

Attention: North Pacific Fish Management Council

From: Peter Pan Seafoods, Inc
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RECEIVED
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N.P.F.M.C

RE: Year End Final CoOp report

Pages:

Cover: One page (this page)

Report: Six pages

Attachment #1: three pages (Inter CoOp agreement)

Attachment #2: fifteen pages (CoOp agreement)

** ALSO: A final report in the mail **

PETER PAN SEAFOODS 2000 COOP REPORT:

Final Draft

1.0 Introduction:

The 2000 Peter Pan Seafoods CoOp was allocated .72% (7,728,225 lbs) of the Inshore component of the BSAI 2000 pollock TAC. (The .72% allocation was based on CoOp members, confirmed by NMFS, historical catch.)

- * On December 13, 2000 the NMFS reallocated a projected unused amount (9,000 mt) of Bering Sea pollock from the incidental catch account to the directed fisheries.
- * According to NMFS 4,500 mt of the reallocated pollock would be given to the inshore C/D component. (This gave the PPSF C/D an additional 71,429 lbs)

The individual catcher vessels belonging to the PPSF CoOp were given individual percentages of the CoOps allocation based on (confirmed by NMFS) historical catch brought to the PPSF CoOp. This is showed in Table 1-A.

Using information on historical catch history percentages, table 1-B shows you how pollock allocations were given for the entire year.

- * We had one pound for pound transfer within the PPSF CoOp this year. This trade included the Oceanic, and the two boats owned by the Golden Alaska, the American Beauty and the Ocean Leader. This trade is laid out in the Table 1-C.

Fishing Vessel	Historical poundage	%
Amber Dawn	1,182,007	16.2860%
Am Beauty	355,253	4.8950%
Oceanic	1,301,119	17.9270%
Ocean Leader	528,599	7.2830%
Walter N	3,890,802	53.6090%
TOTAL:	7,257,780	100.00%

PPSF boat by boat percentages and pounds:				
SEASON	VESSELS	%	mt	pounds
A Season	Amber Dawn	16.29	228.3307	503,378
	Am Beauty	4.80	68.6249	151,290
	Oceanic	17.90	251.3398	554,104
B Season	Ocean Leader	7.20	102.1105	225,113
	Walter N	53.60	751.5941	1,656,964
	total		1402.00	3,090,849
C Season	Amber Dawn	16.29	342.58	755,243
	Am Beauty	4.80	100.97	222,594
	Oceanic	17.90	376.53	830,090
D Season	Ocean Leader	7.20	151.45	333,891
	Walter N	53.60	1127.48	2,485,634
	total		2099.01	4,627,452
Total PPSF COOP 3,501 mt				

Table 1-C:				
Oceanic - GA vessels trading lbs agreement:				
	Vessel:	Poundage	%	Comments:
A/B	American Beauty	151,291	16.26	A/B Bering Sea Pollock season would be fished by Golden Alaska. Total catch value would be split 40.45% to GA and 59.55 to Oceanic. All costs of operating fishing vessel would be G.A responsibility.
	Ocean Leader	225,113	24.19	
	GA Total	376,404	40.45	
Oceanic	554,104	59.55		
Total A/B lbs	930,508	100		
	Vessel:	Poundage	%	Comments:
C/D	American Beauty	222,594	16.05	C/D Bering Sea pollock season would be fished by Oceanic. Total catch value would be split 45.21% to GA and 54.79% to Oceanic. All costs of operating fishing vessel would be Oceanic responsibility.
	Ocean Leader	333,891	24.08	
	GA Total	556,485	40.13	
	Oceanic	830,090	59.87	
Total C/D lbs	1,386,575	100		

1.1 List of Member Vessels:

Vessel Name:	ADF&G:	AFA #:
Amber Dawn	00028	0980
American Beauty	24255	1688
Ocean Leader	00032	1229
Oceanic	03434	1667
Walter N	34919	0825

1.2 PPSF Coop membership agreement:
Attachment Number One

1.3 Catcher Vessel Intercoop Agreement:
Attachment Number Two

2.0 Pollock allocations to PPSF Bering Sea CoOp members and actual catch:

Bering Sea Pollock allocations were split up as shown previously in tables 1-A, 1-B and 1-C. Bering Sea Pollock catches were recorded and monitored thru the PPSF King Cove shorebased plant office. This is shown to you in table 2-A-1,2&3 dealing with the A/B season and table 2-B-1,2&3 dealing with the C/D season.

