

COMPROMISE AGREEMENT

FMC File No. 17122

This Compromise (Agreement) is entered into between:

- (1) the Federal Maritime Commission (Commission); and
- (2) Seamaster Logistics, Inc. and Toll Global Forwarding (Hong Kong) Ltd.

(Respondents)

WHEREAS, the Commission is considering the initiation of an assessment proceeding against Respondents for the recovery of civil penalties for alleged violations of sections 10(a)(1) and 10(b)(2) of the Shipping Act of 1984, as amended (Shipping Act), 46 U.S.C. §§ 41102(a) and 41104(b)(2), as well as applicable Commission regulations issued pursuant thereto; and

WHEREAS, such proceeding would be based on Commission allegations that Respondents engaged in certain practices in violation of the Shipping Act, to wit:

Between March 31, 2012 and August 31, 2014, Respondents knowingly and willfully engaged in arrangements with American Global Logistics, LLC (AGL) allowing AGL to access certain service contracts to which AGL was neither a signatory nor a named affiliate and thereby obtained ocean transportation for property at less than the rates or charges that would otherwise be applicable. The subject service contracts involved a number of vessel operating common carriers, including, but not limited to, United Arab Shipping Company, S.A.G., COSCO Container Lines Company Limited and Evergreen Line.

Between March 31, 2012 and August 31, 2014, Respondents also provided services in a liner trade as non-vessel operating common carriers to shippers that were not in accordance with the rates and charges published in their tariffs or in non-tariff alternatives permitted by the Commission's regulations.

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 arising from the alleged violations described above; and

WHEREAS, Respondents have terminated the alleged practices that are the basis of the alleged violations set forth herein, and have committed to maintaining measures designed to eliminate such practices in the future, including the commitment to conduct independent annual compliance audits of their operations for each of the three years following the date of this Agreement; and,

WHEREAS, Respondents have cooperated in good faith and disclosed to the Commission information, facts, and documents relevant to their transportation activities and practices giving rise to the violations alleged.

NOW THEREFORE, in consideration of the premises herein, and in compromise of all civil penalties arising from the Commission's investigation of Respondents for the alleged violations, Respondents and the Commission hereby agree to the following terms of compromise and settlement:

1. Respondents shall make payment to the Commission on or before March 31, 2017 by a bank cashier's check in the amount of \$275,000.
2. This Agreement shall forever bar the commencement or institution of any assessment proceeding or other claim for recovery of civil penalties from Respondents, their officers, directors, employees, agents, or Respondents' affiliates named in the subject service contracts, arising from the Commission's investigation of Respondents for the alleged violations set forth above which occurred between

March 31, 2012 and August 31, 2014.

3. It is expressly understood that this Agreement is not, and is not to be construed as, an admission by Respondents 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.

Seamaster Logistics, Inc.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Toll Global Forwarding (Hong Kong) Ltd.

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:

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

Karen V. Gregory (Date)
Managing Director