

2016

ANNUAL REPORT FOR THE UNALASKA FLEET COOPERATIVE

PRESENTED TO THE NORTH PACIFIC FISHERIES MANAGEMENT COUNCIL

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I. INTRODUCTION

The 1998 American Fisheries Act (AFA) allowed for the rationalization of the Bering Sea Pollock fishery by providing an avenue for the creation of cooperatives, and thus the Unalaska Fleet Cooperative (UFC) . The cooperative structure serves to eliminate the ‘race for fish’ and promote efficiency, economic stability, and safety for participants. The Unalaska Fleet Cooperative was formed in December of 1999 with the objective of creating flexible fishing strategies to reduce bycatch and maximize the utilization of all species in a fishery.

In compliance with AFA regulations, the Unalaska Fleet Cooperative submits this report as a summary of harvest and performance for the 2016 fishing season.

Catch figures are compiled from actual fish ticket information and are included in sections III (AFA Pollock) and IV (Sideboards) in both the Bering Sea and Gulf of Alaska. Included under Section III are tables which list the distribution and catch of AFA Pollock and prohibited species catch (PSC) on a vessel by vessel basis as well as any associated contract fishing and transfer schedules. Section IV of this report lists sideboard allocations for the Bering Sea and Gulf of Alaska. The included tables show directed fishery participation and associated PSC on a per vessel basis as well as aggregate groundfish bycatch. Participation from exempt vessels in the Gulf of Alaska is not included in this report.

II. UNALASKA FLEET COOPERATIVE

A. Membership

In accordance with the American Fisheries Act section 2 (10)(b), management representing nine catcher vessels signed the Unalaska Fleet Cooperative Membership Agreement (Exhibit 1) (Attachment 1) in association with Alyeska Seafoods Inc. for the 2016 fishing year. In turn, vessels receive a specific allocation of Pollock in the Bering Sea and Aleutian Islands according to their historical catch in 1995,1996, and 1997 as published in 50 CFR 679 Table 47C. Through improved fleet monitoring, pooling of resources, and use of the latest technology, co-op members strive to reduce bycatch and increase target species utilization, thereby allowing for a safer and more efficient operations.

EXHIBIT 1. 2016 Unalaska Fleet Cooperative Membership with Length Overall, AFA Permit #, and Sideboard Status

MEMBER	VESSEL	LOA	AFA PERMIT #	SIDEBOARD STATUS
Alaska Rose, Alaska LLC	Alaska Rose	124'	515	Non exempt
Bering Rose, Alaska LLC	Bering Rose	124'	516	Non exempt
Destination , Alaska LLC	Destination	180'	3988	Non exempt
Great Pacific, Alaska LLC	Great Pacific	124'	511	Non exempt
Sea Wolf, Alaska LLC	Sea Wolf	143'	1652	Non exempt
Vanguard Partnership	Vanguard	98'	519	BSAI Cod - Mothership
F/V Western Dawn, LLC	Western Dawn	113'	134	BSAI Cod - Mothership
Ms Amy and Messiah, Alaska LLC*	Messiah	83'	6081	BSAI Cod - Exempt
F/V Leslie Lee Inc.	Leslie Lee	97'	1234	GOA - Exempt

*The F/V Ms. Amy was replaced by the F/V Messiah in 2015 according to Section 602 of the Coast Guard Authorization Act of 2010.

B. Co-op Management

The Co-op contracted a manager to assist in the implementation of fishing strategies which maximize resource utilization, bycatch reduction, and promote safety within the fishery. The manager relayed information between member vessels and Alyeska Seafoods Inc. regarding allocations, transfers, pollock catches, sideboard catches, and PSC. The manager distributed pollock allocations using vessel inshore percentages as published by NMFS and set seasonal and area caps to meet NMFS regulations for Stellar Sea Lions.

As part of our goal to reduce salmon bycatch, member vessels participate in both the Salmon Savings Incentive Plan Agreement (SSIP) and the Rolling Hotspot Closure System within the Intercooperative Agreement (ICA). The co-op manager facilitates compliance with the guidelines set forth in these programs by providing the fleet with the most up to date information made available from our own records and fleet wide data from Sea State Inc. Please refer to section V of this report for further information on member vessel compliance within each of these programs.

As part of our goal for improved utilization, the co-op manager files transfer agreements between members within the co-op, as well as Amendment 69 contract fishing documents for harvest by members outside of our co-op. The F/V Pacific Challenger contracted with UFC and delivered 185.94 MT of pollock from the BSAI during 2016. None of the UFC member vessels participated in contract fishing for other cooperatives during this time (Exhibit 5). All Pollock landings during the 2016 fishing season were made within the state of Alaska.

III. AFA Pollock

A. Allocation of Bering Sea Pollock

The total 2016 TAC for Pollock was set at 1,359,000 MT, of which 1,354,900 MT was allocated to the Bering Sea and 4,100 MT to the Aleutian Islands. The Incidental Catch Allowance (ICA) of 4.0% was calculated after subtracting the CDQ DFA of 10% from the TAC. The remainder is then divided among the AFA inshore, offshore, and mothership fleets (Exhibit 2).

EXHIBIT 2. 2016 Allocation of Pollock TAC to Directed Pollock Fisheries and CDQ Directed Fishing Allowances (MT) in the Bering Sea

TAC	1,354,900
CDQ	135,900
INCIDENTAL CATCH ALLOWANCE (ICA)	48,240
* OFFSHORE - 40%	468,304
* MOTHERSHIP - 10%	117,076
* INSHORE - 50%	585,380

* Amounts calculated after deductions for CDQ and ICA

TAC and directed fisheries allowances are as listed at:

https://alaskafisheries.noaa.gov/sites/default/files/16_17bsaitable4.pdf

B. Allocation of Bering Sea Pollock to the Inshore Cooperatives

Seven cooperatives comprised the inshore sector in 2015. There was one vessel participating in Open Access this year. The allocation to each cooperative is based on the sum of each of its member's individual allocations, which was based upon catch from the best two of three years 1995-1997.

EXHIBIT 3. Percent Distribution of Inshore Pollock Allocation between the seven inshore AFA Pollock Cooperatives

COOPERATIVE	% of INSHORE ALLOCATION	2016 FINAL ALLOCATIONS (MT)
Akutan Catcher Vessel Association	32.263%	188,861
Arctic Enterprise Association	0.000%	-
Northern Victor Cooperative	11.915%	69,748
Peter Pan Cooperative	2.347%	13,739
Unalaska Fleet Cooperative	10.029%	58,708
Unisea Fleet Cooperative	22.094%	129,334
Westward Fleet Cooperative	18.936%	110,848
Open Access	2.416%	14,143
TOTAL	100.000%	585,380

Inshore cooperative allocations are listed at:

<https://alaskafisheries.noaa.gov/sites/default/files/reports/16bsaicoopallocations.pdf>

C. UFC Member Vessel Initial Pollock Allocations

Vessels in the cooperative received initial allocations based on their catch histories in the best two of three years in 1995-1997. UFC member vessels initial allocation of AFA Pollock totaled 58,707 MT. Allocations are expressed as percentage of the inshore AFA CV fleet, percentage within the co-op, and in tonnage. There was one change to the vessel distributions resulting from the retirement of the F/V Ms. Amy according to section 602 of the Coast Guard Authorization Act of 2010. This act allows for the owner of an AFA vessel to rebuild or replace a vessel in order to improve safety and efficiency. The fishing permits and licenses belonging to the F/V Ms. Amy were consolidated with those on the F/V Messiah and these changes are exhibited below (Exhibit 4).

EXHIBIT 4. UFC Member Vessel Initial BSAI Pollock Allocations Expressed as Inshore Percentages, Co-op Percentages, and in MT for 2016

VESSEL	INSHORE %	COOP %	2016 MT
Alaska Rose	1.6835%	16.7867%	9,854.8723
Bering Rose	1.7238%	17.1885%	10,090.7804
Destination	2.1528%	21.4662%	12,602.0606
Great Pacific	1.2361%	12.3255%	7,235.8822
Leslie Lee	0.5480%	5.4643%	3,207.8824
Messiah*	0.7173%	7.1524%	4,198.9307
Sea Wolf	1.5156%	15.1125%	8,872.0193
Vanguard	0.0565%	0.5634%	330.7397
Western Dawn	0.3952%	3.9407%	2,313.4218
TOTAL	10.0288%	100.0000%	58,707

* According to section 602 of the Coast Guard Authorization Act of 2010, fishing permits from the F/V Ms. Amy were consolidated onto The F/V Messiah, which served as its' replacement vessel. The F/V Messiah's annual inshore allocation increased from 0.2291% in 2015 to 0.7173% in 2016 as a result.