Table 2-A-1: A/B season delivery by delivery monitoring.			
Pollock A/B season:			
Deliveries:	Date	Ticket #	Pollock
Amber Dawn			
Amber Dawn	07-Feb	16524	194,846
Amber Dawn	13-Mar	16870	301,159
	503,378		496,005
G/A Oceanic			
American Beauty	06-Feb	16651	281,026
American Beauty	09-Feb	16670	187,296
Ocean Leader	21-Feb	16994	340,547
Ocean Leader	01-Mar	16923	125,496
	930,508		934,365
Walter N			
Walter N	09-Mar	16895	397,744
Walter N	11-Mar	16865	327,014
Walter N	31-Mar	20936	316,989
Walter N	01-Apr	20826	387,342
Walter N	03-Apr	20839	227,847
	1,656,964		1,656,936

Table 2-A-2: Boat by Boat Total allocation monitoring:	
Amber Dawn	
Quota	503,378
Catch	496,005
Remaining	7,373
G/A - Oceanic	
Quota	930,508
Catch	934,365
Remaining	(3,857)
Walter N	
Quota	1,656,964
Catch	1,656,936
Remaining	28

Table 2-A-3: Total CoOp lbs monitoring:	
Total A/B ppsf Coop lbs	3,090,850
Total PPSF Coop catch:	3,087,306
Total A/B remaining:	3,544

Table 2-B-1: C/D season delivery by delivery/monitoring			
Pollock C/D season:			
Deliveries:	Date	Ticket #	Pollock
Amber Dawn			
Amber Dawn	13-Sep	20723	296,763
Amber Dawn	17-Sep	20725	305,620
Amber Dawn	21-Sep	20727	160,967
			763,350
G/A Oceanic			
Oceanic	07-Sep	20720	509,095
Oceanic	12-Sep	20722	374,867
Oceanic	01-Oct	20629	499,807
			1,383,769
Walter N			
Walter N	05-Sep	27019	235,032
Walter N	11-Sep	20721	339,206
Walter N	15-Sep	20724	313,432
Walter N	19-Sep	20726	333,392
Walter N	24-Sep	20728	92,264
Walter N	14-Oct	20636	169,714
Walter N	20-Oct	20637	396,058
Walter N	28-Oct	20638	304,335
Walter N	31-Oct	20639	308,383
			2,491,816

Table 2-B-2: Boat by Boat Total	
Amber Dawn	
Quota	755,243
Catch	763,350
Remaining	(8,107)
G/A - Oceanic	
Quota	1,386,575
Catch	1,383,769
Remaining	2,806
Walter N	
Quota	2,485,634
Catch	2,491,816
Remaining	(6,182)

Table 2-B-3: Total CoOp lbs monitoring:	
Total C/D ppsf Coop lbs.	4,627,452
Total PPSF Coop catch.	4,638,935
Total C/D remaining.	(11,483)

Table 2-B-3 Revised Allocation: (From incidental Catch Account) Info Bulletin #00-93 on October 13, 2000	
Table 2-B-3: Total CoOp lbs monitoring	
Total C/D ppsf Coop lbs.	4,698,881
Total PPSF Coop catch.	4,638,935
Total C/D remaining.	59,946

3.0 CO-OP CATCHER VESSEL SIDEBOARD LIMITATIONS, BSAI & GOA.

Peter Pan Seafoods Co-Op for the year 2000 fishing season was made up of 5 vessels.

** 4 of these 5 vessels were Non-Exempt vessels fishing in both the mothership and the shoreside sectors.

** It was to the understanding of the PPSF Co-OP that these vessels fishing both sectors were to be monitored by the mothership sector.

BSAI P. Cod fishing:

** 4 of the 5 PPSF Co-Op vessels participated in the fishery.

All 4 of the vessels were also fishing and being monitored by the Mothership sector.

