PART 3—AUTHORIZATION AND ADMINISTRATION OF ACCOUNTING AUTHORITIES IN MARITIME AND MARITIME MOBILE-SATELLITE RADIO SERVICES

GENERAL
Sec.
3.1 Scope, basis, purpose.
3.2 Terms and definitions.

ELIGIBILITY
3.10 Basic qualifications.
3.11 Location of settlement operation.

APPLICATION PROCEDURES
3.20 Application form.
3.21 Order of consideration.
3.22 Number of accounting authority identification codes per applicant.
3.23 Legal applicant.
3.24 Evidence of financial responsibility.
3.25 Number of copies.
3.26 Where application is to be mailed.
3.27 Amended application.
3.28 Denial of privilege.
3.29 Notifications.

SETTLEMENT OPERATIONS
3.40 Operational requirements.
3.41 Amount of time allowed before initial settlements.
3.42 Location of processing facility.
3.43 Applicable rules and regulations.
3.44 Time to achieve settlements.
3.45 Amount of charges.
3.46 Use of gold francs.
3.47 Use of SDRs.
3.48 Cooperation with the Commission.
3.49 Agreement to be audited.
3.50 Retention of settlement records.
3.51 Cessation of operations.
3.52 Complaint/inquiry resolution procedures.
3.53 FCC notification of refusal to provide telecommunications service to U.S. registered vessel(s).
3.54 Notification of change in address.

REPORTING REQUIREMENTS
3.60 Reports.
§ 3.1 Scope, basis, purpose.

By these rules the Federal Communications Commission (FCC) is delineating its responsibilities in certifying and monitoring accounting authorities in the maritime mobile and maritime mobile-satellite radio services. These entities settle accounts for public correspondence due to foreign administrations for messages transmitted at sea by or between maritime mobile stations located on board ships subject to U.S. registry and utilizing foreign coast and coast earth station facilities. These rules are intended to ensure that settlements of accounts for U.S. licensed ship radio stations are conducted in accordance with the International Telecommunication Regulations (ITR), taking into account the applicable ITU-T Recommendations.

§ 3.2 Terms and definitions.

(a) Accounting Authority. The Administration of the country that has issued the license for a mobile station or the recognized operating agency or other entity/entities designated by the Administration in accordance with ITR, Appendix 2 and ITU-T Recommendation D.90 to whom maritime accounts in respect of mobile stations licensed by that country may be sent.

(b) Accounting Authority Certification Officer. The official designated by the Managing Director, Federal Communications Commission, who is responsible, based on the coordination and review of information related to applicants, for granting certification as an accounting authority in the maritime mobile and maritime mobile-satellite radio services. The Accounting Authority Certification Officer may initiate action to suspend or cancel an accounting authority certification if it is determined to be in the public’s best interest.

(c) Accounting Authority Identification Codes (AAICs). The discrete identification code of an accounting authority responsible for the settlement of maritime accounts (Annex A to ITU-T Recommendation D.90).

(d) Administration. Any governmental department or service responsible for discharging the obligations undertaken in the Convention of the International Telecommunication Union and the Radio Regulations. For purposes of these rules, “Administration” refers to a foreign government or the U.S. Government, and more specifically, to the Federal Communications Commission.

(e) Authorization. Approval by the Federal Communications Commission to operate as an accounting authority. Synonymous with “certification”.

(f) CCITT. The internationally recognized French acronym for the International Telegraph and Telephone Consultative Committee, one of the former sub-entities of the International Telecommunication Union (ITU). The CCITT (ITU-T) is responsible for developing international telecommunications recommendations relating to standardization of international telecommunications services and facilities, including matters related to international charging and accounting principles and the settlement of international telecommunications accounts.

1At the ITU Additional Plenipotentiary Conference in Geneva (December, 1992), the structure, working methods and construct of the basic ITU treaty instrument were modified. The result is that the names of the sub-entities of the ITU have changed (e.g., the CCITT has become the Telecommunication Standardization Sector—ITU-T and Recognized Private Operating Agency has become Recognized Operating Agency—ROA). The changes were placed into provisional effect on March 1, 1993 with the formal entry into force of these changes being July 1, 1994. We will refer to the new nomenclatures within these rules, wherever practicable.
Such recommendations are, effectively, the detailed implementation provisions for topics addressed in the International Telecommunication Regulations (ITR).

