

Law No. 16 of 1971 issuing the Law of Civil and Commercial Articles 16 / 1971

Number of Articles: 477

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We, Khalifa bin Hamad Al Thani, Deputy Ruler of Qatar,

Having perused the Amended Provisional Constitution, in particular Articles 21, 32, 37, and 73 thereof;

The draft law of the Civil and Commercial Articles presented by the Council of Ministers; and

Hereby promulgate the following Law:

Issunace Articles

Article 1 - Introduction

The civil and commercial articles attached to Law No. 16 of 1971 attached hereto shall be applied.

Article 2 - Introduction

All competent authorities, each within their jurisdiction, shall enforce this law from the date of its publication in the Official Gazette.

Preface

Article 1 Cancelled (Repealed By Law 22/2004)

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Book 2: Commercial Business and Trade and Commercial Establishments

Part 1: Commercial Business

Article 209

Commercial Businesses are the works carried out by a person for speculation purposes even if he is not a merchant.

Article 210

Businesses related to the following matters are considered as commercial businesses irrespective of the intention or the capacity of the person doing them:-

1. Banking transactions.
2. Current account.
3. Exchange and Commercial Exchanges.
4. Brokerage and agency commission.
5. Bills and bonds (to the order of) and checks.
6. Establishment of commercial companies and the sale or purchase of shares and bonds.
7. General stores and mortgages consequent to funds deposited in.
8. Extraction of minerals, oils and stone cutting and other things extracted from natural resources.
9. Various kinds of Insurances.
10. Stores intended for the public, the public playgrounds, cinemas, hotels, restaurants and stores of auction sales.
11. Distribution of water, electricity and gas, and a postal, telegraphic and telephone calls.
12. Transportation by land, sea and air.
13. Agencies of businesses and offices of tourism export and import.
14. Printing, publication, press, radio, television and broadcasting of news or photos, advertisements and sale of books.
15. Factories, even if connected with agricultural investment and undertakings of construction or manufacturing.
16. Contracting of building construction, modification, refurbishment or demolition once the contractor undertake supply of raw material or labour.

Article 211

All works related to marine navigation are considered a commercial businesses and following works in particular:-

1. Building, sale, purchase, renting and repair of ships.
2. Contracts related to wages and salaries of the captain of the ship, crew and other working personnel.
3. Nautical lending or borrowing.
4. Transport and sea consignments, and all related operations, like buying and selling of requirements, tools, ammunition, fuel, ropes and sails and supplies.
5. Different types of insurance.

Article 212

All works related to Air Navigation are considered commercial businesses and following works in particular:-

1. Building, sale, purchase, renting, hiring and repair of planes.
2. Contracts related to wages and salaries of crew and other working personnel.
3. Lending or borrowing.
4. Transport and Air consignments, and all related operations, like buying and selling of requirements and catering of aircrafts.
5. Different types of insurance.

Article 213

All operations connected to the above commercial transactions or dealings or operations facilitating them and all works done by the merchant related to commercial affairs are considered as commercial businesses.

Article 214

Principally speaking all contracts of the merchants and relevant obligations are considered commercial except if such contracts and obligations are found to be connected to civil transactions or dealings.

Chapter One: Trader in General

Article 215

Any person working in commercial transactions or dealings in his name and has the required eligibility for the same and took such transactions or dealings as his profession shall be considered as merchant. Also any commercial company or any company taking the commercial shape (even if practicing non commercial works) is considered as merchant

Article 216

Any person publicly advertising in press or by brochures or by any means announcing establishment of trading store, is considered as merchant, even if he is not professionally merchant. Every one working in trading secretly behind some person (incognito) or under a nick name (anonymously) is described as merchant, besides of course, the apparent person (who is apparently working as a merchant). Further, any person practices trading, although he is banned to work as such under special laws or rules, is also considered as merchant and he is applicable to such relevant laws.

Article 217

Any person doing an incidental commercial dealing without having trading as his profession shall not be considered as merchant but his said dealing shall be governed by the relevant rules of commercial transactions.

Article 218

All government offices, municipality, societies and clubs are not considered as merchants, while their commercial transactions or dealings are subject to such relevant law
What also proved to be merchants are; companies established or owned by the government or other institutions (Public bodies and public institutions) that are mainly doing a commercial activity or also foreign institutions doing the same activity in Qatar. All said institutions are subject to provisions applied to what may be described as merchant/businessperson except if otherwise provisions stipulate.

Article 219

Every Qatari who has reached 18 years of age and who does not have any legal obstacles in him personally or in the kind of the commercial dealing he is practising may work in trading.

Chapter Two: Business Bookkeeping

Article 220

The merchant/businessperson should keep all necessary bookkeeping as required by the nature and importance of his trade. This should be implemented in a way guaranteeing explicit clarification of his accurate financial position, showing also payables and receivables relevant to his trade...

Article 221

Businessperson/merchant/trader should at least keep the following two (2) books for bookkeeping:-

1. Journal (primary daily book of bookkeeping)
2. Inventory book... (Considering that individuals practising simple profession or work or small business or those who have not more than 50,000 Riyals as capital may be exempted from this provision).

Article 222

All financial operations made by the businessperson are entered daily in the journal together with all self/family expenditures.

Article 223

Entry in the inventory book of all details of the goods available in the businessperson's last fiscal year shall be mandatory. Furthermore the businessperson may show a total statement should relevant details be stated in an independent books or lists. In this case, such books and lists are considered complementary to the said book.
Also, businessmen should enter in said journal a copy of the balance sheet (General Budget) in every year in case not entered in any other book.

Article 224

Commercial books should not leave any empty space or do any marginal writings, or scratches or cramming (pressing more words together). Inventory and bookkeeping books should be paged (numbering of pages) and each page should also be stamped by the notary public. Businessperson should submit to the notary public said two books during two months after expiry of every fiscal year to point (signify) closing it (i.e. ending of the 2 books) in the presence of the businessperson. The two books shall not be retained by the notary public. If the pages of the two books expire before the end of the fiscal year, the businessperson should present them to the notary public to remark, after the last entry, such expiry. Further, the businessperson and his heirs, in case of ceasing the activity of the merchant store, should submit the said two books to the notary public to remark such ceasing. Remark and stamping of the two books in above case is gratis.

Article 225

Businessperson should keep a copy right of all correspondences & cables sent in regard to his business. He has to keep also all coming correspondences & cables and all invoices and any other document relevant to his business.

Article 226

Businessperson and his heirs should keep the journal and the inventory book for 10 years starting from closing date of their business. While, they have to keep all copies, correspondences and documents noted in the above article for 5 years.

Article 227

The court when seeing into a case, may decide (by itself or under the request of any of the litigants) about presentation of the books and commercial papers in order to examine points relevant to only the disputed matter and then draw what may concern and relevant to the issue.

Article 228

Such mandatory commercial papers or documents will form a proof to one business man against the other in case it's a commercial dispute, provided books are organized as required and as stated above. Proof can be discharged by the contrary proof (if more justifiable). This proof may be extracted from the organized commercial books of the rival part

Article 229

Mandatory commercial books (organized or disorganized) may be a proof against its owner in case his counterpart relied on them. Provided to consider entries (records), supporting owner of the books, as a proof in his interest.

Article 230

One of the litigants (of the 2 businessmen) may be asked to take an oath confirming truthiness of his claim, in case he relied on his rival books and accepted in advance its contents, but it happened that his rival refused (without any justification) to present these books.

Part 3: The Store, the Business Title and the Unfair Competition

Subchapter I: The Store

Article 231

The store means the place and its relevant rights

Store includes a group of financial and non financial elements that differ according to conditions. It's particularly the goods, commercial furniture, machines, clients, commercial address, and right of rent, trade marks and commercial data, patents, licenses, fees and samples (models)

Article 232

Sale of the store requires mandatory an official paper.

Sale contract should include price of goods, financial assignments & non financial elements separately, deducting from the price first value of goods, then financial assignments, then non financial elements even if otherwise agreed.

Article 233

Sale contract of the store is declared (notarized) by registration in the Commercial Record. Registration guarantees reserve of seller's franchise for 5 years from that date. Registration (entry) date shall be considered as void if not renewed during said period. Entry may be deleted by mutual acceptance of the concerned parties or by a final judgement.

Subchapter II: Business Title

Article 234

Commercial address consists of name and nick name of the merchant. It should be clearly different from the previously registered ones.

Commercial address may contain details or particulars of persons given in the address, mentioning relevant trade. It also may include an innovated naming. At all, commercial address should reflect reality and should not mislead or harm public interest.

Article 235

Commercial address is to be entered in the commercial record as per rules. No other merchant is allowed to use this address after entry for his trade. In case name and nickname of the merchant are similar to the commercial address entered in the record, he has to add to his name a reference differentiating him from the previous entered address.

Article 236

Merchant has to run his commercial transactions or dealings and sign papers relevant to such transactions under his commercial address which has also to be written at the entrance of his store.

Article 237

Disposition of the commercial address in a way independent of the store is not authorized. In case merchant disposes his store, this disposition shall not include the commercial address unless this disposition is explicitly or openly stipulated.

Article 238

In case of transferring the ownership of the store to another person, the new owner shall not use the former address unless it's reverted to him or permitted to use it by the former person. However, he has to add to the address what indicate transfer of ownership. In case the new owner agrees to use the original commercial address without any additions, he shall be considered as responsible for all obligations of the previous owner entered into under this address, in case previous one failed to fulfill it.

Article 239

Whomever he owns a commercial address of a store, shall supersede the previous owner and shall bear all obligations and rights resulting from or entailed under such address. No agreement violating rights of others shall be valid unless such agreement is registered in the commercial record or accessed to competent authorities.

Obligations of the former owner are discharged after elapse of 5 years from transferring of ownership of the store..