** Our fifth vessel was an exempt vessel and did not participate in this season.

GOA Sideboard cod fisheries:

** None of the PPSF non-exempt vessels participated in this fishery.

Directed Yellowfin and other flatfish fisheries:

** One participant with two Deliveries

Fishing Vessel:	Delivery lbs.	125 Rexsole	122 Flatheadsole	123 Rocksole	124 Doversole	143 Thornyhead	210 Eels	121 Arrowhead	145 Yelloweye	213 Grenadier	141 P.O.P.	171	110 P. Cod	200 Halibut
125-01	5,707	437	466	-	1,826	100	50	2,300	178	350	-	-	-	12 pcs
125-02	835	-	-	523	-	-	-	-	-	-	25	250	37	0
Total:	6,542	437	466	523	1,826	100	50	2,300	178	350	25	250	37	12 pcs

3.1 CO-OP EXEMPT CATCHER VESSEL CATCH FOR GULF OF ALASKA

PPSF had one GOA exempt vessel. This is a list of GOA species and pounds harvested:

Species:	Pounds:
Pacific Cod	765,444
Arrowtooth Flounder	229,585
Flathead Sole	26,502
Rock Sole	22,057
Dover Sole	36,428
Rex Sole	12,881
Butter Sole	3,668
Starry Flounder	598
Greenland Turbot	14
Northern Rockfish	208,074
Pacific Ocean Perch	414,686
Thornyhead Rockfish	4,923
Rougheye	228
Dusky Rockfish	276,079
Sculpin	1,329
Sharpchin	5,319
Harlequin	26,099
Greenling	316
Halibut	6,136
Eels	463
Herring	30
Pollock	5,113,358
Chinook	4,519
Coho	26
Pinks	3
Chum	1,437
Eulachon	42,281
Shark, General	1,464
Salmon Shark	200
Dogfish	500
Sleeper Shark	7,300
Skate	8,056
Sablefish	37,039
Squid	136
Total:	7,257,178

4.0 PSC USAGE BY THE PPSF CO-OP FISHING VESSELS: (Pollock Deliveries only)

A/B Season:

Fishing Vessel:	Delivery lbs.	Pollock lbs.	Delivery Date	200 Halibut	931 Bairdi Crab	932 Opilio Crab	921 Red Crab	922 Blue King Crab	410 King Salmon	450 Chum Salmon
Amber Dawn										
	215,101	194,846	07-Feb	0	0	0	0	0	0	0
	303,038	301,159	13-Mar	2 each	0	0	0	0	0	0
totals.	518,139	496,005		2 each	0	0	0	0	0	0
American Beauty										
	283,420	281,026	08-Feb	0	0	0	0	0	0	0
	188,383	187,296	10-Feb	0	0	0	0	0	0	0
totals	471,803	468,322		-	-	-	-	-	-	-
Ocean Leader:										
	348,806	330,547	22-Feb	0	0	0	0	0	0	0
	130,541	125,496	01-Mar	2 each	0	0	0	0	0	0
	479,347	456,043		2 each	0	0	0	0	0	0
Walter N:										
	399,186	397,744	09-Mar	2 each	0	0	0	0	1 each	0
	328,189	327,014	11-Mar	3 each	0	0	0	0	1 each	0
	316,989	315,147	31-Mar	0	0	0	0	0	1 each	0
	387,342	385,623	02-Apr	0	0	0	0	0	1 each	0
	227,847	219,030	04-Apr	0	0	0	0	0	0	0
total.	1,659,553	1,644,558		5 each	0	0	0	0	4 each	0

C/D Season:

Fishing Vessel:	Delivery lbs.	Pollock lbs.	Delivery Date	200 Halibut	931 Bairdi Crab	932 Opilio Crab	921 Red Crab	922 Blue King Crab	410 King Salmon	450 Chum Salmon
Amber Dawn:										
	300,305	296,763	14-Sep	2 each	0	0	0	0	0	1 each
	311,288	307,319	17-Sep	0	0	0	0	0	0	1 each
	166,761	160,967	21-Sep	1 each	0	0	0	0	0	0
total.	778,354	765,049		3 each	0	0	0	0	0	2 each
Oceanic:										
	526,325	509,095	07-Sep	1 each	0	0	0	0	0	21 each
	385,797	374,867	12-Sep	6 each	0	0	0	0	0	0
	500,899	499,807	01-Oct	0	0	0	0	0	0	0
total.	1,413,021	1,383,769		7 each	0	0	0	0	0	21 each
Walter N:										
	243,945	235,032	05-Sep	0	0	0	0	0	0	49 each
	344,967	339,206	11-Sep	0	0	0	0	0	0	13 each
	318,036	131,432	16-Sep	0	0	0	0	0	0	40 each
	337,347	333,392	19-Sep	1 each	0	0	0	0	0	3 each
	94,343	92,264	24-Sep	0	0	0	0	0	0	12 each
	175,735	169,714	14-Oct	2 each	0	0	0	0	0	5 each
	404,680	396,058	20-Oct	7 each	0	0	0	0	1 each	1 each
	311,063	304,335	28-Oct	2 each	0	0	0	0	1 each	0
	314,964	308,383	31-Oct	3 each	0	0	0	0	4 each	0
total.	2,545,080	2,309,816		15 each	0	0	0	0	6 each	123 each

