

1 item, C, goes back to that checklist as well
2 and the fact -- the chief engineer was not
3 recording all tanks, not comparing all tanks
4 as he should have. So, again, it pointed out
5 a deficiency in the system that if you're not
6 looking at it, you can't really report that
7 you do have a problem. So, that was --
8 again, the re-education of the chief engineer
9 on the importance of this.

10 SPECIAL MASTER BUNDY: And I see that
11 the issue of the question about what is a
12 material deviation about the five percent
13 level. The five percent number was taken
14 from Vigilant Marine?

15 MS. TSOCHLAS: Yes, Vigilant Marine has
16 defined a tolerance of the reading of five
17 percent.

18 SPECIAL MASTER BUNDY: The way they
19 calculated the five percent, was it Vigilant
20 Marine's understanding that it would be
21 calculated in the way you described as a
22 percentage of the total tank volume?

23 MS. TSOCHLAS: Exactly, it's differs in
24 the reading in comparison to the total
25 capacity of the tank.

1 MR. CHALOS: Not the difference between
2 the two readings.

3 MR. O'CONNELL: I'm not a math guy, but
4 why is that? Why?

5 MS. TSOCHLAS: The sounding is based on
6 the length of the tank that's used to sound
7 the tank. So, when you calculate the
8 discrepancy, you have to base the discrepancy
9 on that full length and not the difference
10 between the two readings.

11 MR. CHALOS: In other words, you've got
12 to compare apples to apples.

13 MR. O'CONNELL: But aren't you measuring
14 the liquid in the tank and isn't that an
15 apples to apples comparison?

16 MS. TSOCHLAS: But when you're
17 measuring -- if you're taking the difference
18 between the two readings, that depends on the
19 shape and size of the tank, that's why you
20 have to take it according to the tank load
21 capacity. If you have a very wide tank, the
22 difference -- the discrepancy between the two
23 is smaller than if you have a narrow tank,
24 greater height.

25 MR. O'CONNELL: Yeah, but in that -- I'm

1 a layman here -- but isn't that taken into
2 consideration when you have the sounding
3 table for the tank?

4 SPECIAL MASTER BUNDY: Because the
5 comparison is after the sounding calculation
6 has been made, so you've got cubic meter to
7 cubic meter and so the SWOMS -- the
8 enviro-logger data says seven cubic meters in
9 this tank, the manual sounding says eight
10 cubic meters in a 10 cubic meter tank, and I
11 think what you're suggesting is that the
12 comparison ought to be that the SWOMS data
13 says that the tank is 70 percent filled and
14 the manual sounding says it's 80 percent
15 filled, the discrepancy there is 10 percent,
16 not 12 and a half percent, which it would be
17 if you compared seven to eight.

18 MS. TSOCHLAS: Yes.

19 MR. WIGGER: And if you look at the
20 specific tanks on the Estia, the bilge tank
21 is 32 cubic meters, so, theoretically, with a
22 five percent error, you could have 1.6 cubic
23 meter error. Is that right? Now, the
24 question is, is 1.6 cubic meters of bilge
25 water significant or is it not? According to

1 the SWOMS guidelines standard, it's not
2 significant because it's less than five
3 percent.

4 MR. CHALOS: But that assumes that it's
5 full.

6 SPECIAL MASTER BUNDY: Well, that would
7 be full.

8 MR. CHALOS: Right? If it's only 10,
9 then five percent is .5.

10 MS. TSOCHLAS: But the SWOMS -- Vigilant
11 hasn't defined five percent tolerance based
12 on whether the amount is significant or not.
13 It's the ability of the census to read
14 accurately. So, the unit is not capable of
15 reading more accurately than up to a five
16 percent discrepancy, that's why it's
17 allowable.

18 SPECIAL MASTER BUNDY: I see.

19 So, if there's 10 cubic meters -- a tank
20 of 10 cubic meters, then the SWOMS accuracy
21 is only plus or minus five percent of that.

