts, equipment, or provision of efforts that the transportation equipment the appropriateness of those tools for transportation as agreed, or by the inadequacy of supervision on the ship. (AB.23; Commercial Code 359 etc., 459, 470, 522, 533b, c; Criminal Code 568.)

Article 524a.

Conditions for limiting the carrier's liability, under no circumstances provide freedom from the burden of proof that for maintenance equipment, or provision of crew efforts, that the transportation equipment and the appropriateness of those tools for transportation as agreed, have been sufficient. If it turns out that losses are the result of defective equipment or its arrangement.

In this case there may be no deviation from the agreement. (Commercial Code 359 etc., 459, 470a.)

Article 525.

If the carrier is concurrently a shipping enterprise, its responsibility for losses caused by injuries suffered by passengers during transportation on that ship is limited by the number f.50, - each cubic meter of the net capacity of that ship, if concerning mechanically-propelled ships, in addition is that which stipulates that content, reducing the gross capacity of space in which the propulsion machinery is located. If the goods under transportation as well as the passengers or their heirs suffer losses, then the responsibility of the carrier in its totality is limited to the amounts mentioned here, without prejudice to the stipulations in articles 476 and 527. (Commercial Code 320 etc., 474, 522, 526, 526a, 533c, 541; Regulation on Legal Claims 316a etc.)

Article 526.

If the carrier is not a shipping enterprise, the responsibility to compensate for losses due to injuries is limited to the number which, in the matter of injuries is according to the stipulations in the previous article (and) may be demanded from the shipping enterprise. In case of dispute, the carrier must prove the extent of his responsibility. (Commercial Code 475, 582, 526a, 527, 533c.)

Article 526a.

Claims from passengers or their lineal heirs for compensation must have precedence over all other compensation in this matter. (Criminal Code 1131 etc., 1134 etc., 1138; Commercial Code 525 etc., 527.)

Article 527.

With deviation from the stipulations in article 525 and 526, there may be demands for compensation in full, if those injuries are caused deliberately or due to gross error of the carrier. Conditions opposing this are cancelled. (AB. 23; Criminal Code 1370 etc., 1380; Commercial Code 470, 476, 493, 524, 533c, 541.)

Article 528.

The carrier has responsibility for damages arising from delays in transportation, except if it can be proved that such delay was caused by an event which could neither be prohibited nor avoided. (Criminal Code 1244 etc.; Commercial Code 92, 370, 477, 529, 533c.)

Article 529.

If that ship, due to local conditions cannot or may not reach its place of destination in a reasonable time, the carrier is obligated to take the passengers with other transportation equipment to at his own cost.

If it is agreed that the ship does not go further than a place which can be reached by that ship, and berth safely and without impediment, the carrier is obligated to disembark the passengers from the ship at the place closest to the destination in fulfillment of the conditions, except if those delays are only very temporary so in that case, very minor delays were caused. (Criminal Code 480, 528, 533c, S.1920 - 274.)

Article 530.

Passengers may request that the carrier provide them with travel tickets.

The ship's captain has the authority to issue travel tickets for transportation by a ship under his control, unless other people are assigned to issue those tickets. (Commercial Code 371a, 504 etc., 371 etc., 533b, n.)

Article 531.

The travel tickets may be in the name of the passenger, of the above indicated, or those appointed.

If in the name of the appointed, then article 508 is valid. Blank travel tickets are considered in the name of the above indicated. (Criminal Code 613, 1977; Commercial Code 457, 506, 532.)

Article 532.

Passengers cannot transfer to another person the transportation agreement without permission from the carrier, unless they accept travel tickets which indicate the appointment, and before boarding the ship. (Criminal Code 613³, 1977; Commercial Code 531.)

Article 533.

With regard to passengers' baggage, the stipulations on freight transportation apply. The carrier is not obligated to compensate for losses occurring to goods stored by passengers themselves, unless it turns out that the necessary efforts were made for their safety. For damages caused by fellow passengers, the carrier is not responsible concerning these goods. (Criminal Code 1244, 1246, etc., 1444 etc., 1694 etc., 1700 etc., Commercial Code 372, 391, 394, 466 etc., 533a, c.)

Article 533a.

For the application of articles 493-497 and 500, then what is meant by that which must be paid to the carrier is not only expenses

for the transport of baggage apart also from the transportation of the passengers themselves. (Commercial Code 533.)

Article 533b.

Travel tickets whose contents are related to in the rules of the first paragraph of article 524, may not be issued for transportation from harbors in Indonesia. (Commercial Code 517b, Criminal Code 569.)

Article 533c.

Articles 522-529 and 533 are valid for transportation of people from Indonesian harbors. This is also valid for transportation to harbors in Indonesia, with the exception that articles 524 and 524a of the second paragraph do not apply if the conditions of the agreement as referred to there are valid according to the state laws where the ship is boarded.

The stipulations of this chapter which are valid before or at the time of boarding the ship occurs in an Indonesian port - the stipulations of this chapter which are valid at the time of or subsequent to disembarkation from the ship in an Indonesian port.

(AB. 18; Commercial Code 517c, d, y, 520f, y.)

x2. Constant Voyage Services.

Article 533d.

For the transportation of passengers by shipping companies which organize constant services between two places or more (constant shipping services), the following stipulations apply (Commercial Code 517e, 533v.)

Article 533e.

If the carrier has already notified the conditions of transportation and the tariff, he is obligated to transport people who declare themselves for participation in the transportation in accordance with that notification, as long as the place and direction requested are allowed, unless there are reasons, based on certain people not being allowed to board the ship.

The carrier is obligated to provide opportunities to the public for obtaining the conditions and tariff already notified. This applies for his transportation, unless both parties determine stipulations in writing. (Commercial Code 517j; S. 1927- 261 articles 22, 32, S. 1927-262 article 3 etc., 6.)

Article 533f.

The carrier's responsibility does not cease if the ship which loads passengers cannot continue the voyage, or cannot continue the voyage within a reasonable time. The carrier must arrange continued transportation to the destination at his own expense. (Commercial Code 462, 517r, 519d, 524, 528 etc., 533g, h, m, s, u, y.)

Article 533g.

An opposing party in a transportation agreement, before the commencement of a voyage, may break off the transportation agreement with a written notification to the carrier. The freight cost already paid must be returned, but however, the carrier is entitled to claim damages if perhaps he suffers from that decision. (Criminal Code 1246 etc.; Commercial Code 533f, x, 741.)

Article 533h.

If a ship which it is agreed to transport passengers, cannot commence its voyage at the agreed time, or cannot commence within a reasonable time after that, the opposing party is entitled to break off the agreement. Transportation costs already paid must be returned.

If the opposing party does not use this right, then the carrier is obligated to transport the passenger at his wish by the next ship on which there is opportunity for this. (Commercial Code 519b, e, 533f, g, i, j, k, m.)

Article 533i.

Transportation costs must be paid in advance. (Commercial Code 517p, 533e, g, j-m, q, x.)

Article 533j.

Passengers subsistence cost shall be included in the fare. In the event it has been agreed upon that passengers subsistence cost shall not be the liability of the carrier, in case of emergency however, carrier shall also provide foods and drinks at reasonable price (Commercial Code 358, 403, 533f, k, m, n, q, u, x; Criminal Code 470.)

Article 533k.

When at the start of the voyage or on the continuation after any short stop, passenger failed on board on time and thereby fails to continue the voyage wholly or partly, he must pay fully the fare deducted by an amount in respect of the subsistence cost, where in the event same shall be disputed, shall be established by the judge (Commercial Code 533g, j, q, x, 741.)

Article 533l.

In respect to passenger who dies or due to sickness en route and shall be necessary to leave the ship, the part of the fare must be paid which in the event there shall be dispute thereon shall be established by the judge. The amount which has been paid must be refunded (Commercial Code 346, 533q, x, 741, Ship owner Regulation of 1925 Art. 20 and further.)

Article 533m.

When the voyage has been commenced and due to the measures taken by the authority or due to the break of war shall fail to be continued or fail to continue within reasonable time, the voyage shall be terminated at the port where the ship is found or at the nearest safe harbor which can be reached.

The payment of fare shall not be mandatory, unless the other party has obtained the benefit from such transportation. Upon the claim of carrier, the judge may decide that the fare must be paid and establish the amount according to fairness in consideration of all situation. Because of the subsistence cost which has been enjoyed must always be paid partly of the portion of the fare, where in the event of dispute thereon shall be established by the judge according to fairness.

What has been paid exceeding the established amount for fare must be refunded (Commercial Code 367, 369, 419-1 numbers 2, 3, 5, 420-3, 421-1, 404, 517s-u, 520a, 533h, i, j, u, y, 741.)

Article 533m bis.

(amended by State Gazette of 1940-34).

When due to measures taken by the authority the ship space provided for the passengers shall be deprived from the control of shipper, both parties shall reserve the right to terminate the agreement.

When the voyage has been commenced, such agreement shall cease at the harbor where the ship is found or at the closest safe harbor which can be reached.

The second and third paragraphs of the preceding article shall also apply.

x3 Time Charter

Article 533n.

In regard to time charter of passengers transport shall be applied the methods in conformity with the provisions of articles 518, 518a, 518c, 518 e and 518f.

Subsistence of passengers shall be borne by the charterer (Commercial Code 533j)

Charterer shall be authorized to accept passengers to be transported at the transportation fare and terms and conditions considered proper.

In the event transportation ticket shall be issued by or on behalf of the master of the ship or signed by him or on his behalf, the shipper as well as charterer shall be responsible (Commercial Code 530.)

In the event the shipper shall thereby assume more obligations than those obligated by the charter party, the shipper shall therefore recover from the charterer (Commercial Code 321, 533q, x, z.)

Article 533o.

In the event in the charter party the number of passengers who are able to be transported by the ship is declared to be larger than the actual number, the charter fee shall be subject to proportional reduction and in addition thereto shipper shall indemnify therefor, unless the charterer knows how many passengers are actually able to be transported by such ship (Civil Code 1246 and further; Commercial Code 454, 518a, b, j, 533n.)

Article 533p.

In the event such time charter concerns with Indonesian flag flying ship, in so far no other agreement having been entered upon, shall apply the provisions of this paragraph irrespectively where the charter party has been entered into (Commercial Code 310 and further, 518 g.)

x4. Voyage Charter

Article 533g.

In regard to voyage charter for passengers transport shall be applied the method in conformity with the provisions of articles 518h, 518l, 518m, 519b, 519c, 519e, 519g, 519h and 533i-533l.)

Charterer shall be authorized to accept passengers to be transported at the terms and conditions and transportation fare considered proper. In such a case shall apply the fourth and fifth paragraphs of article 533n (Commercial Code 454.)

Article 533r.

In the event in the Charter party the number of passengers who are able to be transported in the ship or in the space for charter is apparently declared to be larger than the actual number, the owner must indemnify the charterer the loss suffered thereby, unless the charterer knows the actual member; in addition thereto the charter fee shall be subject to proportional reduction, in the event a fixed amount therefor has been established (Civil Code 1246 and further; Commercial Code 454, 518b,j, 533o, 741.)

Article 533s.

In the event of shipwreck or damaged as such, so that she shall not be repairable or economically irreparable, the charter party shall be null and void, unless the owner is willing to transport those passengers upon his expenses on another occasion to their place of destination.

He shall give information thereon within a reasonable period of time (Civil Code 1444; Commercial Code 462, 517r, 519d, 533f, h, x.)

Article 533t.

In the event based on the provisions of the preceding article the charter party shall be null and void, the charterer must pay a part of the charter fee due to the subsistence enjoyed by the passengers where such matter shall be established by the judge according to fairness in the event there shall be dispute thereon. Those which have been paid up above this amount must be refunded.

In the event the charterer orders to transport the passengers to the place of their destination at his cost all expenditures for the subsistence of passengers up to such place shall be at his account. (Commercial Code 519 u, v, 533 j, x.)

Article 533u.

In the event (as stipulated by State Gazette or 1940-34.) When due to measures taken by the authority the or due to the break of war, the voyage failed to be commenced within the reasonable period of time or failed to be continued after having been commenced, both parties shall reserve the right to terminate the agreement by written notice to the other party. Likewise shall apply, in the event due to the measures of the authority control of the owner on the chartered space of the ship wholly or partly shall be revoked by the authority.

In the event such ship is not found in any harbor, such ship must sail to the first safe harbor which can be reached and shall disembark the passengers at such harbor.

Article 520e shall apply in this matter. (Commercial Code 367, 369, 419-1 numbers 2, 3, 5, 420-3, 421-1, 464, 517s, 520a, 533m,y.)

x5. Transportation of Individuals.

Article 533v.

In regard to transportation of individuals in so far same shall not be carried out by regular liner shall apply the following provisions. (Commercial Code 502g, 533d and further.)

Article 533w.