MEMBERSHIP AGREEMENT

This MEMBERSHIP AGREEMENT is entered into as of December 17, 1999 by and among the vessels and entities listed on the attached Exhibit A, and any other members admitted pursuant to this Agreement (together, the "Members") and PETER PAN FLEET COOPERATIVE, a Washington nonprofit corporation (the "Cooperative").

RECITALS

A. The American Fisheries Act (Div. C, Title II of Public Law 105-277) (as amended from time to time, the "Act") allocates the annual quota for the Bering Sea/Aleutian Islands ("BS/AI") pollock fishery 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 vessels qualified under Section 210(b)(1) of the Act to participate in a fishery cooperative delivering pollock to the Peter Pan Seafoods, Inc. ("Peter Pan") plant in King Cove, Alaska (the "Plant") during the year 2000 (the "Vessels").

C. The Members desire to form a fishery cooperative for the sole purposes of obtaining an aggregate allocation 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 Section 3 of this 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, it will cause the Vessels under its control to deliver pollock harvested in the BS/AI directed pollock fishery for processing by the inshore component only to the Plant unless and until such Member withdraws from the Cooperative. Each Member further agrees to release to the Cooperative (or such agent as the Cooperative may reasonably designate) and to all other Members all catch data available to the Member related to the operation of such Member's Vessel(s) in all BS/AI directed fisheries during the years 1995, 1996 and 1997.

2. Voluntary Participation. The Members hereby agree that a 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; and (ii) executing a counterpart of the Cooperative Membership Agreement then in effect.

3. Harvesting Plan. Each Member hereby agrees that so long as it is bound by this Agreement, such Member shall harvest an annual percentage of the BS/ AI and Gulf of Alaska resources no greater than as provided under this Agreement. Vis-a-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 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 historical pattern of fishery participation.

The Board of Directors shall establish each Member's directed fishing and bycatch allocations, seasonal apportionments and caps for BS/ AI and Gulf groundfish accordingly from time to time, based on the best data available. It is each Member's obligation to provide the Board of Directors with reliable data substantiating a Member's claim to an allocation or eligibility to fish under a sideboard cap. Absent manifest error, the Board shall be entitled to presume National Marine Fisheries Service ("NMFS") data is accurate.

a. Pollock. Each Member agrees that, other than as provided in Section 3.g., below, unless and until a Member has withdrawn from the Cooperative in accordance with Section 7, below, 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"). Each Member shall hold an initial Harvest Schedule percentage that is based on an amount calculated by dividing (i) the total amount of pollock harvested by Member's Vessel(s) 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 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 tons. NMFS intends to implement these resolutions in

determining each cooperative's allocation. 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 date on which such NMFS determinations take effect.

The Board of Directors shall, consistent with such formula, 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 provisions of Section 5 shall apply to any Member's failure to comply with such allocation.

b. Non-Pollock Groundfish and Crab. The Members that are not exempted from compliance with the relevant sideboard(s) agree to limit their aggregate annual harvest of BS and AI non-pollock groundfish and Gulf groundfish to an amount equal to or less than the "traditional harvest levels" of such vessels in other 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 agreement(s), subject in all cases to any applicable provisions of 50 C.F.R. 679.63 as amended from time to time.

