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Greek Shipping Company, Master and Chief Engineer of M/V Agios Emilianos Convicted for Intentional Cover-Up of Oil Pollution and Obstruction of Justice

WASHINGTON – Ilios Shipping Company S.A., pleaded guilty in federal court in New Orleans for violating the Act to Prevent Pollution from Ships (APPS) and obstruction of justice, announced Assistant Attorney General Ignacia S. Moreno and U.S. Attorney Jim Letten.

Ilios operated the M/V Agios Emilianos, a 738 foot, 36,573 ton bulk carrier cargo ship that hauled grain from New Orleans to various ports around the world. According to the plea agreement, from April 2009 until April 2011, oily bilge waste and sludge was routinely discharged from the vessel directly into the sea without the use of required pollution prevention equipment. During that time, the crew intentionally covered up the illegal discharges of oil waste by falsifying the vessel's oil record book.

The master of the vessel, Valentino Mislant, previously pleaded guilty to conspiracy to obstruct justice for his role in destroying evidence and instructing crewmembers to lie to the Coast Guard during an inspection of the vessel in April 2011. According to Mislant, a senior manager of Ilios directed the destruction of computer records and ordered Mislant to tell crewmembers to lie to the Coast Guard.

The chief engineer of the vessel, Romulo Esperas, previously pleaded guilty to conspiracy to obstruct justice for his role in falsifying the vessel's oil record book and directing the discharge of oily bilge waste and sludge directly into the sea. According to Esperas, a senior manager of Ilios directed him to discharge the vessel's oily waste into the sea and refused to provide funding for the proper discharge of the oily waste to shore-side facilities.

All discharges of sludge or oily bilge waste from a vessel are required to be recorded in the vessel's oil record book. However, none of the illegal discharges were recorded in the oil record book for the M/V Agios Emilianos.

According to Mislant and Esperas, the company directed them to use a complex system to create the impression that the vessel was consuming the maximum amount of fuel under its charter agreements when in fact it was not. The result was that charterers would overpay Ilios for fuel. Mislant would send daily fuel consumption reports: one to Ilios reporting actual fuel

consumption and another to the charterer reporting maximum possible fuel consumption. When the vessel was in port, Esperas would direct that engineers install false sounding tubes into the vessel's fuel tanks so that when the charterer measured the quantity of fuel in the tank, the soundings would show the tank emptier than it actually was.

If the court accepts the terms of the plea agreement, Ilios will pay an overall criminal penalty of \$2 million, \$250,000 of which will be in the form of an organizational community service payment to the National Fish and Wildlife Foundation and used to fund projects aimed at the restoration of marine and aquatic resources in the Eastern District of Louisiana. Ilios will also be required to implement an environmental compliance plan, which will ensure that any ship operated by Ilios complies with all maritime environmental requirements established under applicable international, flag state, and port state laws. The plan ensures that Ilios's employees and the crew of any vessel operated by Ilios are properly trained in preventing maritime pollution. An independent monitor will report to the court about Ilios's compliance with its obligations during the period of probation.

This case was investigated by the U.S. Coast Guard Investigative Service and the Environmental Protection Agency-Criminal Investigation Division. The case was prosecuted by Emily Greenfield from the U.S. Attorney's Office of the Eastern District of Louisiana and by Ken Nelson of the Environmental Crimes Section of the Environment and Natural Resources Division of the Department of Justice.