

NORTHERN VICTOR FLEET COOPERATIVE

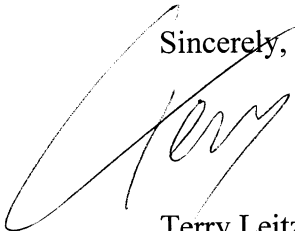
C/O Terry L. Leitzell  
Icicle Seafoods, Inc.  
4019 21<sup>st</sup> Avenue West  
P.O. Box 79003  
Seattle, Washington 98119  
Phone: 206-281-5372  
Fax: 206-281-0329  
e-mail:TerryL@icicleseafoods.com  
January 27, 2006

Mr. Chris Oliver  
Executive Director  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup> Avenue, Suite 306  
Anchorage, AK 99501-2252

Dear Chris:

Enclosed is the final 2005 report from the Northern Victor Fleet Cooperative.

Sincerely,

A handwritten signature in black ink, appearing to read 'Terry', written over the word 'Sincerely,'.

Terry Leitzell  
President



FINAL

NORTHERN VICTOR  
FLEET COOPERATIVE

2005 REPORT TO THE  
NORTH PACIFIC FISHERY MANAGEMENT  
COUNCIL

January 27, 2006

## **I. COOPERATIVE ORGANIZATION.**

### **A. Legal Obligations.**

The Northern Victor Fleet Cooperative was formed on December 20, 1999 with ten member vessels and an Agreement to Process with Icicle Seafoods, Inc., the owner of the P/V NORTHERN VICTOR. The Membership Agreement remains in effect, with thirteen vessels in the Cooperative (previous filings covered the additional vessels). Members are listed in Exhibit A. Icicle Seafoods, Inc. signed the 2005 Agreement to Process effective December 1, 2004. (copy attached).

### **B. Member Obligations.**

In the Membership Agreement, each Member agrees not to exceed its allocation of pollock or its allocation of cap amounts for species in sideboard fisheries. It agrees to base allocations on pro rata catch history that each Member brings to the Cooperative, to recognize exemptions and the authorization for vessels under 99 feet to fish inside the Steller sea lion critical habitat forage area, and to recognize the right of each Member to deliver up to 10% of its annual pollock allocation to a pollock processor other than Icicle Seafoods. Each Member agrees that transfers of allocations between Members are authorized so long as notification is given to the Cooperative President, Icicle Seafoods, the Intercooperative Manager, and Sea State, the monitoring service for the Intercooperative Group.

### **C. Member and Board Meetings.**

The Members met on November 9, 2004, in Seattle and elected the following five directors to serve as the Board of Directors for 2005: John Woodruff and Terry Leitzell of Icicle Seafoods (owner of five trawlers in the Cooperative), Norman Johannessen (an owner of the F/Vs POSEIDON and ROYAL ATLANTIC), Bert Ashley (an owner of the F/V GOLD RUSH), and Mike Stone (representing the owner of the F/Vs NORDIC FURY and PACIFIC FURY). For 2005, the Members approved the extension of and changes to the Intercooperative Agreement, the Intercooperative agreement on allocations of P. cod and halibut PSC, and the two Intercooperative agreements on salmon bycatch reduction.

The Board of Directors met on November 9, 2004. The Board elected the following officers: Terry L. Leitzell as President, Norman Johannessen as Vice President, and John Woodruff as Secretary/Treasurer. The Board selected Terry L. Leitzell as the Cooperative's designated representative, approved the selection of Judy Sisco as the on-board manager and a transition to Aileen Aviles, and approved the retention of Joseph Sullivan as counsel.

**D. Cooperative Operations.**

Prior to each of the A and B Seasons, the President prepared spreadsheets for pollock allocations to each vessel, divided into allocations inside and outside the critical habitat forage area as appropriate, and divided into the A and B Seasons. At various times during the year, the President also prepared spreadsheets allocating the Bering Sea and Aleutian Islands Pacific cod fishery to each vessel and revised both pollock and cod spreadsheets as reserves were released. The President also prepared a spreadsheet allocating to each vessel a cap for halibut PSC in the P. cod fishery.