When the day of departure of the ship cannot be fixed, carrier shall commence the voyage within the reasonable period of time after the closing of the transportation agreement.

In the event he failed to comply with this obligations, the other party may terminate such agreement. The transportation fare which has been paid up must be refunded (Commercial Code 503h, 741.)

Article 533x.

(As has been promulgated by State Gazette of 1940-34.) The provisions of articles 519e, 533g, 533i-533l, 533m, 533s and 533t, shall also apply hereto.

Article 533y.

When due to measures taken by the authority or due to the break of war the voyage failed to be commenced within a reasonable period of time, this transportation agreement shall be null and void.

In the event the voyage has been commenced and due to any of such reasons failed to be continued within the reasonable period of time the voyage shall be terminated at the harbor where such ship shall be found or at the nearest safe harbor which can be reached.

The second and third paragraphs of article 533m shall also apply hereto. (Commercial Code 367, 369, 419-1 numbers 2, 3, 5, 420-3, 421-1, 464, 517s, 520a, 533m,u.)

Article 533z.

In the event the passengers are transported by ship to execute any charter agreement and the voyage tickets are issued or signed by or on behalf of the shipper or master of the ship, or signed by anyone of them in regard to the relation between the shipper or shipper and charterer on the one side and the other party in the agreement on transportation and the passengers in other party, shall apply the provision of this paragraph. (Commercial Code 321, 530, 533n, q.)

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Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: VI. SHIP COLLISION

Article: 534-544a

Article 534.

In the event of collision, where a ship shall be involved the liability to damage arising to the ships and the goods or people on board, shall be regulated by the provisions in this chapter.

Ship collision shall be that there is collision or contact of one ship and the other. (Civil Code 1365 and further; Commercial Code 309 and further, 342-345, 358a, 370, 544, 544a; Criminal Code 196-199, 359 and further, 410, 478, 564, 566; State gazette of 1927- 33, 22, and further; State gazette of 1915-327; State Gazette of 1927-62.)

Article 535.

In the event ship collision was attributed to unintentional matter or due to event beyond control, or in the event there shall be doubts concerning the cause of ship collision, the damage shall be borne by those suffered in the collision (Civil Code 1245, 1444 and further.)

Article 536.

In the event such ship collision as result of fault of one of the colliding ships or due to the fault of other ship, the shipper who committed the fault shall be liable to for the whole damage (Civil Code 1245 and further; Commercial Code 316-1-4, 320 and further, 342 and further 373, 539, 742.).

Article 537.

In the event such ship collision as result of the fault of both of the colliding ships the liability of both shippers shall be in proportion to the fault committed by both parties.

This proportion shall be established by the judge without being pointed out by the person who claims indemnity. In the event such matter failed to be established, those shippers shall be liable in equal proportion.

In the event there is a person who dies or wounded, each shipper shall be liable to the third party for the whole damage suffered thereby. The shipper who thereby has paid exceeding the portion which has been calculated in such method referred to in the first paragraph shall thereby have claim to the joint debtors jointly (Civil Code 1278 and further; Commercial Code 320, 539, 741-4, 742-1-1.)

Article 538.

In the event a ship which ordered to be towed, due to the fault of the tugboat collides, in addition to such shipper, shipper of the tugboat shall be liable jointly and severally to the damage (Civil Code 1278 and further; Commercial Code 534 and further; 539, 565, 741.)

Article 539.

The liabilities regulated in the preceding articles are also present in the event the ship collision as attributed to the fault of the pilot even if the employment of such pilot shall be obligatory (Commercial Code 344, 741; State Gazette of 1915-327, State Gazette of 1920-274, State Gazette of 1927-62.)

Article 540.

In the event a ship immediately after collision sails to an emergency harbor or other safe place and sinks prior to reaching her destination, without prejudice to the counter evidence shall be considered as result of ship collision (Civil Code 1916; Commercial Code 534².)

Article 541.

The liability of the shipper due to loss attributed to ship collision shall be limited up to the amount of Rp 50,- for each cubic meter or net content of the ship in so far relating to machine powered ship, plus the extent of the space where such machine was fixed when determining the gross content.

In the event a shipper due to damage attributed to ship collision shall also be responsible as a carrier his whole liability shall be limited only to the amount referred to in the first paragraph, without prejudice to those provided in article 476 and article 527. (Commercial Code 320 and further, 474, 525; Rv=legal action 316a and further.)

Article 542.

Ship sequestration to guarantee the payment of indemnity to be paid shall be carried out after having obtained the permit of the President of the Court of First Instance of the region where the ship is found at the time of submission of application for permit.

Outside the region where there is a Court of First Instance to guarantee the indemnity which has to be paid, may be carried out based on permit of the judge of the region where the ship is found at the time of submission of application for permit.

Articles 721-727 of the Civil Procedure Regulation shall apply to this sequestration. (Commercial Code 568g, 742.)

Article 543.

Plaintiff in the case of ship collision may submit his complaints according to his choice:

- before the judge at the location of the collision;
- before the judge the location where the ship was registered with the ship register;
- before the judge whose legal jurisdiction whereupon sequestration on the ship has been done (Commercial Code 314, 542; Ro = legal ordinance 116f, 124; Rv.99 308 and further, 924, 926, 997;Tbs 3, 7, 10-14.)

In the event according to this provision there shall be no authorized Indonesian Judge, the complaints shall be submitted before the appointed judge in paragraphs (2), (3) or (5) of article 99 of the Civil Law Procedure Regulation according to the differentiation therein (Commercial Code 568j.)

Article 544.

Those which have been provided in this Chapter shall also apply in the event due to the sailing method or due to non compliance with any law regulation, resulted in the loss to other ship or to people or goods available thereon without the occurrence of ship collision (Civil Code 1365 and further, 1370 and further; Commercial Code 472; State Gazette of 1914-255.)

Article 544a.

In regard to ship collision or with movable or immovable goods the provisions of this chapter shall also apply.

A ship which collides or in contact with other immovable goods or those attached thereto, which have sufficient lighting shall be responsible for the damage unless it shall be apparent that collision or contact was not attributed to the fault of the ship (Civil Code 1366, 1370 and further; Commercial Code 742.)

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Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: VII. SHIPWRECK, GROUNDED SHIP AND FLOTSAM

Article: 545-568k

Annotation:

The Articles in Chapter VII which were coming into force by virtue of State Gazette of 1933-47 jo. State Gazette of 1938-2 as of April 1, 1938 have been adjusted to the provisions in "wet" of December 22, 1924 (Netherlands State Gazette of 1924-573). By virtue of "wet" dated July 27, 1931 (Netherlands State Gazette of 1931-320) Chapter VII has been entirely reviewed under the title "van hulp en berging" (tentang pertolongan dan penyingkiran = succor and salvage) and contains articles 545-571. The Indonesian articles in conformity with the articles of the Netherlands which have equal numbers as has been amended by law of December 22, 1924, this matter have been recorded in the marginal side of the old "wet"; Wholly or partly in conformity with the articles of the Netherlands which is in force at present, it is therefore presented hereby with the new addition and deleting the numbers of the old articles. Chapter VII shall apply to the Indonesians (See State Gazette of 1933-49).

Article 545.

Nobody shall be allowed to come on board without firm permit of the master even though by excuse to succor or to salvage (Civil Code 1365; Commercial Code 341-1, 341b, 342, 345, 550, 560 and further, 563, 655, 633; State Gazette of 1830-5.)

Article 546.

Wreck or grounded ships on beach, and the goods salvaged from the sea or from the beach, shall not be succored or salvaged except by permit of the master in the event he is present at place (Commercial Code 548 and further).

Article 547.

In the event, master of the ship, owner of cargoes or holder of consignment shall be at place, the ship and goods referred to above must be surrendered to their control and shall be surrendered by the salvors immediately and with sufficient guarantee for their salvage fee to them (Commercial Code 341¹, 341b, 342, 345, 452e, 545 and further 560 and further.)

Article 548.

Anyone who withholds the wreck ships or goods, succored or salvaged or anyone who failed immediately to comply with the claim of the master, the consignment holder or owner of cargoes to surrender those goods to them with sufficient guarantee, shall lose all his fee for succoring, in addition thereto shall indemnify all damage attributed to such withholding (Civil Code 1365 and further; Commercial Code 546, 568e, 568g.)

Article 549.

The expenses and money expended for transporting the goods from the storing place to the place of destination in the case those referred to in the preceding articles, shall be paid by those who receive those goods; without prejudice to their claim if any shall be reasons therefor.

Article 550.

(As has been promulgated by State Gazette of 1925-497.) If those ships or goods on sea or on beach have been rescued, succored or salvaged from the sea without the presence or knowledge of the master, owner of the goods or holder of the consignment by the salvors those ships or goods shall be immediately transferred to the nearest place and shall be surrendered to the official who by or on behalf of the government shall be in charge of managing such matter or in the event there shall be no such person, than shall be surrendered to the official which must be appointed by the Head of the Local Regional Administration.

In the case of violation, the salvors shall lose their rights on the salvage fee, and they shall indemnify, without prejudice to the possibility of criminal prosecution in the event there shall be reason therefor (Commercial Code 549, 552 and further, 556; State Gazette of 1956-71 article 8. State Gazette of 1856-73 article 9 and further.)

Article 551.

Wreck or grounded ships or the goods salvaged from the sea or on the beach or collected, or in the event there shall be no other purposes by excluding all the others must be saved and succored by or before the appointed official, or in the event there shall be no official by or before the official appointed by the Head of the Local Regional Administration at the location of the ship wreck or the salvaged goods.

But in the event due to the mixture of those goods or due to other reason it can not be ensured who shall be the owner of those succored or salvaged goods, or since there are differences the salvage and succor must be carried out by the official fixed or appointed by the Head of the Local Regional Administration (Commercial Code 546 and further, 550, 552 and further.)

Article 552.

The fixed or appointed official to manage the grounded, salvaged or succored goods from the sea, shall make inventory properly, and in regard to the surrender of those goods they shall have equal obligations as regard to those salvors who have saved the ship or the goods on sea or on beach. They shall receive the fee for such management the amount whereof shall be established in the regulation or which shall be further stipulated by the Government.

The masters and owners of the ship or the goods in respect to such officials one and the other in the case of salvage fee, shall have equal obligation as in regard to the salvors (Commercial Code 550 and further 554 and further, 556 and further)

Article 553.

The official in the case referred to above shall give report concerning what they have done to the Head of the Local Regional Administration within the period of two times 24 hours (Commercial Code 554 and further.)

Article 554.

The goods whose conditions are as such so that not to be claimed any longer and which due to the damage or to the nature these shall be deteriorated immediately, or which storage thereof undoubtedly shall be contrary to the interest of the owner after having obtained free of charge authorization of the Head of the Local Regional Administration must immediately let them to be sold before the public according to the local custom (AB= General Provision 15.)

Article 555.

Such officials shall notify immediately concerning such salvage which has been done in the official newspaper, when having the domicile in Java and Madura and in the regions outside Java and Madura in the method which must be established by the Head of the Local Regional Administration, by mentioning all the marks and identifications, whereas in addition thereto shall summon everyone who thinks to have right on the salvaged goods, to reclaim those goods.

Such summons shall be repeated three times, namely once every month.

In the event however, due to the less significant of the goods it shall be proper, such summons shall be upon the permit of the local Head of the Regional Administration, postponed temporarily to be enjoined further with the summons concerning the other goods in a joint summons (Commercial Code 557.)

Article 556.

In the event someone proofs his right on the salvaged goods, by virtue of bill of lading or other true letters, the official referred to above shall surrender the goods to him after having obtained free of charge authorization of the Head of the Local Regional Administration by paying the salvage fee and the expenses thereof.

In the case of doubt concerning the right of someone or there shall be contradiction of a third party, or there shall be dispute concerning the salvage fee and the expenses thereof, the parties must embark upon common legal remedy; in the last instance the judge may order the surrender of the goods with sufficient guaranty. (Civil Code 1830; Commercial Code 506 and further, 525, 568g.)

Article 557.

In the event after the third summons no one come to reclaim the succored or salvaged goods from the sea, after obtaining free of charge authorization of the Head of the Local Regional Administration, such goods shall be sold before the public and proceeds thereof after being deducted by the salvage fee and the expenses thereof, shall be accounted for to the Head of the Local Regional Administration and shall be kept temporarily with the pay office.

Ratification on accountability shall not absolutely prejudging to the right of the concerned in the event he will exercise in regard to such accountability (Commercial Code 555, 558.)

Article 558.

When within the period of 10 years anyone can proof himself as owner of the salvaged goods, the money proceeds thereof shall be given to him.

When within such period of time there shall be no one come, the money proceeds thereof shall be considered as unidentified goods.

The appropriated enemy goods and declared as property of the state shall absolutely not be subject to reclaim. (Civil Code 520, 1126, 1129, Commercial Code 555, 559².)