22 MS. TSOCHLAS: Yes.

23 SPECIAL MASTER BUNDY: And so, that's
24 what you need to compare the two readings to.
25 I understand.

1 MR. O'CONNELL: Can I ask a more basic
2 question?

3 As I understand it now, the 00GMT
4 reading only produces a high and a low?

5 MS. TSOCHLAS: The reading at the time
6 of the production of the report.

7 MR. WIGGER: A high and low plus the
8 actual sounding.

9 MS. TSOCHLAS: Plus the maximum tank
10 sounding throughout the 24 hour period and
11 the minimum tank sounding level.

12 MR. O'CONNELL: So, when you do a
13 comparison, you have to make sure that the
14 sounding -- the actual sounding was taken at
15 the same time that the SWOMS --

16 MR. CHALOS: No.

17 MR. WIGGER: Yes. To be an accurate
18 comparison?

19 MS. TSOCHLAS: You can manually generate
20 a report by printing a button and it gives
21 you the tank sounding levels at that time and
22 that's what Captain Joshi did during the
23 audit, he went to the unit, pressed the
24 button, a report was generated indicating the
25 tank sounding levels at that time and he

1 carried out the manual soundings at that
2 time.

3 MR. O'CONNELL: Right. So, he took the
4 manual soundings first, then went and pressed
5 the button and he got what the SWOMS were
6 reading.

7 MR. WIGGER: And that's what the chief
8 engineer does daily when he does his
9 comparison. So, he's taking the manual
10 soundings and then pressing the button and
11 getting the enviro-logger and comparing the
12 discrepancy.

13 MR. O'CONNELL: But in terms of data
14 that's coming shoreside, you would have to do
15 it at the office, right? You would get the
16 data in and then have to go look for the
17 manual soundings to correspond to the times
18 that the SWOMS data occurred?

19 MS. TSOCHLAS: When the SWOMS data is
20 sent in at the end of the month, we look at
21 the difference between the tank sounding
22 levels reported by the SWOMS and the manual
23 tank sounding levels, and if there's a
24 difference due to time difference, we check
25 if it's within the maximum/minimum levels

1 that are reported by the SWOMS.

2 SPECIAL MASTER BUNDY: And you do that
3 daily?

4 MS. TSOCHLAS: We get the tank
5 sounding -- the manual tank soundings, we get
6 them at the end of the month. So, that's
7 done on a monthly basis.

8 SPECIAL MASTER BUNDY: But does a
9 technical manager look at the transmission
10 everyday from the vessel --

11 MS. TSOCHLAS: They monitor the
12 transmission on a daily basis and the data is
13 fed into a database that shows a graph, which
14 we had presented during the previous hearing,
15 and if there are any unusual peaks or lows in
16 that data, an investigation is carried out.

17 SPECIAL MASTER BUNDY: Has Captain
18 Joshi's recommendation that the -- that the
19 chief engineer have a form in which he just
20 simply records what the printout says on a
21 form similar to his sounding log, just have
22 another place on the sounding log which would
23 provide a place for the -- for the
24 enviro-logger to be placed just on the
25 sounding log next to the manual sounding, has

1 that been contemplated by Ionia and the
2 engineering staff?

3 MR. TSOCHLAS: I'm sorry. I didn't
4 understand.

5 SPECIAL MASTER BUNDY: It wasn't very
6 clear.

7 If I understand what Captain Joshi would
8 like to see where you have your sounding log
9 and the chief engineer or the engineer who is
10 responsible writes in the sounding value for
11 each tank, if you had another column on that
12 sounding log in which the enviro-logger would
13 also be entered, so that there could be an
14 immediate visual comparison between the two,
15 has that been considered?

16 MS. TSOCHLAS: I didn't understand that
17 from his recommendation, but --

18 MR. WIGGER: Well, his recommendation
19 was to include it on the form 23 since that
20 data is available, but, I mean,
21 alternatively, it could be on the sounding
22 log sheet. And the reason for that, too, it
23 provides accountability, I guess. If you
24 just have to check something, yeah, they're
25 okay, versus, well, here's the actual

1 soundings, you're more accountable to saying
2 that they're okay than just checking it. So,
3 that's why he was recommending that. Since
4 it's available, why not record it and that
5 way you know it.

6 MS. TSOCHLAS: But when it comes to
7 accountability, we get all this data at the
8 end of the month, so we are able to check it
9 and we do check it and we submit it to all of
10 you to be checked as well. So, we know that
11 the chief engineer is not checking it himself
12 because it will come up.

13 MR. CHALOS: Krystyna, how difficult
14 would it be to add one more column to each of
15 the tank soundings where you have the actual
16 SWOMS data inserted as long as they're doing
17 the check anyway?

