

Suez Canal Company Nationalization Law July 26th, 1956

In the Name of the Nation, The President of the Republic, Considering.
Decree as follows:

Article I

The Suez Maritime Canal Company, S.A.E. is nationalized. All money, rights and obligations of the company are transferred to the State. All organizations and committees now operating the company are dissolved.

Shareholders and holders of constituent shares shall be compensated in accordance with the value of the shares on the Paris Stock Market on the day preceding the enforcement of this law.

Payment of compensation shall take place immediately the State receives all the assets and property of the nationalized company.

Article II

The management of the Suez Canal traffic utility will be in the hands of an independent body enjoying juristic personality and attached to the Ministry of Commerce. The formation of said body and the amount of compensation to be paid to its members shall be determined by order of the President of the Republic. The body will be invested with all the powers necessary for the proper management of the utility.

Without prejudice to the control of the Audit Department over the balance sheet, said body shall have an independent budget whose preparation shall be in accordance with commercial principles. The budget shall commence on July 1st and end on June 30th of every year. The budget and balance sheet shall be sanctioned by a decree of the President of the Republic. The first budget shall commence on the date this law comes into operation and end on June 30th, 1957. Said board can delegate one or more of its members to execute its decisions or perform any duty assigned to him.

It is also permissible to form from among its members the technical committees to help carry out research work as well as, undertake the study of major issues.
Said board shall be represented before the courts, the government and other authorities by its Chairman.

Article III

The money and property of the nationalized company in Egypt and abroad are frozen. Banks, organizations and individuals are prohibited from disposing of same in any manner except by order of the board mentioned in Article II.

Article IV

Said board shall retain all the employees and workers of the nationalized company. They will continue performing their duties and none can leave his work or give it up in any manner or for any reason except with the permission of the Authority mentioned in Article III.

Article V

Any contravention of Article III is punishable with imprisonment and a fine equal to three times the value of the money in question. Every contravention of Article IV shall be punishable with imprisonment in addition to denying the person concerned any right to compensation, pension or end of service gratuity.

Article VI

This decree shall be published in the Official Gazette, and will have the force of law from the day it is published. The Minister of Commerce is empowered to issue the necessary executor orders.

This decree shall bear the seal of the State and be executed as one of its laws.

26th. of July, 1956.

(Gamal Abdel Nasser)