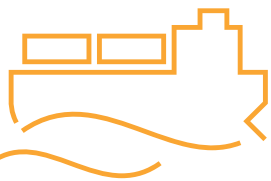


## Product Information

# Descartes Ocean Compliance™



## Meeting Regulatory Requirements

The United States Federal Maritime Commission (FMC) requires that for any cargo transported by an ocean carrier or NVOCC into or out of the U.S. via water, the carrier must file its “available to anyone” (open) rates as public record in the form of a “tariff.” For Non-Vessel Operating Common Carriers (NVOCCs) and carriers, this can present an enormous volume of rate transactions because of global trade areas and market demand. For small- to medium-sized NVOCCs and carriers, the challenge lies in cost-effectively addressing these FMC compliance issues. Regardless of size, all carriers share the critical business need to correctly calculate bottom-line prices in this complex pricing environment.

Descartes Ocean Compliance helps ocean carriers comply with the FMC requirements, and also helps manage the rate information for cargo that moves according to the terms of a privately-negotiated service contract or NVOCC Service Arrangement (NSA) rather than the public rates of a tariff. Experts estimate that approximately 80% of all containerized cargo moves involve service contracts, and in the U.S., carriers and NVOCCs must file every initial contract/NSA and contract/NSA amendment to the FMC. In addition, they must make selected terms of the contract available to the public via the Internet. Handling these complex processes requires expertise and efficiency, and Descartes Ocean Compliance provides a range of services to help carriers more effectively manage this process in a cost-effective manner.

Descartes Ocean Compliance is part of the Descartes Global Logistics Network™ (GLN), which enables the world’s leading transportation providers to connect to their trading partners and reliably exchange information to drive delivery performance and high levels of customer satisfaction. The Descartes GLN helps companies better manage their logistics book-to-bill process, track inventory, meet regulatory requirements, optimize fleet performance, and effectively communicate with their logistics partners.

## Simplify Tariff & Contract Publishing Processes

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Descartes Ocean Compliance helps simplify the tariff and contract publishing processes for international logistics services providers.

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Descartes Ocean Compliance helps international logistics services providers manage tariff and contract “publishing” processes by providing accurate tariffs and service contracts and submitting all necessary items to meet Federal Maritime Commission (FMC) regulations.

## Summary

### Benefits

Descartes Ocean Compliance helps:

- Provide an efficient, inexpensive solution to aid in FMC compliance.
- Remove the headaches associated with becoming FMC compliant and conforming to rules established in the Ocean Shipping Reform Act of 1999.
- Simplify a complex process to better support all parties' business goals.
- Enable a customer's pricing staff to quote the best rates for prospective shipments. By “benchmarking” tariff rates pricing staff can decide the right price for new port pairs or similar commodities.
- Publish accurate commodity descriptions and harmonize tariff codes making rates easy to find and commodities easy to compare.
- Enable better reporting and tariff rate-analysis. These reports often help carriers identify trends or necessary rate or surcharge changes at a macro level.
- Allow carriers to focus on their core business, while we ensure that complex rate intentions are properly communicated and calculated.
- Ensure security for all proprietary information and provides a back-up database.

### Features

**Tariff Publishing Service.** Standardizes all rate filings into one consistent format and one centralized system. Allows full compliance with FMC requirements, helping to avoid costly fines and penalties.

**Centralized Pricing Information.** Captures, stores, and presents pricing information so that staff across an entire organization can access it in real-time. Lets users look up rates and calculate bottom-line rate scenarios based on specified shipment parameters.

**FMC Compliance.** Automatically sends the “essential terms” to the FMC, and presents the required five public terms via a Descartes application or carrier's own web site.

**Data Maintenance.** Includes storage and filing of rates into a off-site data center equipped with state-of the art security.

**Accurate Calculations.** Uses publishing experts to review and coordinate tariff surcharges and write algorithmic statements to ensure proper calculations — removing the burden from the logistics service provider.

**Tariff, Commodity and TLI Creation and Maintenance.** Descartes spends time with each customer to understand how they do business and determine when rates are subject to, or inclusive of, a “governing tariff” surcharge.

**Service Options.** Includes ‘FMC compliance only.’ Allows customers to send three documents: a blank Bill of Lading, an FMC-187 form and a FMC license. Creates a “shell” tariff, allowing Descartes to quickly make customers compliant with the FMC.

**Historical Data.** Enables customers to capture and maintain a database of rate and service contract history.