On board the P/V NORTHERN VICTOR, the on-board manager worked with each of the Member vessels, providing them with information about the allocations and changes of allocations, and about the amount remaining in each vessel's allocations. The manager entered all landings into a spreadsheet that contained each vessel's quota allocation for pollock and cod, each vessel's quota subdivision into inside and outside critical habitat, and the landed pounds for each vessel. The spreadsheet was always available to vessel skippers and was e-mailed to the Cooperative President weekly. The manager also reported all landings to the National Marine Fisheries Service and to Sea State, the Intercooperative Group's monitoring service.

During the year, transfers of pollock allocations and cod cap allocations occurred. At the end of each of the A and B Seasons, the manager, in consultation with the Cooperative President and the Fleet Manager, designated one or two vessels to make the last trip or trips to catch the remaining pollock quota amounts for all Cooperative vessels. This approach ensured that the Cooperative did not exceed its BSAI pollock allocations. All transfers were approved by the President and implemented by the on-board manager.

**II. SIDEBOARD FISHERY CAPS AND CATCHES.**

Tables 2, 3, 4, 5 and 6 provide details on the Cooperative vessels' activity in sideboard fisheries. The reports do not include the F/V Pacific Fury because it transferred its pollock allocation to the F/V Nordic Fury, and because its cod catches are reported through the Mothership Cooperative.

**A. Bering Sea and Aleutian Islands Cod and PSC Halibut and Other PSC Species.**

The Cooperative is a member of the Intercooperative Group which agreed upon the allocation of the AFA vessel P. cod sideboard cap on a cooperative by cooperative basis. Individual vessel catches are in Table 1. The Cooperative's aggregate cod cap allocation and catch by non-exempt vessels is as follows (the Cooperative received cap allocation transfers from other cooperatives in addition to the direct allocation shown):

<b><u>Cooperative cap allocation:</u></b>	<b><i>8,359 metric tons</i></b>
<b><u>Cooperative catch:</u></b>	<b><i>3,866 metric tons</i></b>

As a Member of the Intercooperative Group, the cooperative agreed to apportion the AFA halibut sideboard cap to each cooperative. The Cooperative allocated the halibut cap pro rata to its Member vessels based on cod landings history, and monitored and enforced the cap. Table 3 shows the cod and associated halibut cap allocations for these vessels.

**B. Gulf of Alaska Fisheries.**

Three Cooperative vessels fished in the Gulf of Alaska fisheries at various times during the year: the F/V Excalibur II, F/V Collier Brothers, and the F/V Gold Rush, all of which are GOA-exempt. The vessels' catches are shown in Tables 5 and 6.

**III. PENALTY STRUCTURES.**

The Cooperative's Members recognized the critical importance of strong commitments by each Member to comply with pollock allocations, cod cap allocations, and limits in all sideboard fisheries for pollock in the Gulf of Alaska, non-pollock groundfish in the Bering Sea/Aleutian Islands and the Gulf of Alaska, and crab. The Cooperative took three approaches to ensuring compliance. First, each Member made a specific commitment in the Membership Agreement to comply with all allocations and limits. Second, the practical operation of the Cooperative and the constant availability of up-to-date data on landings minimized the possibility of error. Third, the Members set forfeiture amounts, for any catches that exceed an allocation of quota or a cap amount, of 150% of the ex-vessel value for pollock, \$1,000 per metric ton for P. cod, and \$300 per metric ton for other groundfish. A single penalty action was taken in 2005, involving the F/V COLLIER BROTHERS, which inadvertently exceeded its GOA historical share of GOA pollock in a year in which it leased out some of its AFA Bering Sea pollock.. The Cooperative Members assessed a penalty, but suspended collection due to the good faith actions of the vessel owner.

## EXHIBIT A

### F/V ANITA J

Evening Star, Inc.  
C/O Icicle Seafoods, Inc.  
4019 21<sup>st</sup> Avenue W.  
Seattle, WA 98199  
Attn: Terry Leitzell  
Phone: 206-281-6372  
Fax: 206-281-0329

### F/V COMMODORE

Evening Star, Inc.