18 MS. TSOCHLAS: I would prefer it to be
19 as Captain Joshi suggested in the
20 environmental form number 23, but we are
21 trying to minimize the amendments, constant
22 amendments to our system because it's
23 confusing for our seafarers when we're
24 continuously changing the forms. We want
25 them to become familiar with the system, but

1 we're changing the system all the time. So,
2 we're trying to find a balance between the
3 key amendments and revisions and continuously
4 improving our system. And as we consider
5 that there is a mechanism in place to monitor
6 this process, we would like to avoid making a
7 change to the form. If it is considered
8 imperative to change the form, we will.

9 MR. WIGGER: Krystyna, on the C.D. that
10 you send us monthly with all the data -- and
11 I apologize because, you know, I haven't
12 looked at it personally, but I've got people
13 in the office that look at it -- are we
14 getting the two SWOMS reports daily on that
15 C.D. or just the one?

16 MS. TSOCHLAS: No, you're getting the
17 automatically transmitted.

18 MR. WIGGER: We're just getting that
19 one, we're not getting the second one, but
20 you're getting the second one?

21 MS. TSOCHLAS: That would have to be
22 scanned and sent to the company. That's for
23 the chief engineers onboard. But what we
24 send to you is the automatic transmission,
25 the daily tank soundings, the oil record book

1 entries, and the engine room alarm printout,
2 as well as now the database that we use to
3 calculate discrepancies.

4 MR. WIGGER: But you're also getting the
5 second read-out?

6 MS. TSOCHLAS: No, we get the report
7 from the chief engineer, whether there are
8 discrepancies or not.

9 MR. WIGGER: See, that was the question.

10 MS. TSOCHLAS: The chief engineer, he
11 checks if there are discrepancies. If he
12 finds that are discrepancies that are out of
13 the tolerant, he reports to us.

14 MR. WIGGER: But you have no way of
15 verifying because you don't receive that
16 report?

17 MS. TSOCHLAS: Yeah, but we receive at
18 the end of the month the daily tank soundings
19 and the SWOMS report and we verify it through
20 there. And that's why we have the database,
21 which we send to you as well which indicate
22 the discrepancies that are calculated, and if
23 we find there are any mayor discrepancies, we
24 act on that and we report that to you as
25 well.

1 SPECIAL MASTER BUNDY: At the end of the
2 month, the package that you receive from the
3 vessel includes the whole tape from the
4 enviro-logger?

5 MS. TSOCHLAS: No, because -- well,
6 according to the scope of work, it's
7 practical as well, we use daily
8 transmissions, the automatic transmissions,
9 so we don't request the role of printout
10 unless there's been a malfunction in the
11 transmission of data without human
12 intervention. Like now with the Estia, we're
13 not getting regularly the transmission of
14 data automatically, we have requested that he
15 sends us the printout on a daily basis.

16 SPECIAL MASTER BUNDY: I see.

17 But if you --

18 MS. TSOCHLAS: And as I said earlier,
19 the person has been doing this process now
20 for over two and a half years and I think it
21 has been very effective in monitoring our
22 vessels.

23 SPECIAL MASTER BUNDY: My question is at
24 the end of the month, if you did have the
25 tape, and I don't know how big these tapes

1 are, then you would have not only the daily
2 transmission printout report, but, also, the
3 printout that the chief engineer did when he
4 compared his manual soundings with the SWOMS
5 report, so I could check on the checklist
6 that he had done so, or does he --

7 MS. TSOCHLAS: But we can do that
8 comparison anyway with the data we are
9 receiving and that's how we identify whether
10 we have discrepancies or not.

11 SPECIAL MASTER BUNDY: But what data do
12 you receive that is -- that's an
13 enviro-logger sounding at the same time or
14 close to the same time as the manual
15 sounding? You don't have that information,
16 you just have the GMT and 24 hour
17 maximum/minimum, right?

18 MS. TSOCHLAS: Yeah, but we are able to
19 cross-check that because we've got the
20 maximum/minimum.

21 SPECIAL MASTER BUNDY: Right. As long
22 as it's --

23 MR. CHALOS: If I can ask a question --

24 MS. TSOCHLAS: If we have a large
25 discrepancy and we analyze any large

1 discrepancy and the vessel then has to
2 justify that large discrepancy, that's not
3 due to lack of calibration of the sensors,
4 but it's due to the difference in time.

