CARNIVAL
CORPORATION & PLC

DAVID BERNSTEIN
Senior Vice President
Chief Financial Officer

November 21, 2011

Karen V. Gregory, Secretary
Federal Maritime Commission
800 North Capitol Street, NW
Washington, DC 20573-0001

RE: Docket No. 11-16 Comments on PVO Financial Responsibility

Dear Ms. Gregory:

Carnival Corporation & plc ("Carnival") submits the following comments on the Notice of Proposed Rulemaking dated September 13, 2011. These comments are submitted on behalf of 10 cruise brands including, Carnival Cruise Lines, Princess Cruises, Holland America Line, Costa Cruises, Cunard Line and Seabourn Cruise Line, all of which are owned by Carnival. Through these cruise brands, Carnival operates a fleet of 101 ships with an additional 10 cruise ships scheduled for delivery by 2016.

Carnival supports the position of the Cruise Lines International Association ("CLIA") as set forth in its comments submitted to the Commission on November 21, 2011. In addition, we refer to our prior comments concerning the passenger vessel financial responsibility requirements including, comments submitted to the Commission on February 10, 2010 and April 30, 2010. As stated therein, the current regulatory framework, with a $15 million bond ceiling for each cruise operator, provides adequate protection to cover the risk of nonperformance.

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In its proposed rulemaking, the Commission invites comment on other proposals that will ensure adequate financial responsibility of cruise vessels in the event of nonperformance. We would like to take this opportunity to propose an alternative program for affiliated passenger vessel operators (PVOs). Specifically, and consistent with our prior filings, we propose that the Commission allow a single bond to cover affiliated PVOs. This bond would be backed by a parent company guaranty which would provide additional and substantial financial security in the event any affiliated PVO fails to perform its financial obligations to passengers. We further propose that the amount of the single bond covering all affiliated PVOs be increased to $50 million which would significantly enhance the coverage afforded to passengers.

Due solely to its corporate structure, PVOs within Carnival currently file five separate bonds. If Carnival were to process all passenger revenue through one company on behalf of all of the brands in the group, only one $15 million bond would be required under present regulations. To remedy this differentiation in treatment, we propose that financially sound companies such as Carnival that own and operate more than one PVO be treated as one applicant for purposes of the financial responsibility requirements. This single bond approach is consistent with the view of the financial and investment communities which look at Carnival on a consolidated basis, and should be applied to the passenger financial responsibility program administered by the Commission. As part of this proposal, the single bond covering all affiliated PVOs would be increased to $50 million and would be backed by a parent guaranty to further secure the financial obligations to passengers not met by any individual PVO within the group.

As we have previously proposed, Carnival Corporation would provide the Commission a financial guaranty ("Guaranty"), in a commercially standard form reasonably acceptable to the Commission, to cover the failure by any of its affiliated PVOs to perform its financial obligations to passengers. As opposed to the current program which limits passenger rights to an individual cruise operator, under our proposal, the Guaranty would provide each affiliated PVO with the financial backing and strength of Carnival Corporation thereby providing greater security for the passenger deposits collected by each individual cruise operator. Should any individual cruise operator within the group fail to meet its financial obligations to passengers, the passengers of such operator would still be entitled to the security of the

$50 million consolidated bond while being further protected by an additional layer of financial security through the parent guaranty.

Allowing a single $50 million bond for affiliated PVOs, and further securing the financial obligations of the individual cruise operators with a parent guaranty, provides significant enhancements to the passenger financial responsibility program. Furthermore, it would do so in a manner that does not place any additional administrative burden on the Commission.

As we have on previous occasions, we are happy to meet with the Commission to discuss our proposal in more detail in the hope of continuing to provide meaningful protection to the US public while at the same time recognizing the financial security and strength of cruise companies such as Carnival. Should you have any questions or require additional information, please do not hesitate to contact the undersigned.

Sincerely,

Carnival Corporation & plc

By: ______________________
Name: David Bernstein
Title: Senior Vice President &
Chief Financial Officer