### F/V EXCALIBUR II

Excalibur II LLC  
PO Box 2243 Sisters, OR 97759  
Attn: Bill Jacobson  
Phone: 541-549-0296  
Fax: 541-549-0297

### F/V HALF MOON BAY

Evening Star, Inc.

### F/V NORDIC FURY

### F/V PACIFIC FURY

Fury Group, Inc.  
4005 20<sup>th</sup> Ave. W  
Seattle, WA 98199  
Attn: Mike Stone  
Phone: 206-783-3844  
Fax: 206-783-3871

### F/V ROYAL ATLANTIC

Royal Atlantic LLC  
Edmonds, WA  
Attn: Lloyd Johannessen  
Phone: 206-915-4892

### F/V SUNSET BAY

Evening Star, Inc

### F/V COLLIER BROTHERS

9589 SE Birch  
South Beach, OR 97366  
Attn: Jim Schones  
Phone: 541-867-6151  
Fax: 541-867-7073

### F/V GOLD RUSH

F/V Gold Rush Fisheries LLC  
25195 SW Parkway Avenue, Suite 111  
Wilsonville, OR 97070  
Attn: Bert Ashley  
Phone: 503-570-8899  
Fax: 503-570-8896

### F/V MISS BERDIE

Miss Berdie, Inc.  
1483 Old River Road N.E.  
Siletz, OR 97380  
Attn: Stan Schones  
Phone: 541-444-2620  
Fax: 541-444-2620

### F/V POSEIDON

Johannessen enterprises, Inc.  
Edmonds, WA  
Attn: Lloyd Johannessen  
Phone: 206-915-4892

### F/V STORM PETREL

Evening Star, Inc.

2005 TABLE 1									
VESSEL ALLOCATIONS AND CATCHES OF BERING SEA AND ALEUTIAN ISLANDS POLLOCK AND COD IN METRIC TONS									
VESSEL NAME	INITIAL POLLOCK ALLOCATION	POLLOCK CATCH*	TRANS-FERS	COD ALLOCATION	COD CATCH**	TRANS-FERS			
ANITA J	3,562.41	7,904.15	4,341.74	139	586	447			
COLLIER BROTHERS	804.35	256.07	-548.28	0		0			
COMMODORE	8,199.47	7,667.78	-531.68	1,316	135	-1,181			
EXCALIBUR II	3,546.47	3,050.00	-496.48	298	94	-203			
GOLD RUSH	2,785.71	2,641.43	-144.27	910		-910			
HALF MOON BAY	3,552.04	3,870.47	318.43	960	1,044	84			
MISS BERDIE	3,927.40	1,627.72	-2,299.67	420	172	-248			
NORDIC FURY	471.03	857.81	386.78	Mothership Cooperative					
PACIFIC FURY	377.44	0.00	-377.44	Mothership Cooperative					
POSEIDON	8,036.80	8,436.65	399.85	884	258	-625			
ROYAL ATLANTIC	8,539.06	8,836.33	297.28	1,375	384	-991			
STORM PETREL	7,992.80	6,871.89	-1,120.91	1,087	91	-996			
SUNSET BAY	3,288.04	2,589.51	-698.53	971	1,102	131			
TOTALS	55,083.00	54,609.82	-473.18	8,359.00	3,866	-4,493			

\*Transfers within the Cooperative resulted in some vessels catching more or less than their original allocation, with the Cooperative as a whole remaining under its aggregate allocation.



