

**UNALASKA CRAB, INC.
SPECIAL MEETING
TUESDAY, SEPTEMBER 30, 2014, 5:45 P.M.
UNALASKA CITY HALL COUNCIL CHAMBERS
AGENDA**

CALL TO ORDER
ROLL CALL

NEW BUSINESS

1. **RESOLUTION 2014-1**: APPROVING THE REGIONAL LANDING REQUIREMENT RELIEF FRAMEWORK AGREEMENT FOR THE 2014-2015 FISHING SEASON

ADJOURNMENT

MEMORANDUM TO DIRECTORS

TO: UNALASKA CRAB INC, BOARD OF DIRECTORS
THRU: MAYOR MARQUARDT, PRESIDENT UNALASKA CRAB INC
FROM: FRANK KELTY, VICE PRESIDENT UNALASKA CRAB INC
DATE: SEPTEMBER 23, 2014
RE: RESOLUTION 2014-10 OF UNALASKA CRAB INC. APPROVING THE REGIONAL LANDING REQUIREMENT RELIEF FRAMEWORK AGREEMENT FOR THE 2014-2015 FISHING SEASON

Summary: This is a renewal of the Regional Landing Requirement Framework Agreement approved in October 2013 by Unalaska Crab Inc. by Resolution 2013-1. This Agreement defines the general terms and conditions under which an exemption contract may be negotiated and executed among some or all of the Parties and an "Inseason Notice of Exemption" may be filed with the National Marine Fisheries Service ("NMFS") pursuant to 50 CFR 680.4(p)(4)(iii), which, upon filing, will result in NMFS re-designating the Class A IFQ described in the related affidavit and the IPQ with which it is matched as free of any Regional Landing Requirements. This Agreement is entered into to enable the Parties to satisfy the affidavit requirement of 50 CFR 680.4(p) (4) (ii) (B).

Previous Unalaska Crab Inc. Action: Unalaska Crab Inc. has taken three actions.

1. Unalaska Crab Inc. adopted Resolution 2008-01 on August 9, 2008 supporting the waiver on the ROFR from Unalaska Crab Inc. for the transfer of 163,000 pounds of Brown King Crab to Aleutian Pribilof Island Community Development Association CDQ group.
2. Unalaska Crab Inc. adopted Resolution 2012-01 supporting the waiver of invoking the right of first refusal (ROFR) on the sale by Westward Seafood's of ST. Matthew Blue King Crab processor quota shares to B/N Fisheries Company.
3. Unalaska Crab Inc. adopted Resolution 2013-01 authorizing the President of the Corporation Mayor Shirley Marquardt to sign the framework agreement attached to the Resolution.

Background: The parties acknowledge that the Regional Landing Requirements were included in the Crab Rationalization Program to provide certain Bering Sea and Aleutian Islands communities with protection from adverse economic consequences that could result from changes in crab delivery and processing locations made possible by the Crab Rationalization Program. The parties intend that the Regional Landings Requirements fulfill their purpose under the Crab Rationalization Program, i.e., providing the beneficiary communities with crab deliveries and processing activity that promotes stable and healthy fisheries economies. However, the parties acknowledge that circumstances outside of the parties' control could impair IFQ holders from making crab deliveries in the designated region within a commercially reasonable period of time after crab harvests, or could prevent IFQ holders from doing so within the related crab fishing season. Under these

circumstances, the Regional Landing Requirements could prevent crab that has been harvested from being delivered alive, resulting in loss of the related product value, or could prevent crab from being delivered during the regulatory fishing season. This would not only result in communities failing to receive the benefit of the intended crab deliveries, but could also result in waste of Bering Sea and Aleutian Islands crab resources, which would be inconsistent with the Crab Rationalization Program's purposes and National Standard 1 of the Magnuson-Stevens Fishery Conservation and Management Act. Further, in the absence of an exemption to the Regional Landing Requirements, persons harvesting IFQ crab may have incentives to attempt crab deliveries under unsafe or marginally safe conditions, to avoid losing the value of their harvests. The parties therefore wish to define certain terms and conditions under which a person harvesting crab IFQ may obtain relief from an otherwise applicable Regional Landing Requirement Framework Agreement.

Discussion: The 2014 framework agreement does have some minor changes from the 2013 framework agreement. They include on Page 1 in first paragraph the addition of the Eligible Crab Community Organization (ECCO) Aleutia group from the Aleutians East Borough. There are updated date changes on pages 1, first paragraph, and on the bottom of page 3, section 4.1, and section 9 on pages 7 and on the bottom of page 6 section 7.0 Coordinating Committee added that the committee will meet on or before October 15, 2014

Alternatives:

1. Adopt Unalaska Crab Inc. Resolution 2014-1 authorizing the President of the Corporation Mayor Shirley Marquardt to sign the framework agreement attached to the Resolution 2014-
2. Do not adopt Unalaska Crab Inc. Resolution 2014-1

Financial Implications: There would be a loss of revenues for all sectors of the community, by the loss of processing activity in Unalaska. The impacts would entail lost sale and fish taxes, employment in the community and could be substantial depending on the amount of crab that wasn't allowed to be processed in Unalaska if Unalaska Crab Inc. declined to be a signatory to the 2014 framework agreement.

Legal: Brooks Chandler, Unalaska Crab Inc. and the City of Unalaska legal counsel has reviewed the update version of the 2014 framework agreement and has concurred that the requested changes have been made to the agreement.

Staff Recommendation: Recommendation is to adopt Resolution 2014-1, declining to be a signatory to the agreement, would allow crab deliveries that were exempt from regional landing requirements, being forced to make crab deliveries in other Southern Region Communities. This would cause a loss of revenue, employment, for processors, support sector businesses, and a loss of tax revenue for the City of Unalaska.

Proposed Motion: Move to adopt Unalaska Crab Inc. Resolution 2014-1.

City Manager Comments:

FRAMEWORK AGREEMENT

October 15, 2014

This Regional Landing Requirement Relief Framework Agreement (“Framework Agreement”) is entered into by and among Central Bering Sea Fishermen’s Association, Unalaska Crab, Inc., Aleutian Pribilof Island Community Development Association, Kodiak Fisheries Development Association, Aleutia, Inc. (“Community Representatives”), 57 Degrees North, LLC, Alyeska Seafoods, Inc., APICDA Joint Ventures, Inc., Icicle Seafoods, Inc., Kodiak Fisheries Development Association, Peter Pan Seafoods, Inc., Quota Share Leasing, LLC, Royal Aleutian Seafoods, Inc., Trident Seafoods Corporation, Westward Seafoods, Inc., Aleutia, Inc. (“IPQ Holders”) and Aleutian Islands Cooperative, Crab Producers and Harvesters LLC, Dog Boat Cooperative, Inter-Cooperative Exchange, R&B Cooperative and Trident Affiliated Crab Harvesting Corporation (“IFQ Holders”) (each individually, a “Party” and together, the “Parties”) as of October 15, 2014, with respect to the following facts:

RECITALS

A. The Bering Sea and Aleutian Islands Crab Rationalization Program adopted by the North Pacific Fishery Management Council (the “Council”) as Amendments 18 and 19 to the Fisheries Management Plan for the Bering Sea and Aleutian Islands crab fisheries, and implemented through National Marine Fisheries Service regulations at 50 C.F.R. 680 (the “Crab Rationalization Program”) includes several regional landing requirements (the “Regional Landing Requirements”). The Regional Landing Requirements stipulate that certain amounts of crab harvested pursuant to Individual Fishing Quota (“IFQ”) issued annually must be delivered in certain regions of the fishery based on historical delivery patterns, and regionally designate “Class A” IFQ and corresponding Individual Processing Quota (“IPQ”) accordingly.

B. The parties acknowledge that the Regional Landing Requirements were included in the Crab Rationalization Program to provide certain Bering Sea and Aleutian Islands communities with protection from adverse economic consequences that could result from changes in crab delivery and processing locations made possible by the Crab Rationalization Program.

