

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA :
 :
 versus : CRIMINAL NO. 12-102 - JJB-SCR
 :
 CLEOPATRA SHIPPING AGENCY, LTD. :

PLEA AGREEMENT

1.

The Office of the United States Attorney for the Middle District of Louisiana, through undersigned counsel, and the above-named defendant agree that the defendant will enter a plea of guilty to a Bill of Information charging failure to maintain an oil record book in violation of 33 U.S.C. § 1908(a).

2.

The United States Attorney and the defendant agree that, if the Court accepts the guilty plea, no additional criminal charges related to the violation contained in the Bill of Information will be brought against the defendant in this district.

3.

The defendant understands the nature of the charges contained in the Bill of Information and understands that it is entitled, under the Fifth Amendment of the United States Constitution, to have the charge instituted by a Grand Jury Indictment. The defendant voluntarily waives its right to have the charge contained in the Bill of Information presented to a Grand Jury and agrees that the proceedings may be instituted by a Bill of Information.

4.

The United States and the defendant stipulate, for purposes of Rule 11(b)(3) of the Federal Rules of Criminal Procedure and pursuant to Section 6B1.4 of the United States Sentencing Guidelines, to the Factual Basis attached hereto as Attachment A and incorporated herein by reference. The defendant understands that the Court is not bound by this stipulation.

5.

Pursuant to Rule 11(c)(1)(C), Federal Rules of Criminal Procedure, the defendant and the United States Attorney agree that a three-year term of probation, a fine of \$300,000, and a special assessment of \$400 is the appropriate disposition of the case. The parties specifically agree that the sentence should not include an award of restitution. The defendant and the United States Attorney further agree that the conditions of probation shall include the following:

a. No Further Violations – Defendant shall commit no further violations of the MARPOL Protocol or federal, state, or local law.

b. Environmental Compliance Program – Defendant shall fund and implement the Environmental Compliance Program attached hereto as Attachment B.

The defendant may, after serving 24 months of probation, move for early termination of probation pursuant to 18 U.S.C. § 3564(c). The United States agrees that it will not unreasonably withhold consent to any such motion.

6.

The defendant hereby expressly waives the right to appeal its conviction and sentence, including any appeal right conferred by Title 18, United States Code, Section 3742, and to challenge the conviction and sentence in any post-conviction proceeding, including a proceeding under Title 28, United States Code, Section 2255, and any modification of sentence pursuant to Title 18, United States Code, Section 3582(c)(2). The defendant, however, reserves the right to appeal the following: (a) any punishment imposed in excess of the statutory maximum; (b) any punishment which is an upward departure pursuant to the guidelines; and (c) any punishment which is above the guidelines range calculated by the Court. Nothing in this paragraph shall act as a bar to the defendant perfecting any legal remedies it may otherwise have on appeal or collateral attack respecting claims of ineffective assistance of counsel.

7.

Pursuant to Rule 11(c)(3)(A) and 11(c)(5), Federal Rules of Criminal Procedure, the Court may accept or reject this Plea Agreement or may defer its decision as to the acceptance or rejection until there has been an opportunity to consider the Presentence Report. If the Court rejects the Plea Agreement, the Court, on the record, will so inform the defendant and advise the defendant that the Court is not bound by the Plea Agreement. The Court will give the defendant an opportunity to withdraw the plea and will advise the defendant that, if the plea is not withdrawn, the disposition of the case may be less favorable to the defendant than contemplated by the Plea Agreement.

8.

The defendant understands that the maximum sentence which could be imposed if the Court rejects this Plea Agreement and the defendant chooses to maintain its plea of guilty is five years probation, restitution to any victims, a mandatory special assessment of \$400, and a fine consisting of the greater of \$500,000 or twice the gross gain or gross loss resulting from the offense. The defendant understands that the Court, while not bound to apply the Sentencing Guidelines, must consult the guidelines and take them into account when sentencing.

9.

Defendant understands and agrees that any of the following constitutes a material breach of the Plea Agreement: (1) failing to plead guilty to the Bill of Information at arraignment; (2) representing, directly or through counsel, to the United States or the Court that it will not plead guilty to the Bill of Information; (3) moving to withdraw its guilty plea; (4) filing an appeal or instituting other post-conviction proceedings not authorized by Paragraph 6; (5) disputing or denying factual guilt or any fact contained in the stipulated Factual Basis attached as Attachment A; (6) failing or refusing to waive indictment in open court at arraignment; or (7) violating the terms of this Plea Agreement in any other manner as determined by the Court. Defendant further understands and agrees that, if it breaches this Plea Agreement, it may be prosecuted for any criminal offense and any statements and information provided by the defendant, and any information and evidence derived therefrom, may be used against the defendant in this or any other prosecution or proceeding without

limitation. Such statements and information include, but are not limited to, the Plea Agreement itself (including the Factual Basis attached hereto), statements made to law enforcement agents or prosecutors, testimony before a grand jury or other tribunal, statements made in the course of any proceedings under Rule 11, Fed. R. Crim. P. (including the defendant's entry of the guilty plea), and statements made in the course of plea discussions. The defendant expressly and voluntarily waives the protection afforded by Fed. R. Evid. 410. The defendant's plea of guilty may not be withdrawn.

10.

The defendant acknowledges that, except as set out in Paragraph 5, there is no agreement with the United States as to the actual sentence that will be imposed by the Court as a result of this Plea Agreement and acknowledges that no promises or assurances have been made to it as to what the sentence will be. The defendant acknowledges that the terms herein constitute the entire agreement and that no other promises or inducements have been made. The defendant acknowledges that it has not been threatened, intimidated, or coerced in any manner.

11.

The defendant acknowledges that this Plea Agreement has been entered into knowingly, voluntarily, and with the advice of counsel, and that it fully understands the agreement. The defendant has no objection to the legal representation it has received.

12.

As evidenced by the corporate resolution attached hereto as Attachment C, defendant has authorized its attorney, Michael G. Chalos, to act on defendant's behalf in this matter. In particular, defendant has authorized its attorney to execute this agreement, to appear in court on defendant's behalf, and to enter a plea of guilty to the Bill of Information.

This Plea Agreement is entered into this 10th day of September,

2012, at Baton Rouge, Louisiana.

CLEOPATRA SHIPPING
AGENCY, LTD., by

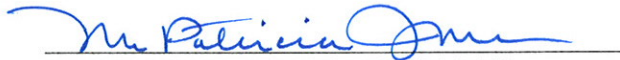
UNITED STATES OF AMERICA, by



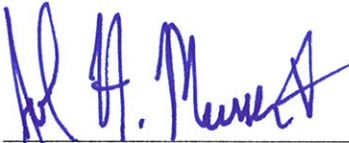
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