

SPEEDEX FREIGHT SYSTEMS NRA GUIDELINES FOR OVERSEAS AGENT

Effective February 21, 2014, SpeedEx Freight Systems (“SpeedEx”) commenced implementing the Federal Maritime Commission tariff exemption rules which result in lower costs and significantly less regulatory exposure to SpeedEx and its Agents. The FMC refers to this as the Negotiated Rate Arrangements (“NRAs”).

In order to meet the FMC requirements, the following is required for cargo (import or export) quoted by SpeedEx agents and for which SpeedEx house bills are utilized as of the above date:

1. Quotations should be done by a “writing” which can be electronic. This includes Quotation sheets, booking confirmations, e-mails, or any other written exchange between the Agent and the shipper/consignee.
2. Quotes shall be specific as to Origin/Destination---i.e., Named Port to Port, CY/CY, or specific points (on Door moves).
3. Quotes shall be specific as to commodity and quantities involved. For example, per TEU, per FEU, per W/M (“per kilo/ CBM whichever is greater”, etc.).
4. Quotes can be “All-In”; or “All-In except for the following charges, i.e., BAF, CAF, PSS, etc. (If no dollar amount is included in the quotations for surcharges, then there must be reference to these charges in SpeedEx’s Rules Tariff; or “All-In except for the following charges, i.e., BAF, CAF, PSS, etc.(named dollar amount);”
5. The written exchanges should indicate that the shipper/consignee is in agreement with the quoted rates/charges. Nothing formal is required. But it should be readily inferred from the exchange that the shipper/consignee accepted the rates and charges quoted. If in doubt, send the shipper/consignee a recap of the rates and charges as the Agent understands them with a statement, that once cargo is received these will be the applicable rates/charges. If the rates and/or charges do not change, the shipper customer does not have to agree to the rates for every subsequent transaction. In any case, our rules provide that if a shipper books cargo, it has accepted the quoted rates and charges.
6. **NOTE: THE FMC REQUIRES THAT THESE NRAs CONTAIN THE ACUTAL SELL RATES AND CHARGES---THE AMOUNTS ACTUALLY INVOICED TO THE CUSTOMER.**
7. **Agent’s quotations must include the following:**

“Unless otherwise agreed in writing, the following Standard Terms & Conditions will govern any business relationship between the parties. When acting as Carrier all quotations are made pursuant to 46 C.F.R. §520.13 and §532. All terms and conditions of carriage are those as contained in Carrier’s Rules Tariffs at: <http://speedex.ca>, its

bill of lading, and quotations. All origin and destination local charges apply whether or not included in SpeedEx's Rules Tariff'.

8. Local terminal/carrier charges that are generally considered "local charges" do not need to be spelled out in an NRA, but need to be mentioned in all the quotations generically as follows: "All origin and destination local charges apply whether or not included in SpeedEx's Rules Tariff". See Paragraph 7 above.
9. On quotations, indicate that the "offer" is good for 30 days, or less if the quotation is rescinded by the Carrier prior to SpeedEx or its agents receiving the cargo for transport.
10. Rates and charges quotes cannot be changed once cargo is delivered to the Piers or to the Container Yard, or once the trucker has picked-up the cargo on "Door" moves. However quotations can be withdrawn prior to the receipt of cargo.
11. The FMC imposes the following recordkeeping requirements on all NVOCCS and its agents when invoking the NRA exemption:
 - a. An NVOCC invoking an NRA exemption must maintain original NRAs in an organized, readily accessible or retrievable manner for 5 years from the completion date of performance of the NRA by an NVOCC, in a format easily produced to the Commission.
 - b. NRAs are subject to FMC inspection and reproduction requests and an NVOCC shall produce the requested NRAs promptly in response to a Commission request. All records produced must be in English or be accompanied by a certified English translation.
 - c. Failure to keep or timely produce original NRAs will disqualify an NVOCC from the operation of an NRA exemption and may result in a Commission finding of a violation of 46 U.S.C. 41104(1), 41104(2)(A) or other acts prohibited by the Shipping Act.