				<b>2005</b>		<b>TABLE 2</b>											
PSC BYCATCH IN BSAI DIRECTED POLLOCK FISHERY(MT OR NUMBER)																	
Vessel	Landed Pollock MT	Landed Cod MT	Total Ground-fish Catch	Halibut Bycatch	Halibut Mortality	Chinook (obs) N	Other Salmon (obs) N	Red King crab N	Bairdi N	Other Tanner N	Herring Wt.						
ANITA J	7,904.15	585.92	8,166.83	0.91	0.79	435	11,436	0	7	14	10						
COLLIER BROTHERS	256.07		265.03	0.04	0.03	25	0	0	0	0	0						
COMMODORE	7,667.78	134.69	7,789.42	1.55	1.35	580	5,073	0	6	11	20						
EXCALIBUR II	3,050.00	94.20	2,926.64	0.42	0.37	99	1,337	0	3	2	5						
GOLD RUSH	2,641.43		2,683.29	0.64	0.55	63	444	0	3	3	9						
HALF MOON BAY	3,870.47	1,043.92	4,099.07	0.35	0.30	123	3,679	0	3	10	7						
MISS BERDIE	1,627.72	172.06	1,651.44	0.13	0.11	81	0	0	1	0	0						
PACIFIC FURY	857.81		860.46	0.17	0.14	13	103	0	0	0	0						
POSEIDON	8,436.65	258.39	8,320.51	0.85	0.74	694	8,898	0	7	19	10						
ROYAL ATLANTIC	8,836.33	384.30	8,926.84	0.75	0.65	210	5,760	0	6	15	10						
STORM PETREL	6,871.89	90.64	6,956.82	0.75	0.65	164	4,588	0	5	16	7						
SUNSET BAY	2,589.51	1,102.16	2,608.37	0.21	0.18	159	4,554	0	3	7	4						
TOTALS	54,609.82	3,866.28	55,254.72	6.77	5.86	2,646	45,872	0	44	96	82						



**2005 TABLE 4**

PSC BYCATCH IN BSAI DIRECTED COD FISHERY (MT OR NUMBER)													
Vessel	Landed Cod RWE	Landed Pollock	Total Groundfish Catch	Hallbut Bycatch	Hallbut Mortality	Chinook (obs) N	Other salmon (obs) N	Chinook N (delivered)	Other salmon N (delivered)	Red King crab N	Bairdi N	Other Tanner N	Herring Wt
ANITA J	585.92	9.11	692.74	19	12	14	0	14	0	0	640	44	0
COLLIER BROS.													
COMMODORE	134.69	1.39	165.20	4	3	0	0	0	0	0	148	20	0
EXCALIBUR II	94.20	11.78	117.91	6	4	0	0	0	0	0	232	32	0
GOLD RUSH													
HALF MOON BAY	1,043.92	12.93	1,938.80	56	37	0	23	0	23	0	4,564	727	0
MISS BERTIE	172.06	0.65	191.43	9	6	0	0	0	0	0	302	45	0
NORDIC FURY													
PACIFIC FURY													
POSEIDON	258.39	2.86	291.14	9	6	0	0	0	0	0	289	20	0
ROYAL ATLANTIC	384.30	0.19	391.55	0	0	0	0	0	0	290	28	0	0
STORM PETREL	90.64	2.63	120.89	3	2	0	0	0	0	0	113	10	0
SUNSET BAY	1,102.16	25.72	1,995.98	59	39	0	83	0	83	0	7,625	1,038	0
TOTALS	3,866.28	67.26	5,905.64	165	109	14	106	14	106	290	13,942	1,935	0







MUNDT MACGREGOR L.L.P.  
A T T O R N E Y S A T L A W

Wm. Paul MacGregor  
J. David Stahl  
Matthew L. Fick  
Joseph M. Sullivan  
E. Thaddeus Lewis  
John H. Chun

999 Third Avenue · Suite 4200  
Seattle, Washington · 98104-4082

Telephone (206) 624-5950  
Facsimile (206) 624-5469  
www.mundtmac.com

R. Shawn Griggs  
Duncan R. McIntosh  
Mark A. Wilner  
Christopher T. Wion

December 15, 2005

Mr. Chris Oliver  
Executive Director  
North Pacific Fishery Management Council  
605 West Fourth, Suite 306  
Anchorage, Alaska 99501-2252

SENT VIA E-MAIL

Re: Northern Victor Fleet Cooperative

Dear Mr. Oliver:

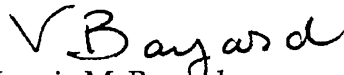
Enclosed please find the following documents related to the above-referenced cooperative:

- Agreement to Process dated as of December 1, 2005; and
- 2006 Certification.