(g) Certification. Approval by the FCC to operate as an accounting authority. Synonymous with “authorization.”

(h) Coast Earth Station. An earth station in the fixed-satellite service or, in some cases, in the maritime mobile-satellite service, located at a specified fixed point on land to provide a feeder link for the maritime mobile-satellite service.

(i) Coast Station. A land station in the maritime mobile service.

(j) Commission. The Federal Communications Commission. The FCC.

(k) Gold Franc. A monetary unit representing the value of a particular nation’s currency to a gold par value. One of the monetary units used to effect accounting settlements in the maritime mobile and the maritime mobile-satellite services.

(l) International Telecommunication Union (ITU). One of the United Nations family organizations headquartered in Geneva, Switzerland along with several other United Nations (UN) family organizations. The ITU is the UN agency responsible for all matters related to international telecommunications. The ITU has over 180 Member Countries, including the United States, and provides an international forum for dealing with all aspects of international telecommunications, including radio, telecom services and telecom facilities.

(m) Linking Coefficient. The ITU mandated conversion factor used to convert gold francs to Special Drawing Rights (SDRs). Among other things, it is used to perform accounting settlements in the maritime mobile and the maritime mobile-satellite services.

(n) Maritime Mobile Service. A mobile service between coast stations and ship stations, or between ship stations, or between associated on-board communication stations. Survival craft stations and emergency position-indicating radiobeacon stations may also participate in this service.

(o) Maritime Mobile-Satellite Service. A mobile-satellite service in which mobile earth stations are located on board ships. Survival craft stations and emergency position-indicating radiobeacon stations may also participate in this radio service.

(p) Public Correspondence. Any telecommunication which the offices and stations must, by reason of their being at the disposal of the public, accept for transmission. This usually applies to maritime mobile and maritime mobile-satellite stations.

(q) Recognized Operating Agencies (ROAs). Individuals, companies or corporations, other than governments or agencies, recognized by administrations, which operate telecommunications installations or provide telecommunications services intended for international use or which are capable of causing interference to international telecommunications. ROAs which settle debtor accounts for public correspondence in the maritime mobile and maritime mobile-satellite radio services must be certified as accounting authorities.

(r) Ship Station. A mobile station in the maritime mobile service located on board a vessel which is not permanently moored, other than a survival craft station.

(s) Special Drawing Right (SDR). A monetary unit of the International Monetary Fund (IMF) currently based on a market basket of exchange rates for the United States, West Germany, Great Britain, France and Japan but is subject to IMF’s definition. One of the monetary units used to effect accounting settlements in the maritime mobile and maritime mobile-satellite services.

(t) United States. The continental U.S., Alaska, Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands or any territory or possession of the United States.

Eligibility

§ 3.10 Basic qualifications.

(a) Applicants must meet the requirements and conditions contained in these rules in order to be certified as an accounting authority. No individual or other entity, including accounting authorities approved by other administrations, may act as a United States
§ 3.11
accounting authority and settle accounts of U.S. licensed vessels in the maritime mobile or maritime mobile-satellite services without a certification from the Federal Communications Commission. Accounting authorities with interim certification as of the effective date of this rule must submit to the application process discussed in §3.20. They will be “grandfathered”, i.e, granted permanent certification provided they demonstrate their eligibility and present a proper application.
(b) U.S. citizenship is not required of individuals in order to receive certification from the Commission to be an accounting authority. Likewise, joint ventures need not be organized under the laws of the United States in order to be eligible to perform settlements for U.S. licensed vessels. See, however, §3.11.
(c) Prior experience in maritime accounting, general commercial accounting, international shipping or any other related endeavor will be taken into consideration by the Commission in certifying accounting authorities. The lack of such expertise, however, will not automatically disqualify an individual, partnership, corporation or other entity from becoming an accounting authority.
(d) Applicants must provide formal financial statements or documentation proving all assets, liabilities, income and expenses.
(e) Applicants must be willing to offer their services to the public at a reasonable charge. This requirement will be waived for applicants who settle their own accounts only and are eligible to be “grandfathered” during the initial application period. However, should the need for additional accounting authorities be proven, these accounting authorities will be required to offer their services to the public or relinquish their certification.
§ 3.11 Location of settlement operation.
(a) Within the United States. A certified accounting authority maintaining all settlement operations, as well as associated documentation, within the United States will be assigned an AAIC with a “US” prefix.
(b) Outside the United States. A certified accounting authority maintaining settlement operations outside the United States will be assigned the same AAIC as that originally assigned to such entity by the administration of the country of origin. However, in no case will an entity be certified as an accounting authority for settlement of U.S. licensed vessel accounts unless the entity is requesting to conduct a settlement operation in the United States or has already been issued an AAIC by another administration.