C. The parties intend that the Regional Landings Requirements fulfill their purpose under the Crab Rationalization Program, i.e., providing the beneficiary communities with crab deliveries and processing activity that promotes stable and healthy fisheries economies. However, the parties acknowledge that circumstances outside of the parties’ control could impair IFQ holders from making crab deliveries in the designated region within a commercially

reasonable period of time after crab harvests, or could prevent IFQ holders from doing so within the related crab fishing season. Under these circumstances, the Regional Landing Requirements could prevent crab that has been harvested from being delivered alive, resulting in loss of the related product value, or could prevent crab from being delivered during the regulatory fishing season. This would not only result in communities failing to receive the benefit of the intended crab deliveries, but could also result in waste of Bering Sea and Aleutian Islands crab resources, which would be inconsistent with the Crab Rationalization Program's purposes and National Standard 1 of the Magnuson-Stevens Fishery Conservation and Management Act.

D. Further, in the absence of an exemption to the Regional Landing Requirements, persons harvesting IFQ crab may have incentives to attempt crab deliveries under unsafe or marginally safe conditions, to avoid losing the value of their harvests.

E. The parties therefore wish to define certain terms and conditions under which a person harvesting crab IFQ may obtain relief from an otherwise applicable Regional Landing Requirement.

AGREEMENT

The parties agree as follows:

1. Purpose of Agreement. This Agreement defines the general terms and conditions under which an exemption contract may be negotiated and executed among some or all of the Parties and an "Inseason Notice of Exemption" may be filed with the National Marine Fisheries Service ("NMFS") pursuant to 50 CFR 680.4(p)(4)(iii), which, upon filing, will result in NMFS re-designating the Class A IFQ described in the related affidavit and the IPQ with which it is matched as free of any Regional Landing Requirements. This Agreement is entered into to enable the Parties to satisfy the affidavit requirement of 50 CFR 680.4(p)(4)(ii)(B).

2. Eligible Applicants. To be eligible to apply for a regional landing requirement exemption by filing an Inseason Notice of Exemption, a Party must be one of the following, and must have been conducting and be conducting its harvesting and processing operations in a manner consistent with the Fishery Guidelines and Reserve Pool approach (as defined in Section 4, below) then in effect for the Fishery or Fisheries (as defined in Section 2.1, below) for which the exemption is sought, unless the Fishery Guidelines and/or the Reserve Pool Agreement's terms have been waived in accordance with the applicable conditions of Section 5, below:

2.1 IFQ Holders. A person holding regionally designated IFQ for Bristol Bay red King crab ("BBRKC"), Bering Sea snow crab ("BSS"), St. Matthew blue King crab ("SMB"), Eastern

Aleutian Islands golden King crab, Western Aleutian Islands red King crab, Pribilof Island blue King crab or Pribilof Island red King crab (each, a “Fishery,” and together, the “Fisheries”).

2.2 IPQ Holders. A person holding regionally designated IPQ for one or more of the Fisheries.

2.3 Community Representatives.

2.3.1 For communities that hold or formerly held the right of first refusal (“ROFR”) pursuant to 50 CFR 680.41(l), the Eligible Crab Community entity, as defined at 50 CFR 680.2.

2.3.2 For North Region SMB crab processor quota shares (“PQS”) and North Region BSS PQS that was issued without a ROFR, the community representatives for the communities of St. Paul and St. George shall be both the Aleutian Pribilof Islands Community Development Association (“APICDA”) and the Central Bering Sea Fishermen’s Association (“CBSFA”), in accordance with 50 CFR 680.4(p)(2)(iii)(B)(2)(i).

3. Fisheries Subject to Agreement. This Agreement establishes the conditions for filing an exemption notice for each of the Fisheries.

4. Actions Taken to Reduce the Need for and Amount of an Exemption. To reduce the need for and amount of a BSS Regional Landing Requirement exemption, the Parties shall adopt annual fishery operational guidelines per Section 4.1, below (the “Fishery Guidelines”) and shall operate under the reserve pool approach described in Section 4.2, below (the “Reserve Pool”). The actions taken to reduce the need for and amount of a Regional Landing Requirement exemption for the crab Fisheries other than the BSS Fisheries shall be developed by the Coordinating Committee (as defined in Section 7, below) from time to time.

4.1 Fishery Guidelines. The Parties holding North region BSS IFQ and IPQ will develop proposed Fishery Guidelines for the BSS Fishery, and will submit them to the Coordinating Committee for review and approval. The Fishery Guidelines will provide general guidance concerning the delivery period for the North region of the BSS Fishery and the types and amounts of harvesting and processing capacity to be employed in the North region of the BSS Fishery, which, absent circumstances outside of the Fishery participants’ control, should enable the Fishery to be conducted without a Regional Landing Requirement exemption being necessary. The Fishery Guidelines will be consistent with the delivery periods and harvesting and processing capacity employed during the 2009-2010 through 2013-2014 seasons of the BSS Fishery, as adjusted to take into account the total allowable catch (“TAC”) for the 2014-2015 BSS Fishery and 2014-2015 BSS market factors.

4.2 Reserve Pool. The Reserve Pool approach set forth in this Section 4.2 establishes a procedure under which North region BSS deliveries are scheduled and made on a basis that reduces the risk that North region ice conditions cause BSS IFQ and IPQ to be stranded, and certain amounts of South Region IFQ and IPQ are reserved to cover frustrated North region deliveries, as set forth below.

4.2.1 As long as the risks associated with delivering in the North region remain acceptable (as determined by vessel masters), on an IPQ holder by IPQ holder basis, reserve pool participants will give North region deliveries priority over South region deliveries.

4.2.2 If the risks associated with delivering in the North region become unacceptable (as determined by vessel masters), South region IFQ will be used first to cover any frustrated North region deliveries, and then used as follows:

4.2.2.1 Immediately following the suspension of North Region deliveries due to adverse conditions, on an IPQ holder by IPQ holder basis, the affected IFQ holder(s) will assign South region IFQ in amounts approximating the remaining balance to be delivered to that IPQ holder (or on its account) in the North region to a “reserve pool.” When all South region IFQ in excess of an IPQ holder’s share of the reserve pool has been delivered, if the North region is still closed to deliveries, the affected IFQ holder(s) and each IPQ holder with whom they are matched may, by mutual agreement, either (i) use such IPQ holder’s share of the South region reserve pool until it has been exhausted or the North region has been re-opened for deliveries, and/or (ii) initiate a request for a Regional Landing Requirement exemption in accordance with Section 5, below, and if it is approved, may deliver North region designated IFQ to the South region for processing.

4.2.2.2 If the North region re-opens during the Opilio season, such that there is a reasonable likelihood of delivering a substantial amount of IFQ in the North region prior to season closure, the IFQ holder(s) with remaining North region IFQ will (in consultation with North region IPQ holders) prioritize North region deliveries over South region deliveries. If IFQ holder(s) and an IPQ holder with whom the IFQ holder(s) are matched have been delivering North region IFQ in the South region under an exemption pending such re-opening, they may initiate compensatory landings in the North region.

4.2.2.3 If at any point in time a North region IPQ holder and the North region IFQ holder(s) with whom it is matched conclude in their reasonable discretion that it will not be feasible to make additional landings in the North region in the same crab fishing season, then any remaining balance of such IPQ holder’s and IFQ holder(s)’ compensatory landing obligation will roll over to the following year.

5. Inseason Notice of Exemption Procedure. One or more share-matched IFQ holder(s) and IPQ holder(s) may initiate the request for a Regional Landing Requirement exemption. The determination whether any specific set of circumstances justifies filing an Inseason Notice of Exemption shall be made by the authorized representatives of the “Affected Parties.” For purposes of this Agreement, “Affected Parties” shall mean (i) the community or communities to which the exempted crab would normally be delivered under the regional landing requirements; (ii) the community or communities from which compensatory deliveries would originate; (iii) the IFQ holder(s) whose IFQ would be exempted from otherwise applicable regional landing requirements; and (iv) the IPQ holder(s) whose IPQ would be exempted from otherwise applicable regional landing requirements. No Inseason Notice of Exemption may be filed without the approval of all Affected Parties.

