

Gulf of Alaska Trawl Electronic Monitoring Incentive Plan and Agreement

NMFS IPA NO. _____

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Overview.....	3
Exhibit A - Gulf of Alaska Trawl Electronic Monitoring Incentive Plan.....	4
Introduction.....	4
Vessel Incentives to Participate in TEM.....	4
Plan Components.....	5
1 GOA Pollock Trip Limits.....	5
2 Maximum Retainable Amounts (MRA).....	6
3 Prohibited Species Catches (PSC).....	7
4 Steller Sea Lion Forage Species.....	7
5 Disclosure of Individual Vessel Performance.....	7
6 Approval for Placement in the Trawl EM Category.....	7
Regulatory Compliance.....	7
Exhibit B - GULF OF ALASKA TRAWL ELECTRONIC MONITORING PROGRAM.....	10
INCENTIVE PLAN AGREEMENT.....	10
RECITALS.....	10
1 Parties to Agreement.....	10
2 Duration of Agreement.....	11
3 Compliance with Agreement Terms.....	11
4 GOA Pollock Trip Limits.....	12
5 Maximum Retention Amounts of Non-Pollock Commercial Species.....	13
6 Prohibited Species Catch.....	13
7 Steller Sea Lion Closed Areas.....	14
8 Suspension or Termination of TEM IPA Rights.....	14
9 Managers.....	14
10 Breach and Damages Determination.....	15
11 Billing and Payments.....	15
12 Holding and Using Funds.....	15
13 Remedies.....	15
14 IPA Representative Contact Information.....	16
15 Notice.....	16
16 Applicable Law.....	16
17 Severability and Savings Clause.....	16
18 Waiver.....	17
19 Successors and Assigns.....	17
20 Complete Agreement.....	17
21 Execution in Counterparts; Electronic Delivery.....	17
LIST OF PARTICIPANTS.....	18
APPENDIX I - ADHERENCE AGREEMENTS.....	19

Overview

Amendment 114 (89 FR 60796, July 29, 2024) to the Fishery Management Plan (FMP) for Groundfish in the Gulf of Alaska (GOA) integrates electronic monitoring (EM) in the pelagic pollock fishery. The Final Rule establishes EM as a monitoring option for catcher vessels while directed fishing for pollock with pelagic trawl gear in the GOA fisheries and the associated tender vessels delivering pollock to shoreside or stationary processors.

While operating on a Trawl EM (TEM) category trip, catcher vessel operators are required to retain all catch with a few minor exceptions (i.e., jellyfish, large sharks), or when the safety and stability of the vessel would be compromised. Unsorted catch is then delivered to an EM tender vessel, or an EM-approved shoreside processor or an EM-approved stationary floating processor where it is monitored by shoreside observers who have access to all catch.

To allow for full retention, vessels on a Trawl EM category trip are exempt from regulations that require vessels to discard at sea. These exemptions include:

- Prohibitions against exceeding Maximum Retainable Amounts (MRA),
- Prohibition against vessels having on board, at any time, 20 or more crabs of any species,
- Requirements to discard species categorized as Prohibited Species Catch (PSC)
- Prohibitions against exceeding the GOA 300,000-pound pollock trip and daily limits.

In order to be approved to participate in the Trawl EM monitoring stratum, all GOA vessels are required to be a party of a Trawl Electronic Monitoring Incentive Plan Agreement (TEM IPA). The goal of the TEM IPA is to limit vessel behavioral changes due to the regulatory exemptions that are necessary to meet the full retention requirement of Trawl EM. The National Marine Fisheries Service (NMFS) Alaska Regional Office (AKRO) must approve the IPA on an annual basis. To be approved, an IPA must meet the regulatory requirements outlined in Amendment 114.

The GOA Trawl EM Incentive Plan described here is designed to provide the incentives necessary to accomplish the goals and objectives of Amendment 114. The plan is implemented through the GOA Trawl EM Incentive Plan Agreement.

Exhibit A - Gulf of Alaska Trawl Electronic Monitoring Incentive Plan

Introduction

Julie Bonney, Executive Director of Alaska Groundfish Data Bank (AGDB), was one of the principal investigators for the pollock trawl EM exempted fishing permit (EFP) authorized by NMFS (2020 – 2024) to evaluate the efficacy of EM systems in lieu of observers for at-sea monitoring of vessels for compliance with fishery management regulations. The EFP required the permit holders to work with NMFS to develop performance metrics to meet the intent of the current GOA pollock trip limit, maximum retainable amounts (MRA) and avoidance of prohibited species catches (PSC) while still meeting the EFP goal of minimizing at-sea discards (maximized retention). Chelsae Radell, Assistant Director of AGDB, managed the vessel performance standards for the EFP from 2022 - 2024. This GOA Trawl Electronic Monitoring Incentive Plan builds upon and formalizes the performance standards that were developed and tested while the GOA pollock trawl fleet operated under the EFP from 2020-2024.