APPLICATION PROCEDURES
§ 3.20 Application form.
Written application must be made to the Federal Communications Commission on FCC Form 44, “Application For Certification As An Accounting Authority” in order to be considered for certification as an accounting authority. No other application form may be used. No consideration will be given to applicants not submitting applications in accordance with these rules or in accordance with any other instructions the Commission may issue. FCC Form 44 may be obtained from the Commission by writing to the address shown in §3.61.
§ 3.21 Order of consideration.
(a) Accounting Authority applications will be processed on a first-come, first-served basis. When applications are received on the same day, the application with the earliest mailing date, as evidenced by the postmark, will be processed first. Interim accounting authorities seeking permanent certifications through the “grandfathering” process will not compete with other applicants during the first 60 days following the effective date of these rules which is allowed for submission of their applications. After the “grandfathering” process is completed, all other applicants will be processed as in paragraph (a) of this section.
(b) At any given time, there will be no more than 25 certified accounting authorities with a minimum of 15 “US” AAICs reserved for use by accounting authorities conducting settlement operations within the United States. The
Federal Communications Commission

§ 3.28 Denial of privilege.

(a) The Commission, in its sole discretion, may refuse to grant an application to become an accounting authority for any of the following reasons:

(1) Failure to provide evidence of acceptable financial responsibility;
(2) If the applicant, in the opinion of the FCC reviewing official, does not possess the qualifications necessary to the proper functioning of an accounting authority;
(3) Application is not personally signed by the proper official(s);
(4) Applicant does not provide evidence that accounting operations will take place in the United States or its territories and the applicant does not already possess an AAIC issued by another administration.

§ 3.25 Number of copies.

One original and one copy of FCC Form 44, “Application For Certification As An Accounting Authority” will be required. Only applications mailed to the Commission on official, Commission approved application forms will be considered. Applications should be mailed at least 90 days prior to planned commencement of settlement activities to allow time for the Commission to review the application and to allow for the informal public comment period.

§ 3.26 Where application is to be mailed.

All applications shall be mailed to the Accounting Authority Certification Officer in Washington, D.C. The designated address will be provided on the FCC Form 44, “Application for Certification As An Accounting Authority.”

§ 3.27 Amended application.

Changes in circumstances that cause information previously supplied to the FCC to be incorrect or incomplete and that could affect the approval process, require the submission of an amended application. The amended application should be mailed to the Commission immediately following such change. See also §§ 3.24 and 3.31.

§ 3.28 Denial of privilege.

(a) The Commission, in its sole discretion, may refuse to grant an application to become an accounting authority for any of the following reasons:

(1) Failure to provide evidence of acceptable financial responsibility;
(2) If the applicant, in the opinion of the FCC reviewing official, does not possess the qualifications necessary to the proper functioning of an accounting authority;
(3) Application is not personally signed by the proper official(s);
(4) Applicant does not provide evidence that accounting operations will take place in the United States or its territories and the applicant does not already possess an AAIC issued by another administration.

§ 3.25 Number of copies.

One original and one copy of FCC Form 44, “Application For Certification As An Accounting Authority” will be required. Only applications mailed to the Commission on official, Commission approved application forms will be considered. Applications should be mailed at least 90 days prior to planned commencement of settlement activities to allow time for the Commission to review the application and to allow for the informal public comment period.

§ 3.26 Where application is to be mailed.

All applications shall be mailed to the Accounting Authority Certification Officer in Washington, D.C. The designated address will be provided on the FCC Form 44, “Application for Certification As An Accounting Authority.”

§ 3.27 Amended application.

Changes in circumstances that cause information previously supplied to the FCC to be incorrect or incomplete and that could affect the approval process, require the submission of an amended application. The amended application should be mailed to the Commission immediately following such change. See also §§ 3.24 and 3.31.

