SECTOR OPERATIONS PLAN AND AGREEMENT

This NORTHEAST FISHERY SECTOR OPERATIONS PLAN AND AGREEMENT (this "Agreement") is entered into as of December 15, 2009 (the "Effective Date"), by and among Northeast Fishery Sector X ("NEFS X") and each of the Sector members identified on the attached **Exhibit A**.

Recitals

A. Pursuant to "Amendment 16" to the Northeast Multispecies Fishery Management Plan and implementing regulations promulgated by the National Marine Fisheries Service ("NMFS"), a group of persons holding limited access multispecies vessel permits may form self-selecting voluntary sectors for fishery management. As a condition to forming a sector under Amendment 16, the persons wishing to do so must enter into a binding sector operations plan and agreement that contains the required elements.

B. The parties to this Agreement wish to form a self-selecting voluntary sector under Amendment 16, and to do so are entering into this Agreement.

Agreement

Now therefore, for and in consideration of the agreements, covenants, rights and obligations set forth herein and the mutual benefits anticipated by the Members under this Agreement, the receipt and sufficiency of which is hereby acknowledged, the Members and Sector hereby agree as follows:

1. Sector Name. The organization described under this Agreement shall be called the X Northeast Fishery Sector Inc. This is a non-profit organization incorporated in Massachusetts on May 26, 2009 and therefore may be held liable for violations committed by its members.

2. Sector Eligibility and Membership. To be eligible to be a member of the Sector, a person must hold a limited access Northeast multi-species permit and meet all other Sector eligibility requirements established from time to time by the Sector's Board of Directors (the

"Board"). Any person wishing to become a Sector member must submit an application no later than sixty (60) days prior to the annual deadline by which Sector applications must be submitted to NMFS. Sector membership shall be effective upon admission of a member by the Board and acceptance by execution by such member of the Sector's Membership Agreement. Subject to the automatic renewal provisions of Section 12 below, and the disciplinary expulsion provisions of Section 13 below, Sector membership shall expire at the conclusion of each fishing year, unless renewed by the Board in accordance with the Sector's Bylaws and this Agreement. The Sector's members (the "Members"), such Members' "Limited Access Multispecies Permit" (LA MS) as identified by its "Moratorium Rights Identifier" (MRI), and the vessels that will harvest the Sector's Amendment 16 allocations are identified on the attached **Exhibit A** , which may be amended from time to time in accordance with this Agreement and the Sector's Bylaws.

2.1 Rule of Three Requirement: Amendment 16 to the NE multispecies FMP defines a sector as a group of three or more persons, none of whom have an ownership interest in the other two persons in the sector. This criteria has been fulfilled with permit # 210991 under the distinct ownership of Mannix Fisheries Inc., permit # 250523 under the distinct ownership of ZNK Fisheries Inc., and permit # 125743 under the distinct ownership of Ames Fisheries Inc.

3. Member and Vessel Permits. The attached **Exhibit B** is provided in accordance with the requirements of Amendment 16 that all state and federal permits held by Members or assigned to Members' vessels be disclosed in each sector's annual operations plan.

4. Sector Allocation and Exemptions. Each Member shall take all actions and execute all documents necessary to obtain the Sector's Amendment 16 annual catch entitlement ("ACE"). The Sector shall request all universal exemptions granted to sectors under Amendment 16, and any special exemptions the Board deems appropriate. The special exemptions initially requested by the Sector are identified on the "Harvesting Rules" attached hereto as **Exhibit C.**

5. Distribution of Sector ACE. Each Member acknowledges that the Sector's ACE is composed of allocations for each species of Northeast multispecies groundfish allocated by Amendment 16 (each such species being an "Allocated Species"). Subject to the terms and conditions of this Agreement, each Member shall be entitled to harvest or transfer an amount

of the Sector's ACE for each Allocated Species proportionate to the amount of ACE for such species that the Sector receives as a result of such Member's membership in the Sector. The amount of Sector ACE a Member may harvest or transfer, as adjusted by transfers and Sector retainages made in accordance with this Agreement, is referred to hereafter as a Member's "Harvest Share". Each Member may harvest or transfer its Harvest Share only under the terms and conditions of this Agreement and in compliance with the restrictions imposed by the Manager (as defined below), the Enforcement Committee (as defined below) and the Board in accordance with this Agreement. Any other attempted harvest or transfer of a Member's Harvest Share shall be a breach of this Agreement.