Article 240

In case of transferring a store to other person without its commercial address, the other person shall not be responsible for the obligations of the former owner ,unless there is a different agreement duly entered in the commercial record.

Article 241

Addresses of commercial companies shall have to be compliant with relevant rules and regulations.

The company may reserve its old address without any amendment in case a new partner has joined or a partner (who has his name included in the company's address) has left the company, provided this partner or his heirs accept leaving his name in the address.

Subchapter III: Unfair Competition

Article 242

In case the commercial address is used by other person than owner or in case it's used in a way violating rules by its owner, people concerned may ask to stop using it or may ask to delete it in case it's entered in the commercial record and they may also recourse for compensation if he has a store .
Such rules are also valid for trade marks and commercial data according to law.

Article 243

Merchant is not allowed in any way to mislead or fraud or cheat people for disposing his goods. He is not also allowed to propagate any false information endangering interests of a competing merchant; otherwise he will be responsible for compensating his counterpart.

Article 244

Merchant is not allowed to propagate any news, regarding origin or description or importance of his goods that are contrary to reality. He is also not allowed to propagate what may be not right that he got an award or certificate or reward. He is also not allowed to resort to any method intending misleading and usurping clients of other rival merchant; otherwise he will be responsible for any relevant compensation.

Article 245

Merchant is not allowed by any means to tempt workers of other merchant to help him in grappling clients or to urge them leave him and work with him to make himself aware of his rival's secrets. Such works are considered illegal completions and may require compensation.

Book 3: Specific Commercial Contracts

Part 1: Sale

Chapter One: Sale in General

Subchapter I: Sale Elements

Article 246

Sale shall be achieved through mutual consent of both parties on sale and price.
The buyer shall have enough information about the sale which shall include proclamation of sale and its main characteristics in the contract. If the contract stated the buyer acknowledged the sale, their right to claim repeal of sale for lack of acknowledgment shall be forfeited unless they managed to prove buyer was a fraud.

Article 247

Notifying several individuals about current prices and offering sales by sending a list of objects with their prices and figures shall not be considered assertion.

Article 248

If the sale was made through a sample, it shall be consistent with the sale. However, if the sample was damaged or wrecked by one of the contracting parties, even without them committing an error, this party, whether a seller or a buyer, shall prove this object consistent or not.

Article 249

In sale under trial, the buyer shall approve or deny the sale and the seller shall cede them a trial period. If the buyer denied the sale, they shall express their denial during the agreed period. If an agreed period was not set, the seller shall assign a reasonable period. After expiry of this period, if the buyer was maintained reticence along with trial of the sale, their reticence shall be considered an approval.
The sale under trial shall be suspended upon a standing term which shall be approval of sale, unless agreement or circumstances showed the sale was suspended on a repealed term.

Article 250

In sale under partiality, the buyer may approve of the sale, but they shall express their approval during the period assigned by agreement or custom. The sale shall not be concluded until after expression of approval.

Article 251

If a trader sold other's money, the buyer shall not possess the sale. However, the seller shall be compelled to possess the sale and deliver it to the buyer or else they shall be responsible for indemnity.

Article 252

If a trader sold other's transferred money to an individual, in conformity with their trade and achieved delivery, the buyer shall be owner of the sale if they had good will. However, if the money of the sale was missing or stolen, the owner shall be paid back within three years of the time of loss or theft. The buyer shall also claim the owner to reimburse the paid amount.

Article 253

Selling trade money that may have been absent at the time of the contract and may be prepped and delivered on time, shall be valid

Article 254

Amount estimation may be bound only by certain ground rules.
If the amount was agreed to be equivalent to market price, the amount may be, under doubts, equivalent to market price at the time and place of seller buyer delivery. If the place of delivery was far from any market, they shall consider market price of a market know by custom to have running prices.

Article 255

If the price of sale was not defined by contracting parties, this shall not require repeal of sale when circumstances may reveal that contracting parties intended to rely on market price in commerce or on the amount they agreed on.

Article 256

If a third party may be authorized to define the price of sale. If this third party did not define the price for any reason, the buyer shall be required to pay market price on the day of delivery. If the market price could not be acknowledged, the judge shall assign the price.

Article 257

If the price was estimated on weight basis, net weight shall be considered, unless both parties agreed or custom indicated otherwise. Custom shall also define the tolerated amount of merchandise shortage due to transportation or other causes or it shall be defined through an agreement on delivering an approximate specified quantity.

Subchapter II: Sale Effects

1- Vender Obligations

Article 258

If the sale was damaged before delivery due to an error not performed by the seller, the sale shall be repealed and the buyer shall be reimbursed unless if the damage was after delivery.

Article 259

If the sale value was decreased due to wreckage, the buyer may either claim sale repeal if the shortage was major that the sale would not have been executed prior the contract; or sale contract stays standing but with price deduction.

Article 260

If sale export to the buyer was required, delivery shall only be valid when occurred, unless an agreement stated otherwise.

Article 261

If sale payment was delayed, the buyer may demand that conveyance to the buyer shall require fulfillment of price even after delivery.

Damage to the sale shall be the responsibility of the buyer starting the time of delivery.

If the amount was paid by installments, both parties may agree that the buyer shall retain a certain amount of the payments as indemnity for contract annulment in case all installments were not fulfilled. Yet, the judge shall, upon certain circumstances, reduce the amount of agreed indemnity according to the second paragraph of article 59.

If all installments were fulfilled, conveyance shall be achieved upon time of sale.

Even if the sale was agreed to be a renting contract, previous provisions shall be implemented.

Article 262

If delivery date was not assigned, delivery shall be achieved upon contract conclusion, unless the type of sale or custom required assigning another date.

For if merchandise acquired a certain season, delivery shall be achieved prior to end of season.

While if the buyer assigned a delivery date, the seller shall commit to this date, in conformity with custom and type of sale requirements.

Article 263

If the seller did not achieve delivery on assigned date, the contract shall be repealed without the need of notice unless the buyer warned the seller their intention to hold contract conclusion within a period of three days after due date.

The buyer shall demand the seller to indemnity by reimbursing variance between the agreed price and what they paid in good will for a similar sale.

If the sale was goods of a conventional market price; the buyer may, even without buying similar goods, demand the seller to variance between the agreed price and the market price on delivery due date.

Article 264

If the delivered merchandise was different from the agreed merchandise in quantity and type, the buyer shall not claim repeal unless difference was major that delivered merchandise may be unusable for the required purpose. In other cases, deduction or completion of the price shall be enough according to quantity and type shortage or excess. All apply if an agreement or custom required otherwise.

The buyer's right to claim repeal or deduction and the seller's right to claim price completion shall be forfeited within a period one year starting the day of delivery

Article 265

The seller shall be responsible of variant delivery expenses; such as measurement, enumeration, weight, extent and other.

Article 266

The buyer shall examine the sale prior to receipt according to uncommon contracting. If defected, the seller shall be immediately notified or else their right to repeal for deflection shall be forfeited.

If the defect was not noticeable by ordinary examination, the buyer shall notify the seller immediately after discovery or else their right to repeal shall be forfeited.

Defect indemnity suit shall be dated within a period of one year starting the day of delivery if the seller did not agree to a longer period for indemnity claim. However, the seller shall not benefit from repeal or due date if they deliberately concealed the defect through fraud.

2- Buyer Obligations

Article 267

Price shall be over due at the place of sale delivery, unless an agreement or custom stated otherwise.

If price was not over due at the time of sale delivery, the place of fulfillment shall be the habitat of the buyer when price due date.

Article 268

Price shall be due at the time of sale delivery unless stated otherwise by an agreement or custom.

If an external party demanded the buyer to fulfill a previous sale right or if the sale was at risk of being taken away from the buyer, they shall freeze payments until danger recede, if not prohibited by a term of the agreement. Moreover, the seller may claim fulfillment in this case by hiring a sponsor. This provision shall be implemented if the buyer discovered a defect in the sale.

Article 269

If the whole or part of the price was due immediately, the seller shall confiscate the sale until fulfillment of what they may be entitled of even if the buyer offered a mortgage or guarantee. That shall be the case if the seller did not grant the buyer a delay after delivery.

Article 270

While it may be in the seller's custody, if the sale was damaged, the buyer shall be held responsible unless the buyer caused the damage.

Article 271

If the price was not paid on the agreed date; the seller shall, after notifying the buyer, claim variance between the agreed price and the price of reselling the object in good will.

If the sale included goods of conventionally known prices, the seller shall demand the buyer to a variance between the agreed price and the price assigned on the day of execution.

Article 272

If place and time of sale delivery were not assigned in the agreement or by custom, the delivery shall be achieved where the sale was at the time of sale and the buyer shall displace the sale within a reasonable period without any slowdown

Article 273

The cost of sale delivery shall be at the buyer's expenses, unless stated otherwise by an agreement or custom.

Article 274

In case the buyer refused sale receipt, the seller may deposit the sale in a keeper's guard and sell it at auction after assigning a reasonable period and notifying the buyer without slowdown. However, if the sale was subject to possible wreckage, it may be sold in auction without the need to any notice.

If the sale price was known on market price, it may be sold in that price through a broker.

The seller shall deposit the earnings of the sale process in court treasury without breaching their right to price discount, deposit and sale expenses.

Chapter Two: Certain Types of Sale- Maritime Transactions- Current Sale and Sale at the Destination

1- Current Sale (C.I.F and F.O.B)

Article 275

The sale of merchandise by exportation to a certain location, in revenue including merchandise cost, insurance and freight shall be called C.I.F.

The merchandise shall be considered delivered when shipped to the vessel and any damage shall be the responsibility of the buyer starting the time of shipment.

Article 276

The seller shall ship the merchandise via vessel accordingly with agreed terms or current custom in shipping store. However, if the seller violated this commitment, the buyer shall repeal the contract and immediately notify the seller.