To the best of our knowledge there have been no changes to the Membership Agreement on file with the Council.

Sincerely yours,

MUNDT MacGREGOR L.L.P.

  
Vonnice M. Bayard  
Paralegal

Enclosures

cc: Mr. Terry Leitzell (via e-mail)  
Ms. Sue Salveson (via e-mail)  
Mr. Joseph M. Sullivan (w/encl.)

U:\VMB\COOP5\L OLIVER 2006 2796-001A.DOC





## AGREEMENT TO PROCESS

This AGREEMENT TO PROCESS is entered into as of December 1, 2005, by Icicle Seafoods, Inc., an Alaska corporation ("Icicle"), with reference to the following facts:

A. The American Fisheries Act (the "Act") authorizes the Secretary of Commerce to reserve portions of the Bering Sea/ Aleutian Islands ("BS/ AI") pollock inshore directed fishing allowance for harvesting only by members of qualifying fishery cooperatives.

B. Under the Act, a contract implementing a qualifying fishery cooperative must specify that: (i) other than as permitted under Section 210(b)(6) of the Act, the cooperative's catcher vessels will deliver pollock in the BS/ AI directed pollock fishery only to the processor to which such vessels delivered more pollock than to any other AFA inshore processor in the last year in which the vessels engaged in directed fishing for pollock in the BS/ AI for delivery to the inside sector, and (ii) such processor has agreed to process such pollock.

C. The owners of eighty percent (80%) of the catcher vessels that delivered more pollock to the P/V NORTHERN VICTOR, a processing vessel owned by Evening Star, Inc., a wholly-owned subsidiary of Icicle, in the last year in which the vessels engaged in directed fishing for pollock for delivery to the inside sector have agreed, subject to the provisions of Section 210(b)(6) of the Act and related provisions in the Northern Victor Fleet Cooperative (the "Cooperative") Membership Agreement, to deliver pollock from the BS/ AI directed pollock fishery only to the P/V NORTHERN VICTOR.

D. Icicle is willing to agree to process the BS/ AI directed pollock fishery harvest of the Cooperative's members' vessels, to enable the Cooperative to obtain an allocation of BS/ AI pollock under Section 210 of the Act.

Now, therefore, Icicle hereby agrees to purchase and process pollock harvested in the BS/ AI directed pollock fishery by the Cooperative's members' catcher vessels, on terms and conditions to be agreed upon by and between Icicle and such vessels' owners. Icicle hereby acknowledges and agrees that, pursuant to Section 210(b)(6) of the Act and subject to provisions of the Membership Agreement, such vessels may deliver up to ten percent (10%) of the Cooperative's BS/ AI pollock allocation to qualified shoreside processors other than Icicle.

ICICLE SEAFOODS, INC.

By Amge  
Its DON GILES, PRESIDENT

## NORTHERN VICTOR FLEET COOPERATIVE

### 2006 CERTIFICATION

The undersigned, in his capacity as the authorized representative of the Northern Victor Fleet Cooperative (the "Cooperative"), hereby certifies that the Cooperative's Membership Agreement and Harvest Schedule attached hereto as Exhibit A remain in effect for the year 2006. The undersigned hereby certifies that: i) the Cooperative's Membership Agreement was signed by the owners of at least 80% of the catcher vessels qualified to participate in the Cooperative, and ii) the Membership Agreement requires that the Cooperative deliver at least 90% of its BSAI Pollock catch to its designated AFA processor.

The undersigned further certifies that each vessel listed in the Cooperative's 2006 Application for AFA Inshore Catcher Vessel Cooperative Permit: (i) delivered more pollock to the NORTHERN VICTOR processor than to any other AFA inshore processor in the last year in which the vessel engaged in directed fishing for pollock in the BSAI for delivery to the inshore sector; (ii) is a qualified catcher vessel; (iii) is otherwise eligible to fish for groundfish in the BSAI; (iv) has an AFA catcher vessel permit with an inshore endorsement; and (v) has no permit sanctions or other type of sanctions against it that would prevent it from fishing for groundfish in the BSAI.