6. Sector Manager and Registered Agent. The Board shall from time to time appoint a person to act as the Sector's authorized agent in all NMFS and New England Fishery Management Council matters (the "Manager"), and a person to serve as the registered agent for receiving service of process on behalf of the Sector (the "Registered Agent"). The procedures for appointing the Manager and the Registered Agent shall be as provided in the Sector's Bylaws, as the same may be amended from time to time. The Manager and the Registered Agent may be the same person. The Manager shall be responsible for preparing and filing all reports required of the Sector under Amendment 16 and the related implementing regulations. Jackie Odell will serve as the registered agent for receiving service of process on behalf of the Sector, until another individual is named.

7. Consolidation Plan. The Sector's ACE shall be harvested in accordance with the terms and conditions of this Section 7.

7.1 Harvest Share Reserve. Each Member acknowledges that under NMFS regulations, the Members' aggregate harvest of the Sector's ACE may not exceed the Sector's ACE allocation, as adjusted by transfers of ACE between the Sector and other sectors. Each Member further acknowledges that under NMFS regulations, each Member may be held jointly liable for fines, penalties and forfeitures related to the Sector's ACE being overharvested. Each Member therefore authorizes the Manager to annually establish a reserve of each Allocated Species in the amount the Manager deems necessary to insure the Sector's ACE is not over-

harvested (the "Reserve"). The Reserve for each Allocated Species shall be established by assessing the Members' Harvest Shares for such Allocated Species on a pro rata basis, according to their Harvest Share percentages for each such species. The amount of each Member's Harvest Share available for harvest or transfer shall be net of the amount assessed for the Reserve. The Reserve shall be managed under a "Deemed Value System" ("DVS") by the Manager in accordance with the terms and conditions adopted by the Board from time to time. If the Board requires that Members pay for distributions from the Reserve, the DVS payments received by the Sector shall be distributed to the Members after the close of fishing for the year on a pro rata basis, such that each Member receives a share of the total amount paid for distributions of each Allocated Species from the Reserve proportionate to the amount of such Allocated Species each Member contributed to the Reserve.

7.2 Harvest Share Use. Only Members that notify the Manager in writing on or before December 31, 2009 (the "Notification Date"), and on or before succeeding Notification Dates established by the Board for 2010 and thereafter of their intention to harvest Sector ACE ("Active Members") may harvest Sector ACE. Each Member's notice that such Member intends to harvest Sector ACE shall identify the vessels which will be used for such harvest. Non-active Members shall not harvest Sector ACE, including without limitation, their own Harvest Share. No Active Member shall harvest an amount of Sector ACE in excess of their Harvest Share. Harvest of each Member's Harvest Share shall be subject to all NMFS and other management regulations generally applicable to the Sector's ACE (including but not limited to seasonal apportionments and area harvest restrictions) on a discreet, individual basis; i.e., no greater percentage of each Member's Harvest Share may be harvested in any season or area than the percentage of the related Sector ACE allocation permitted to be harvested in such season or area. The Manager may impose and enforce additional restrictions on each Active Member's harvest of Sector ACE authorized by this Agreement or adopted by the Board.

7.3 Harvest Share Transfer. Subject to the terms and conditions of this Agreement, each Member may transfer some or all of such Member's Harvest Share to one or more other Members on such terms and conditions as the transferor Member and the

transferee Member(s) may agree. No transfer of a Member's Harvest Share shall become effective until the Manager has received actual notice of such transfer. No Member may transfer any portion of such Member's Harvest Share to any person other than another Sector Member unless the Board first authorizes such transfer in writing. Any such transfer shall be subject to such terms and conditions as the Board may adopt from time to time. Without limiting the foregoing, the Sector Board of Directors may condition, review, approve and restrict transfers of Harvest Shares to non-Members as it deems necessary to promote the harvest of the Sector's entire ACE allocation and ensure that the Sector's management and administrative costs can be recouped through reasonable Sector membership fees established by the Board.

