

FEDERAL MARITIME COMMISSION**[Docket No. 98-19]****Saeid B. Maralan (aka Sam Bustani), World Line Shipping, Inc. d/b/a World Line Shipping and World Line Shipping International Shipping Co. and Atlas World Line, Inc. d/b/a Atlas World Line and Atlas World Line International Shipping Co.—Possible Violations of Sections 8(a)(1), 10(b)(1), 19(a) and 23(a) of the Shipping Act of 1984; Order of Investigation and Hearing**

World Line Shipping, Inc., also doing business as World Line Shipping and World Line Shipping International Shipping Co., is a tariffed and bonded non-vessel-operating common carrier ("NVOCC"), and holds itself out as an NVOCC pursuant to its ATFI tariff FMC No. 015099-001, effective November 20, 1997. World Line Shipping, Inc. currently maintains an NVOCC bond, No. 8941513, in the amount of \$50,000 with Washington International Insurance Company. World Line Shipping, Inc. was incorporated in Delaware on September 12, 1997 and in California on April 29, 1998. Saeid B. Maralan (aka Sam Bustani) ("Bustani") is the President and sole stock owner of World Line Shipping, Inc. Although Bustani uses World Line Shipping and World Line Shipping International Shipping Co. as d/b/a's, the tariff for World Line Shipping, Inc. does not list any of these company names.

Atlas World Line, Inc., also doing business as Atlas World Line and Atlas World Line International Shipping Co., is a non-tariffed and non-bonded NVOCC located at 14415 S. Main Street, Gardena, CA 90248. Atlas World Line, Inc. was incorporated in Delaware on August 29, 1996 and in California on January 6, 1997. It appears that the Delaware corporation is no longer an active entity, but the California corporation remains active. Bustani is the President and sole stock holder of Atlas World Line, Inc.

It appears that from at least March 30, 1997 until April 21, 1998, Bustani has provided ocean transportation services to the public for shipments from the United States to foreign countries, consisting mostly of household goods, personal effects and automobiles. Bustani, using numerous company names, appears to dispatch shipments via ocean common carriers, arrange for the transportation of shipments on behalf of shippers, and prepare documentation consisting of bills of lading and export documents. Shippers appear to look to Bustani and his companies for the delivery of shipments. Therefore, it appears Bustani

and his companies hold themselves out to perform transportation to the public and accept responsibility for the transportation of shipments. Shipments are contracted with ocean common carriers under the names of actual shippers as well as under the names of Atlas World Line, Inc., Atlas World Line, Atlas World Line International Shipping Company, World Line Shipping, Inc., World Line Shipping and World Line Shipping International Shipping Company.

Section 8(a) of the Shipping Act of 1984 ("1984 Act"), 46 U.S.C. app. 1707(a), provides that each common carrier must file a tariff with the Commission showing all of its rates, charges, classifications, rules and practices. Section 3(6) of the 1984 Act, 46 U.S.C. app. 1702(6), in pertinent part, defines a common carrier as a person holding out to the public to provide transportation by water between the United States and a foreign country, that assumes responsibility for performing the transportation and utilizes a vessel operating on the high seas for providing the transportation. Section 3(17) of the 1984 Act, 46 U.S.C. 1702(17), defines a non-vessel-operating common carrier ("NVOCC") as a common carrier that does not operate the vessels used in providing the ocean transportation and acts as the shipper in relation with the ocean common carrier. Section 23(a) of the 1984 Act, 46 U.S.C. app. 1721(a), further provides that each NVOCC must furnish to the Commission a bond, proof of insurance or other surety, *inter alia*, to insure the financial responsibility of the carrier to pay any judgment for damages arising from its transportation-related activities. According to the records maintained by the Commission's Bureau of Tariffs, Certification and Licensing, no tariff or bond has been filed with the Commission in the name of Saeid Maralan, or his alias Sam Bustani, Atlas World Line, Inc., Atlas World Line or Atlas World Line International Shipping Company. Therefore, it appears that Bustani, by providing ocean transportation of cargo to the public for shipments between the United States and foreign countries and by contracting as a shipper for the carriage of the cargo, has acted as a NVOCC without a tariff or bond on file with the Commission, in violation of sections 8(a) and 23(a) of the 1984 Act.