Article 277

In order to prove the seller has shipped the merchandise, the word "Shipping" shall be mentioned in the bill of lading. Meanwhile, if the expression "For shipping" was mentioned instead, the buyer shall prove that shipping may not have been executed on the date assigned by the bill.

However, if the bill of lading included a statement handwritten and signed by the vessel captain declaring the merchandise was shipped on time, the buyer shall not prove otherwise.

Article 278

The seller shall pay insurance against for marine-related hazards of shipped merchandise accordingly with common terms of insurance contracts and insurance coverage shall be equivalent to the price value of the merchandise at the location of arrival.

If the merchandise was shipped in portions, insurance shall cover each portion alone.

However, the seller shall not be a direct insurer to the buyer.

Article 279

Insured hazards shall include natural hazards and exclude war-related hazards unless the contract stated otherwise. And current custom at the place of shipment shall include the type of insured objects, their nature, insurance fees, terms of acquittal and how to achieve insurance coverage.

The seller shall not be responsible towards the buyer for the incapacity of the insurer in achieving coverage if the sale was insured with a good well-known insurance company.

Article 280

The seller shall immediately notify the buyer about the shipping date, marks indicated on merchandise and information gathered about the shipping vessel

Article 281

After shipping the merchandise, the seller shall immediately submit to the buyer the bill of lading along with the insurance policy, the original list of goods and a certificate stating the weight and descriptions of the merchandise if necessary. These shall be attached with a policy to the buyer equivalent with the value of the list of goods. If, at arrival of the shipping vessel, these papers were absent or incomplete; the seller notified by the buyer shall supply the buyer with forms required to receipt of merchandise and expenses consequent upon delay of the mentioned form shall be the responsibility of the seller.

Article 282

The buyer may approve or repulse forms mentioned in the previous article. If they were unjustly repulsed, the buyer shall be responsible for indemnity to the damages caused to the seller by this repulsion. Meanwhile, if they were justly repulsed, the buyer may repeal the contract and claim the seller to indemnity. However, if the buyer did not express objection four days after receiving the mentioned forms, they shall be considered approving. The buyer may not repeal the contract after approving of the forms unless they managed to prove fraud committed by the seller or that the merchandise was incompatible with the content of the forms. If the buyer repulsed the forms for certain reasons or approved of them with certain constraints, they shall not express any further objection afterwards.

Article 283

The policy of the buyer shall be achieved in return for the price value of sale until receiving the forms unless an agreement stated otherwise.

Article 284

On arrival of the shipping vessel, merchandise shall be discharged accordingly with agreed terms or custom, and the buyer shall be compelled to examine the merchandise to confirm their compatibility with the content of the forms

Article 285

If the merchandise was incompatible with the content of the forms but the incompatibility was within the tolerated level by custom, the buyer shall be compelled to approval but with discount estimated by experts accordingly with current custom at port of arrival.

Article 286

Prices may be required to be achieved in conformity with real weight or agreed weight. In that case, a temporary list of goods shall be set and sent to the buyer after shipment. The policy attached with sale-related forms may only include a price reduced to a rate between 75% and 90% of the initial price of sale.
The final list of goods shall be set with presence of both parties or their representatives at the port of arrival where the merchandise shall be delivered after being duly weighed. Variance between both lists shall be paid by the buyer or returned by the seller within eight days of the approved receipt of the merchandise

Article 287

The price shall be settled accordingly with the process mentioned in the previous article if the contract included the term of "estimation" or the term of "categorically assigned value".
If the contract included the term of "estimation", a raise or a decrease of only 10% than stated in the contract shall be allowed if the sale included tonnage or only 5% if it included only a portion.
If the contract included the term of "categorically assigned value", the buyer may claim total assigned quantity but the seller shall not be responsible for shortage due to marine damage or for defect caused during transport. The price of the merchandise after increase of allure or shortage shall be assigned and settled accordingly with the prevailing price at the place and time of arrival.
The value of the temporary list of goods shall be the categorically assigned value if real weight could not be proven due to increase or decrease of value consequent to discharge or damage of a portion in sea waters.

Article 288

Sale or export of the merchandise to a certain location shall be possible with no need to the seller to commit transport of the merchandise in other than vessel shipping. This sale shall be called F.O.B. (Free On Board).
The merchandise shall be considered delivered starting the time of shipment to the vessel and any damage starting this time shall be at the buyer's expenses.
The buyer shall be compelled to pay the seller, shipping fees and merchandise insurance.

2- Sale at the Destination

Article 289

Any sale shall no longer be considered C.I.F. or F.O.B. but a sale requiring delivery to location of arrival, if the contract included terms compelling the seller to be responsible of any damage after merchandise shipment, if the contract shall not be achieved unless by the ship arriving unharmed or if the buyer may have the choice to approve of the merchandise as desired or as stated in the contract.

Article 290

Sale achieved by assigning shipping vessel shall be considered a sale requiring the ship arriving unharmed to the prescribed location. If the sale was damaged during transport with marine losses that eliminated the intended purpose of use, the sale shall be repealed.
In other cases, the buyer shall approve of the sale in the state of arrival and experts shall assign the amount of discount.

Article 291

If the seller retained their right to assign the shipping vessel within a certain period or within the period known by custom without assigning the ship, the buyer may claim assignment of the ship or repeal of the contract in addition to indemnity.
In the absence of an assigned period or custom, the buyer may plead the court to assign this period.

Article 292

At the time of the contract or afterwards, if the period for vessel departure or arrival was assigned but not respected, the buyer may claim contract termination or extend the period more than once.

Article 293

In case of date of arrival of a ship is not determined, such period shall be assumed as the time required for its arrival, provided not be more than 6 months from its departure from the place of shipping the goods.
In case of delay, the purchaser (merchant) may ask the court to appoint a date for the arrival and again if any delay happens, the merchant may ask for termination of the contract.

Article 294

In case goods are transferred to another ship during the journey, due to force majeure, contract shall not be terminated and the new ship shall replace the former one.

Part 2: Commercial Agency, Agency with Commission and Brokerage

Chapter One: Commercial Agency and Trade Representative

Subchapter I: Commercial Agency

Article 295

In commercial materials, agent deserves wages (charges) in all cases unless otherwise agreed.
In case such wages are not determined in the agreement, it's determined and calculated according to tariff of profession or as per custom and circumstances.

Article 296

Commercial agency even if it contains a power of attorney, does not allow non commercial works except un an explicit agreement.

Article 297

The agent, who receives instructions to do a part of work, can dispose in any way he likes the other part.

Article 298

The agent should implement (run) the agency as a professional person and he has to provide the principal (client) with all necessary information about accomplishments in regard to the agency and should provide him with the relevant accounts.

Article 299

The agent is not permitted to violate orders of his client (principal), as he will be responsible for resulting damages.
In case agent realizes that implementation of the agency according to orders of his client (principal) shall result in severe damages to the client (principal), he may postpone implementation of the agency until he reports to his client (principal).
The agent may postpone implementation of the agency if he has no clear instructions from his client about it until he receives such instructions. However, in case urgent implementation of the agency is necessary or in case the agent is allowed to do in the beneficial and suitable limits, he may implement the agency as he may think better provided to take all necessary precautions.

Article 300

The agent is responsible for the damages inflicted to the things he is keeping for his client unless such damages are caused by unusual conditions or force majeure or defects in the things themselves or damages dictated by the nature of the things.
In case agent becomes aware that damages were inflicted during the time of shipping, he has to take necessary measures for safeguarding it.
In case things were exposed to damage or it's quickly damageable or exposed to drop in price and the agent has no time to seek opinion of his client, he may take permission from the court for selling it.

Article 301

The client has to return to the agent all expenses incurred in the normal implementation of the agency together with the interests right from agreement time irrespective of success or failure of the agent. In case implementation of the agency requires that the client should give some funds to the agent to spend on the agency, the client (principal) should give such funds once requested by the agent.
The client also should make what is required to discharge his agent from any obligations he undertook to implement the agency.

Article 302

In case the agent entered into contract with a third party under the name of the client and within the limits of the agency, the contract shall be for the client and all relevant rights shall revert to him.

Article 303

In case the agent does not declare at the time of contracting with the third party, that he is working as an agent, the contract shall not be for the client and relevant rights shall not revert to him, unless (benefiting from the situation) the third party knows about the agency or it's the same for him to deal with the client or his agent.

Article 304

The agency shall terminate by the death of any of the agent or the client or in case one of them becomes out of eligibility or by finalising the work related to the agency or by expiry or termination of the agency.

Article 305

There shall be no consideration to any agreement violating that client (principal) may sack the agent or restrict the agency or the agent may step down. However, in case there is a right of a third party attached to the agency, sacking or restriction or stepping down is not permitted except after acceptance of said third party. Termination of the agency can not be realized by sacking or stepping down except after informing the second party.
Person who issued decision of sacking or stepping down shall have to compensate the other party against the damage caused to him by sacking or stepping down in an improper time and without any acceptable reason.

Article 306

Termination of the agency can't be used as an excuse to a third party who, in good intentions, entered into a contract with the agent before knowing of its expiry.

Article 307

In any way agency is terminated, agent should come to a point that does not expose the works he already started to damage.

Subchapter II: Trade Representative

Article 308

Whoever instructed by the merchant to do any of his works related to his trade is considered as a commercial representative either in his store or in any other store.

Article 309

In case limits of power of attorney authorized to the commercial representative are not framed (defined), such power of attorney shall be considered as comprehensive and general for all transactions related to the kind of the trade under his authorization.
Merchant shall not have frame (definition) of authorization as an excuse to a third party, unless awareness of third party of such framing is confirmed.