Article 559.

Absolutely no shore duty shall be charged on the stranded ship or the salvaged goods.

This provision shall not deprive the right from appropriating enemy ship or her stranded goods (ISR =Indonesian State Regulation 145; Commercial Code 558.)

Article 560.

For succor given to ship in distress, the goods on board, the cargoes and the passengers, to save the lives of people undergoing ship accident and to safeguard flotsam and goods of ex sunken ship, salvage fee must be paid.

Unless covenanted by the parties otherwise, salvage fee shall also be given in the event such succor resulted properly. (Commercial Code 316-1-3, 370, 461, 561, 563, 567, 568i, k, 742, 752.)

Article 561.

The disputed salvage fee shall be established by the judge according to fairness.

Unless covenanted by the parties otherwise, in the event such succor resulted improperly, the salver ship shall be given restitution of the expenses, indemnified and interest. (Commercial Code 560, 562 and further, 567, 568b, c, j.)

Article 562.

Salvage fee shall not exceed the value of the salvaged goods. (Commercial Code 560 and further, 563.)

Article 563.

Any agreements pertaining to salvage fee entered into during and under influence of peril may be nullified or modified by the judge upon demand of either party, that the agreed terms and conditions are not reasonable.

At any rate however, in regard to the demand as referred to in the first paragraph, the agreement on such fee may be nullified or modified by the judge if it shall be apparent that the consent given by any party was under the influence of fraud or withholding of information or that there has been disproportion between the fixed fee and the service rendered. (Civil Code 1321, 1328, Commercial Code 560 and further.)

Article 564.

The passengers shall not be entitled to salvage fee because the succor given by them to the accompanying passengers, the ship or her cargoes, except that reasonable consideration may be given to them which may not be considered that they are entitled thereto. (Commercial Code 341⁵, 560 and further, 565.)

Article 565.

The tugboat shall not be entitled to salvage fee due to succor given to the towed ship, her passengers or cargoes, unless extraordinary service have been rendered by it, which may not be considered as the implementation of the towing agreement (Commercial Code 341⁵, 538, 560 and further, 564.)

Article 566.

Notwithstanding succor has been given to any ship, her passengers or cargoes by a ship having same owner, salvage fee must also be paid. In this case anyone having interest in such salvage fee may demand to the judge the confirmation thereon, notwithstanding agreement on such fee has been entered into. Likewise shall also apply in the event among those both ships owners have similar interest. (Commercial Code 320, 341⁵, 560 and further.)

Article 567.

In the event succor given by persons or group of persons acting free from the one and the other, each of them shall be entitled to the salvage fee and each for himself and in the event of dispute may demand the confirmation thereon. (Commercial Code 560 and further, 564 and further, 742.)

Article 568.

(as promulgated by State Gazette of 1934-2).

In the event succor was given by a ship, the ship owner, master and crew, and the other passengers who have assisted in succoring her, shall be entitled to such salvage fee. (Commercial Code 320, 341, 375 and further, 564 and further, 393, 452e, f, 560 and further, 564, 568a, c, 742.)

Article 568a.

Ship owner shall be authorized to enter into an agreement concerning such salvage fee or in the absent thereof, to demand the confirmation thereon by the court. The agreement entered into by him shall bind all who shall be entitled to such salvage fee. He shall notify to each of them upon written request, concerning the total of the fee and the distribution thereof.

In the event ship owner shall not be available at place, the master who shall act, unless the ship owner has appointed other person therefor. (Commercial Code 320, 341, 341d, 360 and further, 560 and further, 568, 568b.)

Article 568b.

In the event there shall be dispute in regard to the distribution of the salvage fee, upon the request of the most prepared party such distribution shall be established by the judge after having heard or at least summons sufficiently the others who shall be entitled. (Commercial Code 560 and further, 568a.)

Article 568c.

(as promulgated by State Gazette of 1934-214 jo. State Gazette of 1938-2.) Release of right by the master or by any crew in regard to his portion in the salvage fee which may be obtained or has been obtained by his ship, shall be null and void, unless the ship was used solely to succor and towing works. (Commercial Code 341, 341d, 482e, f, 568.)

Article 568d.

In regard to succor given to any ship and her passengers and cargoes, the salvage fee must be paid by the ship owner. (Commercial Code 320, 341, 360 and further, 560, 564 and further, 699-16, 742.)

Article 568c.

In the event they who have given succor, have done same shall be necessary due to their fault or having been guilty due to theft, withholding or other fraudulent acts, the judge may establish lower salvage fee to them or even to revoke all the entitlement on such salvage fee.

They who have given succor even though has been firmly and reasonably forbidden by the master of the succored ship or in the event he was absent by the party having interest in such ship or in her cargoes, they shall not be entitled to the salvage fee. (Civil Code 1365 and further, Commercial Code 342-1, 34-1d, 358a, 545, 547 and further, 561; Criminal Code 363-1 number 2, 375, 378 and further, 478.)

Article 568f.

(as promulgated by State Gazette of 1934-214 jo. State Gazette of 1938-2). In the event a ship shall be left by the master and the crew and accepted by the salvors, the master shall at anytime be free to return to such ship and resume his leadership thereon, which in such matter the salvors must surrender their leadership to such master, subject to the sanction to be deprived from their entitlement to their salvage fee and shall indemnify, without prejudice to the entitlement they received from the salvage fee (Commercial Code 341, 341d, 345, 546, 560, 568g.)

Article 568g.

The ships or cargoes whereto succor has been given or which have been saved, without prejudice to the provisions contained in articles 550, 551 and 568f, may be withheld by those who have given succor thereto, as long as payment has not been made or guaranty to that effect has been given.

Sequestration of the ship and her cargoes to guaranty the debt due to salvage fee shall be carried out after having obtained permit from the President of the Court of first Instance, in whose jurisdiction the ship is found at the time when application for permit is submitted.

Outside the region where there shall be a Court of First Instance, sequestration as referred to in the above paragraph may be carried out upon permit of the residential judge, in the territory where the ship is found at the time when application for permit is submitted.

To guaranty the saved goods, upon the permit of same, the goods may be sequestered; in so far same have not been fallen into the hands of third party who has obtained same in good faith and for a consideration. (Civil Code 1977.)

Articles 721-727 of the Civil Law Procedure Regulation shall apply to these sequestrations (Commercial Code 498 and further, 542, 545-548, 560 and further, 568b, 742.)

Article 568h.

Anyone who received saved goods and used same, whereas it was known to him that on those goods are encumbered by debt due to salvage fee, shall be personally responsible for the settlement of such debt, in so far such debt shall be claimable on such goods.

Without prejudice to the contrary, the receiver shall be considered as having known, that the debt still encumbers those goods and that claim thereon may be made. (Civil Code 1916; Commercial Code 546 and further, 560 and further, 568g.)

Article 568i.

The salvage fee for special succor to the passengers of a ship must be paid by the management of the ship likewise in the case the ship was sunken.

Such salvage fee shall amounting not more than Rp 300 for each saved person. (Commercial Code 320, 341⁵, 522, 560, 742.) 568i. In establishing the salvage fee, those having equal authorities shall be:

- the judge in the domicile of defendant or in the event defendant shall be more than one persons in the domicile of one among them;
- the judge, in whose legal jurisdiction succor has been given or saved persons or goods have been sent;
- the judge, in whose legal jurisdiction for complaint on salvage fee sequestration has been carried out;

The second paragraph of article 543 shall apply in this case. (Commercial Code 314, 561, 658b, g, RO 116f, 12; Rv. 99, 308 and further, 924, 926, 997.)

Article 568k.

Those provisions shall apply also in the event succor has been given on sea or an aircraft or to her passengers. (Commercial Code 310.)

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter VIII, NOT STATED

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter VIII, NOT STATED / 02-08-00, VIII. NOT STATED

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: VIII. NOT STATED

Article: 569-591

This Chapter contains articles 569-591 and have been deleted by virtue of State Gazette of 1934-47 jo. State Gazette of 1938-2.

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter IX, INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter IX, INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS / 02-09-01, 1. FORMS AND CONTENTS OF COVERAGE

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING
Chapter: IX. INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS
Part: 1. FORMS AND CONTENTS OF COVERAGE
Article: 592-392

Article 592.

In addition to the requirements referred to in article 256, the policy must state:

1. as promulgated by State Gazette of 1933-47 jo. State Gazette of 1938-2) the name of the master, the name of the ship by mentioning the type thereof and the insurance of the ship, the declaration if such ship was made of pine wood, or the certificate stating that the insured does not know such a condition;
2. the place of loading of the goods or where same must be loaded;
3. the port where the ship should depart or must depart;
4. the port or shore the ship must load or unload;
5. the port or shore where the ship must call;
6. the initial point where peril shall occur which shall be the liability of the insurer;
7. the value of the insured ship.

All without prejudice to the exceptions found in this chapter. (Civil Code 806; Commercial Code 247 and further, 252, 254 and further, 258, 263 and further, 272, 595 and further, 602 and further, 606, 615, 624 and further, 637 and further, 653, 661, 681, 744.)

Article 593.

(as has been promulgated by State Gazette of 1933-47 jo. State Gazette of 1938-2) Marine Insurance shall be specially based on:

- ship body and draught, empty or with cargoes, armed or not, sailing alone or jointly with other ships; (Commercial Code 602, 619.)
- equipments and ropes; (Commercial Code 602.)
- war equipments; (Commercial Code 602.)
- food-stuffs and in general all expenses spent for such ship, up to the ship shall be on sea; (Commercial Code 602.)
- her cargoes; (Commercial Code 612 and further.)
- the expected profit; (Commercial Code 615, 621 and further.)
- the anticipated freight to be received; (Commercial Code 615, 623.)
- slavery peril. (Commercial Code 618.)

In regard to ship insurance, without further indication of information, shall be understood the body and draught of the ship, her equipments and war equipments. (Civil Code 806; Commercial Code 268, 321, 599, 640, 720.)

Article 594.

Insurance may be entered into:

- against the whole or part of the goods, jointly or individually;
- during the peace or war situation, prior to or during the ship's voyage; (Commercial Code 661.)
- for vice versa voyage; for one of those voyages; for the whole voyage; or for certain time;
- against all marine perils;
- for good and bad news; (Commercial Code 271, 593, 597 and further, 619-2, 626, 637, 650, 674.)

Article 595.

(as promulgated by State Gazette of 1933-47. jo. State Gazette of 1938-2). In the event the insured does not know in which ship the goods shall be loaded, the declaration of the master of the ship or the ship shall not be conditional, provided that in the policy shall be stated about that unknown condition of the insured on the matter, and the declaration on the date and signing of the covering letter or the last assignment letter.

The interest of the insured by such method in this matter shall be exclusively insured for a certain time. (Commercial Code 251, 592-1, 650.)

Article 596.

In the event the insured does not know the compositions of the conveyed or consigned goods to him, he may ask to enter into insurance agreement on those goods under the general term "goods".

In such an insurance shall not be included gold and silver in the forms of currencies, gold and silver bars, gemstones, pearls or jewelries and for war purposes. (Commercial Code 251, 256-3, 612, 627 and further, 644, 727.)

Article 597.

In the event the insurance shall be entered into on the ship or goods which at the time when the agreement was entered into have arrived safely at the place of destination or for any interest where the damage is insured loss is insured, and have been available at the time referred to above, the provisions of article 269 and article 270 shall apply, if it shall be evidenced, or in the event there shall be assumption that when entering into such agreement, it has been known by the insured about the safe arrival of the ship or by the insure or trustee concerning damaged. (Commercial Code 251, 603 and further.)

Article 598.

Such assumption contained mean article 270 against the insured shall not exist, in the event such insurance has been entered into based on good or bad news, provided that in this case, in the policy shall be stated the last news received by the insured concerning the insured goods; and provided that the entered into insurance for the account of third party, in the event of damage, shall be evidenced concretely concerning the date of trust obtained by such trustee for entering into the insurance.

Based on such term, such insurance may only be cancelled, if it shall be evidenced that the insured or trustee at the time when the agreement was entered into has known the suffered damaged. (Civil Code 1321, 1449; Commercial Code 256-8, 264, and further 269, 594.)

Article 599.

Insurance shall be null and void if it has been entered:

- 1, 2, 3 Deleted by virtue of State Gazette of 1933-47, State Gazette 1934-214, State Gazette of 1938-2;
4. on the goods which according to law and Government Regulation shall not be merchantable.
5. On ship, Indonesian as well as foreign ship used to transport goods referred to in 4. (AB.23; Civil Code 1337; Commercial Code 250,593; Criminal Code 324 and further, 327.)

Article 600 and 601.

Deleted by virtue of State Gazette 1933-47 jo. State Gazette of 1938-2.

Article 602.