The IPA performance standards framework is intended to build flexible enforcement steps to curtail potential abuse of exemptions. All participating EM vessels are required to surrender the ex-vessel value above the prescribed limits (GOA 300,000 pollock average 4-trip limit, egregious trip limit overages and GOA maximum retainable amounts as published in CFR table 10). Besides abandonment of proceeds from the overages, fines are applied based on the number of offenses for an individual vessel. In many cases the fines are similar in amount and type as suggested in the penalty fee schedules by National Oceanic and Atmospheric Administration (NOAA) Office of Law Enforcement (OLE).

Vessel Incentives to Participate in TEM

The GOA pollock fleet supports EM as a monitoring option. Presently there are 56 GOA trawl catcher vessels that are participating in the pelagic pollock EFP and only five vessels that do not. This is a high level of participation for a voluntary program. The EFP has improved salmon accounting, reduced monitoring costs, improved overall monitoring data for catch accounting and compliance, and allows for maximized retention; all of these are strong incentives for vessels to participate.

At-sea observer coverage salmon accounting is less precise than when vessels are monitored by cameras. When non-EM vessels deliver to tenders, at-sea observer basket samples are collected and then extrapolated out to the haul and then to the trip to determine the salmon bycatch rate for that vessel's monitored trip. This rate, along with other observed trips, is applied to the non-monitored trips. Due to processing capacity limitations and consolidation of the processing sector in the Western Gulf of Alaska (WGOA), tendering is the only viable option for the smaller vessels. This fleet has experienced several pollock fishery closures over the years due to the less precise salmon accounting method using basket samples. For EM and at-sea observer vessel deliveries to shoreside processors, a full census of all salmon delivered for a trip determines the rate which is much more precise and stable (i.e. less extrapolation).

During the EFP, one in three EM trips were monitored by shoreside observers at the shoreside processing plants for salmon census counts. According to the draft 2025 Annual Deployment Plan (ADP), observer sampling priorities for trips in the TEM category have shifted so every TEM trip will have a salmon census count, rather than 33% of trips. This effectively eliminates the extrapolation from monitored to unmonitored trips for all harvest in the TEM category.

Another incentive for EM versus at-sea observers is not having another person on board the vessel due to limited space. Finally, fishermen do not like discarding fish and would prefer to deliver all their catch even when they do not get paid for it. The exemption from the MRA, PSC and trip limits allows vessels to keep what they catch. This IPA provides the needed flexibility to allow for maximized retention but prevents vessels from changing fishing behaviors.

Plan Components

1. GOA Pollock Trip Limits.

The goal of the pollock trip performance standard is to have the vessel be at or below the 300,000-pound trip limit on average. There are three provisions that incentivize this outcome. First, is the egregious trip overage category; if the vessel delivers more than 335,000 pounds of pollock on one trip the vessel must surrender the ex-vessel revenue above the 300,000-pound limit.

Second, is the four-trip average for vessels greater than 60 feet. For these vessels, every four pollock trips are averaged over the course of the year, excluding egregious overages. If the vessel exceeds the 300,000-pound trip limit average then the vessel surrenders the ex-vessel revenue above the cumulative 1.2-million-pound limit (300,000 pounds times four).

Third, is the four-trip average for vessels < 60 ft; the hold capacity of vessels this size automatically guarantees that the four-trip average would be under 300,000 pounds. However, the performance standard must still apply to EM vessels <60 ft and >60 ft in length for the “calendar day” part of the regulatory exemption. This part of the regulation limits landings to no more than 300,000 pounds in a calendar day. Since vessels under 60 ft typically fish close to town and/or deliver primarily to tender vessels, it is possible for them to deliver more than once a day. According to the performance standard, for any calendar day in which there is more than one TEM pollock landing by a <60 ft vessel to a shoreside processor or tender, the total amount of pollock delivered within that calendar day will be calculated. Then, a four-trip average will be calculated by taking the average of that calendar day total with the daily average the next time more than one TEM landing occurs in a calendar day. If the average catch over four consecutive trips on two different calendar days is above 300,000 pounds, the vessel surrenders the ex-vessel revenue above the 300,000-pound limit.

GOA pollock trip limit four trip averages carry over from A season into B season. The IPA Representative sends out reminder emails prior to the start of B season so each vessel understands how many and what trips apply to the average. Offenses from both four trip average overages and egregious overages accrue throughout the year, but restart on an annual basis.

Table 1 shows the GOA pollock trip limit offense and fine schedule. While the metrics (4 trip averages, egregious trip overage for the IPA versus individual trip overages for OLE) are different, the OLE penalties amounts are very similar to the IPA. The first offense in both systems is \$750, second offense is \$1,500, and so on.

Table 1. GOA Pollock Trip Limit Offense and Fine Schedule

Trip Limit Overage Offense	Fine
1 st Overage Offense	Abandonment of proceeds plus \$750 fine
2 nd Overage Offense	Abandonment of proceeds plus \$1,500 fine
3 rd Overage Offense	Abandonment of proceeds plus \$2,000 fine
4 th Overage Offense	Abandonment of proceeds plus \$2,500 fine

Note: The egregious trip overages and average 4-trip overages are additive with a maximum of four offenses allowed. Vessel operators/owners are encouraged to contact project management if they believe an overage was due to unusual circumstances beyond the operator's control.