Article 310

The Commercial Representative shall do commercial works authorized to him acting on behalf of the merchant. He should upon signature put his name in full as well as the name of the merchant in full and should add the word "by proxy" or what may be similar. In case he does act accordingly, he will be the sole responsible for what he does. However, a third party may revert directly to the company or the merchant for actions of the representative related to the kind of the trade within his authorization.

Article 311

The representative may not do any transaction for himself or third person personally, without getting approval of the merchant who recruited him.

Article 312

The merchant may authorize some of his people in his store for retail or whole selling. These people (sellers) may receive the price of such material inside the store if such receiving is not vested in the cashier. Receipts given by said sellers against sold items are reliable, provided sellers should not ask for the price out of the store unless authorized by the merchant in writing.

Chapter Two: Agency with Commission

Article 313

Agency against commission is a contract binding the agent to do, under his name against commission, a legal action on behalf of the client (principal) against some charges. Agency against commission is subject to provisions of the commercial agency except the provisions stipulated in this section.

Subchapter I: Obligations of the Commission Agent to the Client

Article 314

Commission Agent (CA) has to devote in implementing the agency the devotion exerted by an ordinary merchant. He has to inform the client about anything concerning any deal and once it's completed. He has to implement orders of the client, and in case of any unjustified violation, client may reject the deal (assignment).

Article 315

In case of selling by the commission agent for less than the price defined by the client or in case of buying for more than the defined price, the client has (in case he wants to reject the deal) to inform the commission agent of his rejection, once he receives the relevant price of the deal. Client is no way allowed to refuse the deal should the agent accept to bear the difference in price.

Article 316

In case Commission agent entered into contract with better conditions than that defined by the client, he should provide the client with the relevant accounts.

Article 317

In case Agent of Selling against Commission has granted the purchaser a term (period) to pay the price or in case he made it by instalments without the permission of the client, client may ask commission agent to pay the whole entailed amount. Commission agent in this case may keep the difference in price (should the price of the deal be higher). However, commission agent may grant period or allow payment by instalments without the permission of the client in case it's common within the area where goods are sold, unless, instructions of the client insist on immediate payment.

Article 318

If instructions of the client necessitate selling for a deferred payment and it happened that CA sold for instant price, client may not ask him to pay the price except when it's due. In this case CA is committed to pay the price on the bases of the deferred sale.

Subchapter II: Agent-to-Client- Rights in Commissions

Article 319

CA is not entitled for his charges unless he concludes the deal instructed to him or in case of not concluding it due reasons reverted to the client. . In cases other than these two ones, CA is not entitled for any charges except compensation against efforts he devotes as customarily dictated (Normal practice).

Article 320

Client should repay all expenses incurred by the CA in implementation of the agency. Except only in case of mistakes of the CA, the client should not refrain from repaying said costs even in case of not completing the deal, unless otherwise agreed. Client also should pay interest of monies and expenses incurred by CA right from the date of paying it.

Article 321

In case of any harm caused to the CA, the later may ask for compensation from the client except in case of such harm caused by the CA himself.

Subchapter III: Relationship of the Commission Agent with other Contracting

Article 322

CA is directly committed towards the others who concluded contracts with them. The said others and client shall no way revert to each other in a direct litigation regarding a claim unless otherwise dictated by law.

Article 323

In case CA becomes bankrupt upon selling before receiving the price from the purchaser. Client may ask directly for the price from the purchaser. But in case CA becomes bankrupt upon purchase before receiving the sold goods, client may ask directly the seller to hand him the sold goods.

Chapter Three: Brokerage

Article 324

Brokerage is a contract through which the broker pledges to a person to find a second party to conclude certain contract against charge.

Article 325

In case charges or fees of the broker are not determined, neither by law nor under the agreement, then it's customarily determined. If customarily not probable, judge may estimate such charges proportionate to the effort and time devoted by the broker in the relevant work.

Article 326

Broker is not entitled for the charges except if his relevant mediation led to concluding of a contract.
- Charges are deserved once contract is concluded, even if not thoroughly or partially completed.
- In case contract is pending on a certain condition, charges are not payable unless said condition is fulfilled.

Article 327

If the broker is authorized from both parties, he deserves charges from both sides.
Each of the two contractors (without solidarity) is responsible towards paying charges of the broker, even if they agreed that one of them shall bear all costs of brokerage.

Article 328

Broker may not refund costs he paid in implementation of the work entrusted to him unless agreed upon the same. If the case is as such, then costs are payable, even without concluding the contract.

Article 329

Court may reduce charges of the broker, if services endeavoured by him do not commensurate with such charges unless said charges are determined or in case charges are agreed to be paid after concluding the contract mediated by the broker

Article 330

Broker is responsible for the mistake he commits in implementing the work entrusted to him.

Article 331

Broker, who sold goods compliant to (against) samples, should keep such samples until date of delivery or until purchaser accepts without any reservation such goods or until all relevant disputes are settled.
Broker should also clarify characters distinguishing such samples from others, unless exempted by the two contractors from the same.

Part 3: Current Account and Banking Operations

Chapter One: Current Account

Article 332

What is intended by the current account is the agreement between two people regarding what each of them should deliver to the other on different payments either it's money or cash or debentures (bonds) which is entered in one account in favour of the payer and debited to the receiver, provided no one of them has the right to ask the other for amounts given to him in each payment separately, making only the final deposit, upon closing the account, as the due debt which should be paid to one of the two parties according to circumstances.

Article 333

The range of the current account depends upon the willingness of both contracting parties. Whereas, it may be comprehensive for all transactions or it may be specific for a certain transactions.

Article 334

Current account may be overdrawn for both parties or for one party and in this case no one of the two parties is committed to give funds to the other party unless the first party has enough in return of fulfillment.
Besides, account should not stand on a positive balance in favour of the other party.

Article 335

Presence of a current account does prevent any of the two parties to ask the other party for his commission against works he did and to refund overheads of the current account transactions. Knowing that these are entered into the account except if agreed otherwise.

Article 336

Payments result in favouring of the provider on the recipient an interest as per legal rate (5%), unless such rate is defined customarily or as per contract.

Article 337

Entering of the payments in the current account does not drop claims of the two parties which are related to contracts & transactions resulting in such payments, unless otherwise stipulated.

Article 338

In case of entering of Debts, resulting to any one of the two parties, in the current account, it will lose its special character and its self-entirety and shall not be subject to fulfillment or clearing or litigation and can not be discharged by limitation and shall not be subject to any method of implementation separately.
Besides, all in-kind and personal securities entered into the current account and which are related to debts shall disappear, unless otherwise agreed.
Monies delivered for disposal in a certain way or for reservation, shall not enter in the current account until instructions at its end is received..

Article 339

Current account is undividable, none of the two parties is considered as debtor or creditor to the other party before closing of the account. Only closing of the account shall determine the legal relation between the two parties and necessarily from it shall arise the total clearing of all items (crediting or borrowing), and it shall alone determine the creditor and the debtor.

Retention applied to monies and funds entered into the current account shall not be executed except only for the balance (deposit) appearing upon closing of the account in favour of one who is under retention.

Article 340

Account is seized and liquidated upon due date specified in the contract or as per custom or at the end of every six months. Balance then is considered as net debt that requires repayment. The account shall produce an interest, starting from the date of liquidation, as per the rate defined in the current account in case of transferring this account to a new account, or as per legal rate (5%).

Any claims or litigations regarding correcting the account or about mistakes or oversights or repetitions ...etc; should be filed within 6 months.

Article 341

Contract terminates upon the definite & agreed date, and in case no time is agreed, it will terminate as per request of any of the two parties. Contract is also terminated by the death of any of them or by losing competency or in case of bankruptcy of any of them

Chapter Two: Banking Operations

Article 342

Bank that receives money as a deposit, this money becomes his own; the bank has to refund an equal amount at one time or at instalments once demanded by the depositor or whenever agreed upon or after a prior notice. All relevant transactions related to the deposit can be certified only in writing.

Interest (upon repayment) is calculated one day after depositing the money (in case not a holiday) till the end of the day before refunding every amount of money, unless otherwise agreed.

Article 343

In case securities are deposited in the bank, its ownership shall remain of the depositor, unless it's intended to be transferred to the bank. This intention is assumed, if the depositor gives to bank in writing right of disposition of such securities, or if he admitted (to bank) the right of returning papers of the same kind.

Agency rules are valid in case bank commits himself to administer said securities against commission.

Article 344

Rules of leasing things (Ijarah) are valid to deposits placed in the iron boxes or in relevant cells. Bank is responsible for the safety of the leased boxes..

Article 345

In credit opening contracts, the opener should deposit a certain amount of money under the disposal of the person for whom the credit is opened, and who may take it in one time or by instalments during certain dates.

What ever money returned or saved by the person, whom the credit was opened for him (credited person), within the period of the contract is added to the amount remaining from the money deposited for his disposal, unless otherwise agreed

Article 346

Credit opener may invalidate the contract if the person whom the credit was opened for him becomes insolvent or financially incapable upon contracting which was not known by the credit opener.

Article 347

In case a major shortage happened in the personal or in-kind securities presented by the person whom the credit was opened for him, credit opener may ask for complementary securities or reduction of the amount of the credit or closing of the same as situation may require.

Article 348

In case credit is allocated to a certain fulfillment for a third party and such allocation is supported by the bank, such allocation can neither be amended nor cancelled without the acceptance of the third party. The bank shall then become directly committed to such allocation.

Bank, may refund monies and expenditures spent for the implementation of the matter entrusted to him in addition to the agreed interest or interest dictated by law (in case no agreement), starting from the day of payment of said expenditure. Bank may also take the relevant commission.