§ 3.28 Denial of privilege.

(a) The Commission, in its sole discretion, may refuse to grant an application to become an accounting authority for any of the following reasons:

(1) Failure to provide evidence of acceptable financial responsibility;
(2) If the applicant, in the opinion of the FCC reviewing official, does not possess the qualifications necessary to the proper functioning of an accounting authority;
(3) Application is not personally signed by the proper official(s);
(4) Applicant does not provide evidence that accounting operations will take place in the United States or its territories and the applicant does not already possess an AAIC issued by another administration;

§ 3.22 Number of accounting authority identification codes per applicant.

(a) No entity will be entitled to or assigned more than one AAIC.
(b) AAICs may not be reassigned, sold, bartered or transferred and do not convey upon sale or absorption of a company or firm without the express written approval of the Commission. Only the FCC may certify accounting authorities and assign U.S. AAICs for entities settling accounts of U.S. licensed vessels in the maritime mobile and maritime mobile-satellite services.
(c) Accounting authorities who are "grandfathered" during the initial application period may retain their interim AAIC.

§ 3.23 Legal applicant.

The application shall be signed by the individual, partner or primary officer of a corporation who is legally able to obligate the entity for which he or she is a representative.

§ 3.24 Evidence of financial responsibility.

All applicants must provide evidence of sound financial status. To the extent that the applicant is a business, formal financial statements will be required. Other applicants may submit documentation proving all assets, liabilities, income and expenses which supports their ability to meet their personal obligations. Applicants must provide any additional information deemed necessary by the Commission.
(5) Application is incomplete, the applicant fails to provide additional information requested by the Commission or the applicant indicates that it cannot meet a particular provision; or
(6) When the Commission determines that the grant of an authorization is contrary to the public interest.
(b) These rules provide sufficient latitude to address defects in applications. Entities seeking review should follow procedures set forth in §1.106 or §1.115 of this chapter.

§ 3.29 Notifications.
(a) The Commission will publish the name of an applicant in a Public Notice before granting certification and will invite informal public comment on the qualifications of the applicant from any interested parties. Comments received will be taken into consideration by the Commission in making its determination as to whether to approve an applicant as an accounting authority. Thirty days will be allowed for submission of comments.
(b) The Commission will notify each applicant in writing as to whether the applicant has been approved as an accounting authority. If the application is not approved, the Commission will provide a brief statement of the grounds for denial.
(c) The names and addresses of all newly certified accounting authorities will be published in a Public Notice issued by the Commission. Additionally, the Commission will notify the ITU within 30 days of any changes to its approved list of accounting authorities.

Settlement Operations

§ 3.40 Operational requirements.
All accounting authorities must conduct their operations in conformance with the provisions contained in this section and with relevant rules and guidance issued from time to time by the Commission.

§ 3.41 Amount of time allowed before initial settlements.
An accounting authority must begin settling accounts no later than six months from the date of certification. Failure to conduct settlement operations is cause for suspension or cancellation of an accounting authority certification.

§ 3.42 Location of processing facility.
Settlement of maritime mobile and maritime mobile-satellite service accounts must be performed within the United States by all accounting authorities possessing the “US” prefix. Other accounting authorities approved by the Commission may settle accounts either in the U.S. or elsewhere. See also §§3.11 and 3.21(b).

§ 3.43 Applicable rules and regulations.
Accounting authority operations must be conducted in accordance with applicable FCC rules and regulations, the International Telecommunication Regulations (ITR), and other international rules, regulations, agreements, and, where appropriate, ITU-T Recommendations. In particular, the following must be adhered to or taken into account in the case of ITU-T.
(a) The latest basic treaty instrument(s) of the International Telecommunication Union (ITU);
(b) Binding agreements contained in the Final Acts of World Administrative Radio Conferences and/or World International Telecommunication Conferences;
(c) ITU Radio Regulations;
(d) ITU International Telecommunication Regulations (ITR);
(e) ITU-T Recommendations (particularly D.90 and D.135); and
(f) FCC Rules and Regulations (47 CFR part 3).

§ 3.44 Time to achieve settlements.
All maritime telecommunications accounts should be timely paid in accordance with applicable ITU Regulations, Article 66 and International Telecommunication Regulations (Melbourne, 1988). Accounting authorities are deemed to be responsible for remitting, in a timely manner, all valid amounts due to foreign administrations or their agents.