2. Maximum Retainable Amounts (MRA)

The goal of the MRA performance standards is to prevent vessels from changing their behavior under TEM to harvest other species and increase the ex-vessel value of their trip. The elements of the performance standard include assessing individual vessel behavior compared to others in the fishery, requiring surrender of ex-vessel value above \$250 if an MRA is exceeded, and fines for excessive overages.

MRA Overages will be assessed at the end of A season and again at the end of B season. Overages and offenses are cumulative throughout the year. MRA overages are assessed for all GOA pollock EM trips according to Table 10 (GOA Retainable Percentage) 50 CFR part 679 - Fisheries of the Exclusive Economic Zone off Alaska.

As the IPA representative, we will monitor incidental catch of the pelagic pollock fleet overall by regulatory area (CGOA and WGOA) to determine if incidental catch of a particular species between EM and Non-EM (discarded catch, retained catch) is problematic for all or most fishery participants in that area. If the data shows there is a fishery problem and after consultation with NMFS-Alaska Region staff is in agreement, then EM vessels will only have to forfeit overage proceeds above \$250, but overages for that species will not count towards offenses for fines. For all other MRA overages, when it is not a fishery-wide problem, overages will be counted towards offenses and the fine schedule in Table 2 will apply. It should be noted that OLE interprets an MRA overage as a violation only if it is valued at >\$250. Although NMFS has the authority to charge the vessel with a violation if the amount is valued at <\$250, it is typically not considered worth their time and resources.

Table 2. GOA MRA Overage Offenses

MRA Offense	Proceeds Forfeiture	Additional Damages
1 st and 2 nd Offense	All proceeds for each overage, if they exceed \$250	None
3 rd Offense	All proceeds, if they exceed \$250	\$1,000
4 th Offense	All proceeds, if they exceed \$250	\$1,500
5 th Offense	All proceeds, if they exceed \$250	\$2,000

Note: Vessel operators/owners are encouraged to contact project management if they believe an overage was due to unusual circumstances beyond the operator's control.

3. Prohibited Species Catches (PSC)

The operator of each vessel engaged in directed fisheries for groundfish in the GOA must minimize its catch of prohibited species, and in all cases except salmon, must discard PSC at sea. However, vessels in

the TEM category, must retain all prohibited species catch for sampling and numeration by a shoreside observer at the processing plant. [Table 2b](#) to 50 CFR part 679 lists the Prohibited Species in the Fisheries of the Exclusive Economic Zone off Alaska.

Trawl EM vessels are also exempt from regulations that prohibit vessels from having, at any particular time, 20 or more crabs of any species with a carapace width of more than 1.5 inches at the widest dimension. While the IPA does not include any specific provisions for addressing PSC management and the requirement to minimize catches, the overall fishery management structure includes both a halibut PSC limit by fishery complex and season and a Chinook salmon PSC limit for the Central GOA and Western GOA pollock fishery individually. These limits motivate vessels to limit interactions with these species. Other PSC catches such as Herring and Crab within the GOA pelagic pollock fishery are low. The TEM IPA report to the Council will report PSC catches annually and if there is a concern address the problem in a future TEM IPA amendment.

4. Steller Sea Lion Forage Species

All members of the IPA agree to abide by the pollock closure regulations for the GOA as restated below:

679.22 Closure Areas (b) GOA (2) Sea Lion Protection Areas

(ii) Pollock closures. Directed fishing for pollock by vessels named on a Federal Fisheries Permit under [§ 679.4\(b\)](#) is prohibited within pollock no-fishing zones around selected sites. These sites are listed in [Table 4](#) of this part and are identified by “Gulf of Alaska” in column 2.

5. Disclosure of Individual Vessel Performance

According to the regulations, NMFS will disclose to the public each vessel’s performance under the TEM IPA and any restrictions, penalties, or performance criteria imposed under the TEM IPA by vessel name. This requirement is a strong incentive for vessels to comply with the IPA and will be communicated to IPA TEM members.

6. Approval for Placement in the Trawl EM Category

NMFS may approve a vessel for placement in the trawl EM category based on criteria specified by NMFS in the ADP. Criteria for disapproval may include actions by the vessel leading to data gaps, noncompliance with program elements such as discarding of catch, vessel configuration or fishing practices that cannot provide the necessary camera views to meet data collection goals, failure to follow the trawl EM category VMP, and/or failure to adhere to an incentive plan agreement. The potential for removal is a strong incentive for vessels to comply with the IPA and this approval criteria will be communicated to IPA TEM members.

Regulatory Compliance

Amendment 114 to the GOA Fishery Management Plan exempts vessels from certain regulations to allow for maximum retention and relieves vessels from discard requirements at sea. The TEM IPA addresses each regulatory exemption to assure vessels do not change their fishing behavior due to these exemptions. The sections below provide a description of each IPA component and how it meets the particular requirements required by the regulations.