D.UFC Intra Cooperative Transfers, Contract Fishing, and Harvest of Directed Pollock

Transfer agreements were negotiated among members of the co-op to increase efficiency and maximize resource utilization. The co-op manager was responsible for filing these transfers with Sea State Inc., in addition to preparing documents outlining the transfer. The F/V Messiah did not participate in the directed Pollock fishery during 2016 and transferred nearly all of their allocation to other member vessels. None of our members harvested for other co-ops under Amendment 69, but the coop did contract the F/V Pacific Challenger to harvest 200 MT of pollock in 2016 (Exhibit 5)(Exhibit 6). All landings were made within the state of Alaska.

EXHIBIT 5. 2016 UFC BSAI Pollock Contract Fishing Schedule

VESSEL	CONTRACTING COOPERATIVE	HOME COOPERATIVE	DELIVERY LOCATION	CONTRACT AMOUNT (MT)	HARVEST AMOUNT (MT)
Pacific Challenger	UFC	Peter Pan	Alyeska Seafoods	200.00	185.94
Total Contract Fishing for UFC				200	185.94

None of UFC's member vessels participated in contract fishing for other cooperatives during 2016.

EXHIBIT 6. 2016 UFC Member Vessel Directed Bering Sea Pollock Allocations, Intra Cooperative Transfers, Contract Fishing, Directed Harvest, and Discards

VESSEL	2016 MT	CO-OP TRANSFERS	CONTRACT FISHING	A SEASON HARVEST	B SEASON HARVEST	TOTAL DISCARDS	TOTAL HARVEST	REMAINING ALLOCATION
Alaska Rose	9,855.07	957.84	-	4,547.16	6,263.75	2.00	10,812.91	-
Bering Rose	10,090.98	1,040.15	-	4,814.25	6,301.89	15.00	11,131.13	-
Destination	12,602.31	1,205.09	-	5,696.39	8,111.02	-	13,807.40	-
Great Pacific	7,236.03	173.84	-	3,332.99	4,072.38	4.50	7,409.87	-
Leslie Lee	3,207.95	64.37	-	-	3,268.86	3.45	3,272.32	-
Messiah	4,199.01	(4,188.26)	-	-	-	-	-	10.76
Pacific Challenger (Am 69)		185.94	185.94	-	-	-	185.94	
Sea Wolf	8,872.20	825.88	-	4,124.09	5,573.98	-	9,698.08	-
Vanguard	330.75	248.59	-	-	579.34	-	579.34	-
Western Dawn	2,313.47	(513.45)	-	540.64	1,259.38	-	1,800.02	-
TOTAL	58,707.76	-	185.94	23,055.51	35,430.60	24.95	58,697.00	10.76

Quotas were managed in pounds to facilitate the reconciliation of numbers with fish ticket information. Differences are due to rounding errors in repeated conversion of weights from pounds to metric tons and back.

E. UFC AFA Directed Pollock Fishery Catch and Bycatch

Using the most up to date bycatch information from Sea State Inc., as well as historic migration patterns of both PSC and Pollock, the co-op manager worked with member vessels and Alyeska Seafoods Inc. to develop a fishing plan that helped achieve their goals for the 2016 fishing season.

UFC directed Pollock catch for 2016 totaled 58,708 MT (Exhibit 6)(Exhibit 7). UFC Pollock deliveries represented 99.98% of their allocation. All deliveries were landed in the state of Alaska.

UFC members participate in both the SSIP and Chum RHS agreements, which use fleet wide catch data to advise vessels of high salmon bycatch areas. In addition all members of the co-op use salmon excluders and follow protocols to promote salmon escapement. With the passage of Amendment 84 (the salmon bycatch ICA) , salmon avoidance was made a priority by establishing additional reporting requirements and promoting vessel-level accountability. Sea State Inc. publishes a weekly update with salmon bycatch rates and closures, as well as the 'Dirty 20' list. This list is comprised of the top 20 vessels whose salmon bycatch rate exceeded the base rate for that weekly period. While no members of our co-op were in violation of salmon closures for 2016, Exhibit 8 reflects UFC salmon bycatch and the number of 'Dirty 20' appearances by vessel and by season. Further information regarding the effectiveness of these programs will be made available in the Chinook Salmon IPA and non-Chinook salmon ICA annual reports.

EXHIBIT 7. 2016 UFC Directed Bering Sea Pollock Catch and Bycatch

Vessel	Harvested Pollock (MT)	Other Groundfish (MT)	Herring (MT)	Halibut Mortality (MT)	Red King Crab #	Tanner #	Chinook		Other Salmon #
							Bairdi #	#	
Alaska Rose	10,812.91	70.16	107.25	0.13	-	-	-	156	2,068
Bering Rose	11,131.13	147.25	1.36	2.01	4	46	14	205	2,756
Destination	13,807.40	120.21	4.73	0.24	-	1	3	173	1,748
Great Pacific	7,409.87	73.88	11.06	0.08	-	-	2	149	598
Leslie Lee	3,272.32	20.21	1.02	0.02	-	-	-	6	362
Messiah	-	-	-	-	-	-	-	-	-
Pacific Challenger (Am 69)	185.94	-	-	-	-	-	-	-	-
Sea Wolf	9,698.08	81.18	4.00	0.13	1	24	-	84	2,852
Vanguard	579.34	3.14	0.01	-	-	-	-	3	29
Western Dawn	1,800.02	9.87	0.80	0.00	-	-	-	7	418
TOTAL	58,697.00	525.91	130.24	2.62	5	71	19	783	10,831

All catch totals are derived from fish tickets in UFC and include all catch landed as well as discard at sea.

EXHIBIT 8. UFC 2016 Salmon Bycatch by Season and Dirty 20 Appearances in the Directed Bering Sea Pollock Fishery

Vessel	CHINOOK		CHUM			
	A Season	B Season	A Season	Dirty 20	B Season	Dirty 20
Alaska Rose	139	17	7	-	2,061	2
Bering Rose	193	12	21	-	2,734	2
Destination	162	11	14	-	1,734	3
Great Pacific	142	7	7	-	591	1
Leslie Lee	0	6	0	-	361	1
Messiah	0	0	0	-	-	0
Pacific Challenger (Am 69)	0	0	0	-	-	0
Sea Wolf	77	7	9	-	2,843	2
Vanguard	0	3	0	-	29	1
Western Dawn	7	0	0	-	418	3
TOTAL	720	63	58		10,771	

IV. Sideboard Limits, Allocations, and Catch

In response to the laws of the AFA, the North Pacific Fisheries Management Council established sideboard species caps for the GOA and BSAI, which restricted harvest by AFA catcher vessels to historic levels with a few exceptions. Vessels would be exempt from the BSAI Pacific Cod sideboard limit (BSAI Cod-exempt) if they met the following: less than 125' LOA, with more than 30 deliveries of BSAI P. cod, and less than 1,700 MT of BSAI Pollock landed during 1995-1997. In addition, vessels could be exempt from GOA sideboard limits (Gulf-exempt) if they met the following: less than 125' LOA, with more than 40 deliveries of GOA groundfish, and less than 1,700 MT of BSAI Pollock during 1995-1997. Sideboard caps are issued as an aggregate for all AFA catcher vessels and are further allocated to individual cooperatives within the Intercooperative Agreement (ICA). The AFA requires that all sideboard species harvested, whether target catch or bycatch, be accounted for and reported in final harvest specifications.

UFC members exhibited a wide range of fishery participation during the qualifying years for sideboard allocations and their status can be found in Exhibit 1. Participation in the BSAI directed Pacific Cod sideboard fishery by dually qualified vessels (F/V Vanguard and F/V Western Dawn) is represented in the annual report of the Mothership Fleet Cooperative.

A. BSAI Sideboard Limits, Intercooperative Transfers, and Directed Catch

2016 sideboard limits for AFA catcher vessels were set at 48,404 MT for all sideboard species. According to regulation, directed fishing of sideboard species in the BSAI is prohibited except for Pacific Cod and Yellowfin sole. Only Pacific Cod was further allocated to UFC in 2016 for a total of 2,012 MT. In 2016, 1,000 MT of Pacific Cod and 12 MT of associated halibut PSC were transferred to the High Seas Catcher Cooperative per the Intercooperative manager and agreement (Exhibit 9). UFC member vessels did not participate in the directed Pacific Cod fishery for 2016 and any catch is due to bycatch in directed Bering Sea Pollock fishery (Exhibit 10).