An Inseason Notice of Exemption may not be filed unless and until the Affected Parties determine that each of the following conditions is satisfied or (if permissible) is waived by all Affected Parties.

5.1 Circumstances outside of the Parties’ control have resulted in essential crab processing capacity within a designated region becoming inaccessible or unavailable such that there is a risk that the affected IFQ holder(s) will not be able to land all regionally designated crab in such region prior to the end of the crab fishing season.

5.2 If a Regional Landing Requirement exemption is requested for the BSS Fishery, the Fishery Guidelines referenced in Section 4.1, above have been approved by the Coordinating Committee, and the IFQ holder(s) and IPQ holder(s) requesting an exemption have conducted and are conducting their harvesting and processing operations in a manner consistent with such Fishery Guidelines and the Reserve Pool approach described in Section 4.2, above. If a Regional Landing Requirement exemption is requested for a Fishery other than the BSS Fishery, the actions taken to reduce the need for and amount of a Regional Landing Requirement exemption for the Fishery at issue shall be those developed by the Coordinating Committee from time to time, if any.

5.3 The Affected Parties on a processor/IPQ holder by processor/IPQ holder basis have entered into an exemption contract on a processor/IPQ holder by processor/IPQ holder basis that:

5.3.1 Identifies the IFQ amount and IPQ amount, by Fishery, that is subject to the exemption contract;

5.3.2 Describes the circumstances under which the exemption is being exercised;

5.3.3 Specifies the action that the parties must take to mitigate the effects of the exemption;

5.3.4 Specifies the compensation, if any, that any party must make to any other party; and

5.3.5 Specifies any arrangements for compensatory deliveries in that crab fishing year or the following fishing year.

5.4 The Affected Parties may waive one or more of the conditions set forth in Sections 5.1 and 5.2 for good cause shown. If a Party is seeking a waiver of one or more of such conditions because it was prevented from satisfying such condition(s) by circumstances outside of its control, such Party must have notified the Affected Parties of such circumstances within ten (10) days of their occurrence. The Affected Parties may not waive the exemption contract requirement set forth in Section 5.3.

6. Mitigating the Effects of an Exemption. The Parties shall take the following actions to mitigate the effects of a Regional Landing Requirement exemption.

6.1 In connection with circumstances involving a BSS Regional Landing Requirement exemption for up to five (5) million pounds of crab, the IFQ and IPQ holders shall make compensatory landings, which for IPQ holders shall be calculated on a processor/IPQ holder by processor/IPQ holder basis by a qualified independent third-party data collector which will yield a ratio of regionally designated shares for each processor/IPQ holder (regional ratio), in an amount equal, so long as each processor/IPQ holder has the opportunity to seek a portion of the exemption up to its regional ratio, to the amount of crab delivered outside of its originally designated region. Such compensatory landings shall be made during the same crab fishing year that the exemption was obtained and used, or during the following crab fishing year.

6.2 In connection with events involving a BSS Regional Landing Requirement exemption for five (5) million or more pounds of crab, the type and amount of compensation shall be negotiated as part of each individual exemption contract. The compensation may include, but is not limited to, compensatory landings and monetary relief.

6.3 The Coordinating Committee may amend the BSS thresholds set forth in Sections 6.1 and 6.2, above, in particular based on the changing size of the TAC, and may adopt compensation thresholds for other Fisheries from time to time.

7. Coordinating Committee. On or before October 15, 2014, the Parties shall form a "Coordinating Committee," composed of the Parties or their designees, which shall, before the

start of the BSS Fishery: (i) approve the BSS Fishery Guidelines per Section 4.1, above; and (ii) amend the thresholds set forth in Sections 6.2 and 6.3, above, as needed; and may, from time to time: (i) specify the actions to be taken by IFQ and IPQ holders to reduce the need for and amount of a Regional Landing Requirement exemption for one or more of the Fisheries other than the BSS Fishery, and (ii) develop compensation thresholds for Fisheries other than the BSS Fishery. Decisions of the Coordinating Committee at any given meeting shall require the consent of all Coordinating Committee members present either in person or on the telephone conference line. The Coordinating Committee may appoint Fishery subcommittees from time to time, and may delegate its authority to such sub-committee(s) as it deems appropriate.

8. Season Extension. If the re-opening of the North region is delayed such that a season closure could prevent additional landings from being made in the North region in the same crab fishing season, the Affected Parties may seek a season extension from ADF&G if the extension could make it feasible to deliver a substantial amount of IFQ in the North region prior to the extended season's closure. A decision to seek a season extension shall require the consent of all Affected Parties.

9. Reporting Requirements. Each IFQ holder that is a party to this Agreement shall prepare a "Regional Delivery Exemption Report" (the "Report") as required under the Crab Rationalization Program regulations. Each IFQ holder shall deliver a copy of its Report to the IPQ holders and community representatives who are party to this Agreement on or before July 15, 2015, and shall deliver a copy of its Report to NMFS on or before July 30, 2015, but no Report shall be submitted to NMFS less than fifteen (15) days after it was delivered to the IPQ holders and community representatives. The Report shall contain all information required by the Crab Rationalization Program regulations, including but not limited to explanations of:

9.1 The amount of IFQ, if any, set aside to reduce the need for, and the amount of, an exemption;

9.2 The mitigation measures employed before submitting an inseason notice;

9.3 The number of times an exemption was requested and used;

9.4 The arrangements for any compensatory deliveries, including all compensatory deliveries made during the crab fishing year and any outstanding compensatory delivery obligations for the following crab fishing year;

9.5 Whether the exemption was necessary; and

9.6 Any impacts resulting from the exemption on fishery participants and communities that signed the preseason application.

10. Term and Termination. This Agreement shall take effect as of the date set forth above, and shall expire as of midnight, June 30, 2015.

11. Miscellaneous.

11.1 No amendment to this Agreement shall be effective against a party hereto unless in writing and duly executed by such party. The parties agree to amend this Agreement as reasonably necessary to comply with changes in law, and policies and regulations implementing Regional Landing Requirement relief.

11.2 This Agreement shall be governed by and construed in accordance with applicable federal law and the laws of the State of Alaska.

11.3 This Agreement may be executed in counterparts which, when taken together, shall have the same effect as a fully executed original. Delivery of a signed copy of this Agreement by electronic transmission shall have the same effect as delivering a signed original.

11.4 The Parties agree to execute any documents necessary or convenient to give effect to the intents and purposes of this Agreement.

11.5 All notices required to be given under this Agreement shall be deemed given five (5) days following deposit in certified first class U.S. mail, postage prepaid, with the correct address, or upon the first business day following confirmed electronic transmission to the recipient. **Each Party agrees to provide all other Parties with the name, postal address, email address and fax number of its representative(s) for purposes of receiving notices under this Agreement within three (3) days of executing this Agreement.**

11.6 In the event that any provision of this Agreement is held to be invalid or unenforceable, such provision shall be deemed to be severed from this Agreement, and such holding shall not affect in any respect whatsoever the validity of the remainder of this Agreement.

