

COMPROMISE AGREEMENT
FMC File No. 17154

This Compromise Agreement is entered into between:

- (1) the Federal Maritime Commission (Commission); and
- (2) Sino Connections Logistics 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 sections 10(a)(1) and 10(b)(2)(A) of the Shipping Act of 1984, 46 U.S.C. §§ 41102(a), 41104(2)(A); and

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

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 service contract no. 346223 with United Arab Shipping Co.; and

The rates assessed by Respondent for certain shipments transported under the aforementioned contract were not in accordance with Respondent's published tariff or other lawful non-tariff alternatives.

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 for the alleged violations set forth and described above; and,

WHEREAS, Respondent 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 and disclosed to the Commission information, facts, and documents relevant to the transportation activities and practices giving rise to the allegations 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 upon the following terms of compromise and settlement:

1. Respondent shall make payment to the Commission by cashier's or certified checks or by wire transfer in the amount of \$90,000.00 on or before August 30, 2016.
2. This Compromise Agreement shall forever bar the commencement or institution of any assessment proceeding or other claim of 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 that occurred between June 1, 2014 and April 30, 2015.
3. Respondent agrees to cooperate in good faith with the further efforts of the Commission to investigate, formally or informally, other entities that may have participated in, aided, or facilitated the alleged unlawful use of named account rates in the service contract specified above. Such cooperation shall include furnishing documents in Respondent's possession, identifying relevant personnel, and providing explanatory information or testimony as may be required by the Commission.
4. 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.

5. This agreement is subject to approval by the Commission's Managing Director in accordance with 46 C.F.R. § 502.604.

Sino Connections Logistics 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:

Peter J. King, Director (Date)
Bureau of Enforcement

Vern Hill (Date)
Managing Director