

NEWS

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FOR IMMEDIATE RELEASE
November 3, 2008

Ship's Chief Engineer Admits Presenting False Records Regarding
Illegal Dumping of Oil Waste to U.S. Coast Guard

(More)

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CAMDEN – The chief engineer of the *M/V Snow Flower*, a 15,000 ton ocean-going refrigerated ship, pleaded guilty today to attempting cover up the illegal dumping of oily waste in international waters, U.S. Attorney Christopher J. Christie announced.

Igor Krajacic, 47, of the Republic of Croatia, pleaded guilty before U.S. District Judge Jerome B. Simandle to a one-count Information charging violation of the Act To Prevent Pollution From Ships (“APPS”). The APPS statute implements the Marine Pollution protocol, an international treaty which seeks to safeguard the earth’s marine environment.

At his plea hearing, Krajacic admitted that he ordered crew members to dump oil waste from the ship overboard. He also admitted that he personally discharged oil waste overboard. These discharges occurred during a voyage from Los Angeles to Valparaiso, Chile, and again during a voyage from Valparaiso, Chile to Gloucester City, N.J. Krajacic further admitted that he intentionally failed to record these discharges in the ship’s records. Krajacic then presented those false records to U.S. Coast Guard personnel when they inspected the ship upon its arrival at the Gloucester Marine Terminal.

Holy House Shipping AB, a Swedish corporation which operates and manages the *M/V Snow Flower* and employs Mr. Krajacic, plead guilty on Oct. 17, 2008, to a two-count Information that charged it with a violation of the APPS and with false statements. Holy House has agreed to enter into an Environmental Compliance Plan with the United States to ensure that its ships do not pollute the marine environment. Holy House has also agreed to pay \$1.4 million in fines and community service payments within ten days of sentencing. Sentencing in that matter has been scheduled for Feb. 6, 2009 at 11 a.m.

Judge Simandle scheduled Krajacic’s sentencing for Jan. 16, 2009. Krajacic faces a maximum statutory penalty of six years in prison and a fine \$250,000.

In determining an actual sentence, Judge Simandle will consult the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents with the U.S. Coast Guard, under the direction of Special Agent in Charge Jon Finnegan, U.S. Coast Guard Sector Delaware Bay under the command of Captain David Scott, and Environmental Protection Agency, under the direction of Special Agent in Charge William V. Lometti, for their investigation of this matter.

The case is being prosecuted by Assistant United States Attorney Ronald Chillemi of the United States Attorney's Office in Newark and Trial Attorney Gary N. Donner of the Environment and Natural Resources Division of the United States Department of Justice in Washington, D.C.

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Defense Counsel:

Carl R. Woodward III, Esquire (Igor Krajacic)

Thomas Russo, Esquire (Holy House Shipping AB)