5 MR. CHALOS: Krystyna, what time do they
6 take the manual readings? Is there a
7 particular time?

8 MS. TSOCHLAS: They usually take it in
9 the morning, the first watch.

10 MR. CHALOS: So, maybe you should change
11 the data logger from reading at midnight to
12 some time in the morning.

13 MS. TSOCHLAS: That depends on where the
14 vessel is. It changes all the time. The
15 vessel changes time zones.

16 MR. CHALOS: Yeah, yeah, right, because
17 it's GMT.

18 MR. KARAGIORGIS: Once they're all
19 plugged in at the end of the month, they
20 track each other even if they're off by a
21 little bit. Because you're going to get it.
22 In other words, they've taking soundings on a
23 regular basis, so those graphs should track
24 each other. Whether it's off by 12 hours or
25 not, it doesn't matter, they're still moving

1 in sequence with each other. It's not that
2 these tanks are moving so much and so
3 regularly, but it's the general trends, and
4 then when they have a general trend that
5 doesn't lineup, they're able to investigate
6 that big difference.

7 Is that correct, Krystyna?

8 MS. TSOCHLAS: That's correct. And
9 that's what we had demonstrated in the
10 previous hearing as well. You can see -- the
11 vessels that have discrepancies to do with
12 calibration, it's very clear it has to do
13 with problems of calibration.

14 If we go back to the previous hearing
15 and submitted the whole process with our
16 database with a bar chart, you can see it
17 very easily, it's very obvious when the
18 problem is with the calibration of the
19 sensors.

20 MR. O'CONNELL: I think there's two
21 separate issues; one is having Ionia use the
22 data and what's effective for them, and then
23 how you know an external auditor like Captain
24 Wigger would use it, and I think what Captain
25 Joshi is saying when he went onboard to do an

1 audit, he could compare the actual manual
2 soundings to what the SWOMS data would be at
3 that time and what would be more effective.
4 And I think the manual soundings are only
5 taken once a day, so what Mr. Bundy was
6 saying might make sense. You just add a
7 column to the manual sounding table of the
8 SWOMS data.

9 MS. TSOCHLAS: If it's imperative to
10 make a change to one of our forms, we'll do
11 that.

12 MR. O'CONNELL: I'm not saying making a
13 change -- I guess I'm saying making a change
14 in the sounding log.

15 MR. WIGGER: Or record, as Captain Joshi
16 says, on the form 23, the actual soundings.
17 That might be easier --

18 MS. TSOCHLAS: I think that would be the
19 better solution because the sounding log, it
20 will create complications.

21 MR. WIGGER: If you start changing that
22 sounding log, I think you're going to have --

23 MS. TSOCHLAS: Doing that on the form
24 23.

25 MR. WIGGER: You don't really need to

1 amend the form, you can just say amend the
2 procedure for the use of the form, let's say,
3 when you check it, you also alongside record
4 the --

5 MR. CHALOS: The readings.

6 MR. WIGGER: Yeah, in cubic meters,
7 probably, the readings manual versus SWOMS.
8 So. There would be five -- well, actually 10
9 values, assuming five tanks.

10 MR. CHALOS: No, you actually have the
11 manual readings on your sounding log, all you
12 want is the SWOM readings on the 23 form,
13 then you just take the two forms and look at
14 it.

15 MR. WIGGER: You could do that, too. As
16 long as -- yeah, as long -- well, yeah,
17 because he's doing the comparison when they
18 take the manual soundings anyway, so it's
19 assumed it's at the same time, so, yeah.

20 MR. CHALOS: Did you understand that,
21 Krystyna?

22 MS. TSOCHLAS: Yes, I did. However, I
23 do consider that we haven't really met any
24 problem, we've always been aware of whether
25 we've had discrepancies up until now because

1 we're monitoring the system.

2 MR. CHALOS: But that's not what we're
3 talking about here, what we're talking about
4 is the auditor being able to look at the two
5 right then and there, and make his own
6 observation.

7 MS. TSOCHLAS: He can do that and that's
8 what Captain Joshi did, but Captain Joshi
9 wanted to be able to go back and check that
10 the chief engineer has been doing that in the
11 past, that's the difference. But we consider
12 that we do have a mechanism in place and we
13 are monitoring the situation.