The Members agree that only those Members eligible to participate in crab fisheries under sideboards implemented by NMFS from time to time shall do so, and such eligible Members each agree to limit their crab harvest to their authorized sideboard amounts (if any). 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 crab sideboard amounts, the Members aggregate crab sideboard amounts shall be determined in accordance with such intercooperative agreement(s), subject in all cases to any applicable provisions of 50 C.F.R. 679.63 as amended from time to time. The provisions of Section 5 shall apply to any Member's failure to comply with this provision.

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 and 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 and AI non-pollock groundfish and Gulf groundfish available for directed harvest by the Vessels. Unless all Members agree otherwise, such allocations shall be 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 provisions of Section 5 shall apply to any Member's failure to comply with such allocation.

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 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 reserve 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 reserves to the Cooperative the amounts of non-pollock groundfish and PSC associated with that Member's Vessel'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 or as the result of transfer(s) pursuant to Section 3.g., below, 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 and to the 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 (i) vessels equal to or less than 99 feet in length overall are exempted from exclusion from the Catcher Vessel Operational Area; (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 exercise their best efforts 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 exercise "best efforts" 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.

e. Annual Fishing Plan. To facilitate compliance with the Cooperative's Allocation, its Gulf pollock, non-pollock groundfish, crab and PSC sideboards, and its processing agreements with Peter Pan, the Cooperative's Board of Directors shall prepare an annual fishing plan governing Members' operations (the "Fishing Plan"), which the Board may amend from time to time. The Fishing Plan shall incorporate only those provisions reasonably necessary to insure the Vessels operate in compliance with the Act and applicable NMFS regulations. The Fishing Plan shall under no circumstances have the effect of modifying a Member's Harvest Schedule percentage, allocations or seasonal apportionments other than as necessary to achieve such compliance. Each Member agrees to fulfill its obligations under the Fishing Plan, including its obligations not to exceed harvest limits and caps, to conduct its fishing operations at certain times and/or in certain areas. Members may assign their rights and obligations under the Fishing Plan, provided that such assignment shall not relieve a Member from its ultimate responsibility for compliance.

Certain Members may have harvested disproportionate amounts of pollock in the "A" or "B" seasons, or may have foregone pollock fishing opportunities to fish for non-pollock groundfish or crab. The Board shall prepare the Fishing Plan to provide such

Members with the opportunity to participate in pollock and non-pollock fisheries at times and in amounts consistent with their historical operations.

f. Vessel Use. Members with more than one Vessel eligible to harvest under the Allocation may elect to harvest their Harvest Schedule and non-pollock groundfish percentages with any number of Vessels, subject to such Vessel use being consistent with the previously approved annual Fishing Plan. For purposes of this provision, the Vessel(s) owned by a party who has assigned all of its rights under this Agreement to a Member prior to the effective date of this Agreement shall be considered such assignee Member's Vessels. Harvest Schedule percentages and non-pollock allocations or cap apportionments so assigned shall not be subject to the provisions of Section 3.g., below.

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 and such 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 association 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 NMFS-certified observers as required by law aboard each of its Vessels participating in the BS/ AI 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 the Members' mutual harvest agreement will only accrue to the Members if each of them strictly complies with the Harvest Schedule, the

Fishing Plan and the non-pollock groundfish and crab allocations 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 establish a forfeiture amount for an unprocessed metric ton of each groundfish species covered by this Agreement, including but not limited to all Gulf groundfish species, prior to the opening of the relevant fishery. Such forfeiture amounts shall be equal to or greater than the ex-vessel value of a metric ton of the relevant species, and shall be adjusted as necessary (including during a fishing year) to insure such amounts exceed such values. The Board 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 groundfish and PSC forfeiture amounts are collectively referred to hereafter as the "Forfeiture Amounts").

b. Reserves 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 harvest of the reserves in proportion (to the extent reasonably possible) to such Member's allocation(s) under the Agreement.

