2 April 2012

Marine Advisory: 07/2012

Subject: BLINDING OIL CONTENT METER RESULTS IN $750,000 FINE IN USA

Ref: (a) US Attorney’s Office Press Release dated 2 November 2011

Dear Shipowners/Operators and Masters,

On 2 November 2011, representatives of two shipping companies operating a Cypriot flag vessel entered guilty pleas before U.S. District Judge in Portland, Oregon, in the USA. In addition to a $750,000 fine, the judge sentenced both defendants to three years probation, during which both defendants will be required to fund and implement an Environmental Compliance Plan. See attached press release.

An investigation revealed that between June 2011 and October 16, 2011, the companies, acting through their agents and employees, directed subordinate engine room crew to run the ship’s Oil Water Separator improperly. Specifically, the Chief Engineer instructed the Second Engineer to pipe fresh, clean water directly into the Oil Content Meter for the purpose of blinding the Oil Content Meter, so that it would not function properly to prevent the overboard discharge of oil-contaminated waste in excess of 15 ppm. The Chief Engineer failed to include any entries in the Oil Record Book relating to the crew's improper use of fresh water to manipulate the vessel's Oil Content Meter, and also included inaccurate entries in the Oil Record Book regarding the crew’s use of the vessel’s Waste Oil Incinerator.

This case came to light after the United States Coast Guard boarded the vessel, on or about October 16, 2011, to conduct a Port State Control Safety Exam.

Liberian vessel operators are strongly encouraged to ensure full compliance with MARPOL. When conducting internal audits or inspections, the company Designated Person Ashore should examine the Oil Record Book and compare the information with the tank readings, and with the record from the Oil Content Meter to determine if the crew is following procedures in compliance with the requirements.

If you have any questions please contact the Safety Department at: +1-703-790-3434, or email safety@liscr.com.

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