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Greek Shipping Company Sentenced in New Orleans to Pay \$2 Million for Intentional Cover-Up of Oil Pollution and Obstruction of Justice

WASHINGTON – Ilios Shipping Company S.A. was sentenced today 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 Jim Letten, U.S. Attorney for the Eastern District of Louisiana.

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 and was sentenced for 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 and was sentenced for 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. Both Mislant and Esperas were sentenced to three years of unsupervised release and are not permitted to re-enter the United States during that time.

"The Department of Justice will continue to prosecute shipping companies who break the laws that protect our oceans," said Assistant Attorney General Moreno. "The penalty imposed by this sentence holds Ilios fully accountable for violating the Act to Prevent Pollution from Ships, and a part of the penalty will fund projects that will help restore precious marine and aquatic resources in Louisiana."

"We owe a debt of gratitude to the men and women of the U.S. Coast Guard, their partners in the Environmental Protection Agency and our brethren in the U. S. Department of Justice Environment and Natural Resources Division, along with our own U.S. Attorney's Office professionals, for their continued vigilance in this and other cases protecting our precious environment, coastline and water resources from those unscrupulous companies and individuals who clandestinely and wantonly discharge oily waste into

our waters,” said U.S. Attorney Letten. “We will not falter in our commitment to do everything within our power to apprehend and punish these violators in defense of our environment.”

“Unfortunately, we continue to see many environmental crimes cases involving ocean-going commercial vessels. The Coast Guard will continue to hold non-compliant companies and operators accountable when they break the law and endanger the marine environment or public health. I applaud the efforts of Coast Guard Sector New Orleans, the Coast Guard Investigative Service, our Eighth District legal staff and the Department of Justice for their tireless efforts in investigating and prosecuting this case,” said Rear Admiral Roy A. Nash, Eighth Coast Guard District Commander.

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.

The court ordered Ilios to pay an overall criminal penalty of \$2 million. The National Fish and Wildlife Foundation will receive \$250,000 to fund projects aimed at the restoration of marine and aquatic resources in the Eastern District of Louisiana.

As a condition of probation, Ilios is 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 and the Environmental Protection Agency. The case was prosecuted by Emily Greenfield and Dorothy Manning Taylor from the U.S. Attorney's Office of the Eastern District of Louisiana and by Ken Nelson in the Environmental Crimes Section of the Environment and Natural Resources Division of the Department of Justice.