7.4 Harvesting Rules and Fishing Plan. The Board may from time to time adopt such restrictions on harvest of the Sector's ACE as the Board deems necessary to ensure the Sector's compliance with Amendment 16 and related implementing regulations (such restrictions referred to hereafter as "Harvesting Rules"). The Harvesting Rules are set forth on **Exhibit C**. Each Active Member shall conduct their harvest of the Sector's ACE in strict compliance with the Harvesting Rules. Each Member shall exercise their best efforts to ensure such Member's Harvest Share is harvested in accordance with the Harvesting Rules. The Manager shall annually develop a Sector fishing plan that promotes harvest of the Sector's ACE in accordance with the Harvesting Rules (the "Fishing Plan"), and shall make the Fishing Plan available to Active Members prior to the commencement of the fishing season.

7.5 Re-direction Of Effort. As of the Effective Date, the Members have not identified any anticipated redirection of fishing effort resulting from Sector formation and operations. The Members anticipate that their level of participation in other federal and state fisheries for which they are licensed to fish will remain consistent with previous levels of participation. Pursuant to the requirements of Amendment 16, the Sector shall report all Member fishing activity known to it as part of its annual report.

7.6 Sector Vessel Interactions with Allocated Species in Non-Amendment 16 Fisheries. NMFS will account for Member harvests of Allocated Species as harvests of the

Sector's ACE, regardless of whether such harvests are made during directed groundfish fishing trips or during other fishing trips, unless the Allocated Species harvest is managed under another management plan or as a sub-component annual catch limit ("ACL") of Amendment 16 Allocated Species. Each Active Member shall report every fishing trip by such Member to the Manager prior to sailing, for determination whether the related Allocated Species harvest must be accounted for to NMFS as harvest of the Sector's ACE.

7.7 Consolidation and Redistribution of ACE: Scientific recommendations and new Magnuson requirements will influence the level of consolidation that will take place in the groundfish fishery. The Sector members intend to utilize sector management to mitigate excessive consolidation that may occur in the effort controlled system where overall management measures are based upon the weakest stocks.

In FY 2009, 77.27% of the permits which are enrolled in the NEFS X Sector for FY 2010 are attached to vessels actively fishing for NE Multispecies. For FY 2010, the NEFS X Sector has 44 permits currently enrolled. Of those 44 permits, 77.27% are anticipated to actively fish for NE multispecies in FY 2010. While these numbers may change, the NEFS X Sector expects that compared to FY 2009 there would be no change from the consolidation rate that previously occurred under the DAS Leasing Program or the consolidation rate that may take place in the common pool in FY 2010. The member permits that are not attached to active NE multispecies vessels in FY 2010 are the same permits that leased out their DAS allocations in FY 2009. In most cases, a member who owns multiple permits fished the DAS allocations of all those permits on a single hull and would now continue to fish the ACE contributed by all those permits on the same single hull, resulting in little additional consolidation.

8. Release of Catch Data. Pursuant to Section 402(b)(1)(F) of the Magnuson-Stevens Fishery Conservation and Management Act, 16 U.S.C. 1881a(b)(1)(F), each Member hereby authorizes the release to the Sector of information regarding the catch of various species of fish associated with such Member's "LA MS" permit(s) submitted to NMFS in compliance with 50 C.F.R. 648.7 and 648.87 that such Member has authority to access. This information includes, but is not limited to, vessel trip reports ("VTR"), dealer reports, and information collected by

the Northeast Fishery Observer Program ("NEFOP"), the Sector Dockside Monitoring Program, and the Sector At-Sea Monitoring Program. This information shall be used exclusively by the Sector for matters pertaining to Sector management, including record retention requirements. Such information shall not be released by the Sector to another entity. When information released to the Sector by NMFS is no longer needed for Sector management, it shall be destroyed or returned to the Member who authorized its release to the Sector, at such Member's election. Upon a Member ceasing to be a Sector member, the foregoing data release authorization shall immediately be null and void.

9. Catch Monitoring and Reporting. Each Active Member shall comply with all catch monitoring and reporting requirements established by the Manager**,** which may include but are not limited to maintaining and filing copies of accurate catch logs, carrying fishery observers, installing and operating electronic vessel and catch monitoring equipment, delivering fish only at pre-approved dockside landing stations at pre-approved times, and completing and filing accurate delivery reports on a timely basis. Without limiting the foregoing, each Active Member shall submit on a timely basis all catch information as required by and necessary for the Manager to complete and file the Sector's weekly reports. Each Active Member's harvest of Sector ACE shall be calculated and tabulated in accordance with the catch accounting measures used by NMFS with respect to the Sector's ACE. Absent manifest error, the catch and delivery information produced by the Manager shall be presumed accurate, and absent manifest error, each Member's obligations under this Agreement and all related documents may be enforced to their fullest extent on the basis of such information.