SIGNATURE PAGES FOLLOW

Community Representatives

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION By: _____ Its: _____	UNALASKA CRAB, INC. By: _____ Its: _____
ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION By: _____ Its: _____	ALEUTIA By: _____ Its: _____
KODIAK FISHERIES DEVELOPMENT ASSOCIATION By: _____ Its: _____	

Community Representatives for Non-ROFR IPQ

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION By: _____ Its: _____	ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION By: _____ Its: _____
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IPQ Holders

57 DEGREES NORTH, LLC By: _____ Its: _____	ALASKA FRESH SEAFOODS, INC. By: _____ Its: _____
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IPQ Holders Continued

ALEUTIA, INC. By: _____ Its: _____	ALYESKA SEAFOODS, INC. By: _____ Its: _____
APICDA JOINT VENTURES, INC. By: _____ Its: _____	ATXAM CORPORATION By: _____ Its: _____
COASTAL VILLAGES SEAFOODS LLC By: _____ Its: _____	DUTCH HARBOR ACQUISITIONS By: _____ Its: _____
ICICLE SEAFOODS, INC. By: _____ Its: _____	KODIAK FISHERIES DEVELOPMENT ASSOCIATION By: _____ Its: _____
NORQUEST SEAFOODS, INC. By: _____ Its: _____	NORTH PACIFIC SEAFOODS, INC. By: _____ Its: _____
PETER PAN SEAFOODS, INC. By: _____ Its: _____	QUOTA SHARE LEASING, LLC By: _____ Its: _____

IPQ Holders Continued

<p>RAS II, LLC</p> <p>By: _____</p> <p>Its: _____</p>	<p>ROYAL ALEUTIAN SEAFOODS, INC.</p> <p>By: _____</p> <p>Its: _____</p>
<p>TRIDENT SEAFOODS CORPORATION</p> <p>By: _____</p> <p>Its: _____</p>	<p>WESTWARD SEAFOODS, INC.</p> <p>By: _____</p> <p>Its: _____</p>

IFQ Holders

<p>ALASKA KING CRAB HARVESTERS COOPERATIVE</p> <p>By: _____</p> <p>Its: _____</p>	<p>ALEUTIAN ISLANDS COOPERATIVE</p> <p>By: _____</p> <p>Its: _____</p>
<p>ALTERNATIVE CRAB EXCHANGE</p> <p>By: _____</p> <p>Its: _____</p>	<p>COASTAL VILLAGES CRAB COOPERATIVE</p> <p>By: _____</p> <p>Its: _____</p>
<p>CRAB PRODUCERS AND HARVESTERS LLC</p> <p>By: _____</p> <p>Its: _____</p>	<p>DOG BOAT COOPERATIVE</p> <p>By: _____</p> <p>Its: _____</p>
<p>INDEPENDENT CRABBERS COOPERATIVE</p> <p>By: _____</p> <p>Its: _____</p>	<p>INTER-COOPERATIVE EXCHANGE</p> <p>By: _____</p> <p>Its: _____</p>

IFQ Holders Continued

<p>R&B COOPERATIVE</p> <p>By: _____</p> <p>Its: _____</p>	<p>TRIDENT AFFILIATED CRAB HARVESTING CORPORATION</p> <p>By: _____</p> <p>Its: _____</p>
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DRAFT

FRAMEWORK AGREEMENT

October ~~15~~, 2014

This Regional Landing Requirement Relief Framework Agreement (“Framework Agreement”) is entered into by and among Central Bering Sea Fishermen’s Association, Unalaska Crab, Inc., Aleutian Pribilof Island Community Development Association, Kodiak Fisheries Development Association, Aleutia, Inc. (“Community Representatives”), 57 Degrees North, LLC, Alyeska Seafoods, Inc., APICDA Joint Ventures, Inc., Icicle Seafoods, Inc., Kodiak Fisheries Development Association, Peter Pan Seafoods, Inc., Quota Share Leasing, LLC, Royal Aleutian Seafoods, Inc., Trident Seafoods Corporation, Westward Seafoods, Inc., Aleutia, Inc. (“IPQ Holders”) and Aleutian Islands Cooperative, Crab Producers and Harvesters LLC, Dog Boat Cooperative, Inter-Cooperative Exchange, R&B Cooperative and Trident Affiliated Crab Harvesting Corporation (“IFQ Holders”) (each individually, a “Party” and together, the “Parties”) as of October ~~15~~, 2014, with respect to the following facts:

RECITALS

A. The Bering Sea and Aleutian Islands Crab Rationalization Program adopted by the North Pacific Fishery Management Council (the “Council”) as Amendments 18 and 19 to the Fisheries Management Plan for the Bering Sea and Aleutian Islands crab fisheries, and implemented through National Marine Fisheries Service regulations at 50 C.F.R. 680 (the “Crab Rationalization Program”) includes several regional landing requirements (the “Regional Landing Requirements”). The Regional Landing Requirements stipulate that certain amounts of crab harvested pursuant to Individual Fishing Quota (“IFQ”) issued annually must be delivered in certain regions of the fishery based on historical delivery patterns, and regionally designate “Class A” IFQ and corresponding Individual Processing Quota (“IPQ”) accordingly.

B. The parties acknowledge that the Regional Landing Requirements were included in the Crab Rationalization Program to provide certain Bering Sea and Aleutian Islands communities with protection from adverse economic consequences that could result from changes in crab delivery and processing locations made possible by the Crab Rationalization Program.

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D. Further, in the absence of an exemption to the Regional Landing Requirements, persons harvesting IFQ crab may have incentives to attempt crab deliveries under unsafe or marginally safe conditions, to avoid losing the value of their harvests.

E. The parties therefore wish to define certain terms and conditions under which a person harvesting crab IFQ may obtain relief from an otherwise applicable Regional Landing Requirement.

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2. Eligible Applicants. To be eligible to apply for a regional landing requirement exemption by filing an Inseason Notice of Exemption, a Party must be one of the following, and must have been conducting and be conducting its harvesting and processing operations in a manner consistent with the Fishery Guidelines and Reserve Pool approach (as defined in Section 4, below) then in effect for the Fishery or Fisheries (as defined in Section 2.1, below) for which the exemption is sought, unless the Fishery Guidelines and/or the Reserve Pool Agreement's terms have been waived in accordance with the applicable conditions of Section 5, below:

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Aleutian Islands golden King crab, Western Aleutian Islands red King crab, Pribilof Island blue King crab or Pribilof Island red King crab (each, a “Fishery,” and together, the “Fisheries”).

2.2 IPQ Holders. A person holding regionally designated IPQ for one or more of the Fisheries.

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2.3.1 For communities that hold or formerly held the right of first refusal (“ROFR”) pursuant to 50 CFR 680.41(l), the Eligible Crab Community entity, as defined at 50 CFR 680.2.

2.3.2 For North Region SMB crab processor quota shares (“PQS”) and North Region BSS PQS that was issued without a ROFR, the community representatives for the communities of St. Paul and St. George shall be both the Aleutian Pribilof Islands Community Development Association (“APICDA”) and the Central Bering Sea Fishermen’s Association (“CBSFA”), in accordance with 50 CFR 680.4(p)(2)(iii)(B)(2)(i).

3. Fisheries Subject to Agreement. This Agreement establishes the conditions for filing an exemption notice for each of the Fisheries.

4. Actions Taken to Reduce the Need for and Amount of an Exemption. To reduce the need for and amount of a BSS Regional Landing Requirement exemption, the Parties shall adopt annual fishery operational guidelines per Section 4.1, below (the “Fishery Guidelines”) and shall operate under the reserve pool approach described in Section 4.2, below (the “Reserve Pool”). The actions taken to reduce the need for and amount of a Regional Landing Requirement exemption for the crab Fisheries other than the BSS Fisheries shall be developed by the Coordinating Committee (as defined in Section 7, below) from time to time.

4.1 Fishery Guidelines. The Parties holding North region BSS IFQ and IPQ will develop proposed Fishery Guidelines for the BSS Fishery, and will submit them to the Coordinating Committee for review and approval. The Fishery Guidelines will provide general guidance concerning the delivery period for the North region of the BSS Fishery and the types and amounts of harvesting and processing capacity to be employed in the North region of the BSS Fishery, which, absent circumstances outside of the Fishery participants’ control, should enable the Fishery to be conducted without a Regional Landing Requirement exemption being necessary. The Fishery Guidelines will be consistent with the delivery periods and harvesting and processing capacity employed during the ~~2008-2009-2010~~ through ~~2012-2013-2014~~ seasons of the BSS Fishery, as adjusted to take into account the total allowable catch (“TAC”) for the 2014-2015 BSS Fishery and 2014-2015 BSS market factors.

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4.2 Reserve Pool. The Reserve Pool approach set forth in this Section 4.2 establishes a procedure under which North region BSS deliveries are scheduled and made on a basis that reduces the risk that North region ice conditions cause BSS IFQ and IPQ to be stranded, and certain amounts of South Region IFQ and IPQ are reserved to cover frustrated North region deliveries, as set forth below.

4.2.1 As long as the risks associated with delivering in the North region remain acceptable (as determined by vessel masters), on an IPQ holder by IPQ holder basis, reserve pool participants will give North region deliveries priority over South region deliveries.