Article 349

Banks operations/transactions not mentioned in this section shall be subject to the special relevant rules and regulations

Book 4: Securities

Part 1: Bill of Exchange

Chapter One: Creation and Trading of Bill of Exchange

Subchapter I: Creation of Bill of Exchange

1- Elements of Bill of Exchange

Article 350

PN includes the following data:-

- 1-The term "promissory note" written in the body of the instrument, and in the language in which it was written.
2. The date of establishment of the bill (PN) and place of its creation.
3. Name of the person committed to repayment (drawee).
4. Name of the person who is entitled for repayment or to his order.
5. An "Order" not pending on a condition for repayment of a certain amount of money.
6. Maturity date.
7. Place of fulfillment.
8. Signature of person/entity who created the promissory note (the drawer).

Article 351

Instrument without the above data is not considered as promissory note, except in the following cases:-

1. If place of creation of Instrument in the PN is not mentioned, then place shown near the name of the drawer shall be considered as the place of creation.
2. If date of repayment is not mentioned, fulfillment is achieved upon sight.
3. If place of fulfillment is not mentioned, the place given near the name of the drawee shall be considered as the place of fulfillment and as his domicile as well. Then fulfillment of PN shall be effected in his domicile unless otherwise stipulated.

Article 352

PN may be withdrawn to the order of the drawer himself. It may also be withdrawn on the drawer, and, It may withdrawn to the account of other person

Article 353

If money entered in the PN in figures and letters together, only amount in letters shall be valid in case of any difference.
In case of writing the amount many times in letters or in figures, the lesser amount shall be valid in case of any difference.

Article 354

PN drawer guarantees its acceptance and fulfillment and he may require to be exempted from guarantee of acceptance but not that of fulfillment.

1. Number of copies and photo copies -Forgery

2. Multiple copies and misrepresentation

Article 355

PN can be frequently copied in copies corresponding to each other, each should be numbered on its body, otherwise each copy shall be considered as separate PN.
Each holder of a PN whereby not mentioned that its single (i.e. the PN), may ask for copies of the same at his own expense. To verify that, he has to revert to the endorsing person who has to help him also in reverting to the previous endorser.. This will continue until reaching the drawer. Further, each endorser has to affix his endorsement on the new copies.

Article 356

Fulfillment of a PN under a copy of the same will result in acquittal (frees liability), even if such copy does not notify that such fulfillment shall render other copies as void. However, the drawee shall continue to be responsible for fulfillment according to any copy (acceptable by him) not recovered..
The endorser who endorsed copies of PN to different people and also the following endorsers; are committed to fulfillment under to the unrecovered copies bearing their signatures.

Article 357

Any one sending a copy of the PN for acceptance has to clarify on the other copies the name of the person holding said copy of PN, the later should deliver it to the legal holder. In case of refusing its delivery; the holder shall have no right to recourse unless he confirms through Protesto that:
1- He did not receive the copy sent for acceptance in spite of his request for the same. 2- Acceptance or fulfillment has not been done under any another copy.

Article 358

Copy of PN should include name of the holder of the original who has to deliver the original to the legal holder of the copy and in case holder of the original copy refused to deliver it to him, holder of the copy shall not have the right to recourse to the substitute endorser or guarantor unless confirmed by protesto that the original was not given to him upon his request.
In case of writing on the original copy- after the last endorsing that took place before making the copy- that as of this time endorsing can take place only on the copy, and then any endorsing written on the original shall be considered as void.

Article 359

In case of any alteration in the body (text) of the PN, all the following signers to such alteration shall have to commit to it, while previous signers shall abide by the original body.

Subchapter II: Trading of Bill of Exchange by Endorsement

Article 360

Any PN, even if not stating that it's withdrawn to the order of, may be circulated by endorsing. Circulation of the PN wherein its drawer add "not to the order of" or similar text, is not possible except by following (applying) provisions of Transfer of Right (Assignment).
Endorsing to the drawee is possible either he accepted the PN or otherwise. Besides, endorsing to the drawer is also possible or any other obligor and all of the aforementioned may newly endorse the PN.

Article 361

Endorsing is written on the PN itself or on a paper attached to it and then signed by the endorser. Endorsing that follows due date, result in the previous endorsing provisions. While endorsing that follows non fulfillment protesto or protesto occurring after elapse of the legal date appointed for it, shall result only in effects of transfer of right. Also, it's assumed that occurrence of the endorsing that has no date, is before expiry of the date appointed for doing the protesto, unless otherwise confirmed.

Article 362

Advancing date of endorsing is not authorized, and if it occurs it will be considered as forging.

Article 363

Beneficiary may not be written in endorsing and endorsing may be restricted to signature of the endorser (Endorsement in blank) and for assuring correctness of the second endorsing, writing should be made on the back of the PN or on the paper therewith attached.

Article 364

Without breaching Article 366, pending of endorsement on a condition is not permitted. Any condition connected to an endorsing is considered as void, as well as partial endorsement is also invalid.

Subchapter II: Acceptance of Bill of Exchange

Article 378

Bearer or any of the holders of the PN may , until its due date, present it to the drawee in his domicile for its acceptance.

Article 379

PN drawer may stipulate its submission for acceptance on a definite date or otherwise.

He may also stipulate its non submission for acceptance unless it's payable to a direction other than the drawee or in another place other than his domicile or payable after a certain period after sight. He may also provide not to accept it before a certain date.

Each endorser may stipulate submission of the PN for acceptance on a definite date or without any date, unless the drawer has ordered its non-submission for acceptance

Article 380

PN due to fulfillment within a certain period from sight should be submitted for acceptance within one year from its date. The drawer may shorten or lengthen said period. Besides, any endorser may shorten said period also.

Article 381

The drawee may request for resubmission of the PN for acceptance on the next day of the first submission. Persons concerned should not claim that said request was rejected unless said request was mentioned in the protesto..

Article 382

The holder of the PN submitted for acceptance is not required to abandon it to the drawee and he has to write the acceptance on the PN itself by the expression (Accepted) or any other expression having the same meaning. The acceptance shall then be signed by the drawee. Affixing of the signature of the drawee on the beginning of the PN reflects acceptance.

In case the PN is entitled for repayment after a period of sight or it's supposed to be submitted for acceptance in a definite period -according to a certain provision- it's necessary to clarify date of acceptance when it happened, except if the holder necessitated clarifying date of acceptance on the date of PN submission. If no date is given for the acceptance, the holder may - to reserve his rights- recourse to the endorsers or to the drawer. To confirm absence of the date of acceptance by protesto may be made in a useful time.

Article 383

Acceptance should not be pending on a provision; even then the drawee may restrict it on a part of the amount of the PN. Any amendment in PN details reflecting its acceptance shall be considered as its rejection. Notwithstanding, the person accepting shall still be committed to the text of acceptance.

Article 384

In case the drawee deletes his acceptance written on the PN before it's returned, the deleted acceptance shall be considered as rejection and such rejection shall be considered as occurred before returning of the PN, unless proved otherwise. Even then, if the drawee advises the holder or any other direction of his acceptance in writing, he should abide by such acceptance.

Article 385

In case the drawee appoints in the PN a place for fulfillment other than the place of the drawee without mentioning with whom fulfilling will take place, the drawee may appoint it upon acceptance. In case of not appointing it, the person who accepts is then committed to repay it in the place of fulfillment. In case the PN is due in the place of the drawee, he may appoint in acceptance wordings address of the place where fulfillment shall take place.

Article 386

In case drawee accepts the PN, he is then committed to repay its value on its due date. In case of not fulfilling (repayment) , the holder, even if he was the drawer himself, may claim (directly to a court) from the accepting drawee every thing claimable resulting from the PN as per Articles 413 ,414.).

Subchapter III: Reserve Guarantee

Article 387

The amount of the PN may be guaranteed partially or totally from a precautionary guarantee which can be made by any person even by those who signed on the PN..

Article 388

The precautionary guarantee may be written on the PN itself or on the paper attached to it. Its wordings will say "Accepted as a Precautionary Guarantee" or by any other wordings having the same meaning which has to be signed by the guarantor. Guarantee shall mention also the guaranteed; otherwise said guarantee shall be considered to the drawer. This guarantee is useful once guarantor sings on the beginning of the PN, unless such signature is made by the drawee or the drawer.

Article 389

The precautionary guarantor is committed in the same way as the guaranteed is committed. The guarantee of the precautionary guarantor is considered as rightful, even if the included commitment is void for any reason other than a defect in the shape.

In case the precautionary guarantor fulfilled the PN, all rights stemming from it shall revert to him -towards the guaranteed and towards every one who is committed towards the latter- according to the PN.

Article 390

The precautionary guarantee (warranty) may be given on an independent paper whereby mentioned the area where the guarantee is made. Knowing that the precautionary guarantor is committed towards the person or the entity to which the guarantee is given.

Chapter Three: Ending of the Obligation Established in the Bill

Subchapter I: Payment

1- Date of maturity

Article 391

Maturity date of a PN can be in one of the following conditions:

a- Upon sight	b- After a certain period after sight
c- After a certain period from the date of the PN	d- On a definite date

PNs/Bills that include other maturity dates or successive maturity dates are considered as void.

Article 392

Matured PN is entitled for payment upon sight requires payment once submitted. It should be submitted for repayment within one year from its date. Drawer may lessen or lengthen said time. Endorser may shorten it.
Drawer may stipulate not to submit due PN upon sight except after elapse of certain time. Date of submission is then calculated right from that time

Article 393

Date of repayment of a mandatory fulfill-able PN starts after a certain period of sight from its date of acceptance or from the date of the protesto. In case of not making a protesto, the undated acceptance is considered as occurred, with respect to the accepting person, from the last day of the time appointed to submit for acceptance the PN as per Article 380.