EXHIBIT 9. Transfers of UFC 2016 BSAI Pacific Cod Sideboards and Halibut PSC

Area/ Season	Transfers To	Transfer Amount P. Cod Sideboard/Halibut PSC (MT)
BSAI/ A	High Seas Catcher Co-op	1000 / 12
Total BSAI P. Cod Sideboard / Halibut PSC Transfer		1000 / 12

UFC vessels did not participate in the 2016 BSAI Pacific Cod directed fishery, therefore no sideboard transfers were made into the cooperative.

EXHIBIT 10. 2016 UFC BSAI Sideboard Limits, Intercooperative Transfers, and Aggregate Catch

BSAI Sideboard Species	Total AFA CV Sideboard Limit (MT)	Initial UFC Sideboard Limit (MT)**	Inter Co-op Sideboard Transfer (MT)	Final Sideboard Limit (MT)	UFC Co-op Catch (MT)*	Remainder (MT)
BSAI Pacific Cod	40,956	2,012	-1000	1,012	224.25	787.75
BS Sablefish	44	N/A	N/A	N/A	0.48	N/A
AI Sablefish	21	N/A	N/A	N/A	-	N/A
Eastern BSAI Atka Mackerel	82	N/A	N/A	N/A	0.68	N/A
Central AI Atka Mackerel	2	N/A	N/A	N/A	-	N/A
Western AI Atka Mackerel	-	N/A	N/A	N/A	-	N/A
BSAI Rock Sole	1,739	N/A	N/A	N/A	28.96	N/A
BS Greenland Turbot	147	N/A	N/A	N/A	0.19	N/A
AI Greenland Turbot	3	N/A	N/A	N/A	-	N/A
BSAI Arrowtooth Flounder	821	N/A	N/A	N/A	3.79	N/A
BSAI Kamchatka flounder	293	N/A	N/A	N/A	-	N/A
BSAI Alaska Plaice	544	N/A	N/A	N/A	0.09	N/A
BSAI Other Flatfish	94	N/A	N/A	N/A	35.21	N/A
BSAI Flathead Sole	947	N/A	N/A	N/A	35.11	N/A
BS Pacific Ocean Perch	680	N/A	N/A	N/A	46.14	N/A
Eastern AI Pacific Ocean Perch	54	N/A	N/A	N/A	-	N/A
Central AI Pacific Ocean Perch	16	N/A	N/A	N/A	-	N/A
Western AI Pacific Ocean Perch	-	N/A	N/A	N/A	-	N/A
BSAI Northern Rockfish	32	N/A	N/A	N/A	1.36	N/A
BSAI Shortraker Rockfish	1	N/A	N/A	N/A	0.02	N/A
EBS/AI Rougheye Rockfish	-	N/A	N/A	N/A	-	N/A
CAI/WAI Rougheye Rockfish	1	N/A	N/A	N/A	-	N/A
BS Other Rockfish	2	N/A	N/A	N/A	0.26	N/A
AI Other Rockfish	5	N/A	N/A	N/A	-	N/A
BSAI Skates	1,196	N/A	N/A	N/A	13.99	N/A
BSAI Sculpins	207	N/A	N/A	N/A	2.92	N/A
BSAI Sharks	7	N/A	N/A	N/A	2.65	N/A
BSAI Squid	488	N/A	N/A	N/A	25.85	N/A
BSAI Octopuses	22	N/A	N/A	N/A	0.24	N/A
All Species Sideboard Total	48,404	2,012	(1,000)	1,012	422.19	787.75

* All catch values were incurred as bycatch in the AFA CV pollock fishery.

**UFC Sideboard allocations are made from total AFA CV sideboard limits when a directed fishery may occur. Directed fishing is prohibited for all sideboard species except P. Cod and Yellowfin Sole. UFC Vessels did not participate in either Bering Sea sideboard fishery. The BSAI P. Cod allocation reflects the difference after 2,500 MT were set aside for bycatch in the Pollock fishery.

B. GOA Sideboard Limits, Intercooperative Transfers, and Directed Catch

UFC members have historical participation in the Gulf of Alaska fisheries and continue to participate in the Central regions. A total of 334.52 MT of sideboards from two cooperatives were transferred to UFC in 2016 (Exhibit 11). Two transfers out of UFC occurred in 2016, with 293 MT of 610 Pollock from the A season going to the High Seas Catcher Cooperative and 500 MT of 610 Pollock in the C season going to the Northern Victor Cooperative. Initial sideboard limits for the AFA inshore cooperatives totaled 77,811 MT, with 9,477 MT allocated to UFC (Exhibit 12). In addition to Intercooperative sideboard transfers, allocations remaining at the end of each season in the Pollock and Pacific cod fisheries are ‘rolled over’ into the subsequent season and can be accumulated throughout the year. Final sideboard allocations include the initial allocation, transfers, and any rollovers from the prior season.

The F/V Leslie Lee and F/V Vanguard were both active in the GOA fishery during 2016 but since the F/V Leslie Lee is considered exempt from the GOA sideboard fishery, only the F/V Vanguard participation is included in this report. The F/V Vanguard made landings in the GOA Pollock (Exhibit 13), P. Cod (Exhibit 14), Arrowtooth (Exhibit 15), and shallow water flatfish directed fisheries (Exhibit 16). There were no directed Rex Sole landings for 2016 (Exhibit 17). Values represented in Exhibits 12-17 represent harvest in a directed fishery only and are derived from actual fish tickets. The F/V Vanguard retained 1,812 MT of aggregate sideboard catch and bycatch in the GOA during 2016 (Exhibit 18). The vessel discarded 9.00 MT or 0.49% of their aggregate sideboard catch and bycatch as sea.

Exhibit 11. 2016 GOA Intercoop Sideboard Transfers to and from UFC

Fishery	Area	Season	Transfers From	Transfers To	Transfer Amount (MT)
Flathead	CGOA	Annual	High Seas Catcher Coop	Unalaska Fleet Coop	33.52
Shallow Water Flatfish	CGOA	Annual	High Seas Catcher Coop	Unalaska Fleet Coop	146.00
P. Cod	CGOA	A	Peter Pan Coop	Unalaska Fleet Coop	155.00
Pollock	610	A	Unalaska Fleet Coop	High Seas Catcher Coop	293.00
Pollock	610	C	Unalaska Fleet Coop	Northern Victor Coop	500.00
Total Sideboard Transfer to UFC					334.52
Total Sideboard Transfer From UFC					793.00

EXHIBIT 12. 2016 UFC GOA Directed Fisheries Sideboard Allocations, Transfers, Rollovers, and Directed Catch

FISHERY	AREA	SEASON	Total AFA CV Sideboard Limit (MT)	Initial UFC Sideboard Limit (MT)	Inter Co-op Sideboard Transfer (MT)	Seasonal Rollover (MT)*	Final Sideboard Limit (MT)	UFC Co-op Catch (MT)**	Remainder (MT)
GOA POLLOCK	610	A	2,314	293.00	(293.00)	-	-	-	-
GOA POLLOCK	610	B	2,313	293.00	-	-	293	-	293
GOA POLLOCK	610	C	14,767	2,246.15	(500.00)	293	2,039	-	2,039
GOA POLLOCK	610	D	14,767	1,872.00	-	2,039	3,911	-	3,911
GOA POLLOCK	620	A	5,062	291.00	-	-	291	-	291
GOA POLLOCK	620	B	5,922	340.00	-	291	631	-	631
GOA POLLOCK	620	C	1,798	123.82	-	631	755	-	755
GOA POLLOCK	620	D	1,797	103.00	-	755	858	-	858
GOA POLLOCK	630	A	2,526	332.00	-	-	332	-	332
GOA POLLOCK	630	B	1,031	136.00	-	332	468	-	468
GOA POLLOCK	630	C	4,020	615.57	-	468	1,084	651.61	432
GOA POLLOCK	630	D	4,020	529.00	-	432	961	82.79	878
GOA POLLOCK	640	ANNUAL	3,267	-	-	-	-	-	-
GOA POLLOCK	650	ANNUAL	3,467	-	-	-	-	-	-
GOA P. COD	WESTERN	A	2,264	181.00	155.00	-	336	-	336
GOA P. COD	WESTERN	B	1,509	121.00	-	336	457	-	457
GOA P. COD	CENTRAL	A	1,536	143.00	-	-	143	97.64	45
GOA P. COD	CENTRAL	B	1,024	95.00	-	45	140	29.48	111
GOA P. COD	EASTERN	ANNUAL	47	-	-	-	-	-	-
GOA SHALLOW WATER FLATFISH	WESTERN	ANNUAL	207	167.00	-	-	167	-	167
GOA SHALLOW WATER FLATFISH	CENTRAL	ANNUAL	1,130	581.00	146.00	-	727	8.40	719
GOA SHALLOW WATER FLATFISH	EASTERN	ANNUAL	54	-	-	-	-	-	-
GOA DEEP WATER FLATFISH	WESTERN	ANNUAL	-	-	-	-	-	-	-
GOA DEEP WATER FLATFISH	CENTRAL	ANNUAL	226	71.00	-	-	71	-	71
GOA DEEP WATER FLATFISH	EASTERN	ANNUAL	71	-	-	-	-	-	-
GOA REX SOLE	WESTERN	ANNUAL	1	0.05	-	-	0	-	-
GOA REX SOLE	CENTRAL	ANNUAL	171	54.00	-	-	54	-	54
GOA REX SOLE	EASTERN	ANNUAL	5	-	-	-	-	-	-
GOA ARROWTOOTH FLOUNDER	WESTERN	ANNUAL	30	1.63	-	-	2	-	2
GOA ARROWTOOTH FLOUNDER	CENTRAL	ANNUAL	2,100	662.00	-	-	662	69.30	593
GOA ARROWTOOTH FLOUNDER	EASTERN	ANNUAL	3	-	-	-	-	-	-
GOA FLATHEAD SOLE	WESTERN	ANNUAL	31	25.23	-	-	25	-	25
GOA FLATHEAD SOLE	CENTRAL	ANNUAL	328	200.88	33.52	-	234	-	234
GOA FLATHEAD SOLE	EASTERN	ANNUAL	3	-	-	-	-	-	-
Total Directed Fishery Sideboard			77,811	9,477.33	(458.48)	5,622	14,641	939.22	13,702