Insurance on the ship body and draught may be entered into for the whole value of the ship together with the equipments thereof and all her expenses up to be on sea. (Commercial Code 378, 593, 612, 619.)

Article 603.

Insurance may be entered into on ships and goods which have left or transported from the dangerous place where the peril at the account of the insured should be started provided that in the policy same it is stated, concerning the exact departure of such ship or transport of such ship or transport of the goods as well as concerning a such unknown matter to the insured.

At any rate in the policy must be stated that shall be subject to become null and void sanction, the last news received by the insured from the ship or the goods and in the event such insurance was entered into at the account of third party, the date of the designation letter or covering letter or affirmative statement stating that the insurance has been entered into without giving trust to the beneficiary. (Commercial Code 251, 256-8, 265, 281, 592, 597, 604 and further, 624 and further.)

Article 604.

In the event the insured in the policy gives information concerning his unknown as provided in the preceding paragraph, and it was apparent later that the insurance has been entered into after the departure of the ships from the dangerous place where for the account of the insurer should start to, in the case of damage, upon the claim of insurer, the insured must confirm his declaration concerning his unknown under oath. (Commercial Code 269; Civil Code 381.)

Article 605.

In the event the policy failed to mention either the departure of the ship or his unknown, such matter shall be considered as admission that at the last post of departure prior to the preparation of such policy or in the absent of such regular post, on the last good opportunity to send the news, such ship is still harboring at the location where she must depart (Civil Code 1925, and further; Commercial Code 251, 603.)

Article 606.

In the event insurance was entered into on the ships which have not been in the dangerous place which should occur, or where the ship has not been ready to start her voyage or to be loaded, or the goods which are not immediately able to loaded, such insurance shall be null and void; unless such condition shall be mentioned in the policy or in such a case shall be declared that the insured does not know about such matter; by mentioning at the covering letter or the letter of designation or information that those letters are not available, and in addition thereto at any rate, shall mention the last news received about the ship or the goods.

The insured and trustee in the case of damage shall confirm their unknown under oath (Commercial Code 251, 269, 592, 603, 624, 627 and further; Criminal Law 381.)

Article 607 - 611.

Deleted by State Gazettes 1933-4/jo. 1938-2.

Article 612.

Goods may be insured for its full value at the time and place of shipment, with all costs up to on board the vessel included therein the premium of insurance separate estimate of cost may not be claimed for each of the item. (Commercial Code 253, 613 & subsequent, 627 & subsequent).

Article 613.

The actual value of the goods insured may be increased with the cost of freight, import duties and other charges which are obligated to be paid on arrival, provided that such payment are mentioned in the policy. (Commercial Code 256 - point 8).

Article 614.

The increase described in the foregoing article shall not be binding in case the insured goods do not reach its destination, in so far by so doing the payment of cost of freight, import duties and other charges in its entirety or partially shall be cancelled.(amended by State Gazettes 1934-214 jo. 1938-2). However in case the cost of freight in accordance with the agreement concluded before the departure of the vessel shall be prepaid, the insurance on the matter shall be maintained. In case of disaster or damages the fact of prepayment shall be established. (Commercial Code 281, 478 & subsequent 482).

Article 615.

For the insurance on the profit to be gained a separate estimate shall be made on the policy, by stating specifically on which goods it applies. The absence of hereof shall render the insurance null and void.

In case the value of the insured is expressed in general terms, with definite stipulations, that everything in excess of the value of the goods shall be considered as profit to be gained, the insurance shall cover the value of the goods insured; however the amount in excess shall be brought back to the calculation of the amount of profit to be gained and which may be established, computed by the standard provided in article 621 and article 622. (Commercial Code 592 & subsequent, 612 & subsequent)

Article 616.

The cost of freight may be insured for its entire amount (Commercial Code 453 & subsequent, 593, 613 & subsequent, 623, 630, 640, 642).

Article 617.

(amended by State Gazettes 1933-47, 1934-214, 1938-2).

In case the vessel sinks or founders, on account of the mishap the insurance shall be deducted with the total amount of travel expenses which shall be paid by the captain or owner of the vessel, inferior to the amount which shall be paid in case the vessel arrives safely.

Article 618.

Insurance against slavery is made up to a certain amount which be benefited for to redeem individuals who are brought under slavery and their redemption are insured.

The difference between the ransom and the amount insured constitutes as profit for the insurer; and if the amount needed to redeem them is larger than the amount decided upon in the policy, the insurer shall only comply with the amount stipulated in the policy.

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter IX, INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS / 02-09-02, 2. BUDGET OF INSURED GOODS

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING
Chapter: IX. INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS
Part: 2. BUDGET OF INSURED GOODS
Article: 619-624

Article 619.

The full value of the insurance on the hull or keel of the vessel, notwithstanding that it had been estimated before, may be revalued or devalued by the ruling of the court of law, if necessary after experts' account in case:

1. the vessel in the policy is valued at the time of purchase or according to the cost of her construction and same by reason of ageing as well as by the numerous voyages she have made her value is diminished.
2. in case the vessel insured for various voyages, after completing one or more voyages and thereby earning some freight cost, sinks during one of the insured voyages. (Commercial Code 273 & subsequent, 593 & subsequent, 713).

Article 620.

In case the insurance is made for the return voyage from a country whose system of trade is barter the estimate of the value of the goods insured is calculated on the basis of how much was spent for the bartered goods added by the cost of freight.

Article 621.

The profit to be gained shall be proven by the price lists officially recognized or in case in the absence of same by an estimate made by experts from which it appears that reasonable profit has been gained at the place of destination of the insured goods after safe arrival of same after completing an ordinary voyage. (Commercial Code 273, 593, 615).

Article 622.

In case from the price lists or the estimate of experts after safe arrival the profit is less than same stated in the policy given by the insured, the insurer shall suffice to pay the lesser amount.

He shall not be required to pay anything if the goods insured shall likely not render any profit at all. (Commercial Code 60, 615, 621).

Article 623.

The amount of cost of freight shall be proven by charter-party or bills of lading.

In the absence of charter party or bill of lading, or if it concerns the goods belonging to the owner of the vessel, the estimate amount of cost of freight is drawn up by the experts. (Commercial Code 454 & subsequent , 506, 512, 593).

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter IX, INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS / 02-09-03, 3. COMMENCEMENT AND TERMINATION OF PERILS

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING
Chapter: IX. INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS
Part: 3. COMMENCEMENT AND TERMINATION OF PERILS
Article: 592-392

Article 624.

With regard to insurance of the vessel, the liabilities of the insurer started as of the time the captain loads the commodities; or in the event she has to make a voyage carrying ballast only as of the ballast is being loaded. (Commercial Code 592 - 6, 627, 634, 696).

Article 625.

The insurance mentioned in the preceding article the liability of the insurer ends 21 days after the arrival of the vessel insured at the port of destination or several days earlier concurrent with the unloading of the commodities or the last cargo. (Commercial Code 506, & subsequent, 516, 592-6, 632, 634, 638).

Article 626.

With regard to vessel insurance for home and away voyages or for more than one voyage, the liability for the insurer is continuous up to and including the twenty-first day the last voyage is completed or several days earlier until the last cargo of commodity is unloaded. (Commercial Code 316, 594, 624 & subsequent)

Article 627.

With regard to insurance or other goods and commodities, the liability in-cumbered upon insurer shall start as of the moment the goods are delivered on the quay or on shore to be loaded into or transported by the vessel on which the goods are to be loaded and shall end fifteen days after the vessel arrives at the port of destination or several days earlier concurrent with the unloading of the goods there and placed on the quay or on shore. (Commercial Code 457 & subsequent, 506 & subsequent, 516, 517i-l, 518l & subsequent, 5180 & subsequent, 519g-m, 520i & subsequent, 593, 596, 624, 629, 632 & subsequent, 644).

Article 628.

With regard to insurance on other goods and commodities, liabilities run continuously, although the captain is forced to enter into an emergency port and to unload and carry out repairs there until the voyage is legitimately ended or be given order by the insured not to re-load his goods into the vessel or the voyage is completely brought to an end. (Commercial Code 519d, 627, 632).

Article 629.

In case the captain or the insured on the goods is prevented by legitimate reasons to unload the cargo within the time provided in article 627, without being responsible for delays, the liabilities on the part of the insurer take place continuously until the goods are unloaded.

Article 630.

With regard to insurance in order to obtain the sum of money from the cost of freight, the liabilities of the insurer shall start as of the moment the goods and commodities for which the cost of freight has been paid and loaded into the vessel, gradually until it shall end 15 days after the arrival of the vessel at the place of unloading at the port of destination, or at the earliest after the goods and commodities have been unloaded.

In this case the provision of article 629 is also applicable. (Commercial Code 453, 462, 464, 491, 506, 593, 616, 627, 634, 628 & subsequent).

Article 631.

Deleted by State Gazettes 1933-47 jo. 1938-2.

Article 632.

In case the voyage is suspended after the liabilities shall begin to take place, then with regard to the insurance on the goods the liabilities continue to take place for 15 days, and with regard to insurance on the vessel 21 days, after the voyage is suspended or at the earliest until the goods or commodities shall have been unloaded. (Commercial Code 624, 627 & subsequent, 629, 635 & subsequent)

Article 633.

The beginning and ending of the time the liabilities with regard to the insurance on the profit to be gained take place is equal to the time determined for goods. (Commercial Code 627 & subsequent, 634).

Article 634.

In all insurances, both parties are free to make other provisions with regard to the beginning and ending at the appropriate time with regard to the duration of liabilities. (Civil Code 1338; Commercial Code 592 & subsequent, 624.)

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter IX, INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS / 02-09-04, 4. RIGHT AND OBLIGATION OF INSURER AND INSURED

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING
Chapter: IX. INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS
Part: 4. RIGHT AND OBLIGATION OF INSURER AND INSURED
Article: 592-392

Article 635.

In case the voyage is suspended prior to the time the liabilities take place, the insurance shall become null and void.

Article 636.

In case the voyage is suspended after liabilities for the insurer take place before the vessel anchors aweigh from the last harbor, the insurer receives one percent of the amount insured if the premium is one percent or more and the whole premium if it is less than that.

In any case the premium is fully awarded to the insured in case he pressed for compensation.

Article 637.

(Amended by State Gazettes 1933-47, 1934-214, 1938-1, 2).

Encumbered upon the insurer are all losses upon the goods insured on account of tempest, thunder storm, ship wreck, grounding, sail over, brush against, ship collision, drifting, coerced change of route; on account of goods bail out, fire, violence, flooding, hold up, sea piracy, robbery, detention by order from high quarters, war, reprisal; all losses on account of negligence, or captain's or crew's fraud and in general on account of external disaster by whatever name, save by legal provision or by contract within the policy that insurer shall be exempted from encumbrance of one of the liabilities referred to. (Commercial Code 249, 276, 290, 341, 342, & subsequent, 357, 370, 517s. t., 519d. f., 520a, 534 & subsequent, 545 & subsequent, 592, 538, 640 & subsequent, 646 & subs, 659, 699-2-6).

Article 638.

With regard to ship insurance, insurer's obligation shall cease on account of arbitrary change of route and with regard to insurance on cost of freight, on account of all arbitrary changes of route or of ship; in both cases if the change or the substitution is carried out by the captain by its own volition, or at the order of the ship owner, save when the captain has been acting as such by its own volition, in the policy it is categorically otherwise required.

The same shall apply to insurance on goods, if arbitrary change of route of voyage has been made at the order or explicit or implicit permission of the insured.

The voyage is considered as having been changed, as soon as the captain started towards a port of destination other than for which the voyage is insured. (Commercial Code 293, 367-370, 592-3-5, 593, 639, 641 & subsequent, 653.)

Article 639.

Arbitrary change of route of voyage does not consist of minor deviation, but only when the captain carried it out unnecessarily and without utility and without sufficient reason for the interest of the vessel and her cargo, make a call on a harbor outside of his destination or follow another destination other than the one to which he has been obligated.

In case of dispute hereon the judge shall decide on the case after the hearing of experts. (Commercial Code 367-370, 638).

Article 640.

With regard to insurance on vessel and cost of freight, insurer shall not be obligated to pay the losses caused by the captain's fraud, save otherwise agreed upon in the policy.

Such an agreement shall not be permitted if the captain is the sole owner of the vessel, or wherein he has a share. (General Provisions 23; Commercial Code 276, 323, 342 & subsequent, 373a, 592, 616, 624 & subsequent, 630, 637, 642; Criminal Code 466 & subsequent, 469).

Article 641.

With regard to the insurance of goods belonging to the owner of the vessel in which the goods are loaded, the insurers shall not be jointly responsible for the captain's fraud, or for the losses and damages caused by arbitrary change of course of voyage or of vessel, notwithstanding that the same takes place beyond the culpability or with prior knowledge of the insured, save otherwise agreed in the policy. (Commercial Code 276, 342 & subsequent, 367 & subsequent, 592, 627 & subsequent, 637 & subsequent, 640, 693; Criminal Code 467).