10. Breach and Remedies for Breach. The benefits associated with Sector membership will only accrue to the Members if each of them strictly complies with this Agreement. Each Member will make significant operational and financial commitments based on this Agreement, and any Member's failure to fulfill any of its obligations under this Agreement could have significant adverse consequences for some or all other Members. Any failure by a Member to fulfill any of its obligations under this Agreement shall constitute a breach of this Agreement. Each Member shall be bound by the procedures set forth in this Section for determining

whether a Member has breached this Agreement. The Sector shall be entitled to the remedies set forth in this Section if a Member is determined by the Sector to have breached this Agreement. Each Member shall take all actions and execute all documents the Manager deems necessary or convenient to give effect to the provisions of this Section.

10.1 Liquidated Damages Schedule and Schedule Amendments. The loss, costs and damages which may be suffered or incurred by Members as the result of any Member harvesting Sector ACE in excess of the amount such Member is authorized to harvest under this Agreement, or otherwise breaching this Agreement, will be difficult to calculate. The loss, costs and damages the Members and the Sector could suffer as the result of a Member harvesting more Sector ACE than its Harvest Share, or otherwise breaching this Agreement, are likely to substantially exceed the market value of the excess harvest. Consequently, the Sector may impose and assess upon any breaching Member the liquidated damages amounts as established under Section 10.3, below.

10.2 Enforcement Committee. Not less than one hundred twenty (120) days prior to each annual Northeast multispecies groundfish season opening date (the "Season Opening Date"), the Manager shall call a meeting of the Board to appoint the Enforcement Committee for the upcoming year, and to address any other matters of Sector business properly before the Board. The Board shall meet for those purposes not less than ninety (90) days prior to the Season Opening Date, and at such meeting shall appoint an Enforcement Committee composed of five (5) persons. If the Board fails to do so, the Manager shall appoint the Enforcement Committee. The Enforcement Committee shall assist the Manager in setting and updating the liquidated damages amounts for breaches of this Agreement and shall hear and decide Members' appeals of the Manager's contract breach determinations and liquidated damages assessments.

10.3 Liquidated Damages Base Value and Multiplier Adoption. Not less than sixty (60) days prior to each annual Season Opening Date, the Manager shall establish the market value of an unprocessed pound of each Allocated Species (each such value being a "Base Value"), and transmit such Base Values to the Enforcement Committee. In establishing

such Base Values, the Manager may take into account both the direct costs and the opportunity costs associated with an over-harvest of the relevant species. Not less than thirty (30) days prior to each annual Season Opening Date, the Enforcement Committee, in consultation with the Manager, shall adopt Base Values and Base Value multipliers, and the liquidated damages amounts for breaches of this Agreement other than over-harvest of a Member's Harvest Share, which shall be based on the Enforcement Committee's estimate of the losses that the Sector and its Members could be expected to suffer as a result of such breaches. Because the damages suffered by one or more other Sector Members as the result of a Member harvesting an amount of Sector ACE in excess of its Harvest Share are likely to substantially exceed the market value of the excess harvest, the Base Value multipliers shall not be less than three (3). Upon the Enforcement Committee's adoption of Base Values and Base Value multipliers, such Base Values and Base Value multipliers will be the basis for calculation of damages for unreconciled Harvest Share overages.

10.4 Liquidated Damages Calculation. The liquidated damages amount for each pound by which a Member's harvest of an Allocated Species exceeds such Member's Harvest Share for such species shall be the relevant Base Value, multiplied by the relevant liquidated damages multiplier. The liquidated damages amounts for breaches of this Agreement, other than over-harvest of a Member's Harvest Share shall be as provided on **Exhibit D**.

10.5 Notice to Vessel Masters; Assumption of Liability. Each vessel harvesting a Member's Harvest Share will be under the day-to-day command of the vessel's master who will to a significant degree have control over whether the vessel is operated in compliance with this Agreement. Each Member shall ensure that the master(s) of the vessel(s) harvesting such Member's Harvest Share are aware of the terms and conditions of this Agreement governing the harvest of such Member's Harvest Share, including without limitation the Harvesting Rules, and shall have confirmed their agreement to abide by such terms in writing. Each Active Member assumes all liability under this Agreement arising out of or related to the actions of the master(s) operating such Active Member's vessel(s).