* GOA Pollock and Pacific Cod sideboard allocations are issued on a seasonal basis. Any remaining allocation at the end of the season rolls over into the subsequent season. Catch within a particular season may exceed the allocation for that season, as long as there is sufficient 'rollover' allocation to account for the difference.

** The catch values included in the table were incurred in a Directed fishery and do not include bycatch values

EXHIBIT 13. 2016 GOA Directed Pollock Fishing Catch and Bycatch by Area and Season

Area	Season	Vessel	Harvested Pollock (MT)	Other Groundfish (MT)	Herring Wt. (MT)	Halibut Mortality (MT)	Red King Crab #	Tanner #	Bairdi #	Chinook #	Other Salmon #
610	A	N/A	-	-	-	-	-	-	-	-	-
610	B	N/A	-	-	-	-	-	-	-	-	-
610	C	N/A	-	-	-	-	-	-	-	-	-
610	D	N/A	-	-	-	-	-	-	-	-	-
620	A	N/A	-	-	-	-	-	-	-	-	-
620	B	N/A	-	-	-	-	-	-	-	-	-
620	C	N/A	-	-	-	-	-	-	-	-	-
620	D	N/A	-	-	-	-	-	-	-	-	-
630	A	N/A	-	-	-	-	-	-	-	-	-
630	B	N/A	-	-	-	-	-	-	-	-	-
630	C	Vanguard	651.61	42.36	0	0.06	-	-	-	52	21
630	D	Vanguard	551.77	24.92	0	0.02	-	-	-	10	-
640	Annual	N/A	-	-	-	-	-	-	-	-	-
650	Annual	N/A	-	-	-	-	-	-	-	-	-
UFC Total			1,203.37	67.27	0.34	0.08	-	-	-	62	21

No directed fishing for pollock occurred in areas 610, 620, 640, or 650 during 2016.

EXHIBIT 14. 2016 GOA Directed Pacific Cod Fishing Catch and Bycatch by Area and Season

Area	Season	Vessel	Harvested	Other	Herring	Halibut	Red King			Chinook	Other
			P. Cod (MT)	Groundfish (MT)	Wt. (MT)	Mortality (MT)	Crab #	Tanner #	Bairdi #	#	Salmon #
WGOA	A	N/A	-	-	-	-	-	-	-	-	-
WGOA	B	N/A	-	-	-	-	-	-	-	-	-
CGOA	A	Vanguard	97.76	84.77	-	0.35	-	-	-	-	1
CGOA	B	Vanguard	29.48	55.02	-	-	-	-	-	-	-
EGOA	A	N/A	-	-	-	-	-	-	-	-	-
EGOA	B	N/A	-	-	-	-	-	-	-	-	-
UFC Total			127.24	139.78	-	0.35	-	-	-	-	1

No directed fishing for Pacific cod occurred in the Western or Eastern Gulf of Alaska during 2016.

EXHIBIT 15. 2016 GOA Directed Arrowtooth Fishing Catch and Bycatch by Area and Season

Area	Season	Vessel	Harvested Arrowtooth (MT)	Other Groundfish (MT)	Herring Wt. (MT)	Halibut Mortality (MT)	Red King Crab #	Tanner #	Bairdi #	Chinook #	Other Salmon #
EGOA	Annual	N/A	-	-	-	-	-	-	-	-	-
CGOA	Annual	N/A	-	-	-	-	-	-	-	-	-
WGOA	Annual	N/A	-	-	-	-	-	-	-	-	-
UFC Total			-	-	-	-	-	-	-	-	-

No directed fishing for Arrowtooth Flounder occurred in the Eastern or Western Gulf during 2016.

EXHIBIT 16. 2016 GOA Directed Shallow water Flatfish Fishing Catch and Bycatch by Area and Season

Area	Season	Vessel	Harvested Shallow Water Flats (MT)	Other Groundfish (MT)	Herring Wt. (MT)	Halibut Mortality (MT)	Red King Crab #	Tanner #	Bairdi #	Chinook #	Other Salmon #
EGOA	Annual	N/A	-	-	-	-	-	-	-	-	-
CGOA	Annual	Vanguard	8.40	566.06	-	0.18	-	-	-	-	-
WGOA	Annual	N/A	-	-	-	-	-	-	-	-	-
UFC Total			8.40	566.06	-	0.18	-	-	-	-	-

No directed fishing for shallow water flatfish occurred in the Eastern or Western Gulf during 2016.

EXHIBIT 17. 2016 GOA Directed Rex Sole Fishing Catch and Bycatch by Area and Season

Area	Season	Vessel	Harvested Rex Sole (MT)	Other Groundfish (MT)	Herring Wt. (MT)	Halibut Mortality (MT)	Red King Crab #	Tanner #	Bairdi #	Chinook #	Other Salmon #
EGOA	Annual	N/A	-	-	-	-	-	-	-	-	-
CGOA	Annual	Vanguard	-	-	-	-	-	-	-	-	-
WGOA	Annual	N/A	-	-	-	-	-	-	-	-	-
UFC Total			-	-	-	-	-	-	-	-	-

No directed fishing for Rex sole occurred in 2016.