Article 394

PN drawn for a period of one month or more from its date or from the date of sight, its repayment becomes due on the corresponding date of the month when fulfillment is required. In case there is no correspondence for the date in the month when fulfillment is required, maturity then shall commence on the last date of the month.
In case the PN is drawn for a month and a half or for many months and a half from its date or from the date of sight, then it's mandatory to start calculation in full months. Half a month means, however, 15 days. Saying 8 days or 15 days does not mean one week or two weeks but it's as really said i.e. 8 days or 15 days.

Article 395

In case PN is entitled for fulfillment on a definite date and the due repayment is in the beginning of the month or in the middle or at its end, such wordings shall mean the first day or the 15th or the last day of the month.

2- Repayment of the value of the bill of exchange

Article 396

The holder of a PN should submit it for fulfillment on the day it's matured. Its submission to any of the legally recognized clearing houses is considered as submission for fulfillment. Any one who fulfils a PN once matured and without any objection, he is considered as discharged unless he commits a fraud or major mistake. Further, he has to authenticate regularity of sequence of endorsements, while he is not committed to authenticate correctness of signatories.

Article 397

Holder of a PN shall not be compelled to receive its amount before its maturity date. In case the drawee repays the PN before its due date, drawee himself shall bear relevant consequences.

Article 398

In case of repayment of the PN by the drawee, he may ask to receive it from the holder duly signed signifying fulfillment. Holder may not refuse the partial fulfillment and drawer may ask evidence for the said fulfillment of the same on the PN. Drawer as well as endorsers and whomever of the obligors are discharged from any part paid from the amount of the PN. Holder has to do protesto for the unpaid amount.

Article 399

In case of not presenting the PN on its due date, any person indebted to it may deposit its amount in the court closet. Such deposit shall be made at the expense of the holder and under his responsibility. Court clerk shall give the depositor a document (slip) stating depositing of the amount, the amount, and date of the PN, due date and the name of the person for whom the original document is issued. In case the holder asks the debtor for repayment, the debtor shall hand over depositing document (slip) against delivery of the PN. The holder may get the money from the clerk of the court by presenting said slip. In case the debtor does not give the depositing document to the holder, he has to repay the amount of PN to him.

Article 400

Objecting repayment of the PN is not acceptable unless it's lost or its holder became bankrupt.

Article 401

In case of losing any unacceptable PN and was copied to many copies, the beneficiary may ask for its repayment against any of the other said copies.

Article 402

Any person who loses a PN (either it's combined with acceptance or otherwise) and it happens that he is not able to present any of its copies, may ask the court to issue him an order for its repayment provided he has to prove that it's his own; besides, he shall have to provide a guarantor.

Subchapter II: Failure to pay- Claiming and Recourse of non-Acceptance and non-Payment

Article 403

The holder of a PN may - in case of non repayment on due time - recourse (revert) to endorsers, drawer and other obligors.
He also may recourse to above people in the following cases:-

1. In case of a partial or total refrain from acceptance.
2. In case of bankruptcy of the drawee either before or after the PN and in case of stopping payment of what he has to pay) even if said stopping is not proven by a decision), and in case of un-useful retention to his properties.
3. In case of bankruptcy of the drawer of a PN which is conditionally not to be submitted for acceptance.

Guarantors may - upon reverting to them in cases shown in items 2 & 3) submit to the president of the court - within three days from the said reverting - a petition requesting period for repayment. Then the court may Determine (if the petition is justifiable) a time for repayment, provided the time determined shall not exceed the PN appointed due date... Such issue is in no way subject to any contestation (appeal).

Article 404

In case due date of a PN comes in an official holiday, claiming for its fulfillment is not permitted except on the next day. Besides, no procedures relevant to the PN is allowed to be made and in particular its submission for acceptance or making a protesto or any other alternative, except on a working day. In case of determining any date to take action relevant to the PN and it happened that its last day coincides with a holiday, such date is postponed to next day. Holidays within the appointed date shall have to be calculated within the appointed date. First days of the legal appointments or the agreement related to the PN are not to be calculated unless otherwise agreed

Article 405

Objection to acceptance/fulfillment of a PN is confirmed by a non-acceptance/non-fulfillment protesto, which has to be written by the notary public. Protesto shall contain a literal image of the PN and the confirmed wordings of acceptance and endorsement and the reminder regarding fulfillment of the PN. Also it should contain presence or absence of the persons committed to acceptance or fulfillment and reasons behind abstaining from acceptance or fulfillment.

Notary public should leave a copy from the protesto to the person who was present during writing and he has to enter all papers of the protesto day by day, provided to take care of regularity of the dates in a pagged record duly indexed. Entering (writing) in said record shall have to be in the same way used in indexed records.

Notary public has, within the first 10 days of every month, to send to the office of the commercial record a list of protestos of non payment related to the accepted PNs and bonds which were prepared during the last month. Commercial Record Office should keep books to record said protestos..Which may be seen by any body against the required fees. Said office should also make a publication containing said protestos.

Article 406

Non acceptance protesto should be made on the times appointed for the submission of the PN. In case first submission of acceptance comes on the last day of the appointed date for submission (as per Article 381), protesto may be made on the next day.

Article 407

Non fulfillment protesto for the PN- which is due on a definite date or after a period of its date or from the date of its sight - should be made in one of the two working days following its fulfillment. In case PN is entitled for payment upon sight, a non fulfillment protesto should be made according to conditions shown in the above article related to non acceptance protesto.

Article 408

Non acceptance protesto may compensate (dispense) submission of the PN for fulfillment and the non fulfillment protest.

Article 409

In case drawee stops payment, either he was accepting or not accepting the PN, and in case of applying unlimited retention to his properties, holder of the PN is not allowed to recourse to his guarantors except after the submission of the PN to the drawee for repayment and after making the non fulfillment protesto. In case of bankruptcy of the drawee (either he was accepting or not accepting the PN) and in case of bankruptcy of the drawer of the PN (which is not be submitted for acceptance), submission of bankruptcy ruling itself shall be enough to enable the holder from using his rights to recourse to the guarantors.

Article 410

The drawer or any endorser or precautionary guarantor may exempt the holder of the PN from making non fulfillment / non acceptance protesto once he commences his right of recourse, if he notes down/signed on the PN a condition of "recourse without expenditure" or "without protesto" or any other expression giving the same meaning. This condition shall not exempt the holder from the submission of the PN on the defined dates and also from not making the required warranties, besides, any one who clings (before the holder) not to abide by said dates should prove it. However, if the drawer he who wrote said condition, all consequences shall be applied to all signatories, while if it is written by one of the endorsers or the precautionary (emergency) guarantors, consequences shall be applied only to him. In case the condition was put by the drawer and irrespective of that, the holder made a protesto, he himself alone shall then bear all expenses. While, in case the condition was made by an endorser or precautionary guarantor, then it's possible to recourse to all signatories for the expenses of the protesto (in case if it has been made).

Article 411

Holder of the PN should remind the drawer & endorser of its non acceptance or non fulfillment during 4 working days following the protesto or the submission for fulfillment or acceptance - in case it includes condition of exemption of protesto- . Each of the endorsers and during 2 working days following receipt of the reminder should also inform the person who endorsed to him the PN of his receipt to said reminder giving to him also names and addresses of persons who made the previous reminders..and as such from one endorser to the next one until reaching the drawer..Whereas, appointment starts for each endorser from the date he received the reminder.

Knowing that, once one of the signatories of the PN is informed in the above procedure, his guarantor is supposed to be informed of the same appointment date. In case if one of the signatories did not show his address on the PN, or showed it ambiguously, it would be enough to remind the previous endorser. It's mandatory for any person who is supposed to remind other person to do that in any way, even by returning the PN itself. Also he has to verify that he reported the "reminder" on the decided time. Appointment is considered as duly cared about if the reminder is sent about the said appointment via a registered mail.

Rights of the person who is supposed to report the reminder shall not be abolished in case he did not do it on the time shown above, but he may (if necessary) has to compensate the damage resulted from his negligence, provided such compensation does not exceed the amount of the PN.

Article 412

Drawer, acceptor, endorser and the original guarantor are jointly responsible towards its holders and the later may appeal to them jointly or in parts irrespective of any sequence. This right is confirmed for every signatory on the PN who repaid its amount for the relevant people. Knowing that any case filed against any one of the obligors shall not prevent from appealing to others, even if their commitment was after the one who was firstly sued..

Article 413

PN holder may request - from those who has the right to revert (recourse) to - the following:-

1. Principal amount of the unaccepted or unpaid PN plus interest if provided,
2. Interests calculated as per legal fare (5%) from maturity date,
3. Costs of the protesto, reminders and other relevant costs,

In case of recourse before the maturity date of the PN, an amount should be reduced from its amount equal to the official discount rate on the date of the recourse in the place of the holder's domicile.

Article 414

Person fulfilling the PN may ask the guarantor of the following:-

- A-All the amount repaid,
- b- Interests of amounts repaid calculated from the date of fulfillment as per legal rate (5%)
- c- All incurred expenditure.

Article 415

Courts are not authorized to grant periods for PN repayments or take any action related to it except under the conditions stipulated in the law.

Article 416

any obligor - who was asked or targeted to be asked for a PN by way of recourse- may, in case of fulfillment, ask to receive the PN, the protesto and the clearance against fulfillment. Besides, every endorser, who repaid a PN, may write off (delete) his endorsement as well as all consequent endorsements.

Article 417

In cases of force majeure that made the submission of a PN or making a protesto on the appointed time impossible, then said time is extended. The holder should notify without any delay the person who endorsed the PN to him about said force majeure and should confirm said notification affixing the date and signature on the PN or on the attached paper. Said notification should be passed in serial until it reaches the drawer. The holder after clearance of the force majeure should submit the PN for acceptance or repayment without any delay and then make the protesto if required..