Article 642.

With regard to the insurance of cost of freight, insurer shall not be responsible for the losses arisen as of the moment the voyage shall have been properly provided, the captain without legitimate reason for the interest of the vessel and her cargo pass up the opportunity to make the voyage faster, save where the insurer explicitly claim the responsibility therefore. (Commercial Code 342, 367 & subsequent, 519b, 520h, 616, 630, 640).

Article 643.

With regard to the insurance of fluids such as: wine, alcoholic beverages, oils, honey, asphalt, tar, syrup etc. and salts or sugar, insurer shall not be obligated to compensate any losses caused by leakage or melting, save it is caused by jolting, sinking of vessel, or by unloading and reloading at the emergency port of call.

If reasons or any one of the reasons exist, by which insurer shall be obligated to pay compensation caused by leakage or melting, the compensation shall be deducted with the quantity usually lost by such articles in conformity with the judgment of experts. (Commercial Code 249, 644, 719).

Article 644.

In case with regard to matters permitted by law provisions, an insurance has been made under the general nomenclature of goods and commodities, or in any matter whatsoever in which the insurer may have interest, and liabilities take place on goods easily decompose or decrease, insurer shall not be responsible for the amount of losses arising from it which according to the local custom of the place of insurance shall not be encumbered upon insurer. In case of dispute, the matter shall be adjudicated by the judge after hearing experts' finding.

In case among the goods insured referred to above there are goods which at the place the insurance is made are usually otherwise not insured other than free from damages, leakage and melting, insurer shall be entirely freed from the damage referred to. (General Provisions 15; Commercial Code 249, 596, 612, 643, 646, 719).

Article 645.

In case the goods, of the kind referred to in the preceding articles, are denoted by their respective names in the policy without any particular term, insurer shall not be responsible for the losses (general damage) below three percent (Commercial Code 696 & subsequent, 719).

Article 646.

In case an insurance under the term "free from damages" is established, it is indifferent whether the term "safely arrived" is mentioned or not, insurer shall not be responsible for any damage whatsoever if the goods insured arrived at their place of destination in a decomposed or damaged state.

The same provision is applicable on the state of affairs in the event the goods are sold on their voyage or at the port of emergency on account of damages or estimated to be in a decomposed state or it will contaminate other goods.

General loss, as well as losses caused by the bailing out of goods in the sea, hold up, robbery, or other events in this vein, or on account of sinking of vessel, although they are included in the contract, shall be borne by insurer. (Commercial Code 519f, x, 637, 643 & subsequent, 735 & subsequent).

Article 647.

In the event of insurance under the term "molest free" insurer shall be at once free if the goods insured are destroyed or become spoiled on account of violence, hold up, piracy, robbery, detention by order from high quarters, declaration of war and reprisal.

The insurance shall become at once null and void in the event the goods insured under molest is under detention or being diverted from its destination.

All of these do not in any way diminish the obligation of insurer to pay compensation for the losses which took place before the molest. (Commercial Code 368 & subsequent, 517s, t, 520a, 637 & subsequent, 648 & subs, 663).

Article 648.

In the event under the term "molest free", a term was required by the insured that although the vessel is being captured, the customary liabilities continue to take place, insurer shall bear, even after the molest, all common losses taking place on the goods insured, until the vessel is being captured and cast her anchors, however with exception that such losses beyond doubt are due to the molest.

In the event the cause of the sinking is being doubted, then it shall be considered that the sinking of the vessel is caused by common disaster, for which insurer shall be responsible. (Commercial Code 637).

Article 649.

In the event a vessel or goods insured under the term "molest free" cast her anchors at a harbor and before her departure the harbor is occupied by the enemy, or the vessel is being detained, this state of affairs shall be considered tantamount to capture and the liabilities on the part of the insurer ceases to take place. (Commercial Code 367 & subsequent, 637, 647).

Article 650.

With regard to an insurance established for a certain period as provided in article 595, the insured shall deliver the evidence that the goods insured have been loaded into the vessel, which underwent an accident or sunk, within the time specified. (Commercial Code 594, 674).

Article 651.

(amended by State Gazettes 1933-47, 1934-214, 1938-1, 2).

At the compensation of losses for goods purchased or loaded by the captain, on his or the vessel's account, exhibit of purchase shall be produced and a bill of lading of same signed by two principal crew members of the vessel. (Commercial Code 341, 372, 376-2 point 3^o, 506).

Article 652.

In the event on the commodities which shall be loaded in different vessels appointed the insurance is covered separately with mention on the amount insured for each vessel, and in the event the entire cargo is loaded in one vessel, or in a number of vessels smaller than the one stipulated in the contract, insurer shall not be responsible further than for the amount insured by him on the vessel or vessels transporting the cargo, although all the vessels referred to underwent accident; and despite of that, he, in conformity with the differentiation of article 635, shall receive one half of one percent or less than of his insured amount of money which is considered invalid. (Commercial Code 592-1⁰, 638 & subsequent).

Article 653.

Insurer shall be relieved from further liabilities and shall be entitled to the premium in the event the insured dispatches the vessel to a place further than the one stipulated in the policy.

The insurance shall have its full consequence in the event the voyage is shortened. (Commercial Code 282, 367 & subsequent, 370, 592, 638).

Article 654.

The insured shall at once inform the insurer, or in the event there are several insurers signing the same policy, to the first signer, on all the news he received on the mishap that happened to the ship or to the goods and shall send copy or excerpt of the letters in which the mishap were reported to whomever of the insurers who may so wish.

In the event of negligence in performing this, the insured shall be responsible to pay compensation for all the costs, losses and their interest. (Civil Code 1243 & subsequent; Commercial Code 283).

Article 655.

As long as the insured is not entitled to relinquish his right on the goods insured to the insurer and consequently same does not actually relinquish it, in the event the vessel sinks, runs aground, being captured or detained he shall be is obligated to take all possible and appropriate measures to rescue or liberate her.

For this he does not need to obtain special authorization from the insurer, even he is entitled to demand sufficient amount of money to cover the expenses which have to be met in order to rescue or reclaim her. (Commercial Code 283, 345, 369, 545, 657, 663, 665, 675, 718).

Article 656.

The insured, who is required to rescue and reclaim the vessel and for which has given the charge to his usual counterpart in business, or to other corporate body or other person who are known for their good reputation and standing and being not responsible vis-a-vis the holder of the charge, but shall be obligated to relinquish claim against the insurer. (civil Code 613, 1803; Commercial Code 655, 665, 675).

Article 657.

In an insurance without specific account, i.e. the nationality of the owner of the goods insured is not mentioned, the insured is obligated to participate in the reclaiming in the event the capture or detention is against the law, unless in the policy he is exempted from the obligation. (Commercial Code 655 & subsequent).

Article 658.

The verdict of a foreign judge, ruling that vessels and goods insured as impartial goods are not property impartially owned and therefore declared expropriated shall not be sufficient to free insurer from payment of compensation, in the event the insured deliver the prove that the insured goods are indeed an impartial property and that he has made all endeavors and presented all the certificate of evidence before the judge who issued the verdict in order to prevent the issuance of such declaration of expropriation. (Commercial Code 665 & subsequent; Legal action. 436).

Article 659 and 660.

Deleted by State Gazettes 1933-47 jo. 1938-2.

Article 661.

In the event a state of war or other impending happening a raise of premium is required, if the rate of increase is not mentioned in the policy, in case it is deem necessary it will be decided upon by the judge after hearing expert accounts with due consideration on the liabilities, situation and terms set out in the policy. (Commercial Code 592, 637; Legal action. 215).

Article 662.

In all respect, in the event the goods insured are not delivered as well delivered in a smaller quantity or due to faulty estimate excessive amount was insured and further in general with regard to the matters regulated b article 281 insurer receives one half of one percent of the amount insured or half of the premium, and the matter in the like manner as provided in article 635, save in the event of special cases, he was awarded more by the provision of law or contract.

The person who undertake an insurance for other person without mentioning the name of the person concerned in the policy, shall not be able to claim the reimbursement of premium on the basis that the person concerned did not dispatch the insured goods or send it in smaller quantity. (Commercial Code 246 & subsequent, 264-267, 282, 599).

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter IX, INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS / 02-09-05, 5. ABANDONMENT (WAIVER)

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING
Chapter: IX. INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS
Part: 5. ABANDONMENT (WAIVER)
Article: 592-392

Article 663.

The vessel and goods insured may be relinquish or surrendered to insurer in the event the vessel:

- sinks;
- run aground or shattered; (Commercial Code 665).
- being inoperable due to damage at sea;(Commercial Code 664).
- destroyed or smashed due to disaster at sea; (Commercial Code 666).
- captured or detained by foreign state (Commercial Code 369, 665, 668).
- detained by the Indonesian or Dutch government after starting the voyage (Commercial Code 666).
- captured or detained by foreign state (Commercial Code 369, 665, 668).
- detained by the Indonesian or Dutch government after starting the voyage (Commercial Code 624, 665, 668).

All things without prejudice to further provisions stipulated in the following articles (Commercial Code 254, 670, 672 & subsequent, 694).

Article 664

Abandonment for reason that the vessel is no longer operable may not be carried out in the event that after collision or running aground the vessel can be repaired and sail again to continue her voyage to the port of destination and the cost of repair shall not exceed 3/4 of the estimated value insured on the vessel. (Commercial Code 655 & subsequent, 663, 717)).

Article 665.

In the event the vessel runs aground, captured or detained the abandonment may be performed at once in the event insurer refuses or defaults in providing sufficient amount of money in advance to cover the expenses for her rescue or reclamation.

In the event of dispute, the amount of money shall be decided upon by the judge.

The amount of money is charged upon insurer, notwithstanding that the advance money added to the amount of losses to be compensated exceeds the amount insured. (Commercial Code 283, 655 et subs., 663, 668, 676).

Article 666.

Abandonment in the event of sinking or decay may not be carried out except in case the losses or damage amounted to 3/4 of the insured amount or in excess of same (Commercial Code 663 & subsequent, 669, 714 & subsequent).

Article 667.

The insured may also perform abandonment and subsequently claim compensation without the necessity of providing evidence on the sinking of the vessel, if as of the day of her departure or as of the day mentioned in the last information which was received there is no information at all on the vessel, viz.:

- after the lapse of 6 months for voyage within the Indonesian territory;
- after the lapse of 12 months for voyage from Indonesia to Australia, South Asian coast, East African coast, Cape of Hope, to islands situated between those countries and Indonesia, and to islands in the Pacific west of Cape Horn and vice versa;
- After the lapse of 18 months for voyages from Indonesia to other parts of the world and vice versa.

On voyages from and to harbors which both of them are situated outside Indonesia the time lapse is calculated in accordance with the distance referred to above of which the distance is most similar to each other between those ports.

In any of these cases the insured shall be considered sufficient by stating under oath that he did not receive any information, directly or indirectly, from the vessel carrying the insured goods without prejudice to counter evidence. (Commercial Code 603 et subsequent, 663, 669 et subsequent).

Article 668.

In the event the vessel is captured or detained, abandonment may be performed in the event the vessel or the goods being captured or detained is not return or set free within the time provided in the foregoing article, as of the day in accordance with the place where capture or detention took place and as of the date the insured received information on the matter.

In the event the vessel or goods being captured or detained is declared expropriated the abandonment may be performed at once, (Commercial Code 658, 663 et subsequent, 670).

Article 669.

In the event the spoiled goods or vessels declared inoperable are sold on their way, the insured may relinquish his right to insurers, if, notwithstanding that he has undertake efforts, the amount of purchase is not settled within the time stipulated in article 667; everything is counted as of the day in accordance with their venue of sale and as of the day the insured received information on the matter. (Commercial Code 664, 666, 670, 717).

Article 670.

In cases referred to in the three preceding articles, abandonment to insurer notice shall be officially served within three months after the lapse of time stipulated in the preceding articles. (Commercial Code 672 et subsequent, 676).

Article 671.

In other cases, official notice shall be served within the time stipulated in article 667, as of the day according to the place the disaster took place and as of the day the insured received information on the matter (Commercial Code 672 et subsequent, 676).

Article 672.

After the lapse of time stipulated in the two preceding articles, the insured is not anymore entitled to the right of abandonment. (Commercial Code 743).

Article 673.

In cases upon which abandonment may be established, the insured is under obligation to inform the insurer on the information he received within 5 days after the reception of information on penalty of compensation of charges, losses and interest. (Commercial Code 654, 663, 667).

Article 674.

In case the insurance is made for a definite period, the cases after the lapse of period of time stipulated in article 667 the sinking of the vessel shall be considered to have taken place within the period of her insurance.