(i) Restrictions, penalties, or performance criteria that will limit changes in fishing behavior.

The requirement to retain all catch creates operational challenges for vessels which in itself creates disincentives. Vessels are discouraged by their processing partner from delivering deck loads of pollock due to fish quality and in some cases are not paid for the deck load portion of the load or paid a reduced price. When an MRA is exceeded, the vessel uses tanking capacity to store the excess catch that they may not get paid for versus filling that same capacity with their target catch of pollock. The most problematic MRA species, Pacific Ocean Perch (POP), can be extremely challenging since the vessel can accidentally catch large amounts due to the increase in POP biomass and the inability to differentiate between pollock and POP since both species appear identically on net sounders. Mixing rockfish with pollock in the storage tanks is bad practice and in large amounts results in poor quality pollock.

Monetary penalties exist for MRA overages and when the pollock trip limit of more than 300,000 pounds is exceeded by 35,000 pounds in a single trip (egregious trip overage) or if the pollock trip limit is exceeded over the average of four trips. For MRAs, vessels are required to surrender all proceeds above \$250. For pollock trip limits there are two different standards that apply. An egregious trip limit overage, greater than 335,000 pounds, which requires the vessel to surrender proceeds above 300,000 pounds and pay a fine. For other trips, vessels are held accountable where they must be at or below 300,000 pounds over a four trip average. Any amount above the 1.2 million limit for the four trips requires the vessel to surrender the proceeds above that amount and pay a fine. The monetary penalties are shown in Tables 1 and 2. During the EFP these performance standards were tested and it was demonstrated that vessels did not change their fishing behavior.

Amendment 114 and the IPA stipulate that a vessel may not be allowed to participate in trawl EM in future years if they fail to adhere to the IPA agreement; this is also a strong disincentive.

(ii) Incentive measures to discourage catcher vessels from harvesting pollock catch in excess of 300,000 (136 mt) pounds during a fishing trip, on average in the GOA, and an explanation of how the incentive(s) encourage vessel operators to limit harvest in excess of 300,000 (136 mt) pounds of pollock per fishing trip in the GOA.

Restated from section (i) above. Monetary penalties exist when the pollock trip limit of more than 300,000 pounds is exceeded by 35,000 pounds or more in a single trip (egregious trip overage) or if the pollock trip limit is exceeded over the average of four trips. An egregious trip limit overage, greater than 335,000 pounds, requires the vessel to surrender proceeds above 300,000 pounds and pay a fine. For other trips, vessels are held accountable where they must be at or below 300,000 pounds over a four trip average. Any amount above the 1.2 million limit for the four trips requires the vessel to surrender the proceeds above that amount and the vessel also pays a fine. The IPA also includes provisions that discourage vessels from landing more than 300,000 pounds in a calendar day. These provisions are structured similarly to the 4 trip average. The trip averaging performance standard carries over trips between seasons and areas.

The performance standard for the pollock trip limit is a balance of operational challenges and economics of the fishery. Requiring full retention and not including flexibility for vessel operations would not allow vessels to operate under the program. Vessels that pack 300,000 pounds need to come close to the limit to maximize revenues within the fishery, especially since the fishery is operated in a limited access race for fish management structure. Within the non-EM fishing environment, vessels fill up and discard

catches beyond the limit so they have the ability to maximize each trip and fish to the 300,000 pound limit; discarding is not allowed for EM vessels. If the limit was required on a trip by trip delivery then vessels would be forced to fish well below the 300,000 pounds; this would be a significant disincentive to participate in TEM since the economics would not allow a vessel to afford to operate. For example, the vessel cannot do an additional tow to reach the trip limit if the trip limit is applied for each trip. However, this is allowed for non-EM trips since they can discard to get back below the trip limit. There can also be operational challenges that result in excess catches, catch sensors can fail, and blow out panels can fail; in these instances a non-EM vessel would discard to comply with the trip limit which is not available to vessels operating the TEM category. The goal of the performance standard is to create parity between EM and non-EM vessels. Adding the flexibility for EM vessels to average trips strikes the appropriate balance.

(iii) Incentive measures to prevent catcher vessels from exceeding the MRAs established in 679.21 (e) and how the incentives encourage vessel operators to avoid bycatch and avoid exceeding the maximum retainable amounts established in 679.20 (e).

Monetary penalties exist for MRA overages. Vessels are required to surrender all proceeds above \$250, and can be fined for an offense. As the IPA representative, we will monitor incidental catch of the pelagic pollock fleet overall by regulatory area (CGOA and WGOA) to determine if incidental catch of a particular species between EM and Non-EM (discarded catch, retained catch) is problematic for all or most fishery participants in that area. If the data shows there is a fishery problem overall and NMFS Alaska Region staff is in agreement then EM vessels will only have to forfeit overage proceeds above \$250, but overages for that species will not count towards offenses for fines.

