

COMPROMISE AGREEMENT

This Agreement is entered into between:

- (1) the Federal Maritime Commission, hereinafter referred to as Commission, and
- (2) American Freight Logistics, Inc. (AFL), hereinafter referred to as Respondent.

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

Whereas such proceeding would be based on the Commission's allegations that Respondent engaged in certain practices violative of the Shipping Act of 1984, to wit:

AFL knowingly and willfully obtained ocean transportation for property at less than the rates and charges that would otherwise be applicable by the device or means of improperly utilizing rates limited to certain "named accounts" in MSC service contract nos. 16-286TPC, 17-237TPC, and 18-399TPC.

Whereas, the Commission has authority under section 13(c) of the Shipping Act of 1984, 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 for the alleged violations set forth and described above; and,

Whereas, Respondent has terminated the practices which are the basis of the alleged violations set forth herein, and has committed to maintain measures designed to eliminate these practices by Respondent in the future.

Now Therefore, in consideration of the premises herein, and in compromise of all civil penalties arising from the alleged violations set forth and described herein, Respondent and the Commission hereby agree upon the following terms of compromise and settlement:

1. Respondent shall make monetary payment to the Commission by cashier's or certified check in the total amount of \$85,000.
2. This instrument 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 alleged violations set forth above that occurred

between January 1, 2017 and July 30, 2018.

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.

AMERICAN FREIGHT LOGISTICS, INC.

Signature: 

Printed Name: Jennifer Kraokong McCormick

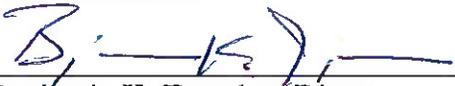
Title: CEO

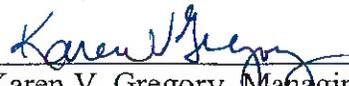
Date: 4/10/2019

APPROVAL AND ACCEPTANCE

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

By the Federal Maritime Commission:

 4-17-2019
Benjamin K. Trogdon, Director (Date)
Bureau of Enforcement

 4/22/2019
Karen V. Gregory, Managing Director (Date)