EXHIBIT 18. UFC 2016 GOA Sideboard Aggregate Species Catch and Bycatch

	Vanguard*	
GOA Sideboard Area/Species/Season	Landed (MT)	Discard (MT)
Area 610 A Season Pollock	-	-
Area 620 A Season Pollock	-	-
Area 630 A Season Pollock	-	-
Area 610 B Season Pollock	-	-
Area 620 B Season Pollock	0.77	-
Area 630 B Season Pollock	0.15	-
Area 610 C Season Pollock	-	-
Area 620 C Season Pollock	0.24	-
Area 630 C Season Pollock	734.40	-
Area 610 D Season Pollock	-	-
Area 620 D Season Pollock	-	-
Area 630 D Season Pollock	542.35	-
Area 640 Annual Pollock	-	-
Area 650 Annual Pollock	-	-
Western A Season GOA Pacific Cod	-	-
Central A Season GOA Pacific Cod	175.25	-
Western B Season GOA Pacific Cod	-	-
Central B Season GOA Pacific Cod	26.19	-
Eastern Annual GOA Pacific Cod	-	-
Western GOA Sablefish	-	-
Central GOA Sablefish	7.98	-
Eastern GOA Sablefish	-	-
Western GOA Shallow-water Flatfish	-	-
Central GOA Shallow-water Flatfish	118.06	-
Eastern GOA Shallow-water flatfish	-	-
Western GOA Deep-water Flatfish	-	-
Central GOA Deep-water Flatfish	1.25	-
Eastern GOA Deep-water flatfish	-	-
Western GOA Rex Sole	-	-
Central GOA Rex Sole	2.69	-
Eastern GOA Rex Sole	-	-
Western GOA Arrowtooth Flounder	-	-
Central GOA Arrowtooth Flounder	128.41	7.18
Eastern GOA Arrowtooth Flounder	-	-
Western GOA Flathead Sole	-	-
Central GOA Flathead Sole	20.77	-
Eastern GOA Flathead Sole	-	-
Western GOA Pacific Ocean Perch	-	-
Central GOA Pacific Ocean Perch	12.75	1.50
Eastern GOA Pacific Ocean Perch	-	-
Western GOA Northern Rockfish	-	-
Central GOA Northern Rockfish	2.38	-
Western GOA Shortraker Rockfish	-	-
Central GOA Shortraker Rockfish	0.02	0.02
Eastern GOA Shortraker Rockfish	-	-
Western GOA Dusky Rockfish	-	-
Central GOA Dusky Rockfish	0.55	-
Eastern GOA Dusky Rockfish	-	-
Western GOA Rougheye Rockfish	-	-
Central GOA Rougheye Rockfish	2.35	-
Eastern GOA Rougheye Rockfish	-	-
SEO GOA Demersal Shelf Rockfish	-	-
Western GOA Thornyhead Rockfish	-	-
Central GOA Thornyhead Rockfish	18.56	-
Eastern GOA Thornyhead Rockfish	-	-
Western GOA Other Rockfish	-	-
Central GOA Other Rockfish	4.14	-
Eastern GOA Other Rockfish	-	-
GOA Atka Mackerel	-	-
Western GOA Big Skates	-	-
Central GOA Big Skates	8.23	0.30
Eastern GOA Big Skates	-	-
Western GOA Longnose Skates	-	-
Central GOA Longnose Skates	4.79	-
Eastern GOA Longnose Skates	-	-
GOA Other Skates	-	-
GOA Sculpins	-	-
GOA Sharks	0.01	-
GOA Squids	-	-
GOA Octopuses	0.005	-
UFC Co-op Sideboard Species Total	1,812.30	9.00

* The Vanguard is the only non-exempt UFC member vessel that participated in the GOA sideboard fishery during 2016

V. UFC Monitoring and Enforcement

All UFC activities in the Bering Sea directed Pollock fishery and Gulf of Alaska sideboard fisheries were successfully monitored for 2016 and no enforcement actions were necessary for this year.

Unalaska Fleet Cooperative Membership Agreement

This MEMBERSHIP AGREEMENT is entered into as of November 22, 2015 by and among the entities and vessels listed on Exhibit A hereto, and any other members admitted pursuant to this Agreement (together, the "Members") and UNALASKA FLEET COOPERATIVE, a Washington nonprofit corporation (the "Cooperative").

RECITALS

A. The American Fisheries Act (Div. C, Title 11 of Public Law 105-277) (as amended from time to time, the "Act") allocates the annual quota for the Bering Sea and Aleutian Islands ("BS/AI") pollock fisheries among three harvesting sectors for the years 1999 through 2004 and defines the classes of vessels eligible to harvest within each sector. Under Sections 206(b) and 208(e) of the Act, 50% of the Bering Sea pollock resource (net of a 10% allocation to the Community Development Quota program, and net of certain amounts reserved for incidental catch in non-pollock fisheries) is allocated to catcher vessels harvesting pollock for processing by the "inshore component."

B. As of the effective date of this Agreement, the Members own eighty percent (80%) or more of the vessels qualified under Section 210(b)(1) of the Act to participate in a fishery cooperative delivering pollock to the Alyeska Seafood, Inc. ("Alyeska") plant in Unalaska, Alaska (the "Plant") during the year 2000 (the "Vessels"). Each vessel listed on Exhibit A shall have a separate membership.

C. The Cooperative has been formed for the sole purpose of: obtaining an aggregate of BS/AI pollock pursuant to Section 210(b) of the Act; sub-allocating that aggregate allocation among the Cooperative's Members in proportion to their catch histories pursuant to the Cooperative's Membership Agreement; taking such actions as may be necessary to insure the Cooperative and its Members conduct their joint harvesting activities in compliance with the Act and related regulations implemented by the National Marine Fisheries Service ("NMFS") from time to time; and only such other actions as may be necessary to fulfill the purposes set forth in this Paragraph C.

Now, therefore, the parties agree as follows:

1. Cooperative Allocation. Each Member agrees to exercise all commercially reasonable efforts to obtain the Allocation. To that end, each Member agrees that, other than as provided in Section 210(b)(6) of the Act and this Agreement, each Member shall deliver pollock harvested in the BS/AI inshore directed pollock fishery only to the Plant for so long as they remain Members. Each Member further agrees to release to the Cooperative or such agent as the Cooperative may reasonably designate all

catch data related to the operation of such Member's Vessel in all BS/AI and Gulf of Alaska ("Gulf") directed fisheries during the years 1995, 1996 and 1997. Except as provided in Sections 3g and 3h, a Member is obligated to deliver all pollock harvested in the "inshore" pollock directed fishery to the Plant, and a member's obligation to do so expires on withdrawal from the Cooperative.

2. Voluntary Participation. The Members hereby agree that a qualified Vessel owner shall be entitled to become a Member of the Cooperative on the terms and conditions set forth herein upon (i) making an application to the Board of Directors of the Cooperative demonstrating that it meets the eligibility criteria set forth in this Agreement and the Bylaws; (ii) executing a counterpart of the Cooperative Membership Agreement then in effect; and (iii) and demonstrating qualification under Section 210(b)(3) of the Act.

3. Harvesting Plan. Each Member hereby agrees, subject to the terms and conditions of the Act, this Membership Agreement, the Articles of Incorporation and the Bylaws of the Cooperative, and applicable restrictions under U.S. antitrust law, to harvest an annual percentage of the BS/AI and Gulf of Alaska resources no greater than provided under this Agreement Vis-à-vis all other Members and the Cooperative, each Member shall be entitled to harvest types and amounts of species equivalent to the types and amounts of such species that accrue to the Cooperative in connection with such Member's catch history in the BS/AI inshore pollock fishery, and/or that the Member is eligible to harvest under the American Fisheries Act sideboards implemented by NMFS from time to time, and each Member's seasonal apportionments shall be made such that each Member is able to continue its Vessels' historical pattern of fishery participation.

a. Pollock. Each Member agrees that other than as provided in Section 3.g., below, and otherwise expressly provided herein, no Member shall harvest an annual percentage of the Allocation greater than that Member's percentage as set forth on the harvest schedule attached hereto as Exhibit A, as the same may be amended from time to time (the "Harvest Schedule"). The Members intend that each Member shall hold a Harvest Schedule percentage that is based on an amount calculated by dividing (i) the total amount of pollock harvested by Member's Vessel in the directed pollock fishery for processing by the inshore component during 1995, 1996 and 1997 (the "Period"), by (ii) the aggregate total amount of pollock harvested by all vessels in the directed pollock fishery for processing by the inshore component during the Period. The Schedule shall be adjusted based on changes by the NMFS to a Member's catch history.

The Board of Directors shall, consistent with such intent, determine each Member's Harvest Schedule percentage annually, before the beginning of the calendar year during which such Harvest Schedule shall be in effect. If additional Vessel owners elect to become Members thereafter and prior to the final date on which such election may be made, the Board shall adjust the Harvest Schedule accordingly. The Board shall base its calculations on the best data available in establishing the pollock Harvest Schedule percentages, but it shall be each Member's responsibility to provide this information and if any Member fails to do so, the Board shall be entitled to presume that Member is not entitled to catch history for

which Member fails to provide reliable information. Absent manifest error, National Marine Fisheries Service ("NMFS") data shall be presumed accurate. The provisions of Section 5 shall apply to any Member's failure to comply with such allocation.

