



October 7, 2013

**CMC policy ensures U.S. members' fees  
not used for political nor lobbying activities**

As the Chamber of Marine Commerce's (CMC) U.S. members are likely aware, U.S. law does not permit lobbying and political expenses to be deducted as "business expenses" when calculating net income subject to tax.

Given that CMC is a Canadian entity regulated under Canadian law who's mandate amongst other activities includes advocacy to government authorities, we have sought out and have received guidance from U.S. legal counsel who have advised that it would be prudent for CMC to implement a policy on this subject and to formally advise U.S. member companies of that policy.

As such, this notice serves to inform all U.S. members that, on September 17, 2013 CMC management brought forward to its Executive Committee such a policy. Upon review and consideration, CMC's Executive Committee approved the following policy:

***"The Chamber of Marine Commerce (CMC) will follow procedures appropriate to notify U.S. member companies that no portion of their dues/assessment payments are used for lobbying or political activity as defined by applicable U.S. tax law. Further, CMC will use accounting procedures that properly document that U.S. member company dues/assessment payments are in fact not used for such lobbying or political activity expenses."***

CMC has taken steps to ensure compliance with this policy through our budgeting process and with the implementation of appropriate internal accounting controls to ensure that no portion of the dues/assessment payments by U.S. member companies to CMC is used for lobbying or political expenses under the relevant legal definitions. U.S. member companies' dues/assessment payments are instead used exclusively for other CMC functions including industry promotions, events and conferences, awareness campaigns and other programs.

Please do not hesitate to contact me if you have any questions regarding this matter.

Yours truly,

Stephen J. Brooks  
President