However if it is proven that the loss took place beyond the period of time of insurance, the abandonment shall become null and void and the compensation paid up shall be reimbursed including its legitimate interest. (Civil Code 1916, 1921; Commercial Code 650).

Article 675.

In executing abandonment the insured shall be under obligation to report all the insurances he has made on the goods insured, or has given charge to make such report, and the borrowing of money made with his knowledge on the vessel or goods. In the event of negligence, the payment that should have started to take place concurrent with the abandonment will be postponed until the day he delivered the report referred to above, without effecting a time prolongation stipulated by legal provision to perform the abandonment.

In the event fraudulent report, the insured shall not enjoy the benefit of insurance. (Commercial Code 252, 282, 593, 612, 676, 680).

Article 676.

The insured is also under obligation to notify insurer concerning the carrying out of abandonment on the steps taken to rescue or set free what was insured and which individuals or business counterpart he has employed for the case (Commercial Code 655 & subsequent).

Article 677.

Partial as well as conditional abandonment may not be performed.

In the event vessels or goods are not insured for their entire amount therefore the insured himself has assume some part of the liabilities, abandonment shall not proliferate further than the amount insured proportionate with the apart not insured. (Civil Code 1297; Commercial Code 253, 594).

Article 678.

In the event abandonment is performed in accordance with legal provisions the goods insured become the property of insurer as of the day of official notification without prejudice to the share of the insured in the event of the second paragraph of the preceding article. (Civil Code 584, 615; Commercial Code 670 & subsequent).

Article 679.

On the pretext that after abandonment the vessel or goods insured is set free the insured shall not be excused from payment of the amount of money insured. (Commercial Code 369, 663, 667).

Article 680.

In the event in the contract payment is not stipulated insurer shall pay the amount of money insured including cost of abandonment 6 weeks after the abandonment is officially notified.

After that period of time he shall pay the legitimate interest.

The goods abandoned are bound to the payment (Civil Code 1139, 1250, Commercial Code 667, 670 & subsequent, 675, 721, 744).

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter IX, INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS / 02-09-06, 6. RIGHT AND OBLIGATION OF MARINE INSURANCE BROKER

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING
Chapter: IX. INSURANCE AND COVERAGE AGAINST AND SLAVERY PERILS
Part: 6. RIGHT AND OBLIGATION OF MARINE INSURANCE BROKER
Article: 592-392

Article 681.

Maritime insurance broker shall be obligated:

1. to deliver a signed note to insurer containing notification on goods insured, term as well as their premium, or in the event of more than one insurer are covering the insurance, to the first insurer among them, not later than 24 hours after the insurance is established. This note shall serve as initial written evidence among the parties. (Commercial Code 257 & subsequent, 260).
2. to explicitly mention in the policy the term, declaration, statement with insertion on all matters legally required as an absolute requirement for policy. (Commercial Code 256, 592, 608).
3. to meticulously keep within the register provided for this purpose copies of policies established by their intermediary (Civil Code 1881; Commercial Code 66).
4. to enter in the register and briefly note annotations, letters and texts, which at the time claims against losses were served have been submitted to insurers, as well as information and letters which through their intermediary may have been served to insurers during the duration of contracts or afterwards.
5. In the event of compensation, to submit to first insurer signing beside the calculation of losses a list sign by them of all the letters and texts to substantiate the calculation of losses; (Commercial Code 721).
6. to provide signed copies of policies, information, letters and annotations referred to above to the insured or insurers whenever they so wish at their own expense.

All these matters on penalty of compensation of charges, losses and interest (Civil Code 1243; Commercial Code 62 & subsequent, 65, 259).

Article 682.

In the event the premium of a maritime insurance policy is not paid up the broker acting as intermediary in the establishment of the insurance shall be under obligation to paid up this amount as his own case the obligation of insurer vis-a-vis the insured remain in force.

Broker is not responsible for the premium if in the policy an agreement is made that the premium is not immediately payable. (Commercial Code 65, 256).

Article 683.

In the event the insured has paid up the premium to broker and within 1 month after the payment he is bankrupt insurer is entitled to that payment to be treated as priority among the other claimant against broker, save the charges for the enforcement of the verdict and the expenses to rescue the bankrupt estate. (Civil Code 1139-1⁰.)

684. Broker who has settled the premium vis-a-vis insurer, is not required to submit the policy which he may kept to the insured, as long as the insured does not reimbursed the amount paid in advance by broker.

In the event of bankruptcy of the insured, broker who still keeps his policy, is entitled to claim compensation which shall be paid by insurer in order to settle the premium to himself, without prejudice to his obligation to account for the remainder vis-a-vis the bankrupt estate. (Civil Code 1812; Commercial Code 260).

Article 685.

In the event the policy has been surrendered to the insured and the compensation to be paid has not been fully paid to the insured yet before his bankruptcy, broker who has fully settled the premium in advance is entitled to be accorded priority for the sum of money which based on that he has to receive yet, regardless whether the loss took place prior or posterior to the bankruptcy. (Civil Code 1134; Commercial Code 68.

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter X, INSURANCE ON PERILS DURING TRANSPORTATION ON LAND AND RIVERS AND INLAND WATERS

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter X, INSURANCE ON PERILS DURING TRANSPORTATION ON LAND AND RIVERS AND INLAND WATERS / 02-10-00, X. INSURANCE ON PERILS DURING TRANSPORTATION ON LAND AND RIVERS AND INLAND WATERS

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING
Chapter: X. INSURANCE ON PERILS DURING TRANSPORTATION ON LAND AND RIVERS AND INLAND WATERS
Article: 686-695

Article 686.

Save the terms referred to in article 256, the policy shall stipulate:(Compare to Commercial Code 256-I number 8⁰)

1. the time within which voyage has to be completed, in the event such matter is stipulated in the bill of lading; (Commercial Code 90, 690).
2. Whether the same has to be carried out continuously or otherwise;
3. the name of the captain of the ship, carrier and dispatcher who has received the forwarding. (Commercial Code 90-3, 248, 254 & subsequent).

Article 687.

Insurance with liabilities of land or river and inner waters transport as object, in general and according to circumstances are regulated by legal provisions on maritime insurance without prejudice to the provision of the subsequent articles. (Commercial Code 248, 593 & subsequent, 754).

Article 688.

With regard to insurance on goods, liabilities encumbered upon insurer commence at the time the goods have been forwarded or dispatched to vehicles or vessels, offices, or such other places which usually receive goods to be forwarded. Liabilities end when the goods has arrived at the place of destination and delivered to the addressee or surrendered to the authority of the insured or his proxy. (Commercial Code 624 & subsequent, 690, 695).

Article 689.

In the event the goods insured have to be transported by land or river or inner waters, or alternately by land and water, during the journey the insurer is not obligated, save for emergency circumstances or force majeure, to resort to other than along the usual route, or other than by the usual means. (Commercial Code 638, 641, 652, 691 & subsequent, 695, 754).

Article 690.

In case the time of transporting is stipulated in the bill of lading and the policy makes mention of it, insurer shall not be obligated to pay compensation to losses that happen after the time during which the goods should have been transported. (Commercial Code 90, 650, 686-1, 688, 695).

Article 691.

With regard to insurance of goods which have to be transported by land or alternately by land and water, liabilities remain, notwithstanding that within the journey the goods are reloaded/transshipped to other vehicle or vessel. (Commercial Code 638 & subsequent, 689, 695, 754).

Article 692.

The same happens with insurances of goods which have to be transported by river or inner waters, in the event the goods are transshipped to other vessel; save in the event the insurance may be made with regard to goods which have to be transported by particular vessel.

Even for this special case, the time the goods are transshipped to another vessel, liabilities continue to take place at the expense of insurer, in which case the vessel shall be unloaded during low water or by other reason which makes it unavoidable. (Commercial Code 638 & subsequent, 691, 695, 754).

Article 693.

With regard to insurance on goods transported by land, insurer is also responsible for damages and losses caused by mistakes or fraud committed by the person in charge of reception, transport and delivery. (Commercial Code 86 & subsequent, 91 & subsequent, 637, 687, 695).

Article 694.

The provision of section 5 Part IX also apply to the insurance referred to in this section. (Commercial Code 663).

Article 695.

Parties are free to put conditions deviating from the stipulation referred to in article 688 and subsequent articles. (Commercial Code 687, 754).

CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter XI, GENERAL DAMAGE**CODE, COMMERCIAL CODE / II. Two, RIGHT AND OBLIGATIONS ARISING FROM SHIPPING / Chapter XI, GENERAL DAMAGE / 02-11-01, 1. GENERAL DAMAGE**

Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: XI. GENERAL DAMAGE

Part: 1. GENERAL DAMAGE

Article: 696-721

Article 696.

All extraordinary expenses for the benefit of the vessel and goods made jointly or separately, all losses that fell upon the vessel and goods during the time stipulated in Section 3 Part IX, concerning the beginning and ending of liabilities, is counted as general damage. (Commercial Code 624 & subsequent, 697, 699, 701, 702 & subsequent).

Article 697.

If between parties not otherwise contracted, general damage shall be regulated in accordance with the following provisions. (Civil Code 1338).

Article 698.

There are two kinds of general damage:

- gross general damage or general damage, and
- simple or special damage.

The first shall be calculated on the vessel and cost of freight and cargo; while the second shall be encumbered upon the vessel, or upon goods separately which suffered losses, or which have caused costs. (Commercial Code 646, 699 & subsequent, 701 & subsequent, 703, 708, 727 & subsequent, 745).

Article 699.

(legalized by State Gazette 1933 - 47, State Gazette 1938 - 1, 2.) General damage is defined as the following:

1. whatever is given to the enemy or sea pirate in order to release or to pay ransom on the vessel and its cargo. In case of doubt, it is always considered that the payment of ransom is carried out for the common benefit of the vessel and its cargo; (Commercial Law 699 - 7 etc., 12 etc.)
2. whatever that for the common safety or benefit of the vessel and its load is thrown overboard or used up; (Commercial Law 357, 391, 394, 479, 519y, 729)
3. thick cable, mast, sails and other equipment cut-up or broken for the above mentioned purpose; (Commercial Law 357, 734.)
4. anchor, cable and other goods which must be thrown overboard for the same purpose; (Commercial Law 357, 734.)
5. loss on residue goods onboard due to being thrown overboard; (Commercial Law 699 - 6, 701 - 5.)
6. loss voluntarily incurred on ship's hull to facilitate the action of throwing overboard, of lightening the vessel's load or of saving the cargo, or to accelerate the drainage of water and, loss to the cargo which at the time is already caused by water (Commercial Law 699 - 5.)
7. guarding, healing, maintenance and compensation on loss to all persons onboard the vessel, who are wounded or disabled due to his efforts in defending the vessel; (Commercial Law 412, 416-416g, 423, 447, 452e, 699 - 1, 8, 12, 13.)
8. compensation on loss or provision of food to those who are sent to sea or to land, are captured, detained or turned into slaves, in carrying out their duty for the benefit of the vessel and its cargo; (Commercial Law 699 - 1, 7, 12, 13.)
9. the wage and maintenance of the shipmaster and ship's crew for the duration that the vessel is forced to be in an emergency harbor; (Commercial Law 367 etc., 423, 699 - 10, 11.)
10. pilot ship fee and other harbor fees to be paid upon entry and exit of emergency harbor; (Commercial Law 344, 367 etc., 699 - 9 and 11, 708.)
11. rent of warehouse and storage area for the storage of goods that during repair work executed on the vessel cannot remain onboard; (Commercial Law 367 etc., 699 - 9 and 10.)
12. fee to reclaim in the case that the vessel and its cargo are detained or herded, and both are reclaimed by the shipmaster; (Commercial Law 369, 699 - 1, 7, 8 and 13, 701 - 4.)
13. the wage and maintenance of the shipmaster and ship's crew during the process of reclaim, if the vessel and its cargo are released; (Commercial Law 369, 699 - 1, 7, 8, 12, 701 -4.)

