

United States District Court

SOUTHERN DISTRICT OF GEORGIA
SAVANNAH DIVISION

2008 JUL -2 AM 10:10

UNITED STATES OF AMERICA
V.

JUDGMENT IN A CRIMINAL CASE
(For Organizational Defendants)

OFER (Ships Holding) Ltd.

CASE NUMBER: CR408-00103-001

Thomas M. Russo and David F. Sipple
Defendant Organization's Attorney

THE DEFENDANT ORGANIZATION:

- pleaded guilty to counts 1 and 2.
- pleaded nolo contendere to count(s) which was accepted by the court.
- was found guilty on count(s) after a plea of not guilty.

The organizational defendant has been convicted of the following offense(s):

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
18 U.S.C. § 1001	False statements	October 18, 2007	1
33 U.S.C. § 1908	Failure to maintain an oil record book	October 18, 2007	2

The defendant organization is sentenced as provided in pages 2 through 5 of this judgment.

- The defendant organization has been found not guilty on count(s) .
- Count(s) (is)(are) dismissed on the motion of the United States.

It is ordered that the defendant organization must notify the United States attorney for this district within 30 days of any change of name, principal business address, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant organization must notify the court and United States attorney of material changes in economic circumstances.

Defendant Organization's
Federal Employer I.D. No.: None known

June 27, 2008
Date of Imposition of Judgment

Defendant Organization's Principal Business Address:
9 Andre Saharov Street
Haifa, Israel 31905


Signature of Judge

William T. Moore, Jr.
Chief Judge, U. S. District Court

Name and Title of Judge

Defendant Organization's Mailing Address:
P.O. Box 15090
Haifa, Israel 31905

July 2, 2008
Date

DEFENDANT ORGANIZATION: OFER (Ships Holding) Ltd.
CASE NUMBER: CR408-00103-001

PROBATION

The defendant organization is hereby sentenced to probation for a term of: 3 years.

The defendant organization shall not commit another federal, state or local crime.

If this judgment imposes a fine or a restitution obligation, it is a condition of probation that the defendant organization pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant organization must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page (if indicated below).

STANDARD CONDITIONS OF SUPERVISION

- 1) within thirty days from the date of this judgment, the defendant organization shall designate an official of the organization to act as the organization's representative and to be the primary contact with the probation officer;
- 2) the defendant organization shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 3) the defendant organization shall notify the probation officer ten days prior to any change in principal business or mailing address;
- 4) the defendant organization shall permit a probation officer to visit the organization at any of its operating business sites;
- 5) the defendant organization shall notify the probation officer within seventy-two hours of any criminal prosecution, major civil litigation, or administrative proceeding against the organization;
- 6) the defendant organization shall not dissolve, change its name, or change the name under which it does business unless this judgment and all criminal monetary penalties imposed by this court are either fully satisfied or are equally enforceable against the defendant's successors or assignees; and
- 7) the defendant organization shall not waste, nor without permission of the probation officer, sell, assign, or transfer its assets.

DEFENDANT ORGANIZATION: OFER (Ships Holding) Ltd.
CASE NUMBER: CR408-00103-001

SPECIAL CONDITIONS OF SUPERVISION

1. The defendant organization shall not commit another federal, state or local crime.
2. The organization shall make periodic submissions to the Court or probation officer, at intervals specified by the Court, reporting on the organization's financial condition and results of business operations, and accounting for the disposition of all funds received.
3. The organization shall submit to a reasonable number of unannounced examinations of its books and records at appropriate business premises by the probation office or experts engaged by the Court; and to interrogation of knowledgeable individuals within the organization. Compensation to and costs of any experts engaged by the Court shall be paid by the organization.
4. The organization shall be required to notify the Court or probation officer immediately upon learning of any material adverse change in its business or financial condition or prospects, or the commencement of any bankruptcy proceeding, major civil litigation, criminal prosecution, or administrative proceeding against the organization, or any investigation or formal inquiry by governmental authorities regarding the organization.
5. Pursuant to the plea agreement, the organization, OFER, will adhere to the terms of the environmental compliance program set forth in the attachment to the plea agreement.

ACKNOWLEDGMENT

Upon finding of a violation of probation or supervised release, I understand that the court may (1) revoke supervision, (2) extend the term of supervision, and/or (3) modify the conditions of supervision.

These conditions have been read to me. I fully understand the conditions and have been provided a copy of them.

(Signed)

Defendant

Date

U. S. Probation Officer/Designated Witness

Date

DEFENDANT ORGANIZATION: OFER (Ships Holding) Ltd.
 CASE NUMBER: CR408-00103-001

CRIMINAL MONETARY PENALTIES

The defendant organization must pay the following total criminal monetary penalties under the schedule of payments on Sheet 4.

	<u>Assessment</u>	<u>Fine</u>	<u>Restitution</u>
Totals:	\$800	\$780,000	

The determination of restitution is deferred until _____. An *Amended Judgment in a Criminal Case* (AO 245C) will be entered after such determination.

The defendant organization shall make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant organization makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss*</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
----------------------	--------------------	----------------------------	-------------------------------

Totals:

Restitution amount ordered pursuant to plea agreement \$ _____

The defendant organization shall pay interest on restitution or a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 4 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

The court determined that the defendant organization does not have the ability to pay interest, and it is ordered that:

The interest requirement is waived for the fine restitution.

The interest requirement for the fine restitution is modified as follows:

** Findings for the total amount of losses are required under Chapters 109A, 110, 110A and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT ORGANIZATION: OFER (Ships Holding) Ltd.
CASE NUMBER: CR408-00103-001

SCHEDULE OF PAYMENTS

Having assessed the organization's ability to pay, payment of the total criminal monetary penalties shall be due as follows:

- A Lump sum payment of \$ 780,800 due immediately, balance due
 - not later than ___; or
 - in accordance with C or D below; or
- B Payment to begin immediately (may be combined with C or D below); or
- C Payment in ___ (e.g., equal, weekly, monthly, quarterly) installments of \$___ over a period of ___ (e.g., months or years), to commence ___ (e.g., 30 or 60 days) after the date of this judgment; or
- D Special instructions regarding the payment of criminal monetary penalties:

All criminal monetary penalties are made to the clerk of the court.

The defendant organization shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

- The defendant organization shall pay the cost of prosecution.
- The defendant organization shall pay the following court cost(s):
- The defendant organization shall forfeit the defendant organization's interest in the following property to the United States:

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.