14 MR. CHALOS: So, just have them --

15 MS. TSOCHLAS: Whichever auditor goes
16 onboard, if he wants to check at the time if
17 there are discrepancies, he can, he has done
18 so during all the audits onboard.

19 MR. CHALOS: Yeah, but the question is
20 what happens if he doesn't record a
21 discrepancy?

22 MS. TSOCHLAS: Well, we'll get that at
23 the end of the month.

24 MR. CHALOS: No, no, what if he doesn't
25 record it?

1 MS. TSOCHLAS: Who, the chief engineer?
2 If the chief engineer doesn't record the
3 discrepancy, we'll pick that up.

4 MR. CHALOS: Right. At the end of the
5 month. But the auditor won't be able to tell
6 that unless he looks at the monthly report.

7 MS. TSOCHLAS: Well, if the chief
8 engineer never reports it and we don't pick
9 it up, that will carry on till he's onboard
10 and he -- the auditor will find the
11 discrepancy, but the discrepancy --

12 MR. CHALOS: Why don't you just change
13 form 23?

14 MS. TSOCHLAS: Like I said, if it's
15 imperative, we'll do it. I would prefer not
16 to make any changes at the time of a hearing
17 or audit because it confuses us.

18 MR. WIGGER: I think Krystyna's point is
19 well taken, and we see that with other cases
20 we work with, whether it's an environmental
21 auditor or a class surveyor or a port state
22 control, everyone has their personal views,
23 well, you should do this, you should do this,
24 yeah, but is it really required? And so from
25 that aspect, I guess I sympathize with the

1 fact that is this really something we need to
2 do? And I think that's why Captain Joshi
3 said, hey, consider this if it's not too
4 much -- well, he didn't use those words -- if
5 it's not a big deal, then, you know,
6 implement it.

7 So, it really left it up to Ionia just
8 to evaluate it. And, again, from a
9 responsiveness to the observation, the
10 recommendation, it sounds like Ionia has
11 evaluated it. That they said, yeah, we have
12 a mechanism in place to make sure that the
13 chief engineer is accountable, and so, I
14 mean, from my point of view, you know,
15 whether they do it or don't do it, doesn't
16 make that much difference, it's not critical.
17 And as you point out, if I go aboard to do
18 the next audit, I guess I can go and tell the
19 chief engineer, okay, pull out the tape and
20 let's look at some of these, you know.

21 SPECIAL MASTER BUNDY: Because he's got
22 the sounding log and he's got the tape.

23 MR. CHALOS: And, of course, all this
24 will be moot if they're able to add just the
25 memory to get hourly readings because then

1 it's all there anyway. I mean, you still
2 have to go to a different page to look at it,
3 but so what.

4 MR. WIGGER: And, again, when we're
5 onboard we do have the one-to-one contact
6 with the engineers and the other crew, and we
7 do talk to them about the difficulties of all
8 the paperwork, because it's not only this
9 environmental paperwork, but vetting
10 inspections and port state control, you know,
11 everything else, and they're just
12 overwhelmed, so every time you send something
13 new to the ship, it's perceived in a negative
14 way, so I guess from a practical point of
15 view, the less changes you throw at them, the
16 better you are sometimes, because then they
17 just throw up their hands and say, when is
18 this going to stop?

19 MS. TSOCHLAS: It's important for us to
20 keep our system as user-friendly as possible,
21 because if it stops being user-friendly, it
22 will breakdown as a system, so we try to make
23 sure that the procedures we implement, our
24 seafarers are capable of implementing those
25 procedures, and we don't want to confuse them

1 or overload them with work, because it's
2 important that the information that we really
3 need to get, we get it accurately, rather
4 than asking for 100 forms to be completed and
5 they end up just checking off the forms and
6 sending them off because they have no time to
7 do it properly.

8 So, it's very difficult for us to find a
9 balance and it's always very easy for us in
10 the office to say, oh, well, we'll just add a
11 form and they can complete it. They have to
12 find a balance between their ability of the
13 workload to complete the form accurately so
14 it provides us with constructive information.