(iv) Acknowledgement by the parties that NMFS will disclose to the public their vessels' performance under the TEM IPA by vessel name.

This is discussed in component 5 of the GOA TEM incentive Plan above. We acknowledge the requirement and will educate incentive plan members about this new requirement.

Exhibit B - GULF OF ALASKA TRAWL ELECTRONIC MONITORING PROGRAM INCENTIVE PLAN AGREEMENT

This GULF OF ALASKA TRAWL ELECTRONIC MONITORING PROGRAM INCENTIVE PLAN AGREEMENT is entered into by each of the vessel owners who execute a copy, deliver it to the designated person at Alaska Groundfish Data Bank of Kodiak, Alaska (the “IPA Representative”), and are accepted and approved in accordance with this Agreement and National Marine Fisheries Service (“NMFS”) regulations and guidelines. Each vessel governed by this Agreement and its owner are referred to hereafter as a “Party”, and multiple vessel/owner parties are referred to as “Parties”.

RECITALS

Amendment 114 to the Fishery Management Plan (FMP) for Groundfish in the Gulf of Alaska (GOA) authorizes elective electronic monitoring (“EM”) for catcher vessels conducting directed fishing for pollock with pelagic trawl gear in the Gulf of Alaska (GOA) and associated tender vessels delivering pollock to shoreside or stationary floating processors (the “TEM Program”).

Under the default regulations governing the GOA directed pollock fishery, fishermen are required to comply with 300,000 lb. pollock trip limits, limits on retention of non-pollock commercial species catch and prohibitions on retention of certain “prohibited species” (such as halibut and crab). To do so, fishermen must discard excessive pollock and non-pollock commercial species catch and must discard all prohibited species catch that they are not otherwise permitted or required to retain.

While operating during a TEM category trip, catcher vessel operators are required to retain all catch (with a few minor exceptions) unless the safety and stability of their vessel would be compromised. They must deliver that unsorted catch to EM-equipped tender vessels and/or to authorized shoreside or stationary floating processors, where it is monitored by observers who have access to the entire delivery. The TEM Program maximized retention requirement and delivery restrictions create a chain of custody that supports NMFS reliance on the related catch data for fishery management purposes.

For a GOA pollock catcher vessel to be approved to participate in the Trawl EM monitoring stratum, its owner or operator must be a party to a Trawl EM Incentive Plan Agreement (TEM IPA). The TEM IPA is intended to restrain fishermen from using the regulatory discard exemptions that are necessary to meet the full retention requirement of the TEM Program to circumvent the GOA pollock trip limit or increase their utilization of non-target commercial species (such as rockfish) or prohibited species (such as halibut and crab).

Now, therefore, the Parties agree as follows:

1 Parties to Agreement.

Entering into this Agreement is a conditional privilege, not a right. Becoming a Party to this Agreement is conditioned on (i) a vessel’s owner executing a copy of this Agreement and delivering it to the IPA Representative on or before November 30, 2024; (ii) the vessel/owner Party being approved by the IPA Representative and NMFS, and (iii) this Agreement as executed by the Parties being approved by NMFS. **Each Party’s authorization to operate under TEM program exemptions is conditioned on such Party’s strict compliance with this Agreement.**

2 Duration of Agreement.

This Agreement governs each Party's operations in the 2025 GOA directed pollock fishery on all TEM category trips. It takes effect upon its approval by NMFS and remains in effect through December 31, 2025 (the "Expiration Date"), **provided that** each Party's information release and use authorizations under Section 3.b., below, and payment and performance obligations under Sections 4, 5, 10, 11 and 13, below, with respect to 2025 GOA directed pollock fishery operations will remain in effect after the Expiration Date and until satisfied. **Per TEM program regulations, a Party may not withdraw from this Agreement prior to its Expiration Date.**

3 Compliance with Agreement Terms.

Each Party will fully comply with each and every provision of this Agreement. **Each Party waives and releases any rights to assert the common law defenses of impossibility and/or impracticability, and/or legal defenses under the Uniform Commercial Code, the legal doctrine of *force majeure*, and/or any and all similar defenses that could excuse performance with the terms and conditions of this Agreement.**

a. Agreement Enforcement.

The Managers (as defined in Section 9., below) will have sole authority for determining whether a Party to this Agreement is in breach of its terms, and if so, the damages owed by the Party in breach and/or other obligations that the Party in breach may have under this Agreement. All determinations concerning a Party's compliance with this Agreement will be made by the Managers in their absolute discretion, will be considered accurate absent manifest error, and will be effective upon being delivered to the affected Party's email address.

b. Obligation to Provide and/or Release Information.

Each Party agrees to promptly provide the IPA Representative with any information that the IPA Representative deems relevant for determining whether such Party has complied with or is complying with this Agreement, or necessary or appropriate for providing reports required under the TEM Program regulations and/or voluntary reports to the North Pacific Fishery Management Council. Each Party hereby authorizes the IPA Representative to use all such information as she or he deems necessary or appropriate to fulfill the terms, intent or purposes of this Agreement. Each Party hereby authorizes NMFS, the Alaska Department of Fish and Game and each tender and shoreside processor to which a Party delivers GOA pollock to release any and all such information to the IPA Representative upon request.

c. Information Release Acknowledgment.

