FEDERAL MARITIME COMMISSION

AMERICAN IRON & METAL COMPANY INC. Complainant, v. PRIVA LOGISTICS INC. Respondent.	DOCKET NO. 25-13

VERIFIED COMPLANT

Complainant American Iron & Metal Company Inc. ("AIM"), by and through its undersigned attorneys hereby files this Verified Complaint against Respondent Priva Logistics Inc. ("Piva") pursuant to the Shipping Act of 1984, 46 U.S.C. § 40101, *et seq*. (the "Shipping Act") and alleges and avers as follows:

THE COMPLAINANT

1. American Iron & Metal Company Inc. is a Canadian corporation engaged in the recycling and processing of scrap metal. AIM is headquartered in Montreal, Quebec, with its principal place of business located at 9100 Henri-Bourassa Est, Montreal, QC H1E 2S4, Canada.

THE RESPONDENT

2. Priva Logistics Inc. is a corporation organized under the laws of the State of New York and is licensed to operate as a non-vessel operating common carrier. Priva maintains its principal place of business at 183 South Broadway Street, Suite 212, Hicksville, New York 11801. Priva's email address is priyanka@privalogistics.com.

JURISDICTION

3. The Federal Maritime Commission ("FMC") has subject matter jurisdiction over this Complaint pursuant to the Shipping Act.

4. AIM files this complaint pursuant to 46 U.S.C. § 41301. AIM is seeking reparations for injuries caused to it by Priva due to its violations of 46 U.S.C.§§ 41102 and 41104.

5. The FMC has personal jurisdiction over Priva as a "non-vessel operating common carrier" and "ocean transportation intermediary" as defined in 46 U.S.C. § 40102(17), and (20), respectively.

6. Priva has failed to establish, observe, and enforce just and reasonable practices relating to receiving, handling, storing, and delivering AIM's property, and Priva's failure to establish, observe, and enforce just and reasonable practices relating to adjustment and settlement of claims in violation of 46 U.S.C. §§ 41102, 41104, 46 C.F.R. §§ 545.4 and 545.5.

7. AIM is seeking reparations pursuant to 46 U.S.C. § 41305 for injuries Priva caused to it.

FACTUAL ALLEGATIONS

8. AIM is the rightful shipper of cargo under Booking Nos. NAM7478044 and 28435995, relating to containers destined for Ancona, Italy and Mundra, India, respectively.

9. AIM paid all freight and shipping charges to Priva, a non-vessel operating common carrier in connection with both shipments.

10. Despite receipt of full payment, Priva has refused to release the Sea Waybills ("SWBs") associated with the above-mentioned bookings, without lawful justification, thereby obstructing AIM's ability to take possession of or deliver its cargo.

11. Priva's refusal to release the SWBs is based on a completely unrelated shipment to Malaysia in 2024.

12. In March 2025—over a year after the Malaysian cargo shipped—AIM received a $70,000 invoice from Priva allegedly reflecting a charge from the vessel operating common carrier, CMA CGM, for "Misdeclaration or Non-Compliance with BL Clauses."

13. While AIM disputes the validity of the $70,000 charge, on June 12, 2025, AIM in good faith, offered to pay the full disputed amount under protest and without waiver into trust to secure the release of the unrelated Italy-bound containers.

14. Rather than accept payment and release the shipments, Priva escalated its demands, refused to confirm it would release the SWBs even if AIM paid the $70,000 charge in full, and continued to withhold the SWBs.

15. On multiple occasions, AIM sought to resolve this dispute so that Priva would release the SWBs again offering to make payment on the $70,000 disputed charge.

16. In response, Priva demanded that AIM make payment in the amount of $366,768, which consisted of the following:

a. $70,000 for the misdeclaration charges;

b. $30,000 for contract and operational/administrative damages;

c. $16,768 in attorneys' fees; and

d. $250,000 as a security deposit for future charges.

17. Priva did not disclose the contractual or legal basis for the assessment of its $30,000 charge for contractual or operational/administrative damages or its claim attorneys' fees either before any of the shipments at issue or afterwards.