(ii) Retention of Proceeds. To facilitate enforcement of this Agreement, each Member hereby authorizes Peter Pan to retain an amount equal to five percent (5%) of the proceeds related to such Member's deliveries to the Plant (the "Retained Proceeds") upon Peter Pan receiving a request from the Cooperative Board of Directors to do so. Each Member further authorizes Peter Pan to pay out such proceeds as the Board of Directors of the Cooperative directs. Each Member hereby releases Peter Pan from all claims related to such withholding and payment, other than those arising out of gross negligence or willful misconduct by an authorized agent of Peter Pan, and agrees that in the event that a Member disputes a payout of such proceeds by Peter Pan 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. 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 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 in accordance with the organization's Bylaws that a Member harvested a species in excess of such Member's allocation or cap under this Agreement (as adjusted by legal transfers made under this Agreement), the Cooperative shall collect from such Member and distribute as appropriate an amount equal to the relevant Forfeiture Amount multiplied by the number of relevant units (i.e., metric tons, kilograms, number of crabs or salmon, etc.) by which such Member's harvest exceeded that Member's allocation. The Cooperative Board of Directors shall collect the PSC forfeiture amounts the Board deems appropriate to maintain compliance with Council policy and NMFS regulations then in effect.

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 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 commercial value of the overharvest. The Board shall exercise all commercially reasonable efforts to insure overharvest penalties and settlements are commensurate with the nature and extent of the overharvest and are uniform with those reached in similar circumstances.

f. Enforcement and Damages. 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. Damages for overharvest or underharvest of a species shall be limited to the forfeiture amount calculated in accordance with Section 5.d., above, and all costs, fees and expenses, including

attorneys fees, incurred by the Cooperative (or, in a case where the Cooperative does not take enforcement action, by the Members bringing such action) enforcing the provisions of this Section 5. Each Member and the Cooperative hereby waive any claims to actual, direct or indirect damages, and instead agree that payment of the overharvest forfeiture amount and costs of enforcement shall be their sole damages for an overharvest in breach of this Agreement.

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 promptly distributed pro-rata among the parties (including non-Members) who harvested less than their allocation or Groundfish Sideboard proportion of the relevant species, with each such party receiving a fraction of such funds the numerator of which is the amount by which such party's catch (or, in the case of Groundfish Sideboards, opportunity to harvest) of the relevant species was less than such party's allocation or proportion, and the denominator of which is the sum of all party's catch shortfalls. If the Cooperative is not able to identify a party entitled to a forfeiture payment under this Section, the Cooperative shall retain the related funds in an interest-bearing escrow account until it receives a written demand for payment substantiating the claimant's entitlement to be paid. If the Cooperative fails to timely fulfill its obligations under this Section, this Section shall give rise to a right of legal action on the part of affected non-Member parties who are not compensated in accordance with this Section, in the amount of the forfeiture amount percentage owed to such party and the reasonable costs and fees actually incurred by such party in bringing an action to receive such funds. For purposes of determining the damages to be awarded to a non-Member affected by a Member exceeding a Groundfish Sideboard, the non-Member's Groundfish Sideboard proportion shall be as established under the relevant intercooperative agreement, and if no such agreement is in effect with respect to such party or a fishery cooperative of which it is a member, shall be assumed to be equal to the amount contributed to the relevant sideboard on the basis of such party's catch history, as calculated on the basis of the best available data.

6. Vessel Transfer Restrictions. Each Member agrees that so long as it remains a party to this Agreement, such Member shall not 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 Members holding ownership interests in eighty percent (80%) of the Vessels. 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 1st of any year during the term of this Agreement, provided that such Member delivers a notice of withdrawal to each Director on the Cooperative's Board of Directors prior to October 1st of such year. Withdrawal from or termination of this Agreement shall relieve the withdrawing Member (or in the case of termination, all Members) of their obligations under this Agreement, provided that neither withdrawal from nor termination of this Agreement shall 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 reduce bycatch 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. 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.

11. 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. 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.

12. 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; (iii) it has all authority, corporate and otherwise, to enter into the Agreement on its own behalf and on behalf of all other owners of each of the Vessels it represents, and that Agreement constitutes a valid, binding obligation of all such owners, enforceable against such Vessel(s) and all such owners according to its term; (iv) that during the year prior to each year during which this Agreement governs the BS/ AI pollock fishery harvest of its Vessel(s), such Vessel(s) have and shall have delivered more pollock to Peter Pan than any other BS/ AI inshore pollock processor; (v) that as of December 31, 1999, the Member shall have agreed to fish under terms authorized by a catcher vessel permit with an inshore endorsement issued under the Act; and (vi) its Vessel(s) have no permit sanctions against them that would prevent such Vessel(s) from fishing for groundfish in the BS/ AI.