4.2.2 If the risks associated with delivering in the North region become unacceptable (as determined by vessel masters), South region IFQ will be used first to cover any frustrated North region deliveries, and then used as follows:

4.2.2.1 Immediately following the suspension of North Region deliveries due to adverse conditions, on an IPQ holder by IPQ holder basis, the affected IFQ holder(s) will assign South region IFQ in amounts approximating the remaining balance to be delivered to that IPQ holder (or on its account) in the North region to a “reserve pool.” When all South region IFQ in excess of an IPQ holder’s share of the reserve pool has been delivered, if the North region is still closed to deliveries, the affected IFQ holder(s) and each IPQ holder with whom they are matched may, by mutual agreement, either (i) use such IPQ holder’s share of the South region reserve pool until it has been exhausted or the North region has been re-opened for deliveries, and/or (ii) initiate a request for a Regional Landing Requirement exemption in accordance with Section 5, below, and if it is approved, may deliver North region designated IFQ to the South region for processing.

4.2.2.2 If the North region re-opens during the Opilio season, such that there is a reasonable likelihood of delivering a substantial amount of IFQ in the North region prior to season closure, the IFQ holder(s) with remaining North region IFQ will (in consultation with North region IPQ holders) prioritize North region deliveries over South region deliveries. If IFQ holder(s) and an IPQ holder with whom the IFQ holder(s) are matched have been delivering North region IFQ in the South region under an exemption pending such re-opening, they may initiate compensatory landings in the North region.

4.2.2.3 If at any point in time a North region IPQ holder and the North region IFQ holder(s) with whom it is matched conclude in their reasonable discretion that it will not be feasible to make additional landings in the North region in the same crab fishing season, then any remaining balance of such IPQ holder’s and IFQ holder(s)’ compensatory landing obligation will roll over to the following year.

5. Inseason Notice of Exemption Procedure. One or more share-matched IFQ holder(s) and IPQ holder(s) may initiate the request for a Regional Landing Requirement exemption. The determination whether any specific set of circumstances justifies filing an Inseason Notice of Exemption shall be made by the authorized representatives of the “Affected Parties.” For purposes of this Agreement, “Affected Parties” shall mean (i) the community or communities to which the exempted crab would normally be delivered under the regional landing requirements; (ii) the community or communities from which compensatory deliveries would originate; (iii) the IFQ holder(s) whose IFQ would be exempted from otherwise applicable regional landing requirements; and (iv) the IPQ holder(s) whose IPQ would be exempted from otherwise applicable regional landing requirements. No Inseason Notice of Exemption may be filed without the approval of all Affected Parties.

An Inseason Notice of Exemption may not be filed unless and until the Affected Parties determine that each of the following conditions is satisfied or (if permissible) is waived by all Affected Parties.

5.1 Circumstances outside of the Parties’ control have resulted in essential crab processing capacity within a designated region becoming inaccessible or unavailable such that there is a risk that the affected IFQ holder(s) will not be able to land all regionally designated crab in such region prior to the end of the crab fishing season.

5.2 If a Regional Landing Requirement exemption is requested for the BSS Fishery, the Fishery Guidelines referenced in Section 4.1, above have been approved by the Coordinating Committee, and the IFQ holder(s) and IPQ holder(s) requesting an exemption have conducted and are conducting their harvesting and processing operations in a manner consistent with such Fishery Guidelines and the Reserve Pool approach described in Section 4.2, above. If a Regional Landing Requirement exemption is requested for a Fishery other than the BSS Fishery, the actions taken to reduce the need for and amount of a Regional Landing Requirement exemption for the Fishery at issue shall be those developed by the Coordinating Committee from time to time, if any.

5.3 The Affected Parties on a processor/IPQ holder by processor/IPQ holder basis have entered into an exemption contract on a processor/IPQ holder by processor/IPQ holder basis that:

5.3.1 Identifies the IFQ amount and IPQ amount, by Fishery, that is subject to the exemption contract;

5.3.2 Describes the circumstances under which the exemption is being exercised;

5.3.3 Specifies the action that the parties must take to mitigate the effects of the exemption;

5.3.4 Specifies the compensation, if any, that any party must make to any other party; and

5.3.5 Specifies any arrangements for compensatory deliveries in that crab fishing year or the following fishing year.

5.4 The Affected Parties may waive one or more of the conditions set forth in Sections 5.1 and 5.2 for good cause shown. If a Party is seeking a waiver of one or more of such conditions because it was prevented from satisfying such condition(s) by circumstances outside of its control, such Party must have notified the Affected Parties of such circumstances within ten (10) days of their occurrence. The Affected Parties may not waive the exemption contract requirement set forth in Section 5.3.

6. Mitigating the Effects of an Exemption. The Parties shall take the following actions to mitigate the effects of a Regional Landing Requirement exemption.

6.1 In connection with circumstances involving a BSS Regional Landing Requirement exemption for up to five (5) million pounds of crab, the IFQ and IPQ holders shall make compensatory landings, which for IPQ holders shall be calculated on a processor/IPQ holder by processor/IPQ holder basis by a qualified independent third-party data collector which will yield a ratio of regionally designated shares for each processor/IPQ holder (regional ratio), in an amount equal, so long as each processor/IPQ holder has the opportunity to seek a portion of the exemption up to its regional ratio, to the amount of crab delivered outside of its originally designated region. Such compensatory landings shall be made during the same crab fishing year that the exemption was obtained and used, or during the following crab fishing year.

6.2 In connection with events involving a BSS Regional Landing Requirement exemption for five (5) million or more pounds of crab, the type and amount of compensation shall be negotiated as part of each individual exemption contract. The compensation may include, but is not limited to, compensatory landings and monetary relief.

6.3 The Coordinating Committee may amend the BSS thresholds set forth in Sections 6.1 and 6.2, above, in particular based on the changing size of the TAC, and may adopt compensation thresholds for other Fisheries from time to time.

7. Coordinating Committee. On or before ~~_____~~, October 15, 2014, the Parties shall form a "Coordinating Committee," composed of the Parties or their designees, which shall,

before the start of the BSS Fishery: (i) approve the BSS Fishery Guidelines per Section 4.1, above; and (ii) amend the thresholds set forth in Sections 6.2 and 6.3, above, as needed; and may, from time to time: (i) specify the actions to be taken by IFQ and IPQ holders to reduce the need for and amount of a Regional Landing Requirement exemption for one or more of the Fisheries other than the BSS Fishery, and (ii) develop compensation thresholds for Fisheries other than the BSS Fishery. Decisions of the Coordinating Committee at any given meeting shall require the consent of all Coordinating Committee members present either in person or on the telephone conference line. The Coordinating Committee may appoint Fishery subcommittees from time to time, and may delegate its authority to such sub-committee(s) as it deems appropriate.

8. Season Extension. If the re-opening of the North region is delayed such that a season closure could prevent additional landings from being made in the North region in the same crab fishing season, the Affected Parties may seek a season extension from ADF&G if the extension could make it feasible to deliver a substantial amount of IFQ in the North region prior to the extended season's closure. A decision to seek a season extension shall require the consent of all Affected Parties.

9. Reporting Requirements. Each IFQ holder that is a party to this Agreement shall prepare a "Regional Delivery Exemption Report" (the "Report") as required under the Crab Rationalization Program regulations. Each IFQ holder shall deliver a copy of its Report to the IPQ holders and community representatives who are party to this Agreement on or before July 15, ~~2014~~2015, and shall deliver a copy of its Report to NMFS on or before July 30, ~~2014~~2015, but no Report shall be submitted to NMFS less than fifteen (15) days after it was delivered to the IPQ holders and community representatives. The Report shall contain all information required by the Crab Rationalization Program regulations, including but not limited to explanations of:

9.1 The amount of IFQ, if any, set aside to reduce the need for, and the amount of, an exemption;

9.2 The mitigation measures employed before submitting an inseason notice;

9.3 The number of times an exemption was requested and used;

9.4 The arrangements for any compensatory deliveries, including all compensatory deliveries made during the crab fishing year and any outstanding compensatory delivery obligations for the following crab fishing year;

9.5 Whether the exemption was necessary; and

9.6 Any impacts resulting from the exemption on fishery participants and communities that signed the preseason application.