18. Priva did not identify the contractual or legal basis for its assessment of the $250,000 deposit, which it claims is related not to the SWBs, but instead the separate Milaysia shipments.

19. On June 26, 2025, Priva reiterated the foregoing demand further stating that if AIM did not agree to Priva's demands by 3:00 on June 27, 2025, it would assess the following charges:

a. Administrative charges of $35.00 per container per day;

b. Monthly interest at a rate of 1.5% per month (18% per annum) that will be applied to all unpaid balances; and

c. Continued assessment of demurrage, detention and associated charges for the containers Priva refuses to release along with additional administrative charges.

20. When AIM booked the Italy and India shipments with Priva, Priva did not state that it would refuse to release those shipments based on the disputes related to the separate Malaysia shipment.

21. Instead, Priva accepted the Italy and India shipments and then sought to renegotiate the terms of transportation associated with the Malaysia shipment by holding AIM's freight hostage.

22. As of the date of this Complaint, the cargo bound for Ancona, Italy, has arrived, and the cargo destined for Mundra, India, is expected to arrive on July 3, 2025. Priva's continued refusal to release the SWBs prevents AIM and its customers from retrieving its cargo, potentially subjecting AIM to demurrage charges, loss of business, customer dissatisfaction, and reputational harm.

23. Priva's conduct constitutes an unlawful attempt to assert a possessory lien or other form of leverage over unrelated cargo in a manner that violates the Shipping Act.

24. Priva has refused to establish or enforce just and reasonable practices in its handling of AIM's property and claims, instead engaging in extortionate and coercive conduct.

25. As a result of Priva's behavior, AIM had to retain legal counsel including Flaster Greenberg, PC and is obligated to pay reasonable attorneys' fees in connection with this dispute.

26. AIM has suffered and continues to suffer actual damages as a result of Priva's actions, including but not limited to demurrage fees, additional storage costs, loss of customer goodwill, and costs related to mitigation efforts.

CAUSATION

27. As a direct and proximate result of Priva's unlawful conduct in violation of the Shipping Act of 1984, including 46 U.S.C. §§ 41102 and 41104, AIM has and continues to sustain significant and measurable harm.

28. Priva's refusal to release the SWBs for fully paid shipments—specifically Booking Nos. NAM7478044 and 28435995—constitutes a failure to establish, observe, and enforce just and reasonable practices in the handling and delivery of property, in violation of § 41102(c).

29. Furthermore, Priva's coercive withholding of unrelated shipments in an effort to compel payment of a disputed and unadjudicated invoice related to prior, unrelated transactions, as well as additional charges such as administrative costs, deposits, interest, attorneys' fees, and container charges constitutes an unreasonable refusal to deal or negotiate in violation of § 41104(a)(10).

30. These unlawful acts directly caused AIM to incur demurrage charges, storage fees, disruption of commercial relationships, damage to its business reputation, attorneys' fees, and additional operational costs.

DAMAGES

31. As a result of Priva's violations of the Shipping Act, AIM has sustained injuries and damages including but not limited to pending demurrage charges for freight not yet released or invoiced, storage fees, disruption of commercial relationships, damage to its business reputation, and additional operational costs.

REQUEST FOR RELIEF

32. AIM requests that Priva be required to answer the charges made in this Complaint; that, after a hearing, the Commission order Priva: to cease and desist from violation of the Shipping Act; to put in place lawful and reasonable practices; to pay AIM reparations for the unlawful conduct Priva engaged in, with interest and attorney's fees and any other sum the Commission determines to be proper; to release all of AIM's containers that are wrongfully being withheld; and that the Commission make any further orders as it determines to be proper.

REQUEST FOR ORAL HEARING

AIM requests a hearing on this matter, and further requests that the hearing be held in Philadelphia, Pennsylvania.

FLASTER/GREENBERG P.C.

Dated: June 27, 2025

/s/ Eric Palombo

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VERIFICATION

I, Suresh Kalagara, Vice President of Operations at American Iron & Metal Company Inc. verify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Date: 27/06/2025

Suresh Kalagara, Vice President of Operations