§ 3.45 Amount of charges.
Accounting Authorities may charge any reasonable fee for their settlement services. Settlements themselves, however, must adhere to the standards set
forth in these rules and must be in ac-
cordance with the International Tele-
communication Regulations (ITR) tak-
ing into account the applicable ITU-T
Recommendations and other guidance
issued by the Commission.

§ 3.46 Use of gold francs.

An accounting authority must accept
accounts presented to it from foreign
administrations in gold francs. These
gold francs must be converted on the
date of receipt of the bill to the appli-
cable Special Drawing Right (SDR)
rate (as published by the International
Monetary Fund) on that date utilizing
the linking coefficient of 3.061 gold
francs = 1 SDR. An equivalent amount
in U.S. dollars must be paid to the for-
eign administration. Upon written con-
currence by the FCC, an accounting au-
thority may make separate agree-
ments, in writing, with foreign admin-
istrations or their agents for alter-
native settlement methods, in accord-
ance with ITU-T Recommendation
D.195.

§ 3.47 Use of SDRs.

An accounting authority must accept
accounts presented to it from foreign
administrations in Special Drawing
Rights (SDRs). These SDRs must be
converted to dollars on the date of re-
ceipt by the accounting authority and
an equivalent amount in US dollars
must be paid to the foreign administra-
tion. The conversion rate will be the
applicable rate published by the Inter-
national Monetary Fund (IMF) for the
date of receipt of the account from the
foreign administration. Upon written
concurrence by the FCC, any account-
ing authority may make separate agree-
ments, in writing, with foreign admin-
istrations or their agents for alter-
native settlement methods, pro-
vided account is taken of ITU-T Rec-
ommendation D.195.

§ 3.48 Cooperation with the Commis-
sion.

Accounting authorities must coop-
erate fully with the FCC in all respects
concerning international maritime set-
tlements issues, including the resolu-
tion of questions of fact or other issues
arising as a result of settlement oper-
atations.

§ 3.49 Agreement to be audited.

Accounting authorities accept their
certifications on condition that they
are subject to audit of their settlement
activities by the Commission or its
representative. Additionally, the Com-
misson reserves the right to verify any
statement(s) made or any materials
submitted to the Commission under
these rules. Verification may involve
discussions with ship owners or others
as well as the requirement to submit
additional information to the Commis-
sion. Failure to respond satisfactorily
to any audit findings is grounds for for-
feiture or suspension or cancellation of
authority to act as an accounting au-
thority for U.S. vessels.

§ 3.50 Retention of settlement records.

Accounting authorities must main-
tain, for the purpose of compliance
with these rules, all settlement records
for a period of at least seven years fol-
lowing settlement of an account with a
foreign administration or agent.

§ 3.51 Cessation of operations.

The FCC must be notified imme-
diately should an accounting authority
plan to relinquish its certification or
cease to perform settlements as au-
thorized. Additionally, the Commission
must be advised in advance of any pro-
posed transfer of control of an account-
ing authority’s firm or organization,
by any means, to another entity.

(a) When an accounting authority is
transferred, merged or sold, the new
entity must apply for certification in
its own right if it is interested in be-
coming an accounting authority. Pro-
vided the new applicant is eligible and
completes the application process sat-
isfactorily, the AAIC will be trans-
ferred to the new applicant. In the case
of a merger of two accounting authori-
ties, the merged entity must decide
which AAIC to retain.

(b) Section 3.21(a) will be waived for
these applicants.

(c) The applicant must comply with
application process including public
comment.

(d) The applicant must certify ac-
ceptance of all accounts and must fur-
nish a list of the accounts to the Com-
mmission at the time of application.
§ 3.52 Complaint/inquiry resolution procedures.

(a) Accounting authorities must maintain procedures for resolving complaints and/or inquiries from its contractual customers (vessels for which it performs settlements), the FCC, the ITU, and foreign administrations or their agents. These procedures must be available to the Commission upon request.