Each Party acknowledges that NMFS will disclose to the public their vessel's performance under this Agreement and any restrictions, penalties or performance criteria imposed under this Agreement by vessel name as required by TEM Program regulations.

d. Exemption Interpretation and Application.

Under the TEM Program, Parties are exempted from certain otherwise applicable regulations, referred to in this Agreement as the "default regulations". The exemptions granted under the TEM Program are described below. As a general matter, the conditions that must be satisfied to qualify for each exemption will be interpreted narrowly and each exemption will be literally and strictly applied.

e. Agreement Uniformity.

Under penalty of perjury, the Managers and the IPA Representative hereby declare that, to the best of their knowledge, each Party to this Agreement is subject to the same terms and conditions. No amendment or variance in application or interpretation of this Agreement will be effective unless it applies to all similarly-situated Parties uniformly.

4 GOA Pollock Trip Limits.

A fundamental purpose and intent of this Agreement is to have each Party maintain compliance with the GOA directed pollock 300,000 lb. trip limit on an average basis. The following three provisions are intended to fulfill that purpose and intent. The GOA pollock four-trip averages in Sections 4.b. and 4.c, below, will carry over from A season into B season, but will not carry over from year to year. The IPA Representative will notify each Party regarding their A season carry-over status prior to the start of B season.

a. 335,000 lb. Trip Limit.

A GOA directed pollock trip delivery in excess of 335,000 lbs. is presumed to be willful or grossly negligent. If a Party delivers more than 335,000 lbs. of pollock in connection with any single GOA directed pollock fishing trip, the Party will be liable for paying damages equal to the sum of (i) the ex-vessel revenue from the overage amount, plus (ii) liquidated damages per Table 1, below.

b. 300,000 lb. Average Limit.

For each Party operating a vessel 60 feet or greater in overall length, the IPA Representative will calculate sequential four-trip averages of its GOA pollock deliveries, excluding trips that are covered by 4.a., above. If a Party's four-trip average delivery amount exceeds the 300,000 lb., the Party will be liable for paying damages equal to the sum of (i) the ex-vessel revenue from the delivery amount in excess of the cumulative 1.2 million lb. limit (i.e., 300,000 lbs. times four), plus (ii) the associated liquidated damages per Table 1, below.

c. < 60 ft 300,000 Daily Limit.

For each Party that operates a vessel under 60 feet in overall length, the IPA Representative will calculate the total amount of pollock delivered each calendar day during which the vessel makes more than one TEM pollock landing to a shoreside processor or tender. The IPA Representative will then calculate sequential four-trip averages for each such vessel, using the four consecutive trips from calendar days during which the vessel made more than one TEM landing. If the average aggregate delivery for four consecutive trips during two different calendar days is above 300,000 lbs., the vessel's owner will be liable for paying damages equal to the sum of (i) the ex-vessel revenue from the delivery amount in excess of the cumulative 1.2 million lb. limit (i.e., 300,000 lbs. times four), plus (ii) the associated liquidated damages per Table 1, below.

d. Liquidated Damages.

Table 1, below, is the GOA pollock trip limit breach and damages schedule.

Table 1. GOA Pollock Trip Limit Breach and Damages Schedule.

Trip Limit Overage Breach	Damages
1 st Overage Offense	Overage proceeds plus \$750 damages
2 nd Overage Offense	Overage proceeds plus \$1,500 damages
3 rd Overage Offense	Overage proceeds plus \$2,000 damages
4 th Overage Offense	Overage proceeds plus \$2,500 damages

5 Maximum Retention Amounts of Non-Pollock Commercial Species.

A fundamental purpose and intent of this Agreement is to prevent vessels from using the discard requirement exemption granted under the TEM Program to increase their harvest of non-pollock commercial species during GOA directed pollock fishing trips.

a. Maximum Retention Amounts.

Maximum retention amounts (“MRA”) overages for all GOA pollock TEM Program trips will be determined with reference to Table 10 (GOA Retainable Percentage) at 50 CFR part 679. MRA overages will be assessed after each A season and B season. Overages and offenses are cumulative throughout each fishing year, but do not carry over year to year.

b. Monitoring MRA Compliance.

The IPA representative will analyze incidental catch of the pelagic pollock fleet in each of the Central Gulf of Alaska and Western Gulf of Alaska regulatory areas and compare the fleet’s incidental catches for each MRA species to each individual vessel’s MRA overage(s).

c. Liquidated Damages.

