

NEWS

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FOR IMMEDIATE RELEASE
Feb. 2, 2007

Chief Engineer of Danish-Owned Ship Admits
Obstructing Coast Guard in Oil Pollution Inspection

(More)

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TRENTON – The chief engineer of a Danish-owned ocean-going chemical tanker pleaded guilty today to charges of presenting a false document to the Coast Guard and attempting to obstruct an inspection to cover up the ship's overboard discharges of oil sludge and oil-contaminated bilge waste, U.S. Attorney Christopher J. Christie announced.

Fernando Magnaye, 45, of Quezon City, the Philippines, was a licensed chief engineer aboard the *M/T Clipper Trojan* and was responsible for managing engine room operations and recording in the ship's Oil Record Book any transfers or discharges of oil sludge or oil-contaminated bilge waste. The Coast Guard regularly inspects ships' Oil Record Books – which are required under international and U.S. law – in determining whether to allow ships to enter U.S. ports and waters.

Magnaye admitted during a plea hearing before U.S. District Judge Mary L. Cooper that he knew about illegal discharges of oil sludge and contaminated bilge waste but nonetheless failed to record those discharges in the *Clipper Trojan's* Oil Record Book. According to Magnaye's plea allocution, Magnaye presented the ship's Oil Record Book to the Coast Guard during an inspection on June 15, 2006 in Port Newark and falsely claimed to Coast Guard inspectors that the book was accurate.

Magnaye further admitted that he asked the ship's fourth engineer to ensure that the Coast Guard would take a false reading of the contents of the ship's Bilge Sludge Oil Tank, in which oily waste is stored. Magnaye stated that he did so because an accurate reading of the tank's contents may have exposed the false entries in the Oil Record Book.

Magnaye faces a statutory maximum prison sentence on each count of five years and a statutory maximum fine of \$250,000 per count. Magnaye is scheduled for sentencing on May 31.

Engine room operations on board large oceangoing vessels such as the *Clipper Trojan* generate large amounts of waste oil. International and U.S. law prohibit the discharge of waste oil without treatment by an onboard Oily Water Separator.

The *M/T Clipper Trojan* was commercially operated by Clipper Wonsild Tankers A/S, a Danish company, and was technically managed by Crescent Marine Services A/S, with offices in Denmark and Great Britain. It was registered to Trojan Shipping Co., Ltd. and sailed under the flag of the Bahamas.

Magnaye's guilty plea follows the sentencing in a separate vessel pollution case of the chief engineer and second engineer of the *M/V Sun New*, each of whom had pleaded guilty to crimes stemming from their falsification of an oil record book and attempted deceit of the Coast Guard during an inspection in Port Camden in January 2006. On Jan.

26, U.S. District Judge Susan D. Wigenton sentenced chief engineer Chang-Sig O to five months in prison and two months of supervised release, during which time he may not return to U.S. navigable waters serving as a ship's engineer.

Second engineer Mun Sig Wang was sentenced to three years of probation, during which time he is prohibited from serving as an engineer on board any vessel that comes into the navigable waters of the U.S. The *M/V Sun New* was owned and operated by The Sun Ace Shipping Company of Seoul, South Korea, which was fined \$400,000 and ordered to pay \$100,000 as a community service payment after it also entered a guilty plea. Sun Ace also was prohibited from allowing its ships to enter U.S. waters for three years.

Christie credited Special Agents of the U.S. Coast Guard Investigative Service, under the direction of Special Agent in Charge Eric J. O'Hearn, and Marine Inspectors and Investigators from the Coast Guard Sector New York, under the direction of Captain Robert O'Brien, with the investigation. The Coast Guard's investigation was guided by the Coast Guard Inspections Office of the Prevention Division and the Legal Office of the U.S. First Coast Guard District.

The government is represented by Assistant U.S. Attorney Bradley A. Harsch of the Criminal Division in Newark and H. Claire Whitney, Senior Counsel of the U.S. Department of Justice Environmental Crimes Section.

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Defense Counsel: Frank P. Arleo, of West Orange