The Members recognize that the North Pacific Fishery Management Council (the "Council") at its June, 1999 meeting, adopted a resolution to utilize catch history for each vessel's best two (2) calendar years of fishing during the Period to determine allocations of the BS/AI pollock fishery to inshore sector cooperatives. In addition, the Council adopted a resolution that vessels are to receive credit in the inshore fishery for their deliveries to catcher/processors during the Period to the extent that such deliveries exceed 499 metric tons. NMFS intends to implement these resolutions in determining the allocation of each Cooperative. The Board of Directors shall adjust the Member's Harvest Schedule percentages to conform with the NMFS determination of the Cooperative's Allocation based on these Council actions effective as of the calendar year during which such NMFS determinations first take effect.

b. Non-Pollock Groundfish and Crab. The Members agree to limit their Vessels' aggregate annual harvest of BS and AI non-pollock groundfish and Gulf groundfish to an amount equal to or less than the aggregate "traditional harvest level" of such vessels in other fisheries under the authority of the Council, as the Council and/or the Secretary of Commerce may determine such fisheries, as such "traditional harvest levels" are established and managed under 50 C.F.R. 679.63 as amended from time to time (the "Groundfish Sideboards"). Upon the Cooperative entering into an agreement with one or more other BS/AI inshore pollock fishery cooperatives under which such cooperatives agree to jointly limit their combined members to their aggregate Groundfish Sideboard amounts, the Members aggregate Groundfish Sideboard amounts shall be determined in accordance with such intercooperative agreements(s), subject in all cases to any applicable provisions of 50 C.F.R. 679.63 as amended from time to time.

To facilitate compliance with the limits described in this Section: (i) the Cooperative shall have the authority to enter into agreements with such other BS/AI inshore sector cooperatives as may be formed under Section 210 of the Act, apportioning among the Cooperative and such cooperative(s) the harvest of BS/AI non-pollock and Gulf groundfish and crab; and (ii) the Cooperative's Board of Directors shall annually allocate among the Members the amount of BS/AI non-pollock and Gulf groundfish available for directed harvest by the Vessels in direct proportion to the contribution to the Cooperative's sideboard caps of such species made as a result of such Member's catch history. The Board shall base its calculations on the best data available as in establishing the pollock Harvest Schedule percentages, but it shall be each Member's responsibility to provide this information and if Member fails to do so, the Board shall be entitled to presume that Member is not entitled to a share of any cap for which Member fails to provide reliable catch history information. Absent manifest error, NMFS data shall be presumed accurate. The provisions of Section 5 shall apply to any Member's failure to comply with such allocation.

The Members acknowledge that one or more Members may be eligible to participate in both the Cooperative and the mothership sector of the BS/AI pollock fishery. The Members further acknowledge that notwithstanding a Member's participation in more than one BS/AI fishery sector or cooperative, the

extent of such Member's eligibility to participate in non-pollock groundfish and crab fisheries may be subject to an aggregate limit based on its catch history in such fisheries. Each Member agrees to take all actions necessary to insure that the Cooperative is not disadvantaged by a Member's participation in the mothership sector. Specifically each Member that participates in that sector or a cooperative other than the Cooperative shall take all actions necessary to allocate to the Cooperative the amounts of non-pollock groundfish and PSC adequate to permit the Cooperative's other Members to conduct their directed fishing operations without impairment as the result of such Member's participation. A Member who allocates to the cooperative the amounts of non-pollock ground fish and PSC associated with that Member's participation in the BS/AI inshore directed pollock fishery in 1995, 1996 and 1997 shall be deemed to have satisfied this provision.

c. Management Measures. Other than as provided by NMFS regulations, each Member's allocation of pollock, other groundfish species and crab shall be subject to all management measures generally applicable to the inshore sector directed pollock fishing allowance allocation and harvest of non-pollock groundfish and crab species by catcher vessels participating in shoreplant cooperatives (including but not limited to Steller sea lion seasonal apportionments and area harvest restrictions) on a discreet, individual basis; i.e., each Member shall be restricted to harvesting no greater percentage of such Member's allocation in any season or area than the aggregate percentage of the Allocation permitted to be harvested in such season or area. Each Member shall have the individual authority to carry over from season to season a percentage of that Member's seasonal apportionment for each species no greater than the carry-over percentage generally applicable to the Allocation.

The Members acknowledge that the Council has recommended that (i) vessels equal to or less than 99 feet in length overall be exempted from exclusion from the Catcher Vessel Operational Area, and (ii) certain Vessels be exempted from certain Groundfish Sideboards. Each Member's obligations under this Agreement shall be amended to give effect to these exemptions to the extent each Member is entitled to the benefit thereof; provided that, notwithstanding the provisions of 50 C.F.R. 679.63, no Member's Vessel shall be exempt from the Gulf Groundfish Sideboards in any given year if during that year other vessels are permitted to harvest any portion of the exempt Member's aggregate BS/AI pollock allocation made under this Agreement for such year in connection with such Vessel's catch history, unless and until the Council specifically recommends otherwise. (The intent being that for a catcher vessel to take advantage of the Gulf Groundfish Sideboard exemption, that catcher vessel cannot lease its BS/AI pollock quota share in the year in which the catcher vessel receives the benefit of the exemption.) To facilitate compliance with this provision, a Member shall inform the Board of Directors of the Cooperative in writing prior to January 20 of the relevant year that such Member intends to operate one or more of its Vessels under the Gulf Groundfish Sideboard exemption.

d. Prohibited Species Catch Allocations. The Members acknowledge that prohibited species catch ("PSC") apportionments for the fisheries in which the Members participate are intended to be managed as aggregate caps across the inshore sector. The Members agree to conduct their vessel's fishing activities such that the Cooperative remains in compliance with such PSC apportionments. The Members acknowledge that a failure to do so could result in direct, foreseeable adverse consequences for the Cooperative and its Members. In circumstances where it is necessary or

appropriate for PSC apportionments to be allocated (or otherwise regulated) on a vessel-by-vessel basis, the Board of Directors shall have the authority to do so. If it does so, the Board shall exercise reasonable efforts to insure such apportionments are made in a manner that will allow each Member, to the maximum reasonable extent possible, to prosecute pollock and non-pollock groundfish fisheries at a level equal to the Member's average harvest level during the Period. The Board shall have authority to direct a Member to stop fishing if its Vessel(s) exceed apportionments or rates established by the Board of Directors. Further, the Board shall have authority to obtain an injunction restraining a Member's fishing activity, if a Member fails to comply with a "stop fishing" directive from the Board.

e. Annual Fishing Plan. The Board of Directors shall prepare an annual fishing plan covering the directed fisheries in which the Members are eligible to participate. In preparing the annual Fishing Plan the Board of Directors shall schedule meetings of the Members to develop plans for the Members' inshore directed fisheries in the following year, with the goal being to maximize the value of the Members' participation in these fisheries and at the same time to foster cooperation within the Cooperative and Alyeska to achieve those ends. The Cooperative Board of Directors shall have the authority to amend the Fishery Plan from time to time. The Fishing Plan shall not dictate any terms or conditions under which Members sell their catch.

f. Agent. The Members appoint Alaska Boat Company, a division of Wards Cove Packing Company, or such other person or organization as may be designated by the Board of Directors as agent for the purpose of collecting dues, paying expenses and salaries and holding the retainage pursuant to Section 5.(b)(iii).

g. Acquisition or Transfer of Harvesting Allocation. Notwithstanding the provisions of Section 3.a. and 3.c. above, and subject to limits imposed by law, each Member shall have the right to transfer some or all of such Member's pollock and other groundfish allocation(s) to one or more other Members on any terms such Members may agree upon. Members doing so shall notify the Cooperative, Alyeska and the independent quota monitoring service as the Cooperative may retain from time to time (the "Monitoring Service") in writing within seven (7) days, and in any case, prior to the harvest of any portion of a transferred allocation.

h. Distribution of Open Market Percentage. The Members acknowledge that under the Act up to ten percent (10%) of the Allocation may be delivered to any duly qualified BS/AI shoreside pollock processor. The Members have agreed that the Cooperative is not authorized to act as a marketing agent on their behalf. Therefore, the Members and the Cooperative hereby agree that each Member shall have the right to deliver up to ten percent (10%) of such Member's Harvest Schedule percentage to any duly qualified BS/AI shoreside pollock processor(s), on such terms and conditions as the Member or its duly qualified marketing agent and such processor(s) may agree.

4. Catch Monitoring. To enable each Member and the Cooperative to monitor other Members' compliance with the Act and this Agreement, each Member hereby agrees to carry the number and type of NMFS-certified observers required by law aboard each of its Vessels participating in the BS/AI and Gulf fisheries during the term of this Agreement, and to report each Vessel's catch on a delivery-by-

delivery basis to both the NMFS Observer Program and the Monitoring Service (regardless of whether such catch is delivered to the Plant). Each Member agrees that absent manifest error, the catch data produced for the Cooperative by the Monitoring Service shall be presumed accurate, and that each Member's obligations under this Agreement and all related documents may be enforced to their fullest extent on the basis of such data.