10. Term and Termination. This Agreement shall take effect as of the date set forth above, and shall expire as of midnight, June 30, 2015.

11. Miscellaneous.

11.1 No amendment to this Agreement shall be effective against a party hereto unless in writing and duly executed by such party. The parties agree to amend this Agreement as reasonably necessary to comply with changes in law, and policies and regulations implementing Regional Landing Requirement relief.

11.2 This Agreement shall be governed by and construed in accordance with applicable federal law and the laws of the State of Alaska.

11.3 This Agreement may be executed in counterparts which, when taken together, shall have the same effect as a fully executed original. Delivery of a signed copy of this Agreement by electronic transmission shall have the same effect as delivering a signed original.

11.4 The Parties agree to execute any documents necessary or convenient to give effect to the intents and purposes of this Agreement.

11.5 All notices required to be given under this Agreement shall be deemed given five (5) days following deposit in certified first class U.S. mail, postage prepaid, with the correct address, or upon the first business day following confirmed electronic transmission to the recipient. **Each Party agrees to provide all other Parties with the name, postal address, email address and fax number of its representative(s) for purposes of receiving notices under this Agreement within three (3) days of executing this Agreement.**

11.6 In the event that any provision of this Agreement is held to be invalid or unenforceable, such provision shall be deemed to be severed from this Agreement, and such holding shall not affect in any respect whatsoever the validity of the remainder of this Agreement.

SIGNATURE PAGES FOLLOW

Community Representatives

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION By: _____ Its: _____	UNALASKA CRAB, INC. By: _____ Its: _____
ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION By: _____ Its: _____	ALEUTIA By: _____ Its: _____
KODIAK FISHERIES DEVELOPMENT ASSOCIATION By: _____ Its: _____	

Community Representatives for Non-ROFR IPQ

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION By: _____ Its: _____	ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION By: _____ Its: _____
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IPQ Holders

57 DEGREES NORTH, LLC By: _____ Its: _____	ALASKA FRESH SEAFOODS, INC. By: _____ Its: _____
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IPQ Holders Continued

ALEUTIA, INC. By: _____ Its: _____	ALYESKA SEAFOODS, INC. By: _____ Its: _____
APICDA JOINT VENTURES, INC. By: _____ Its: _____	ATXAM CORPORATION By: _____ Its: _____
COASTAL VILLAGES SEAFOODS LLC By: _____ Its: _____	DUTCH HARBOR ACQUISITIONS By: _____ Its: _____
ICICLE SEAFOODS, INC. By: _____ Its: _____	KODIAK FISHERIES DEVELOPMENT ASSOCIATION By: _____ Its: _____
NORQUEST SEAFOODS, INC. By: _____ Its: _____	NORTH PACIFIC SEAFOODS, INC. By: _____ Its: _____
PETER PAN SEAFOODS, INC. By: _____ Its: _____	QUOTA SHARE LEASING, LLC By: _____ Its: _____

IPQ Holders Continued

RAS II, LLC By: _____ Its: _____	ROYAL ALEUTIAN SEAFOODS, INC. By: _____ Its: _____
TRIDENT SEAFOODS CORPORATION By: _____ Its: _____	WESTWARD SEAFOODS, INC. By: _____ Its: _____

IFQ Holders

ALASKA KING CRAB HARVESTERS COOPERATIVE By: _____ Its: _____	ALEUTIAN ISLANDS COOPERATIVE By: _____ Its: _____
ALTERNATIVE CRAB EXCHANGE By: _____ Its: _____	COASTAL VILLAGES CRAB COOPERATIVE By: _____ Its: _____
CRAB PRODUCERS AND HARVESTERS LLC By: _____ Its: _____	DOG BOAT COOPERATIVE By: _____ Its: _____
INDEPENDENT CRABBERS COOPERATIVE By: _____ Its: _____	INTER-COOPERATIVE EXCHANGE By: _____ Its: _____

IFQ Holders Continued

R&B COOPERATIVE	TRIDENT AFFILIATED CRAB HARVESTING CORPORATION
By: _____	By: _____
Its: _____	Its: _____

DRAFT

RESOLUTION NO. 2014-01

UNALASKA CRAB, INC.

WHEREAS, Unalaska Crab, Inc. (“the Corporation”) is the authorized representative for Unalaska an “Eligible Crab Community” (“ECC”) pursuant to federal regulations generally known as the Crab Rationalization Program and;

WHEREAS, 50 CFR 680.4(p) sets forth a process by which holders of an individual fishing quota (“IFQ”) or individual processing quota (“IPQ”) in certain crab fisheries (“Exemption Applicants”) may request a preseason exemption from otherwise applicable geographical restrictions on the delivery or processing of crab and;

WHEREAS, 50 CFR 680.4(p)(4)(ii)(B) requires that Exemption Applicants certify that the Exemption Applicant has entered into a framework agreement signed by the representative of an ECC and;

WHEREAS, the Corporation has participated in the process of negotiating a framework agreement and has reviewed a proposed framework agreement for the 2014-2015 crab fishing season which is intended to comply with 50 CFR 680.4(p)(ii)(B); and

WHEREAS, the Corporation finds the terms of the framework agreement acceptable to Unalaska as an ECC;

NOW THEREFORE: it is hereby resolved: (1) that the Corporation hereby authorizes the President of the Corporation to sign the framework agreement attached to this Resolution and (2) that any changes to the proposed agreement be subject to further review and approval of the Corporation and (3) that any specific provisions for any inseason exemption contract required by 50 CFR 680.4(p)(4)(iii)(B) be subject to further review and approval of the Corporation.

DULY ADOPTED this ___th day of _____, 2014 at a meeting of the Board of Directors of Unalaska Crab, Inc.

UNALASKA CRAB, INC.

President

Greetings Frank:

I have reviewed the revised agreement and confirm that previously requested changes have now been incorporated.

Next step is to schedule the meeting to approve.

Brooks Chandler
Boyd, Chandler & Falconer LLP

-----Original Message-----

From: Frank Kelty [<mailto:fkelly@ci.unalaska.ak.us>]

Sent: Thu 9/11/2014 4:45 PM

To: Brooks Chandler; Mayor; Chris Hladick

Subject: FW: Crab Rationalization - Regional Landing Requirement Relief - Framework Agreement

All,

New draft of the Regional Landing Requirement Relief- Framework Agreement that came out of the work groups meeting this week. The new draft covers all the concerns that I had and that Brooks mentioned. Please review the attached clean and redline versions and let me know if there are concerns or other issues that may need to be addressed.

Regards
Frank

From: Joe Sullivan [<mailto:joe@sullivanrichards.com>]

Sent: Thursday, September 11, 2014 2:45 PM

To: Steven K Minor; Heather McCarty; Frank Kelty; Iani, L. John (Perkins Coie); iccrabcoop@gmail.com; Carlos Mateo Paz-Soldan; louielowenberg@gmail.com Lowenberg; Pat Hardina; Kris Norosz; Rob Rogers; Joseph Plesha; Chris Arnim; rayn@tridentseafoods.com; Larry Cotter; LCotter@apicda.com; adrobnica@apicda.com; Simeon Swetozof; eweiss@aeboro.org; jrs.alaska@gmail.com; jbongen@mac.com; freed@gci.net;

markgleason@gmail.com; edpoulsen@hotmail.com; ruth.christiansen78@gmail.com; craig@craiglowenberg.com;

Chris Pugmire; heidi@Starboats.com; Jim Hennessey; Dale Schwarzmiller; GlennG@ppsf.com;

sinclair.wilt@westwardseafoods.com; Greg Baker; Al Mendoza; Kirk Peterson; karen@aleutia.org; Andrew Richards; Nettie Cornwell

Subject: Crab Rationalization - Regional Landing Requirement Relief - Framework Agreement

Hi Folks,

Attached is a revised version of the Framework Agreement and a redline showing the changes I made based on comments on the first draft and our discussion yesterday. Please review it and let me know if you have any questions or comments.