Should the force majeure extend for more than 30 days from the due date, recourse to obligors is then possible without submission of the PN or making the protesto. In case the PN is entailed for payment upon sight or after a period of the sight, validity of the 30 days starts from the date when the holder notified the endorser of the PN about the force majeure (even if said date occurs before the time of PN submission). Time of sight is to be increased over the deadline of the 30 days, in case the PN is due to fulfillment after a period of its sight.

Affairs related to the holder of the PN personally or to whomever he instructed to submit or to making the protesto shall not be considered as a force majeure

Article 418

Any one who has the right to revert to the others from the obligors of the PN may collect his right by drawing a new PN on one of his guarantors' which is repayable upon sight and in the domicile of the said guarantor, unless otherwise agreed.

Article 419

Recourse PN includes the amounts mentioned in articles 413, 414 in addition to any commission or price of stamps. In case the drawer of the recourse PN is the holder; its amount shall be determined on the basis of the determination of the amount of an "upon sight payable PN drawn from the place where the original PN deserved to be repaid to the place of the PN guarantor.

In case the drawer of the recourse PN is one of the endorsers, its amount shall be determined on the basis of the determination of the amount of an "upon sight payable PN" drawn from the place of the drawer of the recourse PN to the place of the guarantor..

Article 420

If recourse promissory notes were many, then it will not be authorized to ask the drawer of the original PN or any of its endorsers except for the price of one recourse PN.

Subchapter III: Limitation Period

Article 421

Any case resulting from the PN against its acceptor may subject to limitation after elapse of 3 years from the due date. While claims of the holder against the endorsers or the drawer is subject to limitation after one year from the protesto which is edited on the legal time or from the due date; in case PN includes a condition of exemption from the protesto.

Limitation for endorsers among each other or against the drawer is effected after elapse of 6 months from the date PN is fulfilled by the endorser or from the date of filing a case against him.

Article 422

Limitation time is not valid in case of filing a case except from the time of the last action taken relevant to it. Said limitation shall not be valid in case of issuance of a rule regarding the debt or the debt is acknowledged by the debtor in an independent instrument that may result in renewing the debt.

Article 423

Interruption of limitation shall have no consequences except for the intended person/entity against whom the final procedure was taken (for its validation).

Article 424

Defendants of debts must - despite expiration of the statute of limitation time - prove that they are clear from debts by taking an oath, if they were asked to do so. Besides, also their heirs or successors must take an oath that they did not know that the inherited (deceased) had died while he was under debt.

Part 2: The promissory Note

Article 425

The bond (to the order of...*OR PROMISSORY NOTE*) shall include the following data:

1. Under the condition "To the order of...", or the expression "To the order of Bond" - written in the body of the bond in the same language of the bond/Promissory note.
2. Date and place of establishing the bond.
3. The name of the person to receive the bond or whom the bond will be paid to his order
4. Pledge not pending on a condition to repay a certain amount of money.
5. Maturity date.
6. Settlement Place.
7. The signature of the bond establisher.

Article 426

The instrument (deed) that does not meet the above-mentioned data is not considered as a "to the order of bond-" unless in the following two cases:

1. If the bond does not mention the place of establishment; its establishment shall be considered in the place shown near the writer (issuer) of the bond.
2. If the bond does not mention the maturity date, fulfillment shall be effected upon sight.

Article 427

Provisions related to the promissory note/bill - with regard to number of copies, images, endorsements, maturity, settlement, fulfillment, recourse (reverting) due to non-fulfillment, and the inadmissibility to accord a term for settlement, Protesto, calculation of appointments (dates) and working days, and the recourse by way of establishment of a "recourse promissory note" and the statute of limitations, - are applied on the "to the order of bond" to the extent that does not contradict with its nature (i.e. nature of the "to the order of..." Bond).

In addition, above bond is subject to the provisions related to provisory guarantee; taking into account that if no mention is given to the name of the guaranteed in the text of this guarantee, the guarantee shall be considered made for the benefit of the editor (issuer) of the bond.

Article 428

The subscriber of the bond (issuer) shall have the same obligations of the person who accepts the promissory note.

The payable bond "to the order of", must be submitted after a certain time of sight, to the subscriber on the date (time) mentioned in article 380 to remark its sight (witnessing) . Such remarking should be dated and signed by the subscriber. Sight period starts from the date of said remarking. If the subscriber (issuer) refused to remark as said, such refusal should be confirmed by a protesto. Date of said protesto shall be taken as the onset of the validity of sight period.

Part 3 – Cheque

Article 429

With the exception of the provisions listed in this part, the cheque shall be subject to provisions of the promissory note to the extent that it does not contradict with its nature.

Chapter One - Make a cheque

Subchapter I – Parts of a cheque

1- Parts of Cheque

Article 430

The cheque shall include the following data:

1. The term "Cheque" written in the body of the instrument in the language of the instrument itself.
2. Date and place of issue of the cheque
3. Person/Entity committed for payment (drawee),
4. Who or to the order of whom the check shall be repaid...In compliance to what may appear as per Articles 435 and 436.
5. An order - not pending on a condition - to repay a certain amount of money
6. Place of fulfillment.
7. Signature of check establisher/issuer (i.e. the drawer).

Article 431

The cheque that does not contain one of the above-mentioned data shall not be considered as a cheque, unless in the following two cases:

1. If the cheque does not mention the place of issuance, it will be considered as established in the place shown near the name of the drawer.
2. If the cheque does not mention the place where to be repaid; the place shown near the name of the drawee shall be considered as the place of repayment. In case of giving many places near the name of the drawee, the check shall be repaid in the first place given. If the cheque does not mention any place at all, the payment shall be made at the main place of the drawee.

Article 432

The payable cheques issued and to be repaid in Qatar may not be withdrawn except on the bank, and instruments drawn in the form of non-bank cheques are not considered as valid.

Article 433

Issuing a check is not permitted unless the drawer has money with the drawee upon establishing the check that he can dispose according to check, in compliance with an explicit and implicit agreement. The drawer of the check or the person ordering other person to withdraw it to his account has to entertain/consider a repayment against fulfillment. Notwithstanding; the drawer- to the account of others - shall still remain personally responsible towards endorsers and the holder without any others. Again, the drawer himself alone should prove - in case of denial - that the drawee had money against fulfillment upon check establishment... In case of not proving the same, he would be considered as a guarantor to fulfillment even if it would happen that he had made the protesto after the appointed dates.

Article 434

No acceptance in a check, and in case of writing "acceptance" on the check; it's considered as if it is not there. Notwithstanding; the drawee may remark the check in token of approval, which means that money against fulfillment of the check is available on the date of said remarking. Drawee is not permitted to refuse sanctioning the check if money against full fulfillment is available... Drawee signature on the front part of the check signifies sanctioning of the same.

Article 435

The cheque may be restricted to be paid to:

1. To a named person, provided to explicitly notify with/without the "to the Order of" condition.
2. To a named person, provided to mention "not to the order of" condition or any other similar expression.
3. To the holder of the check.

The check, drawn for the benefit of a named person whereby stating "or to the bearer" or any other similar expression, is considered cheque for bearer. If it does not show the name of the beneficiary, the cheque is considered for the bearer.

Check containing "not applicable for circulation" condition, is not payable except to its bearer (holder) who received the check under said condition.

Article 436

Check may be withdrawn to the order of its drawer himself and it may be also withdrawn to the account of any other person. Check can not be withdrawn to its drawer himself, unless it's drawn from another establishment owned also by the drawer himself, provided the check is not to be due to fulfillment for its holder.

Article 437

Stipulating interest in the check is considered as void.

Article 438

Stipulating fulfillment of the check in another bank located within the domicile of the drawee or within any other place is permissible.

Article 439

Drawer shall guarantee fulfillment of the check. Any condition exempting him from such guarantee is considered as void. The debt is not renewed by acceptance of the creditor to take the cheque as repayment of his debt. Principal debt shall remain with all relevant guarantees until full amount of the check is repaid.
2- Number of copies and photo copies -Forgery

2. Multiple copies and misrepresentation

Article 440

With the exception of the cheque "to its bearer (holder)", the cheque may be withdrawn in multiple copies matching each other, if it is withdrawn from a country and its fulfillment date in any other country or in a part of said other country located overseas or vice versa or withdrawn and deserved to be fulfilled in a part or different parts in the country located overseas.

Article 441

If a cheque is drawn in more than one copy, each copy of the check should be numbered, otherwise, each copy shall be deemed as an integral check.

Article 442

The drawee shall bear alone the damage resulting from repayment of a cheque -where signature of the drawer is counterfeited or where giving misleading data- , provided the mistake was not of the drawer's (whose name is shown in the check)...Any other condition contradicting to that shall be meaningless & void.
The drawer is considered particularly mistaken, should he not pay the proper care (within the capacity of a normal person) to the check book given to him.

Subchapter II – circulation of cheque and provisory guarantee

1. Endorsement of cheque

Article 443

Check - whereby providing payment to a named person, whether or whether not openly stipulating "to the order of" condition- is circulate able by means of endorsement.
While the check - whereby providing payment to a named person and whereby containing the wordings" not to the order of" or any similar text-, is not circulate-able except by applying "Transfer of Right" (Assignment).
The cheque to be paid to a named person with the expression "not to the order of" or any similar expression should not be circulated unless according to the transfer provisions.
The endorsement is allowed for the drawer or any other obligor who are eligible to re-endorse the cheque again.

Article 444

The endorsement to the drawee is considered as a Clearance, unless the drawee has many establishments and the endorsement is made to an establishment other than the establishment for which the check was withdrawn.

Article 445

The endorser shall ensure/guarantee the repayment of the cheque.
The endorser has right to ban the re-endorsement. In this case, the endorser shall not be committed to the guarantee towards those who will own the check (revert to) by way of a pursuant endorsement.