5. Allocation Enforcement. Each Member acknowledges and agrees that the benefits associated with this Membership Agreement will only accrue to the Members if each of them strictly complies with the Harvest Schedule and the non-pollock groundfish allocations and PSC limits determined in accordance with Section 3, above. Each Member acknowledges that all other Members will be taking certain significant operational and financial actions based on this Agreement, and that a breach of this Agreement by any Member would have significant adverse consequences. Therefore, to facilitate enforcement of this Agreement, each Member agrees to the procedure set forth in this Section 5.

a. Forfeiture Amount Calculation. The Cooperative Board of Directors shall annually set a forfeiture amount for an unprocessed metric ton of each species covered by this Agreement, including but not limited to pollock and non-pollock groundfish, and may from time to time set forfeiture amounts per kilogram of halibut PSC, per crab for crab PSC, per salmon for salmon PSC, and per metric ton for herring PSC. (the "Forfeiture Amounts"). Such groundfish forfeiture amounts shall be equal to or exceed the ex vessel market value of relevant species and shall be adjusted as necessary (including during a fishing year) to insure such amounts exceed such values.

b. Reserves, Security, and Retention of Proceeds.

(i) Reserves. Each Member hereby agrees that the Board of Directors may establish a Cooperative reserve of pollock, non-pollock groundfish and/or PSCs, which shall be deducted from the Cooperative's aggregate allocation(s) before such allocation(s) are distributed among the Members, and which shall (if established) be used as a "buffer" to insure the Cooperative remains in compliance with its allocation limits, provided that the pollock reserve shall not exceed five percent (5%) of the Allocation. The Board shall exercise reasonable efforts to insure such reserves (if established) are fully harvested within the relevant, season such that each Member receives a financial benefit from harvesting the reserves in proportion (to the extent possible) to such Member's allocation(s) under the Agreement.

(ii) Security. Subject to approval by lenders or creditors holding a right of such approval as of the effective date of this Agreement, each Member hereby grants to the Cooperative a security interest in its annual pollock harvest allocation and to its catch under all non-pollock species caps, and all products and proceeds thereof (together, the "Collateral") as security for damages resulting from overharvest of such Member's Harvest Schedule percentage. If requested to do so by the Board of Directors, each Member shall execute UCC-1 financing statements and take whatever action is necessary for the Cooperative to perfect and maintain a perfected security interest in the Collateral.

(iii) Retention of Proceeds. To facilitate enforcement of this Agreement, each Member hereby authorizes Alyeska to transfer to the Agent an amount equal to five percent (5%) of the proceeds

related to such Member's deliveries to the Plant (the "Retained Proceeds"). Each Member further authorizes the Agent to pay out such proceeds as the Board of Directors of the Cooperative directs to give effect to this Agreement. Each Member hereby releases Alyeska and the Agent from all claims related to such withholding and payment, other than those arising out of gross negligence or willful misconduct by Alyeska or the Agent and agrees that in the event that a Member disputes a payout of such proceeds by the Agent such Member's sole recourse shall be against the Cooperative. The Board of Directors shall exercise reasonable efforts to have such funds distributed to the Members as soon as reasonably possible following the close of the season in connection with which such funds are withheld.

c. **Restrictions on Fishing Activity.** The Members acknowledge and agree that one or more Members exceeding their Harvest Schedule allocations, their non-pollock groundfish caps or cap proportions, or the applicable PSC limits could subject the Cooperative and its other Members to joint and several liability to NMFS for fishing violations, and to other cooperatives and cooperative members as a result of premature fishery closures. The Members further acknowledge and agree that monetary penalties could be inadequate recourse under such circumstances. Therefore, the Members acknowledge and agree that each of them will comply with a "stop fishing" order from the Cooperative, and each of the Members further agree that if any Member fails to comply with such order, the Cooperative shall have the authority to obtain an injunction, restraining order or other equivalent form of equitable relief to give effect to such "stop fishing" order.

d. **Overharvest Forfeiture.** Following the close of the BS/AI and Gulf trawl fisheries to the inshore sector, the Cooperative Board of Directors shall review the seasonal harvest data from the Monitoring Service, and report to the Members concerning the Members' compliance with the harvest allocations made under this Agreement. Upon the Cooperative Board of Directors determining that a Member harvested in excess of that Member's percentage, the Cooperative shall collect from such Member and distribute as appropriate an amount equal to the Forfeiture Amount multiplied by the number of metric tons by which such Member's harvest exceeded that Member's groundfish allocation.

e. **Voluntary Compliance.** The Members and the Cooperative agree that upon the Cooperative's Board of Directors determining that a Member has overharvested any of its allocations, the Cooperative shall not enforce its rights to collect against an overharvesting Member's Retained Proceeds of Collateral without first providing the overharvesting Member with fifteen (15) days advance notice of its intent to exercise its rights of collection, during which period the Member may request reconsideration of the enforcement action or may propose an alternative method of compensating the remaining Members and the Cooperative. The Board of Directors may grant or deny any request for reconsideration and may approve or disapprove any alternative form of compensation in their sole discretion, provided that in no case where there has been an overharvest shall the penalty be less than the market value of the overharvest.

f. **Enforcement.** Each Member agrees to take all actions and execute all documents necessary or convenient to give effect to the enforcement procedure contemplated under this Section 5. Each Member agrees that the Cooperative shall be entitled to actual damages in addition to the forfeiture amount (to the extent that they exceed the forfeited amount). Each overharvesting

Member against whom an enforcement action is brought shall pay all costs, fees and expenses, including attorney's fees, incurred by the Cooperative in enforcing the provisions of this Section 5.

g. Distribution of Proceeds and Damages. All funds forfeited or awarded to Members and or the Cooperative under this provision in excess of the costs of enforcement shall be distributed pro-rata among the Members who harvested less than their allocation of the relevant species, with each Member receiving a fraction of such funds the numerator of which is the amount by which such Member's catch of the relevant species was less than such Member's allocation, and the denominator of which is the sum of all Members' catch shortfalls.

6. Vessel Transfer Restrictions. Each Member acknowledges that the other Members will make investments in reliance on this Agreement, and that a breach of this Agreement during its term by any of them may cause the remaining Members to suffer substantial adverse economic consequences. Therefore, each Member agrees that so long as they remain a Member, no Member shall have the authority to sell, charter or transfer operating authority over a Vessel to a party not bound by this Agreement, regardless of whether such transfer is temporary or permanent, and regardless of whether such transfer is effected as part of a vessel sale or otherwise, unless (i) the proposed transferee first assumes all of the transferring Member's obligations under this Agreement with regard to the rights transferred, in which case, the transferring Member shall be released therefrom, or (ii) the transferring Member either retains the Vessel's BS/AI fishing rights, or transfers such rights to the Cooperative or another Member of the Cooperative. All Members agree to negotiate in good faith to create a reasonable mechanism to prevent any transfer in violation of this Section. Any attempted or purported transfer of a Vessel or its fishing rights other than in compliance with this Section shall be void.

7. Term, Termination and Withdrawal. This Agreement shall take effect as of its execution by all Members. The Board of Directors of the Cooperative may terminate this Agreement upon a determination by any government agency of competent jurisdiction or a reasonable determination by the Cooperative Board of Directors that this Agreement violates either State or Federal antitrust or unfair competition law, or unreasonably exposes any Member or the Cooperative to civil anti-trust or unfair competition litigation.

If not terminated earlier, this Agreement shall terminate upon termination of the inshore sector allocation specified in Section 206(b) of the Act.

Any Member may withdraw from the Cooperative as of November 1 of any year during the term of this Agreement, provided that such Member gives written notice of withdrawal to each Director on the Cooperative's Board of Directors prior to October 1 of such year. Withdrawal from or termination of this Agreement shall not relieve any Member of its obligations to pay the damages set forth in Section 5 in connection with a pre-termination overharvest.

8. Landing Tax . Pursuant to Section 210(f) of the Act, the Members agree to make payments to the State of Alaska for any pollock harvested in the BS/AI pollock fishery which is not landed in the State of

Alaska, in amounts which would otherwise accrue had the pollock been landed in the State of Alaska subject to any landing taxes established under Alaska law. If a Member fails to make a payment in lieu of tax due under this Section, the Cooperative or any of the other Members may make such payment, and the non-paying Member shall be obligated to reimburse the paying parties within thirty (30) days. Any balance outstanding beyond such date shall bear interest in favor of the paying parties at the per annum rate equal to the prime rate of Bank of America, N.A., Seattle Branch, as the same may be announced from time to time, plus five percent (5%). Payments and interest due under this Section may be collected or reimbursed from the defaulting Member's bond or alternate security pursuant to Section 5, hereof

9. **Responsible Fishing Practices.** The Members acknowledge that a primary objective of the Cooperative is to utilize bycatch in a responsible fashion and improve resource utilization. The Members further acknowledge that fishing practices can affect bycatch and utilization rates. The Members therefore agree to exercise all reasonable efforts to conduct their fishing practices responsibly, in a manner consistent with the overall goals and purposes of the Cooperative.