Section 10(b)(1) of the 1984 Act, 46 U.S.C. app. 1709(b)(1), prohibits a common carrier from charging, collecting or receiving greater, less or different compensation for the transportation of property than the rates set forth in its tariff. It appears that

World Line Shipping, Inc. failed to file a commodity rate for numerous shipments, and in other instances did not charge the rates set forth in its tariff.

Section 19(a) of the 1984 Act, 46 U.S.C. app. 1718(a), provides that no person may act as an ocean freight forwarder unless that person has obtained a license from the Commission. Section 3(19) of the 1984 Act, 46 U.S.C. app. 1702(19), defines an ocean freight forwarder as a person in the United States that dispatches shipments from the United States to a foreign country via common carriers, books or otherwise arranges space for such shipments on behalf of shippers, and processes the documentation or performs related activities incident to those shipments. In order to obtain an ocean freight forwarder license, a forwarder must furnish to the Commission a bond to insure the financial responsibility of the forwarder, and the Commission must determine that the forwarder is qualified by experience and character to render forwarding services. According to a review of records maintained by the Commission's Bureau of Tariffs, Certification and Licensing, no ocean freight forwarder license has been issued in the name of Saeid Maralan or his alias name, Sam Bustani. Therefore, it would appear that Bustani, by dispatching shipments, by booking or otherwise arranging space for the shipments, and by processing documentation incident to ocean shipments made on behalf of others from the United States, has acted as an ocean freight forwarder without a license issued by the Commission in violation of section 19(a) of the 1984 Act.

Section 13 of the 1984 Act, 46 U.S.C. app. 1712, provides that a person is subject to a civil penalty of not more than \$25,000 for each violation knowingly and willfully committed, and not more than \$5,000 for other violations.¹ Section 13 further provides that a common carrier's tariff may be suspended for violations of section 10(b)(1) for a period not to exceed one year.

Now therefore, it is ordered, That pursuant to sections 8, 10, 11, 13, 19 and 23 of the 1984 Act, 46 U.S.C. app. 1707, 1709, 1710, 1718 and 1721, an investigation is instituted to determine whether Saeid B. Maralan (aka Sam Bustani), World Line Shipping, Inc. d/b/a/ World Line Shipping and World

¹ The maximum penalties are raised by 10 percent for violations occurring after November 7, 1996. See Inflation Adjustment of Civil Monetary Penalties, 27 S.R.R. 809 (1996).

Line Shipping International Shipping Co. and Atlas World Line, Inc. d/b/a Atlas World Line and Atlas World Line International Shipping Co.:

(1) Violated sections 8(a) and 23(a) of the 1984 Act by acting as a NVOCC without a tariff and bond on file with the Commission;

(2) Violated section 10(b)(1) of the 1984 Act by charging, demanding, collecting or receiving less or different compensation for the transportation of property than the rates and charges showing in World Line Shipping, Inc.'s NVOCC tariff;

(3) Violated section 19(a) of the 1984 Act by acting as an ocean freight forwarder without a license issued by the Commission;

(4) Whether in the event violations of sections 8(a), 10(b)(1), 19(a) or 23(a) of the 1984 Act are found, civil penalties should be assessed against respondents, and if so, the amount of penalties to be assessed;

(5) Whether, in the event violations of section 10(b)(1) are found, the tariff of World Line Shipping, Inc. should be suspended; and

(6) Whether, in the event violations are found, an appropriate cease and desist order should be issued.

