

**From:** policy@forthefishes.org  
**To:** [DLNR.BLNR.Testimony](#)  
**Cc:** [Neilson, Brian J](#)  
**Subject:** [EXTERNAL] Resubmitting BLNR Testimony Item F2  
**Date:** Thursday, August 27, 2020 9:29:11 AM

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Hi Darlene, resubmitting due to earlier formatting with pictures. Thank you! Inga

RE: Item F.2. Settlement Agreement with Formosa Wealth Management for Stony Coral and Live Rock Damage Resulting from the October 02, 2018 Formosa Anchoring within the Kailua Bay Zone of Kona Coast Fisheries Management Area, Island of Hawai'i

Dear Board Members,

DLNR's Division of Aquatic Resources found that Formosa Wealth Management (FWM), unspecified nor individually named owners of the vessel, violated Hawaii Administrative Rules §§13-95-70 and -71 by breaking and damaging approximately 431 specimens of stony coral and approximately 14 square meters of live rock when the 197' mega-yacht vessel, Formosa, attempted to anchor within Kailua Bay on October 02, 2018.

Based on the violations noted, FWM could, and should well be, facing a fine of \$1000.00 per violation, totalling more than \$431,000.00 for each specimen damaged or destroyed. Of note, FWM was not charged criminally although the serious, hundreds of separate offenses, are classified as misdemeanors, carrying up to 30 days in jail and a \$2000 fine per offense.

FWM currently charters the Formosa at approximately \$470,000 PER WEEK and the vessel is valued in excess of \$41,000,000 million dollars (see attached and: <https://www.fraseryachts.com/en/yacht-for-charter/formosa/> and <https://www.fraseryachts.com/en/yacht-for-sale/formosa/>)

Thus, there is no basis for a claim of financial hardship and it is unclear why DAR accepted a reduced settlement fine.

Given DAR's history of letting off violators of coral damage, which have occurred on numerous occasions by aquarium collectors in this same area, the West Regional Fishery Management Area (WHRFM), one might be initially impressed with the proposed fine. However, DAR isn't even proposing that FWM pay the minimum amount of calculated fines of \$153,400.00.

Further, initial reports claim that the reason for the damage was that a new Captain boarded and moved the vessel not knowing the coral cover environment, while this submittal refers to an erroneous Pilot Map that misled the Captain in his destructive and irresponsible anchoring.

See: <https://www.westhawaii.com/2018/10/04/hawaii-news/anchor-drop-could-cost-yacht/>

At a minimum we recommend the Board:

Request FWM pay the full amount of \$153,400 plus staff time and costs for the coral damage assessment. This is necessary to send a clear message to both in state, U.S. and foreign flagged vessels, that Hawaii takes the protection of its natural resources-- held in public trust, seriously.

Thank you for your consideration.

See attached.



fraseryachts.com/en/y



CONTACT

# FRASER



FOR SALE

# FORMOSA

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LENGTH 59.99M/196'10"

BUILDER BENETTI

BUILT/REFIT 2015

GUESTS 13

PRICE € 35,000,000 (APPROX. \$ 41,262,000)

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7:03



CONTACT

# FRASER



FOR CHARTER

# FORMOSA

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LENGTH 59.99M/196'10"

BUILDER BENETTI

BUILT/REFIT 2015

GUESTS 13

LOCATION SUMMER: MEDITERRANEAN

WINTER: INDIAN OCEAN

RATE/WEEK SUMMER: FROM € 400,000 (APPROX. \$ 471,600)

WINTER: FROM € 400,000 (APPROX. \$ 471,600)

Following a successful world tour  
including French Polynesia, Australia and Japan

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