10. **Promoting Competition.** To promote market competition for products produced from pollock harvested under this Agreement and to promote compliance with federal antitrust law, it is agreed by the members that (i) the Cooperative shall have no function to process, market or sell product; (ii) the members of the Cooperative shall each engage in processing, marketing, and sales of product only on a fully independent basis; (iii) the Cooperative shall hold no meetings nor conduct any discussions on purchase or sales of product, or pricing; and (iv) the Cooperative shall not collect or distribute any information on pricing, processing, marketing or sales. Members and Members skippers are permitted to engage in processing, marketing and sales of their products through a duly qualified fishermen's marketing association.

11. **Public Interest Research and Publication.** The Members acknowledge that the primary purposes of the harvesting arrangement contemplated hereunder are improving their utilization of resources harvested in the BS/Al pollock fisheries, reducing the incidental catch of non-target species, and promoting the adoption and continued support of resource utilization and conservation arrangements such as those contemplated under this Agreement. The Members therefore agree to contribute a per-ton amount determined by the Cooperative Board of Directors from time to time in support of such activities. All research and publication funded by the Cooperative is to be conducted in the public's interest, and the results of all such research shall be made available to the general public at no charge.

12. **Membership Agreement Enforcement.** Each Member agrees that the Cooperative and/or any other Member(s) may enforce this Membership Agreement on behalf of the Cooperative and/or any of its Members.

13. **Remedies and Attorneys' Fees.** In addition to any of the remedies provided in this Agreement, each Member and the Cooperative shall have the right to have any provision of this Agreement specifically enforced through injunction, restraining order or any other form of equitable relief including but not limited to specific performance. Subject to the provisions of Sections 3 and 5, above, in

connection with any legal proceeding related to this Agreement, the non-prevailing party shall pay the prevailing party's reasonable costs and fees associated with the proceeding. For purposes of this Agreement, "legal proceedings" shall include arbitration, administrative, bankruptcy and judicial proceedings, including appeals therefrom.

14. Miscellaneous.

a. This Agreement contains the entire understanding of the parties as to the matters addressed herein, and supersedes all prior agreements related to the same. No amendment to this Agreement shall be effective against a party hereto unless in writing and duly executed by such party. The Members agree to amend this Agreement as reasonably necessary to comply with changes in law, and policies and regulations implementing the Act.

b. Each Member hereby represents and warrants that: (i) it is duly organized, validly existing and in good standing; (ii) it is an owner of record of each of the Vessels listed as such Member's Vessel(s) on Exhibit A hereto; and (iii) it has all authority, corporate and otherwise, to enter into this Agreement on its own behalf and on behalf of all other owners of each of the Vessels it represents, and that this Agreement constitutes a valid, binding obligation of all such owners, enforceable against such Vessel(s) and all such owners according to its term.

c. This Agreement shall be governed by and construed in accordance applicable federal law and the laws of the State of Washington.

d. 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 fax or email shall have the same effect as delivering a signed original.

e. The parties agree to execute any documents necessary or convenient to give effect to the intent and purposes of this Agreement.

f. All notices required to be given under this Agreement shall be deemed given when deposited in certified first class U.S. mail, postage prepaid, with the correct address. All notices required to be given to Cooperative directors or members under this Agreement shall be addressed to such directors or members at their record addresses as maintained by the Cooperative.

g. Except for the transfer of any rights pursuant to Section 3.g or Section 6 hereof, which transfers shall be governed by such Sections, no party may assign its rights hereunder without the prior written consent of the other parties hereto, which consent shall not be unreasonably withheld. Such consent may be conditioned upon execution of an adherence agreement by the party to whom such rights are proposed to be assigned. This Agreement shall be binding on the successors and assigns of all parties hereto.

h. This Agreement shall be construed as a whole according to its fair meaning, without a presumption that it shall be more strictly construed against the person who drafted it, as each party has participated in its preparation with the assistance of counsel.

i. 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.

j. Each Member agrees to use its best efforts to resolve any disputes arising under this Agreement either through direct negotiations or through any dispute resolution procedures as set out in the Bylaws. Other than disputes related to overharvest of pollock, non-pollock groundfish or PSCs for which the Cooperative or its Members seek an injunction, a restraining order or some other form of equitable relief, all disputes not resolved through direct negotiation and/or dispute resolution will be submitted to arbitration in Seattle, Washington upon the request of any party. The party's written request will include the name of the arbitrator selected by the party requesting arbitration. The other party will have ten (10) days to provide written notice of the name of the arbitrator it has selected, if any. If the other party timely selects a second arbitrator, the two arbitrators will select a third arbitrator within ten (10) days. If the other party does not timely select the second arbitrator, there shall be only the one arbitrator. The single arbitrator or the three (3) arbitrators so selected will schedule the arbitration hearing as soon as possible thereafter. Every arbitrator, however chosen, must have no material ties to any Member or the Cooperative. The decision of the arbitrator (or in the case of a three (3) arbitrator panel, the decision of the majority) will be final and binding. The arbitration will be conducted under the rules of (but not by) the American Arbitration Association. The parties will be entitled to limited discovery as determined by the arbitrator(s) in its or their sole discretion. The arbitrator(s) will also determine the "prevailing party" and that party will be entitled to its reasonable costs, fees and expenses, including attorneys' and arbitrator fees, incurred in the action by said party. In no event will arbitration be available pursuant to this Paragraph 11 after the date when commencement of such legal or equitable proceedings based on such claim, dispute, or other matter in question would be barred by the applicable statute of limitations.

F/V ALASKA ROSE
By: Alaska Rose, Alaska LLC
BY: BSAI Partners, LLC Members/Manager

By *Chuck Klein* PRES
(Name and Title)

F/V BERING ROSE
By: Bering Rose, Alaska LLC
BY: BSAI Partners, LLC Members/Manager

By *Cora Campbell*
(Name and Title)

F/V DESTINATION
By: Destination, Alaska LLC
BY: BSAI Partners, LLC Members/Manager

By *Michael Coler*
(Name and Title)

F/V GREAT PACIFIC
By: Great Pacific, Alaska LLC
BY: BSAI Partners, LLC Members/Manager

By *Chuck Klein* PRES
(Name and Title)

F/V LESLIE LEE
By: Leslie Lee, Inc.

By _____
(Name and Title)
(Owner/Agent)

F/V MESSIAH
By: Ms Amy and Messiah, Alaska LLC
BY: BSAI Partners, LLC Members/Manager

By *Chuck Klein*
(Name and Title)

F/V MS AMY
By: Ms Amy and Messiah, Alaska LLC
BY: BSAI Partners, LLC Members/Manager

By *Chuck Klein*
(Name and Title)

F/V WESTERN DAWN
By: Western Dawn LLC

By *Dana Manger*
(Name and Title)

F/V SEA WOLF
By: Sea Wolf, Alaska LLC
BY: BSAI Partners, LLC Members/Manager

By *Cora Campbell*
(Name and Title)

F/V VANGUARD
By: Vanguard Partnership

By *Vern Hill, managing owner*
(Name and Title)

agreement signature

F/V ALASKA ROSE
By: Alaska Rose, Alaska LLC
By: BSAI Partners, LLC Member/Manager

By _____
[Name and Title]

F/V BERING ROSE
By: Bering Rose, Alaska LLC
By: BSAI Partners, LLC, Member/Manager

By _____
[Name and Title]

F/V DESTINATION
By: Destination, Alaska LLC
By: BSAI Partners, LLC, Member/Manager

By _____
[Name and Title]

F/V GREAT PACIFIC
By: Great Pacific, Alaska LLC
By: BSAI Partners, LLC, Member/Manager

By _____
[Name and Title]

F/V LESLIE LEE
By: F/V Leslie Lee, Inc.
By: *Beef Woodard*
[Name and Title]
owner / agent

F/V MESSIAH
By: Ms Amy and Messiah, Alaska LLC
By: BSAI Partners, LLC, Member/Manager

By _____
[Name and Title]

F/V MS. AMY
By: Ms Amy and Messiah, Alaska LLC
By: BSAI Partners, LLC, Member/Manager

By _____
[Name and Title]

F/V PROGRESS
By: F/V Progress Fisheries Partnership

By _____
[Name and Title]