Article 446

The holder of the endorse able cheque is considered as its legal bearer/holder - as long as he proves that the check is his right through the uninterrupted endorsements, even if it happened that the last one was in blank - .
The deleted endorsements at this end are considered as void.
If the in blank endorsement is followed by another endorsement, the signatory of the last endorsement shall be considered as the one who owns the right in having the check... Right reverted to him; by way of in blank endorsement.

Article 447

Endorsement made on a check "to its bearer" makes the endorser responsible under "Recourse Provisions" ...But this endorsement shall, however, not lead the instrument/deed to become "to the order of" check.

Article 448

If a person lost a check after a certain accident - either the check is "to the bearer" or it's endorse able - , the person who shall own the check (the check shall revert to him) shall not be obliged to give up the check as long as he proves that it's his own (according to Article 446), unless the check is possessed in a bad intention (malignancy) or by inflicting/causing a grave/big mistake (wrong).

Article 449

The endorsement made after a protesto or after maturity date (appointed date for check submission) does not have any consequences except consequences relevant to the assignment (Right Transfer). The endorsement that does not contain a date is considered as it had occurred before the protesto or before the expiry of date of check submission, unless proved otherwise.

2. Provisory guarantee

Article 450

Guaranteeing fulfillment of the partial or total amount of the check is permissible by an emergency or provisory guarantor.
This guarantee could be made by another party, except the drawee, or by any of signatories of the check.

Subchapter III: Penal sanctions

Article 451

Any body who draws with bad intention a check that has no existing "in return of fulfillment", & un-withdraw able, or has in return of fulfillment less than the amount of the check or refunded in bad intention (after giving the check) the in return of fulfillment totally or partially making the remaining amount less than the amount of the check, or ordered, with bad intention, the drawee not to pay the amount of the check...shall be penalized as per penal law.

Article 452

In case of filing a case of penal action against the drawer as per provisions of the above article, check holder who claimed for the civil rights may ask the court to order to him an amount equal to the unpaid amount from the check in addition to the legal interests on said amount as of the day of submission of the check for repayment plus the complementary compensations if required.
Public prosecution shall publish names of persons, who shall be convicted as per above article, in the official daily newspaper showing their professions, citizenships and amount of penalty.

Article 453

Any drawee -who refuses to pay with bad intention a check drawn on his closet that has "in return of fulfillment" and was not objected - shall have to be penalized for an mount of not more than 1000Riyals, without

Article 454

Any drawee who declares about availability of "in return of fulfillment" which is less than what he really have (with prior knowledge), shall be penalized for an amount not exceeding 500 Riyal.

Article 455

A penalty of not more than 500 Riyal shall be applied to whomever:-

1. Issue a check without date or with a wrong date,
2. b- Withdraw a check on a non-bank
3. repay a check having no date and whomever receives it for clearing
4. Withdraws a check which has no complete "in return of fulfillment" (for withdrawal) , provided to not breach provisions stated in articles 451, 452

Article 456

Each and every bank- that has "in return of fulfillment" and has given his creditor a blank check book to pay him accordingly from his cabinets - should write on every check the name of the person who has received the check. Any violation to this article shall be fined an amount not exceeding the sum of 100 Riyals.

Chapter Two: Ending of the Obligation Established in the Cheque

Subchapter I: Consiredation and Payment of the Cheque

Article 457

Check is repayable upon sight, any information contradicting to that is considered as void. In case of given in the check a date following date of the real withdrawal and this check is submitted for repayment before said date, the bank may stop paying it until the day shown as its date of issue. If repayment is made before that date, the bank shall be responsible for all consequent damages.

Article 458

As amended as per Rule No.10 for the Yr.1982 - in the official newspaper 6 for Yr.1982

For the check drawn/to be repaid in Qatar must be submitted for fulfillment within max.6 months. But for the check drawn out of Qatar and should be fulfilled in it , must be submitted within max.8 months ... Said dates shall start from the date shown in the check as date of issue.

Article 459

In case the check is withdrawn between two places that have different calendars, its issue date shall be reverted to the day corresponding to the calendar of place of fulfillment

Article 460

Drawee may repay the check even after elapse of time of submission. Objection to fulfillment of the check can not be accepted from the drawer except in case of its loss or bankruptcy of the holder.

Article 461

In case of death or loss of eligibility of the drawer or in case he becomes bankrupt after creation of he check; relevant consequent provisions or rules relevant to the check shall not be affected.

Article 462

In case of submission of many checks in the same time and it happened the "in return of fulfillment" is not sufficient for repaying it, dates of its withdrawal shall have to be considered. In case submitted checks are taken from one book and have the same date of issue, the check of the former number shall be considered as drawn first unless otherwise proved..

Article 463

In case a check for barrier is lost or perished, its owner may object to the drawee in repayment of its amount. Objection shall include name of the owner, number and amount of the check and all information that may guide to it and conditions surrounding its loss or damage. In case it's not possible to provide such information reasons behind that shall have to be pointed out. Besides, If the objector has no domicile in Qatar, he has to chose domicile therein. Once the drawee receives the objection, he has to stop repaying the check to the holder and spare the "in return of fulfillment" of the check until a decision is taken. The drawee shall publish, at the expense of the objector, lost/damaged check number, its amount, name of the owner, name of the objector and his address in the official newspaper. After date of said publication any action taken towards the cheque shall be considered as void..

Article 464

The cheque holder referred to in the previous article may dispute the drawee in the protest. The drawee shall receive the cheque therefrom against a receipt. The drawee shall notify the protester by registered letter with acknowledgment of receipt of the name and address of cheque holder. The cheque holder shall notify the protester by registered letter with acknowledgment of receipt that a maturity claim will be filed to honor the cheque upon maturity within one month of receiving the notification. The notification shall contain the reasons for holding the cheque and its date. Where the maturity claim is not filed by the protester within the above period, the court at the request of the holder of the check, shall decide to reject the protest. In this case, the cheque holder shall be deemed by the drawee rightful owner. Where the protester file a maturity claim, the drawee may only pay its value to the litigants who possesses final judgement, or amicable settlement certified by both parties recognizing the cheque ownership.

Article 465

Where 6 months have passed from the date of the protest stipulated in Article (463) without claiming for the fulfillment of the check by the holder of the check, the protesting party may appeal to the court to permit him to receive the amount of the check. Such ruling shall be issued in front of the drawee and after the court verifies the rightful ownership of the opposing party to the check. In case the opposing party does not submit said appeal for fulfillment or in case of rejecting the appeal by the court, the drawee should restore "Entry of In Return of Fulfillment" on the Assets Side of the drawer's Account

Subchapter II: Failure to Pay

Article 466

The holder of the check may recourse to the drawer, endorsers and the others of the obligors in case he submitted it on the legal time but not repaid, provided he proved the refraining from repayment by means of protesto.
Instead of the protesto he may prove said refraining by:-

1. Statement issued by the drawee mentioning also date of check submission.

B- Statement issued by a Clearing House mentioning that the check was submitted on the appointed time but was not paid. Statement should be dated and written on the check and should be signed under by the issuer. No way to refuse writing said statement on the check in case asked by the holder, even if the check includes condition of recourse without expenses, but what is possible for the obligor (in his capacity) is to ask for a period, to submit the check, not exceeding the next working day ... even if it is submitted on the last day of the submission date

Article 467

The holder may reserve his right in recouring to the drawer even if the holder did not submit the check to the drawee or did not make the protesto or any substitute on the legal required date; unless the drawer had submitted the "in return of fulfillment" and this in return kept with the drawee until the elapse of date of check submission, then it happened that the in return is removed by an action not related to the drawer.

Article 468

Decline from payment should be proved as stipulated in article 466 before the date of submission. If submission is made on the last day of said date, declining may be proved on the next working day.

Article 469

In cases of force majeure that made the submission of the check or making the protesto on the appointed time impossible, then said time is extended. The holder should notify without any delay the person who endorsed the check to him about said force majeure and should confirm said notification affixing the date and signature on the check or on the attached paper. Said notification should go in serial until it comes to the drawer. The holder after clearance of the force majeure should submit the check to the bank for repayment without any delay and then make the protesto or any other alternative.

Should the force majeure extend for more than 15 days from the date of the above notification to the endorser - even if said date came before the elapse of date of submission of the check- recourse to obligors is then possible without submission of the check or making the protesto or its alternative. Affairs related to the holder of the check personally or to whomsoever he instructed to submit or to make the protesto or its alternative shall not be considered as a force majeure.

Subchapter III: Limitation Period

Article 470

Limitation of claims of recourse of the holder of the check to drawee, drawer, endorser and others of the obligors commences after 6 months from the date of check's submission. While, limitation of claims of recourse of different obligors of check fulfillment (among each others) commences after six months from the date of fulfilling by the obligor or from the day he was sued.

Defendants must, despite expiry of limitation time, take an oath to assure acquittance (from debts) if they were asked for the same. Their heirs or successors should take also an oath to evidenciate that they did not know that their inherited is under debts.

Article 471

Limitation time stipulated in the above article is not valid in case of filing a case except from the time of the last action taken relevant to it. Said limitation shall not be valid in case of issuance of a rule regarding the debt or the debt is acknowledged by the debtor in an independent instrument that may result in renewing the debt.

Article 472

Interruption of limitation shall have no consequences except for the intended person/entity against whom the final procedure was taken (for its validation).

Article 473

Limitation of a suit claiming the amount of the check does not prevent the holder from claiming for the same and asking the drawer (who did not submit in return of fulfillment or duly did submit but refunded it totally or partially) to return what enriched him unjustly. This rule is applied to the drawer in case persons who committed to fulfill the check (obligors) revert to him.

Book 5: Bankruptcy and Preventive Composition

Article 474

Any businessperson who has his financial affairs disrupted and stopped from paying his debts may declare bankruptcy.

Article 475

Bankruptcy declaration rules are regulated by a special law and relevant consequences.