14. cost of unloading, fee of transferring to a small ship and cost to transport vessel into a harbor or river, due to risk from typhoon, pursuit by an enemy or sea pirate or due to other reasons, should it be necessary for the safety of the vessel and its cargo; including the loss incurred by the goods due to unloading and loading unto small ships and its reloading unto the vessel; (Commercial Law 367 etc., 699 - 17, 702 etc.)
15. loss to the vessel or cargo, or to both, caused by the driving ashore of the vessel in the effort of preventing danger from looting or foundering; the same is applicable to other situations of danger for the safety of the vessel and its load; (Commercial Law 546 etc., 699 - 16.)
16. cost of facilitating the extrication of the vessel driven ashore as in the above and fee paid to assistance given for said purposes, including all compensation on service of assistance given in a situation of danger to the vessel and its cargo; (Commercial Law 546 etc., 568d.)
17. loss and damage sustained by goods which in the situation of emergency is loaded unto a small or normal ship, included therein the general damage to be paid by the owner of the goods to the assisting small ship or normal ship; and vice versa the loss and damage sustained by the goods involuntarily left onboard the main vessel which ran ashore and to the assisting ship itself after transfer of its cargo, should the damage and loss be included in the general damage; (Commercial Law 699 - 14, 702 - 705.)
18. the wage and maintenance of the shipmaster and the ship's crew, should, the vessel be impeded by a foreign country or by the breaking of a war after its initial voyage, as long as the vessel and its cargo is not released for a contract by the two parties; (Commercial Law 412, 423, 517s, 520a, 699 - 9.)
19. Deleted by State Gazette 1933 - 47 conjuncto State Gazette 1938 - 2.
20. the premium to insure costs included in general damage and or loss sustained due to sale of a part of the cargo at the emergency harbor to cover damage costs; (Commercial Law 365.)
21. cost of drawing up and establishment of general damage; (Commercial Law 722 etc.)
22. costs, therein included, of additional wage and maintenance for the shipmaster and ship's crew, caused by an extraordinary quarantine to which the vessel and its cargo must obey, unforeseen upon the drawing up of a charter order; (Commercial Law 316 number 3, 412, 423) and
23. in general, all loss which is voluntarily incurred in an emergency situation and, sustained as a direct cause thereto as well as the cost that is paid in same situation for the common safety and benefit of the vessel and its cargo. (Commercial Law 701 - 1, 703.)

Article 700.

(legalized by State Gazette 1933 - 47, State Gazette 1934 - 214, State Gazette 1938 - 2.)

Should defect in the vessel, unworthiness of the vessel to execute a voyage, or an error or negligence on the part of the shipmaster or the ship's crew, has caused loss or its cost, the latter even though having been disbursed for the benefit of the vessel and its cargo, is not considered as general damage. (Commercial Law 321, 343, 459, 470, 470a, 519c, e, 637 etc., 703.)

Article 701.

(legalized by State Gazette 1933 - 47, State Gazette 1934 - 214, State Gazette 1938 - 2.)

Particular damage is defined as:

1. all damages and loss incurred by the vessel and its cargo due to typhoon, looting, foundering of vessel or involuntarily run ashore; (Commercial Law 545 etc., 699 - 23, 701 - 3.)
2. fee and cost of guarding; (Commercial Law 551 etc.)
3. loss and damage incurred to thick cable, anchor, normal cable, ship's dowels, connecting mast, sail mast, ship's boat and its equipment, caused by typhoon or other disasters at sea; (Commercial Law 701 - 1.)
4. cost of reclaim and maintenance and wage of shipmaster and ship's crew during this process of reclaiming, if only the vessel and its cargo are detained; (Commercial Law 699 - 12 and 13.)
5. special repairs on the packaging and cost of saving of damaged commercial goods, should none of it be a direct effect of a disaster entailing general damage; (Commercial Law 699 - 5.)
6. cost for the further transportation of goods, if in the case of article 519d, the charter agreement is eliminated; and
7. in general, all damages, losses and costs which are not incurred voluntarily and for the common safety and benefit of the vessel and its cargo, but which, however, is sustained and incurred for the benefit of the vessel alone, or its cargo alone, therefore in connection with article 699 is not considered as general damage. (Commercial Law 534 etc., 703.)

Article 702.

Should a vessel with full load, due to a lengthy dry season, a shoal, cannot be displaced either from its point of departure or to its place of destination and, therefore a part of its load must be transported by a small ship or unloaded unto a small ship, such cost of the small ship is not considered as general damage. (Commercial Law 506, 698, 699 - 14, 728.).

The second paragraph is eliminated based on State Gazette 1933 - 47 conjuncto State Gazette 1938 - 2.

Article 703.

The stipulations in articles 698, 699, 700 and 701 concerning general and particular damage, are also applicable towards the aforesaid small ship and towards the goods contained therein.

Article 704.

Should during the voyage, either to the small ship if the goods therein a loss be incurred which enters the category of general damage, 1/3 of it will be sustained by the small ship and 2/3 by the goods onboard.

The 2/3 portion shall then as general damage be charged to the main vessel, its transportation cost and all of its cargo, including that of the small ship. (Commercial Law 698 etc. 702, 727.)

Article 705.

On the other hand, goods loaded unto the small ship remains a unity with the remaining cargo and also bears the general damage that could be applicable to said vessel and its cargo, until the goods are unloaded at its destination location and consigned to the holder of the Bill of Lading. (Commercial Law 698 etc., 702 etc.)

Article 706.

Goods not yet loaded either unto the main vessel or the vessel assigned to transport the goods to the main vessel, do not at any moment bear the disaster that befalls the main vessel unto which the goods must be loaded. (Commercial Law 696, 727.)

Article 707.

(legalized by State Gazette 1933 - 47, State Gazette 1934 - 214, State Gazette 1938 - 1, 2.)
Loss incurred by commercial goods due to the negligence of the shipmaster in closing portholes, securely mooring the vessel, provide good equipment to list goods and due to other disasters voluntarily caused or due to negligence by the shipmaster or the ship's crew, is considered as general damage, therein lies the right to place claim on the shipmaster, the vessel and its transportation cost. (Commercial Law 321, 342, etc. 746.)

Article 708.

Fees of pilot ship, towage and other harbor and river entry and exit costs, all duties and expenses upon departure and passage, docking tax, light house tax, and beacon-age tax and, all other taxes connected to a vessel's voyage, is not considered as general damage but normal expenses borne by the vessel, except if otherwise agreed upon in the Bill of Lading or charter order. These costs are at no moment charged to the insurers except in particular situations caused by an extraordinary unforeseen condition which could not be predicted beforehand and which arose during the voyage. (Commercial Law 316 number 3, 453, etc., 506, 696, 699 - 10.)

Article 709.

To define the particular damage that must be paid by the insurer which insures the goods for all types of danger, the following stipulations are applicable:

whatever is robbed in midway, lost or sold due to damage by a disaster at sea, or due to other insured reasons, is appraised at its invoice price, or if not available, at its insured price in conformity to the regulations of the law and. the insured pays that amount;

should the goods insured arrive safely and the goods are all or partially damaged, the value of said goods if delivered as a whole is determined by experts and, what is its price at present; and the insurer pays the portion of the signed amount which is equivalently balanced between both values, as well as the cost of the drawing up of said loss appraisal.

All of the above is done without reducing the estimation of profits expected, should it be insured. (Commercial Law 273 etc., 613, 615, 621 etc.)

Article 710.

The insurer cannot at any moment force the insured to sell its goods in order to establish its price, unless otherwise stipulated. (Commercial Law 256 - 8, 709.)

Article 711.

If the loss has to be determined outside of the territory of Indonesia, the law and norms in force on location must be drawn u. (AB. 18, Commercial Law 724, etc.)

Article 712.

Should the insured goods arrive in Indonesia in a lower quantity or damaged and the damage is obvious from the exterior, the inspection of goods must be carried out by experts before the goods are handed to the care of the insured.

If upon unloading the damage and shortage cannot be seen from the exterior, the inspection may be carried out after the goods are handled by the insured, as long as it is made within three times 24 hours after unloading, without diminishing any such proof that might be necessary to one or the other party as evidence. (Commercial Law 93, 481 - 490, 746.)

Article 713.

In the case that the loss incurred by a vessel caused by a sea disaster, the insurers bear only 2/3 of the requested cost for repair, the same is applicable whether it occurs or not and it is equally balanced between the part insured and the part uninsured. The remaining 1/3 left is borne by the insured for repairs from old to new. (Commercial Law 253, 637, 677, 71 etc.)

Article 714

If the repairs have been carried out, the cost amount should be proven by an account and all other instruments of evidence and, if necessary, with an estimate plan scheme by experts.

If the repairs are not carried out, experts draw up the estimate scheme plan. (Commercial Law 283, 655, 715.)

Article 715.

If necessary, after listening to the experts, if due to the repairs carried out the value of the vessel increases by more than 1/3, the insurer pays an balanced equivalent as stated in article 713, the full cost disbursed, less the added value brought about by the said repair. (Commercial Law 716.)

Article 716.

If on the other hand, after the estimate scheme plan as above, the insured if necessary proves that said repairs do not bring about any improvement or added value at all to the vessel as it is new, and during its first voyage incurs damage or sustains damage to its new sails or ship's equipment, to its anchor, chain or new copper sheeting, the 1/3 deduction will not be implemented and the insurers have the obligation to compensate the whole cost of repair in a balanced equivalent to the contents of article 713.

Article 717.

Should the amount of repairs exceed 3/4 of the vessel's value, towards the insurers the vessel should be considered as non-usable, therefore the insurers, should no abandonment happened, has the obligation to pay to the insured the insured amount for the vessel, by deducting the value of the damaged vessel or the shipwreck. (Commercial Law 663 etc., 713.)

Article 718.

In the case that a vessel arrives at an emergency harbor and then founders in one way, the insurers therefore have no further obligation other than pay the insured amount of the vessel.

The same is applicable should a vessel due to various repairs has disbursed a higher amount for repairs than the amount insured.

Article 719.

Without reducing the stipulations in articles 643, 644 and 645, the insurers are not under the obligation to bear a general or particular damage, if except for inspection, estimate scheme plan, such amount does not reach one per one hundredths of the value of the damaged goods, without reducing the rights of the parties to apply stipulations.

Article 720.

The insurers of either the vessel and the transportation cost or its cargo, each pay for purposes of general damage, the amount that has to be in consequence borne by said goods in general damage, should it be insured and, it is of balanced equivalent between the portion insured and the portion uninsured (Commercial Law 253, 677, 698 etc., 713.)

Article 721.

Should general damage and particular damage be regulated, the calculation on loss and the aforesaid documents should be submitted to the insurers. They have the obligation to finalize payment of the amount to be disbursed within the next 6 weeks and, after such period has elapsed, the official interest must be paid. (Civil Law 1238, 1250, 1767; Commercial Law 680, 681 - 4 and 5, 699, 701, 722 etc., 744, 746; State Gazette 1948 - 22 conjuncto State Gazette 1949 - 63.)

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Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING
Chapter: XI. GENERAL DAMAGE
Part: 2. DIVISION OF RESPONSIBILITY AND BEARING OF GENERAL DAMAGE
Article: 722-740

Article 722.

Calculation and division of general damage occurs at the location the voyage ends, unless the parties have made other provisions (Commercial Law 256 - 8, 624, 744.)

Article 723.

Should a voyage be stopped or a vessel runs ashore in the territory of Indonesia, said calculation and division is drawn up at the vessel's point of departure in Indonesia or its intended point of departure. (Commercial Law 722)

Article 724.

Calculation and division of general damage is based upon request by the shipmaster and experts.

The experts are appointed by parties or by the Justice Council wherein its legal territory such calculation and division must be drawn up.

The experts must be sworn-in prior to the execution of their duties.

The division must be legalized by the Justice Council.

Outside the territory of Indonesia, general damage is drawn up by the competent authority. (AB. 18, Commercial Law 353, 711, 726; Rv. 313 etc., 699 - 20, 711, 728.)

Article 725.

Should the voyage be totally stopped midway or its load sold at an emergency harbour, both occurring in Indonesia, the claim, calculation and division of loss is drawn up at the location wherein the voyage ended or wherein the sale is made. (AB. 18; Commercial Law 365, 699 - 20, 711, 728.)

Article 726.

Should the shipmaster carry out said claim as stated in the previous article, the owners of the vessel or the goods can carry out such claim by themselves, without reducing their right to place a claim to the shipmaster (Commercial Law 724.)

Article 727.

(legalized by State Gazette 1934 - 214 conjuncto State Gazette 1938 - 2)

General damage is borne by:

- the price of the vessel upon its arrival condition, added by whatever has been given by general damage compensation;
- cost of transportation, less the wages of the shipmaster and the ship's crew; and
- the price of the goods which, at the time of damage are onboard the vessel or the small ships or boats, or which, prior to the disaster situation in an emergency situation are thrown and have been replaced, or which, to cover the cost of general damage have been sold.

In general damage, the currency is valued at the exchange rate of the location wherein the voyage ended. (Commercial Law 357, 365, 491, 519 u, 533, 596, 698, 702.)

Article 728.

The loaded goods are estimated at the unloading location's price less cost of particular damage to which it has been charged during the voyage.

Exceptions occur in the following:

- if the calculation and the division must be made in Indonesia or at the vessel's point of departure or intended point of departure, the price of the loaded goods is calculated on the price of loading, without accounting all costs incurred until the goods are onboard and insurance premium; and should the goods be damaged, the calculation will be made on the real price.
- Should its voyage be totally stopped outside of the territory of Indonesia, or the goods are sold and the damage cannot be drawn up in said location, the goods are then priced at its price during the voyage or at a location wherein goods are sold at net price, calculated as paid capital. (Commercial Law 723, 725, 727.)