10.6 Liquidated Damages Security. The Board may require that a Member that has two (2) or more NMFS fishing regulation violations, or which has breached this Agreement or another sector's operations plan on two (2) or more occasions, post a bond or obtain a letter of credit securing such Member's payment and performance obligations under this Agreement in such amounts as the Board deems appropriate, or may require such Member to personally guaranty, and/or have other Members or third parties personally guaranty, such Member's payment and performance obligations under this Agreement.

10.7 Manager Action in Response to Apparent Breach. The Manager shall monitor the Members' compliance with the terms and conditions of this Agreement. If the Manager becomes aware of an apparent breach of this Agreement by a Member, the Manager shall investigate the matter, and if the Manager concludes that a Member has breached this Agreement, the Manager shall notify such Member of the apparent breach and (if such breach is reasonably susceptible of cure) provide such Member with an opportunity to cure the breach. If such Member fails to demonstrate to the Manager, in the Manager's sole and absolute discretion, that no breach occurred, or to cure the breach within the time period directed by the Manager, taking into account the magnitude of the breach and the potential consequences of the breach for the Sector and the other Members, the Manager shall notify the Member in writing that the Manager is referring the alleged breach to the Enforcement Committee, and shall notify the Enforcement Committee in writing of the alleged breach and the proposed liquidated damages. Pursuant to Section 14, below, if during the investigation, notice and cure period described above, the Manager concludes it is necessary for the protection of the interests of the Sector and its Members, the Manager may issue a "Stop Fishing Order" to the Member in apparent breach, and if such Member fails to cause the vessels harvesting its Harvest Share to immediately stop fishing , the sector manager may take any action he/she deems necessary including without limitation, self help or court action which may include the seeking of injunctive relief.

10.8 Member Appeals. A Member receiving notice of an alleged breach and proposed liquidated damages shall have five (5) days from the date that the Member receives

the notice to request an appeal hearing before the Enforcement Committee. If a Member fails to request a hearing within such 5-day appeal period, the Member's right of appeal shall expire, the Member shall be deemed to have breached this Agreement in accordance with the Manager's determination, and the Member shall be obligated to pay the related liquidated damages. If a Member timely requests an appeal hearing, the Manager shall consult with the Enforcement Committee and schedule an Enforcement Committee meeting for that purpose. The Enforcement Committee shall make reasonable efforts to schedule the meeting at a time and place such that the Member requesting the appeal is able to attend, and shall provide the Member with at least thirty (30) days advance written notice of the time and place of the meeting. At such meeting, the Enforcement Committee shall provide the Manager with an opportunity to present evidence of the apparent breach, and shall provide the Member in apparent breach with a reasonable opportunity to rebut such evidence. Per Section 9, above, the catch and delivery data produced by the Manager shall be presumed accurate, and, absent manifest error, each Member's obligations under this Agreement and all related documents may be enforced to their fullest extent on the basis of such data. If the Enforcement Committee determines that a Member breached this Agreement, the Sector shall have the right to collect from such Member the liquidated damages amount provided for such breach under this Agreement.

10.9 Voluntary Compliance. In connection with breaches of this Agreement for which a Member is liable to the Sector or other Sector Members for liquidated damages, the Sector shall provide the breaching Member fifteen (15) days prior notice of its intent to exercise its rights of collection, during which period the Member may propose an alternative method of compensating the Sector and other Sector Members for the damages suffered as the result of such Member's breach. The Enforcement Committee may approve or disapprove any alternative form of compensation in its sole discretion, provided that if the breach at issue is an overharvest of a Member's Harvest Share, there shall be no liquidated damages imposed if the Member in breach obtains sufficient Harvest Share from other Members to offset the overharvest, and tenders conclusive evidence to that effect to the Enforcement Committee. Such Member shall nevertheless remain liable for the costs and fees incurred by the Sector in

connection with the alleged breach, and the Sector shall be entitled to collect such costs and fees if such Member fails to pay the same within ten (10) days of receiving the Sector's demand for payment.