15 MR. WIGGER: And I think that is one of
16 the issues that Captain Joshi had with the
17 chief engineer aboard the Estia. I think the
18 captain maybe looked at all the forms and
19 everything else and didn't see all the value.
20 Until you convince the crew that there is
21 value in this and that there's a need for it,
22 it's hard to really understand to comply with
23 it, so. And being user-friendly is
24 important, because all too often we do see
25 forms being filled out and sometimes no idea

1 what the reason for the form is or even what
2 the data should be on the form and they put
3 data that doesn't even belong on the form on
4 the form and when you begin to question, they
5 just don't know, so, again -- so, I see your
6 comments not in a negative way but in a
7 practical way of trying to make sure the
8 system does work.

9 SPECIAL MASTER BUNDY: Is the Ploutos,
10 does it have any plans to call on U.S. ports
11 that you know of at the present time?

12 MS. TSOCHLAS: The Ploutos?

13 SPECIAL MASTER BUNDY: Yes.

14 MS. TSOCHLAS: The Ploutos, at the
15 moment, is in the far east, so to get a
16 charter from the far east to the U.S. in the
17 immediate future is very difficult.

18 Our problem when we request permission
19 for our vessels to call at the U.S., it is
20 not necessary that there is a specific cargo
21 for the vessel to call at a U.S. port, but
22 our charters want to be able to have the
23 option, so it's very important for our
24 vessels to be able to trade worldwide,
25 especially in the current market situation.

1 That doesn't necessarily mean that next week
2 the vessel will be in the U.S.

3 SPECIAL MASTER BUNDY: What about the
4 Estia?

5 MS. TSOCHLAS: The Estia is on her way
6 to the far east, so it's not very soon that
7 she'll actually be calling on a U.S. port,
8 but most of the charter parties always
9 include an option for the U.S. We can't say,
10 yes, we are able to trade to the U.S., if we
11 can't say yes, we are able to trade with the
12 U.S., we lose the charter.

13 MR. WIGGER: I think the Theo/T or the
14 Thadeus was in the U.S. recently.

15 MS. TSOCHLAS: The Theo/T is now trading
16 in the U.S. She was trading exclusively in
17 the far east and then she came around to the
18 U.S. and now she's trading between South
19 America and the U.S. But she is a different
20 type of vessel, she's a crude oil carrier and
21 the market is more appropriate for her in the
22 U.S.

23 MR. WIGGER: Is her trade mainly east
24 coast or is it the gulf coast, U.S.?

25 MS. TSOCHLAS: Theo/T is on the east

1 coast.

2 MR. WIGGER: I think she was, yeah.

3 And in that sense, you know, if she is
4 in our backyard again, we would maybe want to
5 make a visit -- when I say backyard, in
6 Savannah, because we do have her call --

7 MS. TSOCHLAS: Well, we'll be requesting
8 a final audit for the Theo/T and at the
9 moment she's the easiest vessel for you to
10 attend because she's right there.

11 SPECIAL MASTER BUNDY: Any further
12 issues or questions on this topic?

13 I guess you can sign-off.

14 We very much appreciate your effort in
15 making yourself available. We're sorry that
16 we didn't have you here, but we understand
17 it's a happy occasion that you're not here.

18 MS. TSOCHLAS: It's okay. I'll see you
19 guys next time.

20 MR. CHALOS: Thank you, Krystyna.

21 MS. TSOCHLAS: Thank you very much.

22 MR. CHALOS: Get home safe.

23 MS. TSOCHLAS: Yes, I will.

24 SPECIAL MASTER BUNDY: Are there any
25 other issues that need to be brought up and

1 dealt with?

2 MR. CHALOS: Not from Ionia.

3 SPECIAL MASTER BUNDY: How about the
4 Government, Mr. O'Connell?

5 MR. O'CONNELL: I don't believe so.

6 Mr. Kaplan, are you still on the line,
7 do you have any questions?

8 MR. KAPLAN: No, not at this time.
9 Thank you.

10 MR. CHALOS: Mr. Kaplan, were you
11 listening intently the whole time?

12 MR. KAPLAN: I was listening.

13 MR. SANBORN: I have nothing.

14 SPECIAL MASTER BUNDY: Well, I think
15 that we can conclude the hearing then. Thank
16 you very much for all of the extraordinary
17 efforts you made in coming, particularly
18 thanks to the Court Reporter.

19 Will the current Ionia procedures and
20 devices meet the requirements of the scope of
21 work, and, second, whether the current
22 devices and practices provide a sufficient
23 basis for auditors or port state control, or
24 even Ionia internally, to insure through the
25 use of this electronic device that no Marpol

1 violations are being -- are occurring onboard
2 through -- because of some seafarer who does
3 not believe in the Marpol regime?

