



Disney Cruise Line

RECEIVED

2010 JUN 18 AM 10:11

June 17, 2010

FEDERAL MARITIME COMMISSION

Honorable Karen V. Gregory
Secretary
Federal Maritime Commission
800 North Capitol Street, NW
Washington, D.C. 20573

Re: Passenger Vessel Financial Responsibility Inquiry: Additional Request for Information

Dear Ms. Gregory:

Enclosed please find the responses of Magical Cruise Company, Ltd., doing business as "Disney Cruise Line" ("DCL") to the questions posed by Mr. Richard A. Lidinsky, Jr. in his letter dated June 7, 2010, to J. Michael Cavanaugh, Esq. and Terry Dale. DCL respectfully requests that our responses to questions 1, 2 and 3 be treated as confidential. We are submitting both a complete and redacted version of our responses; this is the **redacted version**.

1. How much did it cost each brand line to maintain an instrument in 2009, and how much does each line anticipate it will cost in 2010 in order to meet the financial responsibility requirements under Public Law 89-777, 46 U.S.C. §§ 44101-44106, and the Commission's regulations, 46 C.F.R. Part 540? Please state whether the cost is paid separately from other liability insurance premiums or it is included in those premiums. If the cost is included in liability insurance or other premiums, how did each line calculate the cost?

DCL Response (CONFIDENTIAL): This information is CONFIDENTIAL.

2. By each cruise brand line, what is the number of initial passenger embarkations from U.S. ports in 2009; approximately how many do you anticipate in 2010?

DCL Response (CONFIDENTIAL): This information is CONFIDENTIAL.

3. For each cruise brand line, what is your average fare per passenger for those cruises that are subject to the statutory financial responsibility requirements?

DCL Response (CONFIDENTIAL): This information is CONFIDENTIAL.



Honorable Karen V. Gregory
Secretary
Federal Maritime Commission
June 17, 2010
Page 2

4. Unearned passenger revenue (UPR) is the monies paid by passengers who are to embark at any U.S. port for water transportation and all other accommodations, services, and facilities relating thereto that have not yet been performed. *See* 46 C.F.R. § 540.2(i). UPR does not include costs for airfare, hotel, shore excursions, or on-board discretionary spending by passengers. For each brand line, what percentage of UPR is paid by credit card?

DCL Response: The percentage of DCL's UPR paid by credit card is approximately 94%.

5. For each cruise brand line, please describe the line's "booking window." (1) How far in advance do the passengers book their cruises, on average? (2) What does the line require for a deposit from its passengers? (3) How far in advance does the line require payment of the passenger's fare, or of portions of the passenger's fare, and when is the final payment due?

DCL Response: (1) DCL passengers book their cruises approximately eight months prior to departure, on average. (2) DCL requires deposits in the range of \$200-\$250 per passenger depending on the length of the cruise (\$200 per passenger for cruises of six nights or less; \$250 per passenger for cruises of seven nights or more). (3) DCL requires deposits to be paid within five days of booking. DCL requires final payment to be made on or before the 75th day prior to the departure date.

Please contact us if you require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "James Heaney", written over a large, stylized circular flourish.

James Heaney
Senior Vice President and CFO
Disney Cruise Line

JH/mam
Enclosures