10.10 Liquidated Damages Collection and Related Expenses. If a Member fails to resolve a breach of this Agreement through voluntary compliance measures approved by the Enforcement Committee and performed by such Member on a timely basis, the Member in breach shall pay the liquidated damages amount assessed by the Sector within ten (10) days of the end of the voluntary compliance period described in Section 10.9, above. Liquidated damages amounts not paid when due shall accrue interest at a rate of interest equal to the prime rate of interest announced by Bank of America, or such other bank as the Board may select from time to time, as of the last day of the voluntary compliance period plus twelve percent (12%). If a Member fails to pay the liquidated damages amount assessed by the Enforcement Committee with interest within thirty (30) days of the end of the voluntary compliance period described in Section 10.9, above, the Sector may pursue legal action to collect the liquidated damages. In addition, in connection with Member breaches resulting from an over-harvest of a Member's Harvest Share, the Sector (acting through the Enforcement Committee) may take possession of an amount of the Member in breach's Harvest Share for the overharvested species for the year in which the contract breach occurred and, if necessary, in subsequent years, in a total amount equal to three (3) times the amount of such over-harvest, provided that the amount of a Member's liability to the Sector for over-harvest shall be reduced proportionately to the extent that the Sector does so. In addition to liquidated damages, the Sector shall be entitled to all fees, costs and expenses, including attorney's fees, actually incurred by the Sector in connection with any action to collect liquidated damages from a Member in breach of this Agreement, whether or not the Sector prevails in such action.

10.11 Consequential Damages for Gross Negligence or Willful Misconduct. In addition to the liquidated damages imposed under this Section 10, each Member shall be liable for consequential damages in connection with a breach of this Agreement resulting from the Member's gross negligence or willful misconduct. Each Active Member shall be liable for the

consequential damages arising out of or related to the gross negligence or willful misconduct of the captain operating such Active Member's vessel(s).

10.12 Distribution of Damages. Where a Member's breach causes one or more other Members to harvest less than their Harvest Share, damages awarded to the Sector under this provision shall first be distributed *pro rata* among the Members whose harvest was reduced, with each Member receiving a fraction of such funds, the numerator of which is the amount by which such Member's catch was less than such Member's allocation or apportionment, and the denominator of which is the sum of the aggregate amount of by which all Members' allocations or apportionments were reduced as a result of the breach, up to the amount of loss suffered by each such Member as the result of the breach. Any damages awarded to the Sector in excess of those distributed to other Members under this Section, and any damages awarded in connection with a breach which does not cause any other Member's allocation or apportionment to be reduced, shall be retained by the Sector and applied to the costs of Sector operations.

11. Joint Liability and Indemnification. Each Member acknowledges that the Sector's Members may be held jointly liable for ACE overages, discarding of legal-sized fish and misreporting of catch landings or discards. Further, each Member acknowledges that should a hard total allowable catch ("TAC") allocated to the Sector be exceeded in a given fishing year, the Sector's allocation will be reduced by the overage in the following fishing year, and the Sector, each vessel participating in the Sector and each vessel operator and/or vessel owner participating in the Sector may be charged, as a result of said overages, jointly and severally for civil penalties and permit sanctions pursuant to 15 C.F.R. Part 904, and that if the Sector exceeds its TAC in more than one (1) fishing year, the Sector's ACE may be permanently reduced or the Sector's authorization to operate may be withdrawn.

In consideration of the foregoing, each Active Member agrees to indemnify, defend and hold the Sector and all other Members harmless from and against all liabilities, claims, fines, penalties and forfeitures of any nature whatsoever arising out of or related to any breach of this Agreement related to such Active Member's harvest of Sector ACE, and each Member

agrees to indemnify, defend and hold the Sector and the other Members harmless from and against all liabilities, claims, fines, penalties and forfeitures of any nature whatsoever arising out of or related to such Member's breach of this Agreement. Each Member's indemnification obligation under this Section 11 is separate from and in addition to each Member's liquidated damages and consequential damages obligations under Section 10, above. Each Member authorizes the Board to require that a Member's obligations under this Section 11 be secured by a surety.

12. Membership Termination. No Member may terminate its membership in the Sector other than in accordance with this Section 12. A Member that has agreed to join the Sector prior to the Effective Date may withdraw from Sector membership prior to the Effective Date without penalty or prejudice. Thereafter, only a Member that is not in breach of this Agreement and that has no outstanding Sector performance or payment obligations may terminate its membership in the Sector, and may do so only in compliance with the terms and conditions of this Section 12. Notwithstanding the foregoing, the Board may terminate the membership of a Member in breach of its payment or performance obligations under this Agreement, as the Board deems appropriate in its sole discretion.

