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OCT 23 2007

UNITED STATES DISTRICT COURT

District of _____

CLERK, U.S. DISTRICT COURT
Alaska **ANCHORAGE, AK**

UNITED STATES OF AMERICA
V.

JUDGMENT IN A CRIMINAL CASE
(For Organizational Defendants)

POLAR TANKERS, INC.

CASE NUMBER: 3:07-cr-00124-HRH

Robert Bundy
Defendant Organization's Attorney

THE DEFENDANT ORGANIZATION:

pleaded guilty to count(s) 1 of the Felony Information.

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 is adjudicated guilty of these offenses:

| <u>Title & Section</u> | <u>Nature of Offense</u> | <u>Offense Ended</u> | <u>Count</u> |
|----------------------------|--|----------------------|--------------|
| 33 U.S.C. § 1908(a) | Failure to Maintain an Oil Record Book | 06/09/2004 | 1 |

The defendant organization is sentenced as provided in pages 2 through 7 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.: 51-0100387

October 23, 2007
Date of Imposition of Judgment

Defendant Organization's Principal Business Address:
900 Threadneedle
Houston, TX 77079-2919

REDACTED SIGNATURE

Signature of Judge

H. RUSSEL HOLLAND, U.S. DISTRICT JUDGE
Name and Title of Judge

Date

10/23/07

Defendant Organization's Mailing Address:

Same As Above

DEFENDANT ORGANIZATION: POLAR TANKERS, INC.
CASE NUMBER: 3:07-cr-010124-HRH

PROBATION

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

This term consists of 3 years on count 1 of the Felony Information. After Polar Tankers, Inc. has completed 2 years of its probationary term, the company may request the court to terminate probation.

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 organizations's representative and to be the primary contact for 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.

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SCHEDULE OF PAYMENTS

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

- A Lump sum payment of \$ 500,400.00 due immediately, balance due
 not later than October 23, 2007, 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.

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STATEMENT OF REASONS

The court adopts the presentence report and guideline applications **WITHOUT CHANGE**.

OR

The court adopts the presentence report guideline applications **BUT WITH THESE CHANGES**:

Presentence Report waived.

Guideline Range Determined by the Court:

The defendant organization is a criminal purpose organization pursuant to U.S.S.G. §8C1.1.

OR

The calculation of the guideline fine range is unnecessary because the defendant organization cannot pay restitution pursuant to U.S.S.G. §8C2.2(a).

OR

Total Offense Level: _____

Base Fine: _____ Statutory maximum \$500,000.00, USSC Guidelines do not apply to the fine calculation.

Total Culpability Score: _____

Fine Range: \$ _____ to \$ _____

Disgorgement amount of \$ _____ is added to fine pursuant to U.S.S.G. §8C2.9.

Fine offset amount of \$ _____ is subtracted from fine pursuant to U.S.S.G. §8C3.4.

Fine waived or below the guideline range because of inability to pay pursuant to U.S.S.G. §8C.3.3.

RESTITUTION DETERMINATIONS

Total Amount of Restitution: \$ _____

For offenses for which restitution is otherwise mandatory under 18 U.S.C. § 3663A, restitution is not ordered because the number of identifiable victims is so large as to make restitution impracticable under 18 U.S.C. § 3663A(c)(3)(A).

For offenses for which restitution is otherwise mandatory under 18 U.S.C. § 3663A, restitution is not ordered because determining complex issues of fact and relating them to the cause or amount of the victim's losses would complicate or prolong the sentencing process to a degree that the need to provide restitution to any victim would be outweighed by the burden on the sentencing process under 18 U.S.C. § 3663A(c)(3)(B).

For offenses for which restitution is authorized under 18 U.S.C. § 3663 and/or required by the sentencing guidelines, restitution is not ordered because the complication and prolongation of the sentencing process resulting from the fashioning of a restitution order outweighs the need to provide restitution to any victims under 18 U.S.C. § 3663(a)(1)(B)(ii).

Restitution is not ordered for other reasons:

No damage or loss established.

Partial restitution is ordered, pursuant to 18 U.S.C. § 3553(c) for the following reason(s):

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STATEMENT OF REASONS

The sentence is within the guideline range and the court finds no reason to depart from the sentence called for by the application of the guidelines.

Guidelines N/A except as to probation: at least 1 and up to 5 years. Defendant is required to spend \$5,000,000.00 on a Focused Environmental Management Systems, pay \$2,000,000.00 to the National Fish & Wildlife Foundation in addition to the maximum statutory fine.

OR

The sentence departs from the guideline range:

upon motion of the government, as a result of a defendant's substantial assistance, or

for the following specific reason(s):