A brief re-cap of the points covered in the meeting yesterday:

1. The Coordinating Committee for the 2014-2015 crab fishing year will be constituted as of October 15, 2014. Each signatory to the Framework Agreement will be expected to name their Coordinating Committee representative when they sign the Framework Agreement. The Coordinating Committee meeting to review BSS Fishery Guidelines is tentatively scheduled for November 13, 2014.

2. In-season exemption contracts were not prepared during the 2013-2014 season because none were needed. Some representatives expressed an interest in preparing a form of agreement for the upcoming year, and may take the initiative to do so.

3. The IFQ holders did not prepare and file a report with NMFS concerning the 2013-2014 fishing year. ICE representatives will prepare a draft report and circulate it for review by other IFQ holders, IPQ holders and community representatives.

4. Aleutia did not sign the Framework Agreement last year, but may do so this year. Teleconference participants did not identify any other parties whose participation should be solicited, but suggested that ACE and Coastal Villages be notified as a courtesy.

5. Teleconference participants agreed that giving the North Pacific Fishery Management Council an informal status report at the December meeting would be appropriate. Sector representatives will discuss that possibility with the Council Executive Director and Chairman at the October meeting and report back.

6. There was discussion regarding whether to suggest that the Council revisit the regional landing requirement relief procedure as part of its ten year review of the crab rationalization program, with an eye toward streamlining it. There were concerns expressed regarding whether the procedure is ripe for review, since it has not been used to obtain an exemption yet. The issue was deferred for the time being.

7. The attached draft of the Framework Agreement is being circulated for review and email comment. A decision whether to hold another teleconference will be made based on the comments received.

Please let me know whether the recap above is inaccurate or incomplete.

Best, Joe

[Sullivan & Richards LLP] <<http://www.sullivanrichards.com/>>

Joe Sullivan

PHONE:

206.995.8286

FAX:



206.299.0419

WEB:

sullivanrichards.com <<http://www.sullivanrichards.com/>>



ADDRESS:

4005 20th Ave W, Suite 221
Seattle, WA 98199

	<p>Application for Exemption from CR Crab North or South Region Delivery Requirements</p>	<p>U.S. Department of Commerce NOAA Fisheries Service, Alaska Region Restricted Access Management (RAM) Post Office Box 21668 Juneau, Alaska 99802-1668</p>	
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ALL persons applying for an exemption from regional delivery requirements must submit both Part I and Part II of this application to receive an exemption.

PART I – PRESEASON APPLICATION FOR EXEMPTION																			
<p style="text-align: center;">NMFS must receive the Preseason Application no later than October 15. Submit Part I as a single package with a completed, signed, and dated application from each IFQ Permit Holder, IPQ Permit Holder, and Community Representative that signed the framework agreement.</p>																			
<p style="text-align: center;">Total number of applicants who have signed the Preseason Application: _____</p>																			
<p>IDENTIFY EACH APPLICANT Duplicate this form as needed for each applicant. If this application is completed by an authorized representative, attach documentation.</p>																			
1. Print Name of Applicant	2. NMFS Person ID																		
<p>3. Indicate Type of Applicant (select only one): <input type="checkbox"/> IFQ Permit Holder <input type="checkbox"/> IPQ Permit Holder <input type="checkbox"/> Community Representative</p>																			
<p>4. Identify the CR crab fishery, IFQ amount, and IPQ amount subject to the framework agreement:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;"><input type="checkbox"/> Bering Sea snow crab</td> <td style="width: 20%;">Total Amount of IFQ ____</td> <td style="width: 40%;">Total Amount of IPQ ____</td> </tr> <tr> <td><input type="checkbox"/> Bristol Bay red king crab</td> <td>Total Amount of IFQ ____</td> <td>Total Amount of IPQ ____</td> </tr> <tr> <td><input type="checkbox"/> Pribilof red king and blue king crab</td> <td>Total Amount of IFQ ____</td> <td>Total Amount of IPQ ____</td> </tr> <tr> <td><input type="checkbox"/> St. Matthew blue king crab</td> <td>Total Amount of IFQ ____</td> <td>Total Amount of IPQ ____</td> </tr> <tr> <td><input type="checkbox"/> Western Aleutian Islands red king crab</td> <td>Total Amount of IFQ ____</td> <td>Total Amount of IPQ ____</td> </tr> <tr> <td><input type="checkbox"/> Eastern Aleutian Islands golden king crab</td> <td>Total Amount of IFQ ____</td> <td>Total Amount of IPQ ____</td> </tr> </table>		<input type="checkbox"/> Bering Sea snow crab	Total Amount of IFQ ____	Total Amount of IPQ ____	<input type="checkbox"/> Bristol Bay red king crab	Total Amount of IFQ ____	Total Amount of IPQ ____	<input type="checkbox"/> Pribilof red king and blue king crab	Total Amount of IFQ ____	Total Amount of IPQ ____	<input type="checkbox"/> St. Matthew blue king crab	Total Amount of IFQ ____	Total Amount of IPQ ____	<input type="checkbox"/> Western Aleutian Islands red king crab	Total Amount of IFQ ____	Total Amount of IPQ ____	<input type="checkbox"/> Eastern Aleutian Islands golden king crab	Total Amount of IFQ ____	Total Amount of IPQ ____
<input type="checkbox"/> Bering Sea snow crab	Total Amount of IFQ ____	Total Amount of IPQ ____																	
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<input type="checkbox"/> Western Aleutian Islands red king crab	Total Amount of IFQ ____	Total Amount of IPQ ____																	
<input type="checkbox"/> Eastern Aleutian Islands golden king crab	Total Amount of IFQ ____	Total Amount of IPQ ____																	
AFFIDAVIT																			
<p>Under penalty of perjury, I certify and affirm that—</p> <p><input type="checkbox"/> I have signed a Framework Agreement that specifies all elements required at 50 CFR 680.4(p)(4)(ii)(B).</p> <p><input type="checkbox"/> I have examined the information and the claims provided on this application and, to the best of my knowledge and belief, the information and claims presented here are true, correct, and complete.</p>																			
5. Signature of Applicant	6. Date Signed																		

	<p>Application for Exemption from CR Crab North or South Region Delivery Requirements</p>	<p>U.S. Department of Commerce NOAA Fisheries Service, Alaska Region Restricted Access Management (RAM) Post Office Box 21668 Juneau, Alaska 99802-1668</p>	
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PART II – INSEASON NOTICE OF EXEMPTION

NMFS must receive the Inseason Notice at least **one day before** the day you want the exemption to take effect. Submit Part II as a single package with a completed, signed, and dated application from each IFQ Permit Holder, IPQ Permit Holder, and Community Representative that signed the exemption contract.

Total Number of Applicants who have signed this Inseason Notice: _____

Identify the Preseason Application Number Assigned by NMFS: _____

IDENTIFY EACH APPLICANT

Duplicate this form as needed for each applicant.

If this application is completed by an authorized representative, attach documentation.

1. Print Name of Applicant

2. NMFS Person ID

3 Indicate Type of Applicant (select only one):

- IFQ Permit Holder
 IPQ Permit Holder
 Community Representative

4 Identify the CR crab fishery, IFQ amount, and IPQ amount for which the exemption is requested:

- | | | |
|--|--------------------------|--------------------------|
| <input type="checkbox"/> Bering Sea snow crab | Total Amount of IFQ ____ | Total Amount of IPQ ____ |
| <input type="checkbox"/> Bristol Bay red king crab | Total Amount of IFQ ____ | Total Amount of IPQ ____ |
| <input type="checkbox"/> Pribilof red king and blue king crab | Total Amount of IFQ ____ | Total Amount of IPQ ____ |
| <input type="checkbox"/> St. Matthew blue king crab | Total Amount of IFQ ____ | Total Amount of IPQ ____ |
| <input type="checkbox"/> Western Aleutian Islands red king crab | Total Amount of IFQ ____ | Total Amount of IPQ ____ |
| <input type="checkbox"/> Eastern Aleutian Islands golden king crab | Total Amount of IFQ ____ | Total Amount of IPQ ____ |

AFFIDAVIT

Under penalty of perjury, I certify and affirm that—

- I have signed an **Exemption Contract** that specifies all elements required at 50 CFR 680.4(p)(4)(iii)(B).
 I have examined the information and the claims provided on this application and, to the best of my knowledge and belief, the information and claims presented here are true, correct, and complete.