If, after consulting with NMFS-Alaska Region staff, the IPA representative concludes that a Party’s catch rate for any MRA species is not disproportionate to the non-TEM or TEM category’s catch rates, then the Party will be liable for paying all proceeds from catch of such species in excess of the applicable MRA if such proceeds exceed \$250, but will not be subject to additional damages. On the other hand, if, after consulting with NMFS-Alaska Region staff, the IPA representative concludes that a Party’s MRA overage substantially exceeds either the non-TEM or TEM category’s MRA overage proportion for the same species, the Party will be liable for paying an amount equal to the proceeds for all catch in excess of the applicable MRA if such proceeds exceed \$250, and the additional damages amount(s) specified on Table 2, below.

Table 2. GOA MRA Limit Breach and Damages Schedule.

MRA Offense	Proceeds Forfeiture	Additional Damages
1st Offense & 2nd Offense	All proceeds for each overage, if they exceed \$250	None
3rd Offense	All proceeds, if they exceed \$250	\$1,000
4th Offense	All proceeds, if they exceed \$250	\$1,500
5th Offense	All proceeds, if they exceed \$250	\$2,000

6 Prohibited Species Catch.

While operating in the TEM category, each Party will retain all PSC taken during each directed pollock trip and deliver it unsorted and without any discards. Table 2b to 50 CFR part 679 lists the prohibited species subject to this requirement, and it will be used to determine compliance with this Agreement.

7 Steller Sea Lion Closed Areas.

Per 50 CFR 679.7(j)(2)(i)(F), it is unlawful to use a catcher vessel operating in the trawl EM category to deploy trawl gear in an area that is closed, for any reason, to directed fishing for pollock. Without limiting their obligations under that regulation section, each Party will comply with all Steller sea lion area closures provided at 50 CFR 679.22(b)(2)(ii), as the same may be amended from time to time.

8 Suspension or Termination of TEM IPA Rights.

A Party that: (i) fails to comply with any one or more of the 335,000 lb. limit in Section 4.a., above, the four-trip-average limit in Section 4.b., above or the 300,000 lb. calendar day limit in Section 4.c., above, more than four (4) times during a calendar year; (ii) fails to comply with the MRA limits per Section 5, above more than four (4) times during a calendar year or (iii) fails to pay forfeiture amounts, overage amounts or damages when due, may be ineligible to become a Party to the successor to this Agreement during the following fishing year. All decisions regarding whether to accept an applicant as a Party to this Agreement for an extension or renewal of its term will be made by the Managers in their absolute discretion.

9 Managers.

A group composed of not less than four (4) and not more than eight (8) Party representatives and the IPA Representative (together, the “Managers”) will be formed to administer this Agreement. The initial Managers are: Kori Allen, Mike Alfieri, Hunter Berns, Stoian Iankov, Bey Ley and Patrick O’Donnell who will hold office until their successors are selected at a meeting of the Parties called for that purpose. The Managers will establish rules of order for meetings of the Parties and Manager meetings. The Managers will continue to hold office until their successors are appointed, and in the interim the Managers may replace any Manager who resigns or fails to attend Manager meetings. The Managers will select one of their number to be the presiding officer of Manager meetings (the “President”).

a. Authority.

The Managers will: (i) appoint or confirm the IPA Representative; (ii) supervise the IPA Representative, and as necessary, replace the IPA Representative; (iii) adopt and amend the annual budget for the IPA Representative’s services under this Agreement; (iv) interpret this Agreement; (v) establish management procedures that are consistent with the provisions of this Agreement; (vi) resolve disputes concerning this Agreement; (vii) verify, adopt and enforce forfeiture amounts, damages, expenses to be reimbursed and non-monetary remedies for breach; and (viii) recommend Agreement amendments to the Parties.

b. Meeting Notice and Quorum.

The Managers will meet on the call of any Manager. The Manager who calls a Manager meeting will provide the Managers with not less than 24 hour advance notice of the meeting. Notice will be provided by email unless the Managers authorize an alternate method for providing notice. A quorum of two thirds (2/3) of the Managers is required to hold a meeting of the Managers. Meetings may be held by electronic conference.

c. Voting.

Each Manager will have one vote, but the IPA Representative will not be eligible to cast a vote on his or her appointment, removal, replacement, budget or compensation. To take action, Managers holding a majority of the votes entitled to be cast at a meeting at which a quorum is present must vote in the affirmative. The President or the IPA Representative will provide the Parties with timely written notification of all decisions.

10 Breach and Damages Determination.

The IPA Representative will notify the other Managers of each apparent breach of the IPA. Upon receiving notice of an apparent breach from the IPA Representative, the Managers as a group will

evaluate the apparent breach and provide a determination as to whether a breach occurred, and if so, the damages for which the Party in breach is liable and/or the non-monetary remedy or remedies that will be pursued. The Managers will provide a copy of the record supporting the determination to any Party upon request. State and Federal landing reports, observer data, AIS/VMS tracking data, vessel logbooks and plotter data and catch data produced in conformance with NMFS catch and bycatch accounting standards will be presumed accurate and sufficient to determine whether a breach occurred. All decisions by the Managers are final, not subject to rehearing and not appealable.

