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OFFICE OF THE SECRETARY
FEDERAL MARITIME COMMISSION

BEFORE THE
FEDERAL MARITIME COMMISSION

Docket No. P5-15

PETITION OF PACIFIC INTERNATIONAL LINES AND
MARIANAS EXPRESS LINES FOR AN EXEMPTION EQUIVALENT TO THE
EXEMPTION SET FORTH IN 46 CFR 535.307

Pursuant to Section 16 of the Shipping Act of 1984, as amended (46 U.S.C. §40103(a)) and Rule 74 of the Commission's Rules of Practice and Procedure, 46 C.F.R. §502.69, Pacific International Lines (Private) Limited ("PIL") and Mariana Express Lines Pte. Ltd. ("MELL") respectfully petition the Commission for an exemption equivalent to that contained in 46 CFR § 535.307 for agreements and activities between PIL and MELL. PIL and MELL believe that the exemption will not impair effective regulation by the Commission, will not be unjustly discriminatory, will not result in a reduction in competition and will not be detrimental to commerce.

In support of this Petition, PIL and MELL state the following:

1. PIL is a Singapore corporation with its head office located in Singapore. PIL operates, as relevant here, as an ocean common carrier in the U.S. foreign commerce in the trades between the United States and ports in the Far East and Australia.
2. MELL is a Singapore corporation with its head office located in Singapore. MELL operates as an ocean common carrier in the trades between ports in the Asia-Pacific Region including Micronesia, Saipan, Guam, Papua New Guinea, Malaysia and Australia.
3. On March 11, 2015, PIL acquired sixty-five (65%) percent of the shares of MELL. As stated by PIL in the announcement of the acquisition:

"We believe that MELL's capabilities will complement PIL's liner business and global network . . . This PIL/MELL partnership will therefore enable both companies to

synergise their current activities whilst opening up new opportunities for all customers and stakeholders simultaneously.”

4. It appears that the ability of PIL and MELL to achieve synergies in their current activities or to open up new opportunities for customers in the U.S. trades would, under current FMC law and regulations, likely require PIL and MELL to file a number of agreements between themselves with the FMC, in many cases with Information Forms and reporting requirements. In fact, virtually any agreement between PIL and MELL, from joint activity with respect to equipment, purchasing of goods and services, space chartering, joint sales, pricing, or other cooperative arrangements, would potentially necessitate filing agreements with the Commission. Since PIL has the legal right as the 65% owner of MELL to direct all of MELL’s activities, the regulatory requirements of the Act with respect to virtually any agreement between PIL and MELL would delay what should be routine day-to-day decisions between a parent and its subsidiary, it would interfere with the ability of this parent and its subsidiary to function effectively and, as such would be unduly burdensome,.

5. As shown in Attachment A, from the Accounting and Regulatory Authority in Singapore, PIL owns 65% of MELL, the other 35% is owned by a company called Luen Thai Enterprises Ltd., a British Virgin Island corporation which does not itself operate as an ocean common carrier. A majority, four of six, of the Directors of MELL, specifically Teo Siong Seng, Tan Chor Kee, Tay Kian Phuan William and Lim Jock Fong are also Officers and Directors of PIL. In light of PIL’s 65% ownership and control of MELL’s Board of Directors, it appears that there is a complete unity of interest between PIL and MELL that would be the same as if PIL owned 100% of MELL.

6. The Commission’s regulations currently contain a general exemption at 46 CFR §535.307 pursuant to which the Commission exempted, *inter alia*, agreements between or among wholly owned subsidiaries and/or their parents from FMC Agreement filing provisions all. For ease of reference, we quote the entire exemption regulation:

§535.307 Agreements between or among wholly-owned subsidiaries and/or their parent—exemption.

(a) An agreement between or among wholly-owned subsidiaries and/or their parent means an agreement under section 4 of the Act (46 U.S.C. 40301(a)-(c)) between or among an ocean common carrier or marine terminal operator subject to the Act and any one or more ocean common

carriers or marine terminal operators which are ultimately owned 100 percent by that ocean common carrier or marine terminal operator, or an agreement between or among such wholly-owned carriers or terminal operators.

(b) All agreements between or among wholly-owned subsidiaries and/or their parent are exempt from the filing requirements of the Act and this part.

(c) Ocean common carriers are exempt from section 10(c) of the Act (46 U.S.C. 41105) to the extent that the concerted activities proscribed by that section result solely from agreements between or among wholly-owned subsidiaries and/or their parent.

(d) The filing fee for optional filing of these agreements is provided in §535.401(g).

7. PIL and MELL are not seeking an amendment to this provision of the Commission's regulations but rather an exemption for their agreements on the basis of this Petition. PIL and MELL are unaware of any other carriers having need for the exemption sought here.

8. The adoption of the exemption that is quoted above was in response to a Petition for Exemption by Crowley Maritime Corporation that the Commission, *sua sponte*, expanded. It is apparently limited to wholly-owned subsidiaries because Crowley had a number of different common carriers that were all wholly owned and that is what they requested. See Docket 88-8, dated March 31, 1988, *Agreements Between or Among Wholly-Owned Subsidiaries and/or Their Parent – Exception*. There is nothing in the Order that indicates that the Commission gave consideration to parent/subsidiary relationships in which the parent owned a controlling interest that was less than 100% of the subsidiary.

9. PIL and MELL believe that the same rationale under which the Commission exempted agreements under 46 CFR §535.307 between a parent and its wholly-owned subsidiary should apply to agreements between PIL and MELL because PIL owns 65% of MELL and thus when PIL and MELL enter into agreements, PIL is essentially entering into an agreement with itself.