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 telefacsimile 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 intents and purposes of this Agreement.

f. All notices to be given hereunder shall be in writing and shall be deemed given when received at the addresses below. Recognizing that time may be of the essence in certain Cooperative matters, each Member shall provide the Cooperative and all other Members with the name, address and fax number of an authorized representative capable of responding to notices within three (3) business days.

Amber Dawn Fisheries L.L.C.
c/o Golden Alaska Seafoods, Inc.
2200 Sixth Avenue, Suite 707
Seattle, WA 98121

Oceanic and Owners
19731 21st Avenue NW
Shoreline, WA 98177

Elizabeth F, Inc.
2705 Mill Bay Road
Kodiak, AK 99615

Ocean Leader, Inc.
2200 Sixth Avenue, Suite 707
Seattle, WA 98121

American Beauty, Inc.
2200 Sixth Avenue, Suite 707
Seattle, WA 98121

The parties may from time to time change their address for notice purposes by written notice to the other parties.

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 12 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.

Dated as of the date first set forth above.

Amber Dawn Fisheries L.L.C.

Oceanic and Owners, Inc.

By: Burt C. Pahn
Its: Shoreland L.L.C.

By: _____
Its: _____

Elizabeth F., Inc.

Ocean Leader, Inc.

By: _____
Its: _____

By: Joseph P. Henry
Its: PLOS.

American Beauty, Inc.

By: Joseph R. Kelly
Its: PRES.

EXHIBIT A

PETER PAN FLEET COOPERATIVE

BERING SEA/ALEUTIAN ISLANDS POLLOCK FISHERY
HARVEST SCHEDULE

<u>Members and Vessels</u>	<u>Percentage of Allocation</u>
F/V AMBER DAWN Amber Dawn Fisheries L.L.C.	20%
F/V OCEANIC Oceanic and Owners, Inc.	16.6%
F/V WALTER N Elizabeth F., Inc.	49.7%
F/V OCEAN LEADER Ocean Leader, Inc.	6.8%
F/V AMERICAN BEAUTY American Beauty, Inc.	6.9%

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Intercoop Agreement Chapter

Introduction

During early January 2000, representatives of the nine catcher vessel cooperatives developed an agreement that governs the relationships between the individual cooperatives. This agreement was approved by all the catcher vessel (CV) cooperatives on January 19, 2000. The primary reasons for this agreement include:

- 1) Allocation, monitoring and compliance of the GOA and BSAI groundfish limits among the coops;
- 2) Allocation, monitoring and compliance of certain PSC caps by the individual cooperatives;
- 3) Allocation and monitoring and compliance of the harvest of BSAI pollock inside the Steller Sea Lion Conservation Area (over and =/under 99' vessels);
- 4) Establishment of penalties for a coop exceeding its pollock and sideboard allocations;
- 5) Provide for the harvest of BSAI P. cod for the "< 1700 mt" exempt vessels while complying with AFA PSC limits;
- 6) Establishment and monitoring of sideboard species transfers between cooperatives, and
- 7) To promote compliance of the Council's recommended Sideboard measures and PSC limits while allowing for maximum harvest of the AFA pollock and sideboard allocations.

Sideboard Management

In accordance with Section 211(c) of the AFA, the North Pacific Fisheries Management Council (Council) adopted sideboard species caps to give assurances to non-AFA vessel owners that AFA vessels would not harvest more than their traditional levels of groundfish fisheries in the GOA and BSAI. However, the Council and NMFS did not provide allocations of sideboard species to the individual cooperatives. Rather, they established an aggregate groundfish sideboard cap for all AFA catcher vessels. In order to work together to meet the Council's intent of not exceeding these caps, all nine CV cooperatives agreed to individual coop harvest limits and penalties for all sideboard fisheries, combined with an industry funded and established catch monitoring program (Sea State, Inc.).

The cooperatives agreed to limit their collective members' harvest of each sideboard species to the amount determined by a history-based formula set out in the Intercoop Agreement. The formula includes reserving an amount of each sideboard species necessary to fund bycatch needs of other directed fisheries (example: P. cod bycatch in the Pollock or YFS fisheries).

