



Department of Justice

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Friday, April 24, 2009			PHONE: (813) 274-6136	
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OWNER OF KOREAN COMMERCIAL CARGO VESSEL AND CHIEF ENGINEER PLEAD GUILTY TO MARINE POLLUTION RELATED CHARGES

Tampa, Florida - United States Attorney A. Brian Albritton, along with the Environmental Crimes Section of the Department of Justice, today announced that STX Pan Ocean Co., Ltd. ("STX"), headquartered in Seoul, Korea, and the owner of the commercial cargo ship *M/V Ocean Jade*, has pleaded guilty to conspiracy as well as falsifying and failing to properly maintain records meant to ensure compliance with maritime pollution laws. The chief engineer of the *M/V Ocean Jade*, Hong Hak Kang (age 53, a Korean citizen) also pleaded guilty today to failing to maintain environmental records and making false statements.

STX, which faces five years' probation for each of the four counts against it, has agreed to pay a \$2 million fine, as well as make a \$200,000 community service payment to the National Fish and Wildlife Foundation. In addition, STX has agreed to implement a detailed environmental compliance plan, which requires monitoring of its fleet-wide operations over the course of four years.

Chief Engineer Kang faces maximum penalties of six years in federal prison, a \$250,000 fine, and three years of supervised release.

Federal and international law requires that all ships comply with pollution regulations

that include the proper disposal of oily waste and sludge by passing the oily waste through an oil-water separator aboard the vessel or burning the sludge in the ship's incinerator. In addition federal law requires the ship's crew to record accurately each transfer or disposal of oily waste and sludge in an oil record book.

Federal and international law also requires that ships record disposals of garbage in a garbage record book. Both record books must be available for inspection by the United States Coast Guard when the vessel is within the waters of the United States.

According to court documents, in late July 2008, Chief Engineer Kang ordered several crew members to dump approximately ten barrels containing oily waste water directly overboard into the ocean. Chief Engineer Kang also made entries into the *M/V Ocean Jade's* oil record book by applying a pre-established formula, rather than recording the actual amounts of oily waste and sludge transferred, burned, or discharged. On September 27, 2008, a senior officer instructed several members of the deck department to dispose of oily waste from the crane houses directly into the ocean using a flexible plastic hose that was draped over the side of the vessel. When the ship arrived in the Port of Tampa on October 7, 2008, its officers presented false oil and garbage record books and several crew members provided United States Coast Guard investigators with false statements about the prior dumping incidents.

This case is being investigated by the U.S. Coast Guard, Coast Guard Investigative Service, and the U.S. Environmental Protection Agency. It is being prosecuted by Cherie L. Krigsman, Assistant U.S. Attorney for the Middle District of Florida; Leslie E. Lehnert, Trial Attorney, U.S. Department of Justice, Environment and Natural Resources Division, Environmental Crimes Section; and Lieutenant William George, United States Coast Guard.