11 Billing and Payments.

The IPA Representative will invoice each Party who breaches the Agreement for any forfeitures, damages or expenses they may owe as determined under Section 10. Each Party will pay all invoices it receives from the IPA Representative pursuant to section 10, above, in full within thirty (30) days of receipt. Payments will include any amount that is in dispute, and all amounts not paid when due will accrue interest at the rate of one percent (1%) per month simple interest.

12 Holding and Using Funds.

The IPA Representative will hold the funds she or he receives in trust in a bank account that is segregated from all other funds. All such revenues will be applied to cover the cost of creating and amending the IPA agreement and IPA Representative services under the IPA agreement. If the cost of such services for the fishing year exceeds the amount of forfeiture and damages revenue collected for the year, the IPA Representative will inform the Managers accordingly, and the Managers may levy dues as necessary to cover any shortfall. If such revenues exceed the costs of creating and amending the IPA agreement and IPA Representative services under the IPA agreement, the Managers may use the excess balance to cover the cost of forming a qualified fishermen's association to administer this Agreement, and if there are remaining funds after doing so, for such other purposes as determined appropriate by the Managers.

13 Remedies.

a. Limitation on Monetary Damages.

OTHER THAN AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, UNDER NO CIRCUMSTANCES SHALL ANY PARTY, OR ANY OF THEIR SUBSIDIARIES, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SUCCESSORS OR ASSIGNS, BE LIABLE TO ANY OTHER PARTY OR ANY THIRD PARTY FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY INTERRUPTION OF BUSINESS DAMAGES, WHETHER RESULTING FROM BREACH OF CONTRACT OR BREACH OF WARRANTY, EVEN IF THE PARTIES HERETO HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

b. Specific Performance and Equitable Relief.

The Parties agree that monetary damages may not be a sufficient remedy for any breach of this Agreement, and that the alleged harmed Party will be entitled to specific performance and injunctive or other nonmonetary equitable relief as a remedy for such breach, and the Parties waive any requirement for securing or posting of any bond in connection with such remedy.

c. Negotiated Remedies.

The Parties agree that the remedy provisions set forth in this Agreement are mutually negotiated and voluntarily accepted, will survive the termination or completion of the Agreement and will remain in full force and effect until satisfied in full. In addition, the Parties agree that the limitations on remedies set forth in this Agreement apply only to this Agreement, and do not limit remedies provided in any other agreement.

d. Enforcement Costs.

In connection with any legal proceeding related to this Agreement, the non-prevailing party will pay the reasonable costs and fees of the prevailing party. For purposes of this Agreement, “legal proceeding” will include arbitration, administrative, bankruptcy and judicial proceedings, including appeals there from.

14 IPA Representative Contact Information.

The IPA Representative’s contact information is as follows: Chelsae Radell, Alaska Groundfish Data Bank, P.O. Box 788, Kodiak, Alaska 99615, (907) 486-3033 and cradell@alaskagroundfish.org.

15 Notice.

Any notice required by this Agreement is properly given if delivered to a Party by email at the address set forth on the signature block of the Party on the Adherence Agreement it executes to become a Party. A Party may change its email address by providing notice to the IPA Representative and the other Parties.

16 Applicable Law.

The Parties will comply with all applicable federal, state and local laws and regulations, including amendments, as they relate to this Agreement. All written instruments, agreements, specifications and other writing of any nature which relate to or are a part of this Agreement will be construed, for all purposes, solely and exclusively in accordance with and pursuant to the laws of the State of Alaska, without taking into account its conflict of laws jurisprudence, provided that, in the event of a conflict between this Agreement and NMFS regulations as set forth at 50 C.F.R. Part 679, as may be amended from time to time, the regulations shall control. Venue of any action filed to enforce or interpret the provisions of this Agreement will be exclusively in Kodiak, Alaska.

17 Severability and Savings Clause.

If any provision of this Agreement is held to be void, voidable, or unenforceable, that provision will be deemed severed from the Agreement as to the smallest part so held, and the remainder of the Agreement will continue in full effect as if the severed provision had not been included.

18 Waiver.

Any waiver at any time by a Party of its rights with respect to one or more other Parties or with respect to any matter arising in connection with this Agreement will not be considered a waiver with respect to any subsequent matter.

19 Successors and Assigns.

This Agreement will insure to the benefit of, and be binding upon, the Parties and their respective successors-in-interest. No Party may assign their rights or obligations under this Agreement without the prior written consent of the Managers, and, if applicable, the consent of NMFS.

20 Complete Agreement.

This Agreement (including all of its Attachments) sets forth the entire agreement between the Parties on the subject matter of this Agreement and supersedes all prior agreements of the Parties with respect to its subject matter.

21 Execution in Counterparts; Electronic Delivery.

This Agreement will be executed by each Party completing and signing the attached Adherence Agreement, which is incorporated into this Agreement by reference. This Agreement may be executed in counterparts, each of which will be deemed to be an original, and all of which together will constitute one and the same document. Delivery of an executed copy of this Agreement by electronic transmission will have the same effect as delivering an executed original.