For all of the reasons set forth herein, PIL and MELL respectfully request that the exemption be granted.

Respectfully submitted,

Hoppel, Mayer & Coleman

By: 

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302-945-8991

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**Business Profile (Company) of MARIANA EXPRESS LINES PTE. LTD.
(200711014N)**

Date: 17/03/2015

The Following Are The Brief Particulars of :

Registration No. : 200711014N
 Company Name. : MARIANA EXPRESS LINES PTE. LTD.
 Former Name if any :
 Incorporation Date : 20/06/2007
 Company Type : LIMITED PRIVATE COMPANY
 Status : Live Company
 Status Date : 20/06/2007

Principal Activities

Activities (I) : 50021
 Description : SHIPPING
 Activities (II) :
 Description :

Capital

Issued Share Capital * (AMOUNT)	Number of shares	Currency	Share Type
6598540.00	6598540	UNITED STATES OF AMERICA, DOLLARS	ORDINARY

* Number of Shares includes number of Treasury Shares

Paid-Up Capital (AMOUNT)	Number of shares	Currency	Share Type
6598540.00		UNITED STATES OF AMERICA, DOLLARS	ORDINARY

COMPANY HAS THE FOLLOWING ORDINARY SHARES HELD AS TREASURY SHARES

Number Of Shares	Currency
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Registered Office Address : 79 ANSON ROAD
 #09-03
 SINGAPORE (079906)
 Date of Address : 27/06/2009

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**Business Profile (Company) of MARIANA EXPRESS LINES PTE. LTD.
(200711014N)**

Date: 17/03/2015

Date of Last AGM	:	<input type="text" value="27/06/2013"/>
Date of Last AR	:	<input type="text" value="22/07/2013"/>
Date of A/C Laid at Last AGM	:	<input type="text" value="31/12/2012"/>
Date of Lodgment of AR, A/C	:	<input type="text" value="22/07/2013"/>

Audit Firms

NAME
NEXIA TS PUBLIC ACCOUNTING CORPORATION

Charges

Charge No.	Date Registered	Currency	Amount Secured	Chargee(s)
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**Business Profile (Company) of MARIANA EXPRESS LINES PTE. LTD.
(200711014N)**

Date: 17/03/2015

Officers/Agents				
Name	ID	Nationality	Source of Address	Date of Appointment
Address		Position Held		
GEORGE CHIU	488083329	AMERICAN	ACRA	10/09/2009
801 PALE SAN VITORES ROAD, TUMON GUAM 96913		DIRECTOR		
TAN WILLIE	KJ0248919	CHINESE	ACRA	10/09/2009
FLAT 24 BLOCK A 10/F FONTANA GARDENS KA NING PATH TAI HANG ROAD CAUSEWAY BAY HONG KONG		DIRECTOR		
TEO SIONG SENG	S0090484H	SINGAPORE CITIZEN	ACRA	10/03/2015
23 QUEEN ASTRID PARK SINGAPORE (266828)		DIRECTOR		
TAN CHOR KEE	S0103807I	SINGAPORE CITIZEN	ACRA	10/03/2015
49 JALAN IKAN MERAH THOMSON PARK SINGAPORE (578078)		DIRECTOR		
TAY KIAN PHUAN WILLIAM	S0165877H	SINGAPORE CITIZEN	ACRA	10/03/2015
66 DUCHESS AVENUE #02-01 DUCHESS CREST SINGAPORE (269204)		DIRECTOR		
TEH GUEK NGOR ENGELIN	S1099925A	SINGAPORE CITIZEN	ACRA	20/06/2007
63 CAIRNHILL CIRCLE #14-01 PROMONT, THE SINGAPORE (229790)		SECRETARY		
LIM JOCK FONG	S1617390H	SINGAPORE CITIZEN	ACRA	10/03/2015

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**Business Profile (Company) of MARIANA EXPRESS LINES PTE. LTD.
(200711014N)**

Date: 17/03/2015

26 KIM TIAN ROAD
#18-01
TWIN REGENCY
SINGAPORE (169277)

DIRECTOR

Shareholder (s)

Name	ID	Nationality/Place of incorporation/Origin	Source of Address	Address Changed
Address 1 PACIFIC INTERNATIONAL LINES (PRIVATE) LIMITED 140 CECIL STREET #03-00 PIL BLDG SINGAPORE (069540)	196700080N	SINGAPORE	ACRA	
Ordinary (Number) 4289051	Currency UNITED STATES OF AMERICA, DOLLARS			
2 LUEN THAI ENTERPRISES LTD. P.O. BOX 957, OFFSHORE INCORPORATIONS CENTRE, ROAD TOWN, TORTOLA, BRITISH VIRGIN ISLANDS	T09UF2245A	VIRGIN ISLANDS, BRITISH	ACRA	
Ordinary (Number) 2309489	Currency UNITED STATES OF AMERICA, DOLLARS			

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**Business Profile (Company) of MARIANA EXPRESS LINES PTE. LTD.
(200711014N)**

Date: 17/03/2015

Abbreviation

UL - Local Entity not registered with ACRA

UF - Foreign Entity not registered with ACRA

V/Share - Value Per Share

AR - Annual Return

AGM - Annual General Meeting

A/C - Accounts

OSCARS - One Stop Change of Address Reporting Service by Immigration & Checkpoint Authority.

PLEASE NOTE THAT INFORMATION HEREIN CONTAINED IS EXTRACTED FROM FORMS/TRANSACTIONS FILED WITH THE AUTHORITY

FOR REGISTRAR OF COMPANIES AND BUSINESSES
SINGAPORE

RECEIPT NO. : ACR0001032590229

DATE : 17/03/2015

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