

COMPROMISE AGREEMENT
FMC File No. 17201(E)

This Compromise Agreement is entered into between:

- (1) the Federal Maritime Commission (Commission); and
- (2) Trans Orient Express, Inc. (Respondent)

WHEREAS, the Commission is considering the initiation of an assessment proceeding against Respondent for the recovery of civil penalties for alleged violations of section 10(a)(1) of the Shipping Act of 1984, as amended (Shipping Act), 46 U.S.C. § 41102(a); and

WHEREAS, such proceeding would be based on Commission allegations that Respondent engaged in certain practices in violation of the Shipping Act, to wit:

Between June 3, 2015 and April 21, 2016, Respondent knowingly and willfully obtained ocean transportation for property at less than the rates or charges that would otherwise be applicable by the device or means of improperly utilizing rates limited to certain “named accounts” in Kawasaki Kisen Kaisha, Ltd. service contract no. SHA5071904.

WHEREAS, the Commission is authorized under section 13(c) of the Shipping Act, 46 U.S.C. § 41109 (a)-(b), and Subpart W of the Commission’s Rules of Practice and Procedure, 46 C.F.R. §§ 502.601 – 502.605, to compromise and collect civil penalties arising from the alleged violations described above; and,

WHEREAS, Respondent has terminated the practices that are the basis of the alleged violations set forth herein, and has committed to maintain measures designed to eliminate such practices in the future; and,

WHEREAS, Respondent has cooperated in good faith and disclosed to the Commission information, facts, and documents relevant to its transportation activities and practices giving rise to the violations stated above; and,

NOW THEREFORE, in consideration of the premises herein, and in compromise of all civil penalties arising from the Commission's investigation of Respondent for the alleged violations described above, Respondent and the Commission hereby agree to the following terms of compromise and settlement:

1. Respondents shall make payment to the Commission by bank cashier's or certified check in the amount of \$70,000.
2. This Compromise Agreement shall forever bar the commencement or institution of any assessment proceeding or other claim for recovery of civil penalties from Respondent, its officers, directors, or employees arising from the Commission's investigation of Respondent for the alleged violations set forth above occurring between June 3, 2015 and April 21, 2016.
3. It is expressly understood that this Compromise Agreement is not, and is not to be construed as, an admission by Respondent to the alleged violations set forth above.
4. This Compromise Agreement is subject to approval by the Commission's Managing Director in accordance with 46 C.F.R. § 502.604.

Trans Orient Express, Inc.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

APPROVAL AND ACCEPTANCE OF COMPROMISE AGREEMENT

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The above Terms and Conditions and Amount of Consideration are hereby approved and accepted:

By the Federal Maritime Commission:

Brian L. Troiano, Director (Date)
Bureau of Enforcement

Karen V. Gregory (Date)
Managing Director