(b) If a foreign administration requests assistance in collection of accounts from ships licensed by the FCC, the appropriate accounting authority will provide all information requested by the Commission in a timely manner to enable the Commission to determine the cause of the complaint and to resolve the issue. If accounts are in dispute, the Commission will determine the amount due the foreign administration, accounting authority or ROA, and may direct the accounting authority to pay the accounts to the foreign administration. If the accounting authority does not pay the disputed accounts within a reasonable timeframe, the Commission may take action to levy a forfeiture, cancel the AAIC privilege and/or revoke any operating authority or licenses held by that accounting authority. (See also §3.72).

§ 3.53 FCC notification of refusal to provide telecommunications service to U.S. registered vessel(s).

An accounting authority must inform the FCC immediately should it receive notice from any source that a foreign administration or facility is refusing or plans to refuse legitimate public correspondence to or from any U.S. registered vessel.

§ 3.54 Notification of change in address.

The Commission must be notified in writing within 15 days of any change in address of an accounting authority. Such written notification should be sent to the address shown in §3.61.

§ 3.60 Reports.

(a) Initial Inventory of Vessels. Within 60 days after receiving final approval from the FCC to be an accounting authority, each certified accounting authority must provide to the FCC an initial list of vessels for which it is performing settlements. This list should contain only U.S. registered vessels. Such list shall be typewritten or computer generated, be annotated to indicate it is the initial inventory and be in the general format of the following and provide the information shown:

<table>
<thead>
<tr>
<th>Vessel Name</th>
<th>Call Sign</th>
</tr>
</thead>
</table>

(b) Semi-Annual Additions/Modifications/Deletions to Vessel Inventory. Beginning with the period ending on the last day of March or September following submission of an accounting authority’s Initial Inventory of Vessels (See paragraph (a) of this section.) and each semi-annual period thereafter, each accounting authority is required to submit to the FCC a report on additions, modifications or deletions to its list of vessels for which it is performing or intending to perform settlements, whether or not settlements actually have taken place. The list should contain only U.S. registered vessels. The report shall be typewritten or computer generated and be in the following general format:

ADDITIONS TO CURRENT VESSEL INVENTORY

<table>
<thead>
<tr>
<th>Vessel Name</th>
<th>Call Sign</th>
<th>Effective Date</th>
</tr>
</thead>
</table>

MODIFICATIONS TO CURRENT VESSEL INVENTORY

<table>
<thead>
<tr>
<th>Previous Vessel Name</th>
<th>Previous Call Sign</th>
<th>New Vessel Name</th>
<th>New Call Sign</th>
<th>Effective Date</th>
</tr>
</thead>
</table>

DELETIONS TO CURRENT VESSEL INVENTORY

<table>
<thead>
<tr>
<th>Vessel Name</th>
<th>Call Sign</th>
<th>Effective Date</th>
</tr>
</thead>
</table>

The preceding report must be received by the Commission no later than 15 days following the end of the period (March or September) for which the report pertains. Modifications refer to changes to call sign or ship name of vessels for which the accounting authority settles accounts and for which
basic information has previously been
provided to the Commission. Reports
are to be submitted even if there have
been no additions, modifications or de-
letions to vessel inventories since the
previous report. If there are no changes
to an inventory, this should be indi-
cated on the report.

(c) End of Year Inventory. By Feb-
uary 1st of each year, each accounting
authority must submit an end-of-year
inventory report listing vessels for
which the accounting authority per-
formed settlements as of the previous
December 31st. The list should contain
only U.S. registered vessels. The report
must be typewritten or computer gen-
erated and prepared in the same gen-
eral format as that shown in paragraph
(a) of this section except it should be
annotated to indicate it is the End of
Year inventory.

(d) Annual Statistical Report of Settle-
ment Operations. By February 1st of
each year, each accounting authority
settling accounts for U.S. registered
vessels must submit to the FCC an An-
nual Statistical Report, FCC Form 45,
which details the number and dollar
amount of settlements, by foreign ad-
ministration, during the preceding
twelve months. Information contained
in this report provides statistical data
that will enable the Commission to
monitor operations to ensure adher-
ence to these rules and to appropriate
international settlement procedures. FCC Form 45 can be obtained by writ-
ing to the address in §3.61 of these rules.

§ 3.61 Reporting address.

All reports must be received at the
following address no later than the re-
quired reporting date:

Accounting Authority Certification Officer,
Financial Operations Division, Stop 1110A,
Federal Communications Commission, 1919
M Street NW., Washington, D.C. 20554

§ 3.62 Request for confidentiality.