Article 729.

Goods thrown overboard are valued at unloading location market price or, should there not be a market price available, according to the calculation of experts, after deduction by transportation costs, import duties and normal costs. The nature and condition of said goods is concluded from the Bill of Lading, invoice and other evidence. (Commercial Law 723, 725, 727)

Article 730.

If the nature of the commercial goods in the Bill of Lading is wrongly stated at a higher price, the loss is charged to said goods on the basis of its real price, if the goods are safe.

However should the goods be lost because of being thrown overboard, the compensation will be given based on the condition as stated in the Bill of Lading.

If the condition of said goods is less than as stated in the Bill of Lading, then if they are rescued, said goods also bear a part of loss as stated in the Bill of Lading.

If the goods are thrown overboard, then it is paid in accordance with its real price.

Article 731.

(legalized by State Gazette 1934 - 214 conjuncto State Gazette 1938 - 2.)

Foodstuff, clothing of the shipmaster and the ship's crew, the everyday clothing of the passengers, also the gunpowder that should be available for the defense of the vessel, do not bear the loss from throwing of goods overboard. The price of such goods which have been thrown overboard is compensated by dividing its charge unto other goods (Commercial Law 429, 436, 533, 533j.)

Article 732.

(legalized by State Gazette 1933 - 47 conjuncto State Gazette 1938 - 2.)

Goods which have no Bill of Lading or are not included in the load register, shall not be paid if thrown overboard. Such goods bear a share of the loss if rescued. (Commercial Law 347, 357, 506, 729, Rv. 314.)

Article 733.

Goods loaded into the vessel's gangways bear a share of the loss if rescued.

If the shipmaster has placed goods in the vessel's gangways without the knowledge and permit of the owner, and said goods are thrown overboard or are damaged due to such action, the loader has the right to claim a share of compensation, without reducing the right of all the interested parties to sue the vessel and the shipmaster. (Commercial Law 348, 699 - 5, 729.)

Article 734.

Should the vessel founder, despite having had goods thrown overboard, or cutting-up of the vessel's equipment, the loss is not shared.

The rescued goods or secured do not have the obligation to pay or compensate for the loss of goods thrown overboard, damaged or cut. (Commercial Law 699 - 2 etc.)

Article 735.

(legalized by State Gazette 1933 - 47 conjuncto State Gazette 1938 - 2.)

Should the vessel remain safe due to the action of throwing overboard and cutting-up and, in continuing on its voyage founder while at that time some goods have been secured, only the secured goods bear the loss on overthrown goods, according to the value therein after deducted by its securing fee and cost. (Commercial Law 560, 699 - 2, etc.)

Article 736.

Should the vessel and its cargo, due to cutting-up or other damages inflicted upon the vessel, remains safe but then its goods founders or are looted, the shipmaster thus holds no right of claim towards the owners, the loaders or the holders of the goods consignment, to share and divide the said cost of cutting-up and damage. (Commercial Law 737.)

Article 737.

If, however, said goods are destroyed due to a negligence or action of the loader of holders of consignment, they share the burden of general average. (Commercial Law 698, 729.)

Article 738.

At no time does the owner of a cargo need to bear the general damage responsibility, higher than the value of the goods on arrival, without deducting such costs as the foundering of the vessel, or herding and detainment of goods which the shipmaster, even without instruction, has unloaded under good intentions in order to rescue whatever can be salvaged from the damaged goods, or to reclaim the goods taken away by herding, even unsuccessfully. (Commercial Law 369, 698, etc.)

Article 739.

(legalized by State Gazette 1933 - 47 conjuncto State Gazette 1938 - 2.)

If after division of responsibility the goods thrown overboard are salvaged by the owners, they are under the obligation to hand over to the shipmaster and the interested parties of the cargo, whatever they have received for such goods in their share, less the loss, cost and fee of guarding.

In this case the handing over is received by the vessel and by the interested parties in an equivalent balance as they have shared for the loss caused by the action of throwing the goods overboard. (Commercial Law 560, 729, etc.)

Article 740

Should the owner of the goods thrown overboard obtains them back without requesting any compensation, he does not at any time take part in sharing the burden of the general damage taking place after the action of throwing the goods which are rescued, overboard.

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Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING

Chapter: XII. ELIMINATION OF CONTRACTS IN MARINE TRADE

Article: 741-747

Article 741.

With the passage of a 1 year period, all legal claims expire for:

1. Payment of whatever should be paid by the consignee for transportation matters; (Commercial Law 478 etc., 517h, u, p, 519j, o, r, s, 520q.)
2. Payment of whatever should be paid by the passengers and goods; (Commercial Law 533g, i, k, l, m.)
3. The forwarders, due to matters of passenger and goods transportation; (Commercial Law 95, 468, 477 etc., 487, 517g, o, v, w, 519b, e, 522 etc., 528, 533l, n, r, w.)
4. The execution of such claims in paragraph 3 article 537 Expiration period commences as follows:
 - number 1 and number 2, after the voyage has ended;
 - number 3 after the vessel has arrived or, if the vessel does not arrive on location, wherein the passengers must be disembarked or goods must be consigned, one year after its transport;
 - number 4 after payment of claims (Commercial Law 747.)

Article 742.

With the passage of a 2 year period, all legal claims expire for:

1. Compensation of loss caused by collision of vessels, as well as by means as stated in article 544 and article 544a first paragraph; (Commercial Law 316 number 4, 53 etc.)
2. Payment of rescue fee. (Commercial Law 560, 567, etc., 568d, i.)

Expiration period commences as follows:

- number 1 since the day of collision or damage appears;
- number 2 since the day rescue ends.

Should the creditor or its company have domicile in Indonesia, also should he be well represented there and is familiar with the conditions stipulated for the maintenance, equipment and supply of foodstuff or, which loading of vessel is executed in Indonesia, the commencement of the expiration period is delayed until the opportunity to seize the vessel in Indonesia as guarantee of its claim, becomes available. (Civil Law 17 etc., Commercial Law 542, 568g, 747.)

Article 743.

With the passage of a 3 year period, all legal claims due to consignment and work to fully equip the vessel with food provision, maintenance and carry out repairs.

The expiration period commences since the day of consignment is made or work terminated. (Commercial Law 360, 362, 747.)

Article 744.

With the passage of a 5 year period, all legal claims caused by insurance policy expire.

The expiration period commences on the day the debt can be collected. (Commercial Law 592, etc., 747.)

Article 745.

(amended by State Gazette 1934 - 214 conjuncto State Gazette 1938 - 2.)

With the passage of a 1 year period, all legal claims are eliminated:

1. Which arises from a work contract between the shipmaster and the ship's crew for the duration of their service onboard; (Commercial Law 316 - number 2, 341 etc., 394.)
2. For payment of pilot ship fee, beacon-age fee and harbor duties and other shipping duties; (Commercial Law 316 - 1 number 3, State Gazette 1927 - 62 article 14 conjuncto State Gazette 1927 - 63, State Gazette 1927 -223.)
3. For calculation and division of general damage; (Commercial Law 722 etc., Rv. 313 etc.)
4. For payment of general damage.

The time periods of the above stipulated begins:

- number 1 after the termination of service onboard;
- number 2 when the vessel for which all fees and duties must be paid is an Indonesian vessel, upon the period that it can be collected;

-
- number 4 after a report made by the experts on the calculation and division of general damage has been submitted to the Justice Council clerk or has been notified to the parties. (Rv. 320.)

Article 746.

All claims on towards the insurers are nullified due to the loss incurred on goods loaded if goods are received without being inspected and its loss estimate made as obliged by the law, or, in the case that damage occurred due to external reasons, the inspection and said estimate is not carried out within a period determined by the law. (Commercial Law 93, 489 etc., 707, 712.)

Article 747.

The regulations in article 1973 Civil Law are applicable on all expirations of time limit as in articles 741, 742 - 743 and 744.)

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Indonesian

Book: II. TWO. RIGHTS AND OBLIGATIONS ARISING FROM SHIPPING
Chapter: XIII. VESSELS AND SHIPPING INSTRUMENTS SAILING ON RIVERS AND INLAND WATERWAYS
Article: 748-754

Article 748.

For vessels which are solely used for inland waterways as stated in article 1 Schepenord 1927, the following regulations are applicable. (Commercial Law 309.)

Article 749.

Vessels which gross volume is at least 20 m³ can be registered in the vessel registry in accordance with the regulations which shall be established with its own law. (Commercial Law 309; Tbs. 1 etc., 9, 11 etc.)

In said law the manner of transference of ownership and consignment of vessel registered in the vessel registry, or vessel under construction and shares of such vessels or vessel under construction can be mortgaged.

Vessels such as in the first paragraph have no mortgage rights. Article 1977 of the Civil Law is not applicable to registered vessels. (Commercial Law 314, 750, 753; State Gazette 1933 - 49.)

Article 750

The stipulations in articles 315 - 319 are applicable on vessels as stated in this chapter, if such vessels are registered. (Commercial Law 753.)

Article 751.

The stipulations in articles 320, 321 are applicable in a manner which conform to the understanding in the words of article 322 "for voyages at sea" which are to be read as "voyages as stated in article 748". (Commercial Law 753.)

Article 752.

The stipulations in Chapter VI and VII of the present law are applicable on all vessels as stated in article 748 (Commercial Law 753.)

Article 753.

Concerning the expiration of time limit and the elimination of claim rights arising from articles 740 - 752, the stipulations of Chapter XII are applicable if it is related to similar claim rights in matter of sea voyages.

Article 754.

Voyages such as stated in article 748 are furthermore regulated by regulations and the existing norms related to such matters.

Endnotes**1 (Popup - Popup)**

- (1) Heading legalized by S. 38-276.

2 (Popup - Popup)

- (3) Revoked article 14 reads as follows : There are three legal types of commercial companies, namely :
- company under a firm
 - company borrowing money, or a limited partnership;
 - limited liability company.

3 (Popup - Popup)

- (1) Heading legalized by S.38-276

4 (Popup - Popup)

- (a) Cf. for Indonesian joint-stock company and transfer from limited liability company into Indonesian joint-stock company, S.39-569* page 876v.

5 (Popup - Popup)

- (3) The Director of Justice appointed as authority. (S.37-573).

6 (Popup - Popup)

- (3) The Director of Justice appointed as authority. (S.37-573).

7 (Popup - Popup)

- (1) The Director of Justice appointed as authority. (S.37-573).

8 (Popup - Popup)

- (1) The revoked articles read as follows :
- 57. In addition to the aforementioned types of companies, commercial activities at mutual cost are also valid by law.
 - 58. Such commercial activities are related to one or more special or specific trading companies: such activities are conducted in relation to goods and conditions mutually agreed upon among the participants.
- Such activities do not need to be set forth in a written deed, and shall not be subject to regulations or other provisions stipulated for a company.
- Such activities shall not give the right to place a claim to third parties, and to parties such third parties are dealing with.

9 (Popup - Popup)

- (2) The beginning and end of article 76 initially read as follows :
- Commissioner is a person who on his own behalf etc. engages in trading activities.

10 (Popup - Popup)

- (1) S. 31-168 jo. 423 : assistant resident in the region of the Java Madura government.

11 (Popup - Popup)

- (1) S. 31-168 jo. 423 : assistant resident in the region of the Java Madura government.

12 (Popup - Popup)

- (1) Title legalized by S. 38-276.

13 (Popup - Popup)

- (a) Based on S. 38-276 articles 230-241 "(movable) goods" as replacement of

"merchandise".

14 (Popup - Popup)

- (1) The revoked articles read as follows : 244. Apart from the case of bankruptcy, sold or unpaid for commercial goods may without a limitation of time be reclaimed, as stipulated by article 1145 of the Civil Code and with observance of the stipulations of articles 231, 233, 234, 236 and 237 of this Code.

245. The reclaiming of such commercial goods shall become void, in the event that these, after having been owned by the original buyer, or of someone on his account, are found to have in good faith been purchased by a third party and delivered to him.

If the purchase price has however not yet been paid by this third party, the original seller may then claim the money up to the sum of his account for himself, provided that the claim is made within the time period of sixty days after the original delivery.

- (a) See note Commercial Code 230.

15 (Popup - Popup)

- (1) Revoked by S. 38-276: permitted in trade disputes.

16 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

17 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

18 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

19 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

20 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

21 (Popup - Popup)

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22 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

23 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

24 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

25 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

26 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

27 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

28 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

29 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

30 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

31 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

32 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

33 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.

34 (Popup - Popup)

- (1) For an applicable explanation of article 311-319 on Indonesian flag carriers refer to S.33-49 after Law of the Commercial Code.