

General Maritime to Pay \$1 Million for Falsifying Records

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On March 16, 2009, tanker operator General Maritime Management (Portugal) was sentenced with a fine of \$1 million for making false statements to the U.S. Coast Guard and for failing to maintain an accurate Oil Record Book. The company is also required to serve five years probation with several stipulations. General Maritime will submit monthly compliance reports and allow a court-appointed auditor to inspect each vessel, and its shore-side office three times during the probation period.

The company also must rehire the whistleblowers involved in the incident if they choose to reapply for employment. If any terms of the probation are violated, General Maritime's vessels may be banned from U.S. waters during the probation period.

The illegal activity was discovered onboard the motor tanker Genmar Defiance during a Coast Guard inspection in November 2007. The vessel's first engineer instructed crewmembers to install a "magic pipe" between the ship's bilge pump and its overboard discharge valve, allowing the bilge tank contents to bypass a pollution prevention device. Crew then discharged wastewater directly into the Straits of Florida and the Gulf of Mexico. Crew members were also directed to set up a hose between the vessel's fresh water supply and the ship's oil-water separator, tricking the equipment's oily content meter into permitting the polluted water to be discharged overboard.

Five whistleblowers assisted in reporting the illegal modifications to Coast Guard authorities. The court awarded them \$250,000 to be divided on a proportional basis based on their actions and cooperation. Two crew members involved in the illegal activities, Chief Engineer Antonio Rodrigues and First Engineer Jose Cavadas, were each sentenced in February 2009 to several months in halfway house confinement, a \$500 fine, a special assessment of \$200, and five years probation.

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