Applicants should comply with §0.459
of this chapter when requesting con-
fidentiality and cannot assume that it
will be offered automatically.

§ 3.70 Investigations.

The Commission may investigate any
complaints made against accounting
authorities to ensure compliance with
the Commission’s rules and with appli-
cable ITU Regulations and other inter-
national maritime accounting proce-
dures.

§ 3.71 Warnings.

The Commission may issue written
warnings or forfeitures to accounting
authorities which are found not to be
operating in accordance with estab-
lished rules and regulations. Warnings
will generally be issued for violations
which do not seriously or immediately
affect settlement functions or inter-
national relations. Continued or unre-
resolved violations may lead to further
enforcement action by the Commis-
sion, including any or all legally avail-
able sanctions, including but not lim-
lited to, forfeitures (Communications
Act of 1934, Sec. 503), suspension or
cancellation of the accounting author-
ity certification.

§ 3.72 Grounds for further enforce-
ment action.

(a) The Commission may take further
enforcement action, including forfeit-
ure, suspension or cancellation of an
accounting authority certification, if it
is determined that the public interest
so requires. Reasons for which such ac-
tion may be taken include, inter alia:

(1) Failure to initiate settlements
within six months of certification or
failure to perform settlements during
any subsequent six month period;
(2) Illegal activity or fraud;
(3) Non-payment or late payment to a
foreign administration or agent;
(4) Failure to follow ITR require-
ments and procedures;
(5) Failure to take into account ITU-
T Recommendations;
(6) Failure to follow FCC rules and
regulations;
(7) Bankruptcy; or
(8) Providing false or incomplete in-
formation to the Commission or failure
to comply with or respond to requests
for information.
§ 3.73 Waiting period after cancellation.

An accounting authority whose certification has been cancelled must wait a minimum of three years before reapplying to be an accounting authority.

§ 3.74 Ship stations affected by suspension, cancellation or relinquishment.

(a) Whenever the accounting authority privilege has been suspended, cancelled or relinquished, the accounting authority is responsible for immediately notifying all U.S. ship licensees for which it was performing settlements of the circumstances and informing them of the requirement contained in paragraph (b) of this section.

(b) Those ship stations utilizing an accounting authority’s AAIC for which the subject accounting authority certification has been suspended, cancelled or relinquished, should make contractual arrangements with another properly authorized accounting authority to settle its accounts.

(c) The Commission will notify the ITU of all accounting authority suspensions, cancellations and relinquishments, and

(d) The Commission will publish a Public Notice detailing all accounting authority suspensions, cancellations and relinquishments.

§ 3.75 Licensee’s failure to make timely payment.

Failure to remit proper and timely payment to the Commission or to an accounting authority may result in one or more of the following actions against the licensee:

(a) Forfeiture or other authorized sanction.

(b) The refusal by foreign countries to accept or refer public correspondence communications to or from the vessel or vessels owned, operated or licensed by the person or entity failing to make payment. This action may be taken at the request of the Commission or independently by the foreign country or coast station involved.

(c) Further action to recover amounts owed utilizing any or all legally available debt collection procedures.

§ 3.76 Licensee’s liability for payment.

The U.S. ship station licensee bears ultimate responsibility for final payment of its accounts. This responsibility cannot be superseded by the contractual agreement between the ship station licensee and the accounting authority. In the event that an accounting authority does not remit proper and timely payments on behalf of the ship station licensee:

(a) The ship station licensee will make arrangements for another accounting authority to perform future settlements, and

(b) The ship station licensee will settle any outstanding accounts due to foreign entities.

(c) The Commission will, upon request, take all possible steps, within the limits of applicable national law, to ensure settlement of the accounts of the ship station licensee. As circumstances warrant, this may include issuing warnings to ship station licensees when it becomes apparent that an accounting authority is failing to settle accounts. See also §§3.70 through 3.74.

PART 5—EXPERIMENTAL RADIO SERVICES (OTHER THAN BROADCAST)

Subpart A—General

Sec.
5.1 Basis and purpose.
5.2 [Reserved]
5.3 Definition of terms.
5.4 General citizenship requirements.
5.5 Transfer and assignment of station authorization.