5. Signature of Applicant

6. Date Signed

**Instructions for
APPLICATION FOR EXEMPTION
FROM CR CRAB NORTH OR SOUTH REGIONAL DELIVERY REQUIREMENTS**

**This two-part application form is available on the NMFS Alaska region website
(<http://alaskafisheries.noaa.gov>).**

Each IFQ Permit Holder, IPQ Permit Holder, and Community Representative must complete, sign, and submit Parts I and II of this application in order for the exemption to be effective.

The effective date of the exemption is the day after NMFS receives a complete inseason notice of exemption. NMFS prohibits any delivery of individual fishing quota (IFQ) crab or use of individual processing quota (IPQ) outside of the designated region prior to the effective date of the exemption.

An exemption from regional delivery requirements would be valid for the remainder of the crab fishing season during which the inseason notice of exemption was submitted to NMFS. If the inseason notice of exemption specifies that compensated deliveries will occur in the following crab fishing year, the exemption will remain in effect for the specified IFQ and IPQ in the following crab fishing year.

Federal regulations require that crab harvested with IFQ designated for delivery to a processor in either the North Region or South Region, must be delivered in that region. Likewise crab purchased with IPQ designated for processing in either the North Region or South Region, must be processed in that region.

This application is for IFQ holders and IPQ holders to request an exemption from these regional delivery requirements for the Bristol Bay red king crab, Bering Sea snow crab, Saint Matthew Island blue king crab, Eastern Aleutian Islands golden king crab, Western Aleutian Islands red king crab, or Pribilof Islands red and blue king crab fisheries. An exemption would mitigate safety risks and economic hardships that arise out of events that prevent compliance with the regional delivery requirements.

Eligible applicants are provided in the table below. Multiple parties may apply for an exemption; however, a minimum of one Class A IFQ holder, one IPQ holder, and one community representative are required for each application.

IFQ holders	Any person holding regionally designated IFQ for Bristol Bay red king crab, Bering Sea snow crab, Saint Matthew Island blue king crab, Eastern Aleutian Islands golden king crab, Western Aleutian Islands red king crab, or Pribilof Islands red and blue king crab, or their authorized representative.
IPQ holders	Any person holding IPQ matched to regionally designated IFQ for Bristol Bay red king crab, Bering Sea snow crab, Saint Matthew Island blue king crab, Eastern Aleutian Islands golden king crab, Western Aleutian Islands red king crab, or Pribilof Islands red and blue king crab, or their authorized representative.
Community representative	For communities that hold or formerly held the right of first refusal (ROFR), the community representative is the ECC entity, as defined at § 680.2. For the Bering Sea snow crab and Saint Matthew Island blue king crab PQS issued without a ROFR, the community representative for Saint Paul and Saint George shall be either: (1) the community representative that the Aleutian Pribilof Islands Community Development Association and the Central Bering Sea Fishermen’s Association designate in writing to NMFS, or (2) both Aleutian Pribilof Islands Community Development Association and the Central Bering Sea Fishermen’s Association.

Submit the completed Preseason Application for Exemption and Inseason Notice of Exemption to NMFS using any one of the following methods:

- ◆ Mail: NMFS Regional Administrator,
c/o Restricted Access Management Program
P.O. Box 21668
Juneau, AK 99802-1668; or
- ◆ Fax: 907-586-7354; or
- ◆ Hand delivery or carrier: NMFS
Room 713, 709 West 9th Street
Juneau, AK 99801

COMPLETING THE APPLICATION

When submitted, Part I and Part II must include, as part of a single package, a completed signed and dated application from each IFQ Permit Holder, IPQ Permit Holder, and Community Representative that signed the framework agreement and the exemption contract.

PART I -- PRESEASON APPLICATION FOR EXEMPTION

Part I of the Application for Exemption from CR Crab North or South Region Delivery Requirements must be received by NMFS on or before **October 15** of the crab fishing year.

All applicants must enter into a **Framework Agreement** that implements terms under which an exemption would be exercised.

Each IFQ Permit Holder, IPQ Permit Holder, and Community Representative that signs the Framework Agreement must complete and sign Part I of this application.

- ◆ Indicate total number of applicants who have signed this Preseason Application.

IDENTIFY APPLICANT

- 1-2. Print Name and NMFS Person ID of Applicant. If this application is completed by an authorized representative, attach documentation.
3. Indicate Type of Applicant: IFQ Permit Holder, IPQ Permit Holder, or a Community Representative. Select only one per application.

AFFIDAVIT

Affirm by checking the box that, under penalty of perjury, you have signed a **Framework Agreement** that specifies all elements required at § 680.4(p)(4)(ii)(B). The **Framework Agreement** must—

- ◆ Specify the actions that the parties will take to reduce the need for an exemption and, if an exemption is needed, to reduce the amount of IFQ and IPQ that is subject to an exemption.
- ◆ Specify the circumstances under which the parties would execute an exemption contract and receive an exemption.
- ◆ Specify the actions that the parties would take to mitigate the effects of an exemption.

- ◆ Specify the compensation, if any, that any party would provide to any other party.
- ◆ Specify any arrangements for compensated deliveries in that crab fishing year or the following crab fishing year.

Affirm by checking the box that, under penalty of perjury, you have examined the information and the claims provided on this application and, to the best of your knowledge and belief, the information presented here is true, correct, and complete.

5-6. Sign and date the form.

PART II -- INSEASON NOTICE OF EXEMPTION

The inseason notice is required if the applicants that signed the preseason application want an exemption from regional delivery requirements during the fishing season. Applicants submit the inseason notice to NMFS prior to the day that the exemption is being sought. The exemption will allow regionally designated CR crab to be landed outside of the designated region.

IDENTIFY APPLICANT

- 1-2. Print Name and NMFS Person ID of Applicant. If this application is completed by an authorized representative, attach documentation.
3. Indicate Type of Applicant: IFQ Permit Holder, IPQ Permit Holder, or a Community Representative. Select only one per application.
4. Identify the CR crab fishery, IFQ amount, and IPQ amount for which the exemption is requested. Select one or more of the listed CR crab fisheries. NMFS will only exempt the IFQ and IPQ specified on the **inseason notice** from the regional delivery requirements.

AFFIDAVIT

Affirm by checking the box that, under penalty of perjury, you have signed an **Exemption Contract** that specifies all elements required at § 680.4(p)(4)(iii)(B). The **Exemption Contract** specifies the terms under which an exemption would be exercised. The **Exemption Contract** must—

- ◆ Describe the circumstances under which the exemption is being requested.
- ◆ Specify the action that the parties must take to mitigate the effects of the exemption.
- ◆ Specify the compensation, if any, that any party must make to any other party.
- ◆ Specify any arrangements for compensated deliveries in that crab fishing year or the following crab fishing year.

Affirm by checking the box that, under penalty of perjury, you have examined the information and the claims provided on this application and, to the best of your knowledge and belief, the information presented here is true, correct, and complete.

5-6. Sign and date the form.

PUBLIC REPORTING BURDEN STATEMENT

Public reporting burden for this collection of information is estimated to average 20 hours per response, including the time for reviewing the instructions, searching the existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden estimate or any other aspect of this collection of information, to Assistant Regional Administrator, Sustainable Fisheries Division, NOAA Fisheries Service, National Marine Fisheries Service, Alaska Region, P.O. Box 21668, Juneau, AK 99802-1668.

ADDITIONAL INFORMATION

Before completing this form, please note the following: 1) Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number; 2) This information is mandatory and is required to manage commercial fishing efforts under 50 CFR part 680, under section 402(a) of the Magnuson-Stevens Act (16 U.S.C. 1801, *et seq.*) and under 16 U.S.C. 1862(j); 3). Responses to this information request are not confidential.
