This Compromise Agreement ("Agreement") is entered into between:

(1) the Federal Maritime Commission, hereinafter referred to as Commission, and

(2) King Freight (USA), Inc., hereinafter referred to as Respondent.

WHEREAS, the Commission is considering the institution of an assessment proceeding against Respondent for recovery of civil penalties for alleged violations of sections 10(a)(1) and 10(b)(2)(A) of the Shipping Act of 1984 (Shipping Act), 46 U.S.C. §§ 41102(a) and 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:

A. Between June 13, 2014 and November 17, 2015, King Freight (USA), Inc. 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 its service contracts No. 14-195TPC and 15-384TPC with MSC; and

B. With respect to shipments it transported under the contracts identified above, King Freight (USA), Inc. provided service that was not in accordance with the rates or charges contained in its NVOCC tariff.

WHEREAS, the Commission is authorized under section 13(c) of the Shipping Act, 46 U.S.C. § 41109 (a)-(b), and Part 502 of the Commission’s Regulations, 46 C.F.R. Part 502, to compromise and collect civil penalties;
WHEREAS, Respondent has cooperated and disclosed to the Commission information, facts, and documents relevant to its transportation activities and practices giving rise to the alleged violations herein;

WHEREAS, Respondent has agreed to cooperate with respect to investigative activity or enforcement action conducted by the Commission regarding the transportation activities identified by the Commission or disclosed by Respondent giving rise to the alleged violations herein.

WHEREAS, Respondent has terminated the practices that are the basis of the alleged violations set forth herein, and has instituted and committed to maintain measures designed to eliminate these practices by Respondent, its officers, directors, or employees in the future.

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

1. Respondents shall make payment on or before March 23, 2017 to the Commission by certified check, cashier's check, or wire transfer in the total amount of $90,000 (Ninety Thousand Dollars).

2. This 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 in paragraphs A. and B. above.

3. It is expressly understood that this Agreement is not, and is not to be construed as, an admission by Respondent to the alleged violations set forth above.
4. This Agreement is subject to approval by the Commission’s Managing Director in accordance with 46 C.F.R. §502.604.

King Freight (USA), Inc.

Signature: __________________________
Printed Name: _______________________
Title: ______________________________
Date: ______________________________

APPROVAL AND ACCEPTANCE OF COMPROMISE AGREEMENT

FMC File No. 17123

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

By the Federal Maritime Commission:

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

_________________________________________
Karen V. Gregory (Date)
Managing Director