Subject to the provisions of this Section 12 regarding withdrawal prior to the Effective Date, above, a Member that is eligible to terminate such Member's Sector membership may do so only by providing written notice to that effect to all other Members on or before July 1, or such date as the Board may from time to time establish for that purpose (the "Termination Date") each year. A Member that fails to provide such notice by the Termination Date shall be deemed to have automatically renewed its Sector membership for the following year, and all other Members shall be entitled to act in reliance on such renewal accordingly. If any Member provides a membership termination notice by the Termination Date, each of the other Members shall have ten (10) days from the date they receive such notice to terminate their membership as well, notwithstanding the Termination Date notice deadline. Termination of membership in the Sector shall be effective as of the final day of the current fishing year.

If a Member is in breach of this Agreement or has outstanding Sector payment or performance obligations as of the Termination Date, unless the Board takes action to terminate such Member's membership, such Member's membership shall be deemed renewed for the following year, notwithstanding any notice of withdrawal such Member may give, and the Sector shall have the authority to file an application for a Sector allocation including such Member as a Member of the Sector. Each Member hereby grants the Sector a power-of-attorney, coupled with an interest, for such purposes, and authorizes each of the Sector's officers to take any and all actions and execute any and all documents necessary or convenient to give effect to this provision.

Termination of membership shall not relieve a person or entity of any obligations under this Agreement related to the period during which such person or entity was a Member, including but not limited to liquidated damages obligations for breach of this Agreement, consequential damages obligations for breaches resulting from acts of gross negligence or willful misconduct, or indemnification obligations related to such person or entity's actions as a Member.

13. Expulsion. A Member may be expelled from the Sector at any time for: (i) a knowing, willful breach of this Agreement; (ii) any alleged breach of this Agreement that is either not appealed pursuant to Section 10.8, or is upheld by the Enforcement Committee after being appealed, and which such Member fails to cure through voluntary compliance approved by the Enforcement Committee pursuant to Section 10.9, or by paying liquidated damages in accordance with Section 10.10; (iii) perpetrating a fishery regulation violation that exposes Sector Members to joint liability for such violation. A Member shall be immediately and automatically expelled from the Sector if such Member ceases to be eligible to participate in the Sector or if such Member engages in conduct that exposes the Sector or other Sector Members to antitrust or unfair trade practice liability. As of the date of expulsion, the expelled Member shall lose all rights to harvest any portion of the Sector's ACE unless the expelled Member is re-admitted. Expulsion shall not relieve a Member of the obligation to pay fees that were levied prior to the date of expulsion, or to pay liquidated damages and costs and fees related to an action or omission by the expelled Member that preceded the date of expulsion.

The Sector shall notify NMFS immediately upon a Sector Member's expulsion; by electronic email, followed by posted mail.

14. Stop Fishing Order; Injunctive Relief. Sector members may be held jointly and severally liable if (a) a Sector exceeds its ACE, (b) a Sector member discards legal-sized fish, or (c) a Sector member misreports landings or discards. If a Sector exceeds its ACE in a given fishing year, the Sector's allocation may be reduced by the overage in the following fishing year, and the Sector, each vessel, and vessel operator and/or vessel owner participating in the Sector may be jointly and severally liable for civil penalties and permit sanctions pursuant to 15 C.F.R. Part 904 in connection with such overage. In addition, if a Sector exceeds its ACE in more than one (1) fishing year, NMFS may permanently reduce the Sector's ACE or withdraw the Sector's authorization to operate.

The Sector will exceed its ACE only if one or more members overharvest their Harvest Share, as (subject to the provisions of Section 7.1, above) the Sector's ACE is fully distributed to the Members as their Harvest Shares. A Member's overharvest of its Harvest Share would be a breach of this Agreement for which a Member would be liable for damages. Because each incident of ACE overharvest would constitute a separate violation of the Amendment 16 regulations, and because each such incident would be treated as a prior violation by NMFS for purposes of determining appropriate fines, penalties and forfeitures in connection with a subsequent violation, the damages suffered by the Sector as a result of an overharvest by one or more Members that resulted in the Sector overharvesting its ACE would be consequential and irreparable.