4 MR. CHALOS: The short answer I can tell
5 you is that we think that the current system
6 is working and it meets the criteria.

7 SPECIAL MASTER BUNDY: I'd like you to
8 set out exactly why.

9 MR. CHALOS: Of course. But if we can
10 get Vigilant to expand the memory to get
11 hourly reports that are somewhere recorded,
12 not necessary transmitted hourly, but
13 recorded somewhere, then I think that would
14 be good, too, so that's what we're going to
15 aim for.

16 SPECIAL MASTER BUNDY: All right. I
17 understand, and the Government may take a
18 different view and we'll look at it.

19 MR. CHALOS: And then you'll have to
20 evaluate whether the information received on
21 an hourly basis is going to be worth the
22 effort given, you know, what you might get
23 out of it.

24 SPECIAL MASTER BUNDY: Right.

25 MR. WIGGER: What is the official date

1 of the end of probation, do you recall?

2 MR. CHALOS: Sometime in December of
3 this year.

4 MR. WIGGER: Because Krystyna said we
5 need to complete the audits by September.

6 MR. CHALOS: I'll tell you what we're
7 thinking about, if we can get the audits
8 finished and they can pay the last
9 installment and they're doing everything that
10 they're supposed to be doing -- I mean, I see
11 one more meeting like this -- we may ask for
12 the probation to be shortened based on their
13 performance so far, and we would, obviously,
14 come to you first and ask for a
15 recommendation that they fully comply and
16 they're in line for probation to be
17 shortened. We wouldn't be the first to ask
18 for a shortened probation; there's precedent
19 for it. But whether that's going to happen
20 or not, I don't know, because it depends,
21 number one, on paying the last installment,
22 number two, you finishing the final audits
23 and, number three, satisfactory. So, I mean,
24 there's a lot of steps before that happens.
25 So, that's the current thinking, whether it's

1 going to happen or not, I don't know.

2 MR. WIGGER: Is probation three or four
3 years?

4 MR. CHALOS: Four.

5 MR. KAPLAN: I guess we can take that
6 matter up if and when you make the
7 application.

8 MR. CHALOS: Yeah, if we make the
9 application.

10 MR. WIGGER: And we're still looking at
11 only four ships. But within your fleet, I
12 know you have six, right?

13 MR. KARAGIORGIS: Six.

14 MR. WIGGER: Is there any intent to add
15 any of those to --

16 MR. KARAGIORGIS: No.

17 MR. WIGGER: So, we can pretty much plan
18 on four ships?

19 MR. KARAGIORGIS: Yup.

20 MR. KAPLAN: Thank you very much.

21 SPECIAL MASTER BUNDY: Thank you,
22 Mr. Kaplan.

23 (Whereupon, the hearing
24 concluded at 2:15 p.m.)

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CERTIFICATE

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STATE OF CONNECTICUT

5

ss: New Haven

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COUNTY OF NEW HAVEN

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I, Victorine Kaliszewski, a Notary

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Public in and for the State of Connecticut, duly

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commissioned and qualified and authorized to

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administer oaths, do hereby certify that I was

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attended at the Omni Hotel, 155 Temple Street, New

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Haven, Connecticut, on January 12, 2011, starting

14

at 10:15 a.m., by counsel for the respective

15

parties as appears in the herein-entitled cause;

16

that said witnesses were duly sworn by me and

17

thereupon testified as appears in the foregoing

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transcript; that said Special Master's Hearing was

19

taken stenographically by me in the presence of

20

counsel for the respective parties and reduced to

21

typewriting under my direction; that the foregoing

22

is a true and correct transcript of the testimony.

23

I also certify that I am neither of

24

counsel nor attorney to either of the parties to

25

said suit, nor am I an employee of either party to

1 said suit, or of either counsel in said suit, nor
2 am I interested in the outcome of said cause.

3 Witness my hand and Seal as such Notary
4 Public at New Haven, Connecticut this 18th day of
5 January, 2011.

6
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8 

9 VICTORINE KALISZEWSKI
10 COURT REPORTER
11 NOTARY PUBLIC

12 My Commission Expires:
13 November 30, 2015

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15 CSR NO. 00208
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