Dated effective as of the 1<sup>st</sup> day of December, 2005.

By: \_\_\_\_\_

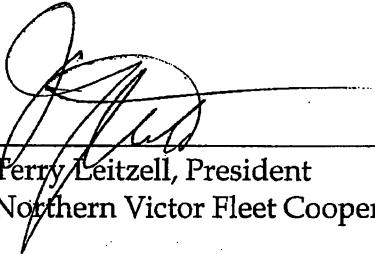
  
Terry Leitzell, President  
Northern Victor Fleet Cooperative

EXHIBIT A

NORTHERN VICTOR FLEET COOPERATIVE

BERING SEA/ ALEUTIAN ISLANDS POLLOCK FISHERY  
2006 HARVEST SCHEDULE

Members and Vessels	Percentage of Cooperative' s Inshore Allocation
F/V ANITA J: Evening Star, Inc. c/o Icicle Seafoods, Inc. 4019 21 <sup>st</sup> Ave. W. Seattle, WA 98199 Attn: Terry L. Leitzell Phone: 206-281-5372 Fax: 206-281-0329	6.47%
F/V COLLIER BROTHERS: James A. Schones Sandra L. Schones	1.46%
F/V COMMODORE: Evening Star, Inc. c/o Icicle Seafoods, Inc. 4019 21 <sup>st</sup> Ave. W. Seattle, WA 98199 Attn: Terry L. Leitzell Phone: 206-281-5372 Fax: 206-281-0329	14.89%
F/V EXCALBUR II: Excalibur II, L.L.C. Post Office Box 69 Kodiak, AK 99615 Attn: William Jacobson Phone: 907-486-0881 Fax: 907-486-0883	6.44%

<p>F/V GOLD RUSH:</p> <p>Golden Tide Inc.  Oregon City, OR  Attn: Bert L. Ashley  Phone: 503-723-6115  Fax: 503-723-0077</p>	<p>5.06%</p>
<p>F/V HALF MOON BAY:</p> <p>Evening Star, Inc.  c/o Icicle Seafoods, Inc.  4019 21<sup>st</sup> Ave. W.  Seattle, WA 98199  Attn: Terry L. Leitzell  Phone: 206-281-5372  Fax: 206-281-0329</p>	<p>6.45%</p>
<p>F/V MISS BERDIE:</p> <p>Miss Berdie, Inc.  1483 Old River Road N.E.  Siletz, OR 97380  Attn: Stanley J. Schones  Phone:  Fax:</p>	<p>7.13%</p>
<p>F/V NORDIC FURY:</p> <p>Fury Group, Inc.  Edmonds, WA  Attn: Stan Hovik  Phone: 425-778-1733  Fax: 425-778-7357</p>	<p>0.86%</p>
<p>F/V PACIFIC FURY:</p> <p>Fury Group, Inc.  Edmonds, WA  Attn: Stan Hovik  Phone: 425-778-1733  Fax: 425-778-7357</p>	<p>0.69%</p>
<p>F/V POSEIDON:</p> <p>Johannessen Enterprises, Inc.  Edmonds, WA  Attn: John Johannessen  Phone: 425-776-2616</p>	<p>14.59%</p>

<p>F/V ROYAL ATLANTIC:          Royal Atlantic L.L.C.          Edmonds, WA          Attn: John Johannessen          Phone: 425-776-2616</p>	<p>15.50%</p>
<p>F/V STORM PETREL:          Evening Star, Inc.          c/o Icicle Seafoods, Inc.          4019 21<sup>st</sup> Ave. W.          Seattle, WA 98199          Attn: Terry L. Leitzell          Phone: 206-281-5372          Fax: 206-281-0329</p>	<p>14.51%</p>
<p>F/V SUNSET BAY:          Evening Star, Inc.          c/o Icicle Seafoods, Inc.          4019 21<sup>st</sup> Ave. W.          Seattle, WA 98199          Attn: Terry L. Leitzell          Phone: 206-281-5372          Fax: 206-281-0329</p>	<p>5.97%</p>
<p>Total</p>	<p>100.02%</p>