

# NEWS

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***Ralph J. Marra, Jr., Acting U.S. Attorney***

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FOR IMMEDIATE RELEASE  
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## Liberian Ocean Shipping Company Admits Falsifying Oil Discharge Record Books

– Company to Pay \$1 Million Fine and \$350,000 Community Service Payment –

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(More)

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TRENTON, N.J. – A Liberian-incorporated shipping company pleaded guilty today to failing to keep accurate oily water discharge records and using falsified records to conceal the discharge at sea of untreated bilge from one of its cargo ships, Acting U.S. Attorney Ralph J. Marra, Jr., and John C. Cruden, Acting Assistant Attorney General for the Department of Justice Environment and Natural Resources Division, announced.

Dalnave Navigation Inc., a Liberian company with offices in Athens, Greece, was sentenced by U.S. District Judge Peter G. Sheridan immediately after the guilty plea to pay a fine of \$1 million, the maximum fine allowable for the two counts to which the company pleaded guilty.

Additionally, the company agreed to pay a \$350,000 Community Service Payment to the National Fish and Wildlife Foundation to be used specifically for the protection, scientific study and restoration of marine and aquatic resources in the District of New Jersey or its off-shore coastal region.

On Tuesday, the chief engineer and second engineer aboard the Dalnave vessel *M/V Myron N* were sentenced by Judge Sheridan to three months of probation with the condition that they serve one month in a community corrections facility. Panagiotis Stamatakis, the chief engineer, and Dimitrios Papadakis, the second engineer, both of Greece, pleaded guilty on July 16 to using falsified records that concealed improper discharges of untreated bilge waste from the *M/V Myron N*.

“Shipping companies need to know that the cost of polluting our oceans will be steep, bad for business and bad for their crews,” said Marra. “At the same time, we are pleased that the company seeks to make amends with a significant criminal fine and a community service payment that directly benefits the New Jersey coastal environment.”

“Today’s plea and the sentences handed down in this case send a clear message that failure to comply with environmental laws and lying to authorities to cover up pollution while at sea has consequences,” said Cruden. “The Justice Department will continue to prosecute these cases as long as crew members and companies continue to violate pollution laws.”

“The Coast Guard is committed to working with the maritime industry and federal, state, and local law enforcement partners, to protect the U.S. maritime environment from individuals who pollute our waters,” said Rear Admiral Joseph L. Nimmich, Commander of the First Coast Guard District in Boston, Mass. “When these violations occur, the Coast Guard will work with our partners to ensure that the violators are held accountable under the law.”

“Congress passed the Act to Prevent Pollution from Ships to prevent the oceans and waterways from being used as dumping grounds for waste oil,” said William Lometti, Special Agent-in-Charge of EPA’s criminal enforcement office in New York. “We will continue to work closely with our counterparts to vigorously prosecute those who try to conceal these illegal acts.”

Engine room operations on board large oceangoing vessels such as the *M/V Myron N* generate large amounts of waste oil and oil-contaminated bilge waste. International and U.S. law prohibit the discharge of waste containing more than 15 parts per million of oil and without onboard treatment by an oily water separator – a required pollution prevention device. Law also requires that all overboard discharges be recorded in an oil record book, a required log which is regularly inspected by the U.S. Coast Guard.

The government's investigation began in September 2008, when Coast Guard inspectors conducted an examination of the *M/V Myron N*, following the ship's arrival in Gravesend Anchorage, N.Y. and subsequently in the Port of Newark, N.J. The inspections uncovered evidence that crew members had installed pipes to bypass the ship's pollution control system and pump untreated bilge directly into the ocean. At their guilty pleas, Stamatakis and Papadakis admitted that they knowingly failed to record those discharges in the ship's official oil record books and presented the false record books to the Coast Guard.

A Joint Factual Statement between the government and Dalnave Navigation describing those and other facts was entered in court today as the basis for the company's guilty plea.

The case was investigated by the U.S. Coast Guard, Coast Guard Investigative Service and the U.S. Environmental Protection Agency, Criminal Investigation Division. It was prosecuted by Assistant U.S. Attorney Kathleen P. O'Leary of the U.S. Attorney's Office for the District of New Jersey, Special Assistant U.S. Attorney Christopher P. Mooradian of the U.S. Coast Guard First District Legal Office, and Trial Attorney Gary N. Donner of the Justice Department's Environmental Crimes Section.

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Defense Counsel:

for Dalnave Navigation Inc.: Michael G. Chalos, Esq., Port Washington, N.Y.

for Stamatakis: Carl Woodward, Esq., Roseland, N.J.

for Papadakis: James Plaisted Esq., Roseland, N.J.