

COMPROMISE AGREEMENT

This Agreement is entered into between:

- (1) the Federal Maritime Commission, hereinafter referred to as Commission, and
- (2) China International Freight Co., Ltd. (China International Freight), 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) and 10(b)(2)(A) of the Shipping Act of 1984, 46 U.S.C. §§ 41102(a) and 41104(2)(A);

Whereas this course of action is the result of alleged practices believed by the Commission to have been engaged in by Respondent, to wit:

China International Freight 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 its service contracts with United Arab Shipping Company and Hyundai Merchant Marine Company Ltd.

China International Freight provided transportation in the liner trade that was not in accordance with the rates and charges set forth in its published tariff.

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;

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 settlement:

1. Respondent shall make monetary payment to the Commission by cashier's or certified check in the total amount of \$100,000.
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 June 27, 2014 and December 31, 2015.
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.

CHINA INTERNATIONAL FREIGHT CO., LTD.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

APPROVAL AND ACCEPTANCE

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 W. Hill, Managing Director (Date)