It is further ordered, That a public hearing be held in this proceeding and that this matter be assigned for hearing before an Administrative Law Judge of the Commission's Office of Administrative Law Judges in compliance with Rule 61 of the Commission's rules of practice and procedure, 46 CFR 502.61. The hearing shall include oral testimony and cross-examination in the discretion of the Presiding Administrative Law Judge only after consideration has been given by the parties and the Presiding Administrative Law Judge to the use of alternative forms of dispute resolution, and upon a proper showing that there are genuine issues of material fact that cannot be resolved on the basis of sworn statements, affidavits, depositions, or other documents or that the nature of the matter in issue is such that an oral hearing and cross-examination are necessary for the development of an adequate record.

It is further ordered, that Saeid B. Maralan (aka Sam Bustani), World Line Shipping, Inc. d/b/a World Line Shipping and World Line Shipping International Shipping Co. and Atlas World Line, Inc. d/b/a Atlas World Line and Atlas World Line International Shipping Co. are designated as Respondents in this proceeding;

It is further ordered, that the Commission's Bureau of Enforcement is designated a party to this proceeding;

It is further ordered, that notice of this Order be published in the **Federal Register**, and a copy be served on parties of record;

It is further ordered, that other persons having an interest in participating in this proceeding may file petitions for leave to intervene in accordance with Rule 72 of the Commission's rules of practice and procedure, 46 CFR 502.72;

It is further ordered, that all further notices, orders and/or decisions issued by or on behalf of the Commission in this proceeding, including notice of the time and place of hearing or prehearing conference, shall be served on parties of record;

It is further ordered, that all documents submitted by any party of record in this proceeding shall be directed to the Secretary, Federal Maritime Commission, Washington, DC 20573, in accordance with Rule 118 of the Commission's rules of practice and procedure, 46 CFR 502.118, and shall be served on parties of record; and

It is further ordered, that in accordance with Rule 61 of the Commission's rules of practice and procedures, the initial decision of the Administrative Law Judge shall be issued by November 2, 1999 and the final decision of the Commission shall be issued by March 2, 2000.

By the Commission.

Joseph C. Polking,
Secretary.

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FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies; Correction

This notice corrects a notice (FR Doc. 98-28023) published on pages 56033 and 56034 of the issue for Tuesday, October 20, 1998.

Under the Federal Reserve Bank of Cleveland heading, the entry for First Merit Corporation, Akron, Ohio, is revised to read as follows:

A. Federal Reserve Bank of Cleveland (Paul Kaboth, Banking Supervisor) 1455 East Sixth Street, Cleveland, Ohio 44101-2566:

1. *First Merit Corporation*, Akron, Ohio; to acquire 100 percent of the voting shares of Signal Corp., Wooster, Ohio, and thereby indirectly acquire Signal Bank, N.A., Wooster, Ohio; Summit Bank, N.A., Akron, Ohio, and NC Interim National Bank, Wooster, Ohio (in formation, successor to First

Federal Savings Bank, New Castle, Pennsylvania).

In connection with this application, Applicant also has applied to acquire First Federal Savings Bank of New Castle, New Castle, Pennsylvania, and thereby engage in permissible savings association activities, pursuant to § 225.28(b)(4)(ii) of Regulation Y; Mobile Consultants, Inc., Alliance, Ohio, and thereby engage in brokering manufactured home loans to and on behalf of financial institutions and provides collection and recovery services on such loans, pursuant to §§ 225.28(b)(1) and (b)(2) of Regulation Y; and Summit Banc Investments Corp., Fairlawn, Ohio (a registered broker-dealer with NASD), and thereby engage in acting as an investment advisor, and providing securities brokerage services, pursuant to §§ 225.28(b)(6) and (b)(7) of Regulation Y.

Comments on this application must be received by November 12, 1998.

Board of Governors of the Federal Reserve System, November 3, 1998.

Robert deV. Frierson,

Associate Secretary of the Board.

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FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act. Unless otherwise noted, nonbanking