Making this agreement somewhat difficult was the Council established exempt vessel classification for CVs. The Council established an exemption to the BSAI P cod limit for AFA vessels < 125' LOA whose annual BSAI Pollock landings during 1995-1997 were less than 1700mt and also had made more than 30 deliveries of P. cod during those years. The Council also exempted the Mothership AFA vessels from the BSAI P. cod cap after March 1st. In addition, the Council made an exemption to the GOA groundfish limits for AFA vessels < 125' LOA whose annual BSAI Pollock landings during 1995-1997 were less than 1700mt and also had made more than 40 GOA deliveries of groundfish during those years. The agreement allows the exempt vessels unlimited access to the directed fishery, while constraining them to an acceptable PSC rate.

The Council's exempt recommendation was for an exemption to the directed species, (in this case P. cod), and not an exemption to associated PSC bycatch. To address this problem, the Intercoop Agreement contains language that provides for the AFA exempt vessels to fish the BSAI CV cod directed fishery allowance unconstrained. The agreement also provides for an allocation of PSC to these exempt vessels' coop as long as these vessels PSC rate below the acceptable AFA fleet rate.

PSC Management

Each coop receives PSC cap allocations for its non-exempt vessels proportionate to its related sideboard species allocations. In addition, each coop receives an initial PSC allocation for its exempt vessels. If a coop's exempt vessels' PSC rate remains at or below the predetermined acceptable rate, the coop can receive additional PSC when needed, as determined by the Monitoring Agent (Sea State), in order to continue fishing for BSAI P. cod. This "refreshing of PSC" only applies to the exempt AFA Vessels within a coop. The non-exempt AFA vessels have to live with their initial allocation of PSC.

Monitoring

The agreement acknowledges that timely reported catch data is necessary. Coops are required to provide timely data on sideboard catch and PSC to a monitoring agent. The nine CV coops have agreed to contract with Sea State, Inc. to provide centralized monitoring and reporting. Data sources include the new NMFS Shoreside Logbook Reporting Program, along with the Observer Program information.

An intercoop manager was hired and retained by United Catcher Boats to facilitate intercoop communications and negotiations. Communications between coop managers, Sea State and the intercoop manager were paramount to the success of fleet-wide measures aimed at reducing prohibited species bycatch in both the pollock and cod fisheries.

For example, using information available on the Sea State web site, the coop members were able to determine general trends in fleet bycatch by time and area. Halibut mortality rates were established by Sea State based on in season observer data. Weekly rates were available to coops by area and in aggregate. Overall fleet directed and bycatch amounts were monitored to facilitate transfers, cap utilization and bycatch reduction.

Another example involves coop members' efforts to manage salmon bycatch this fall. During the C/D season Salmon catch rates were reported daily by vessel and area to the intercoop manager. Daily tables were prepared and sent to captains. Sea State and the intercoop manager created weekly "dirty boat lists," based on NMFS information. This reporting effort resulted in lower salmon bycatch rates.

Sea Lion RPAs

Through the Intercoop Agreement, the coops agreed to limit their aggregate annual pollock harvest of its members per season and per area to the percentage of the annual inshore pollock directed fishing allowance. This included incorporating the Council recommended measure that exempts vessels under 99' LOA from the CVOA closures during the fall and winter months.

Penalties

The nine CV coops agreed to establish a penalty clause in the Intercoop Agreement in order to create overharvest disincentives. The penalty for an Inshore Coop member exceeding its pollock allocation amount for area or season is \$500/mt for the pollock "A" season and \$300/mt for the remaining three seasons. For exceeding a BS, AI and GOA P. cod sideboard allocation, the penalty amount is \$1,000/mt. For exceeding all other groundfish sideboard species, the penalty amount is \$300/mt.

For this past year Sea State Inc. determined that none of the CV coop members exceeded their harvest allocations for either directed AFA pollock or sideboard species. Thus there were no penalties assessed.

Transfers

The Intercoop Agreement allows for the facilitation of transfers of pollock allocation and Sideboard limits among members. Upon verification of available cap by Sea State and the approval of transfer by the intercoop manager, sideboard caps of directed and prohibited species were transferred between coops. By allowing transfers, coops managed fleets to improve utilization of target species, reduce bycatch and provide a mechanism by which coops could manage their fleets to comply with the intercoop agreement.