In consideration of these circumstances, and in consideration for the Sector waiving its right to require each Member to obtain a security bond or pledge collateral to secure its obligation to the Sector to limit its harvest of Sector ACE to such Member's Harvest Share, which consideration each Member agrees it has received and is sufficient, the Members hereby agree as follows.

14.1 The Sector, acting through the Manager, has the authority to issue to any Member that the Manager determines is in breach a Stop Fishing Order, and upon such

issuance, such Member shall immediately cause all vessels harvesting its Harvest Share to cease doing so, and such Member shall not permit the vessels harvesting its Harvest Share to resume doing so unless and until the Manager rescinds the Stop Fishing Order. Each Member hereby releases the Sector, all other Members and the Manager from any and all liability of any nature whatsoever, including but not limited to both contractual and tort liability, for any direct or indirect, incidental or consequential losses or damages that a Member may suffer as a result of complying with a Stop Fishing Order.

14.2 If any vessel(s) harvesting a Members' Harvest Share does not immediately comply with a Stop Fishing Order in accordance with its terms, the Sector may exercise remedies of self help and take any and all other action as the Sector determines necessary to enforce the Stop Fishing Order and this Agreement, including injunctive relief. In seeking injunctive relief , the Sector Manager's burden of proof (if any) shall be satisfied by A.) production of a copy of the Stop Fishing Order and B.) evidence that the vessel continued to fish thereafter.

The Member shall be liable to the Sector for all losses, costs, damages, fees and expenses incurred by the Sector in connection with enforcement, including but not limited to, the costs of obtaining any bond the Sector may be required to post, whether or not the Sector prevails.

15. Permit Transfer/Sale. No Member may transfer such Member's "LA MS" permit or "MRI" permit to a person who is not an Member unless such person assumes all of the transferring Member's obligations under this Agreement as of the effective date of such transfer. A person other than a Member who receives a Member's "LA MS" permit or "MRI" permit from a Member in accordance with this Section 15 (a "Transferee") shall only be eligible to participate in the Sector for the balance of the fishing year during which the transfer occurs, and thereafter may only remain a Sector Member if such Transferee applies for and is admitted to Sector membership in accordance with Section 2, above

16. Release and Waiver of All Claims Against Sector Manager; Indemnification and Hold Harmless. Each Member acknowledges that the effectiveness of this Agreement depends on the Manager exercising reasonable independent business judgment in good faith in reviewing

and approving or disapproving Members' fishing plans, monitoring harvest of the Sector's ACE, and enforcing the terms and conditions of this Agreement. Each Member hereby waives and releases any and all claims against the Manager arising out of or relating to Manager's performance under this Agreement, other than those arising solely from the gross negligence or willful misconduct by the Manager, as conclusively determined by a court of final and competent jurisdiction. The Sector and the Members agree to jointly and severally indemnify, defend and hold the Manager harmless from and against any third party claims, damages, fines, penalties and liabilities of any kind whatsoever asserted against the Manager in connection with the Manager's performance under this Agreement, other than those arising out of gross negligence or willful misconduct by the Manager.

17. Sector Membership Fees. At least thirty (30) days prior to the Effective Date, and at least thirty (30) days prior to each annual Termination Date thereafter, the Board shall notify the Members in writing of the amount of Sector membership fees that the Board has adopted for the upcoming year of Sector operations.

18. Binding Arbitration. Each Member and the Sector agree to exercise their best good faith commercially reasonable efforts to resolve any disputes arising under this Agreement through direct negotiations. Breaches of this Agreement which are not resolved through direct negotiation shall be submitted to binding arbitration upon the request of any party at interest. Any person nominated as an arbitrator hereunder by any person shall be a person of mature, sound and reasonable business judgment and experience and either have (a) held a federal fishing master license for at least ten (10) years, or (b) been an attorney at law practicing in the area of fisheries for at least ten (10) years.

The party's written request for arbitration shall include the name of the arbitrator selected by the party requesting arbitration. The respondent party shall 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 jointly 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. Any arbitrator must have no material ties to the Sector or any Member. 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 his, her or their sole discretion. All costs of arbitration shall be borne by the party requesting the same. Each party shall bear its own costs of preparation and presentation, unless, in the case of the Sector, the Board determines to assess such costs to the applicable Member, which costs shall be immediately due and payable. In no event will arbitration be available pursuant to this paragraph 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 an applicable statute of limitations.

The final decision of the Arbitrators shall not be subject to review or appeal by any other person, including any court, with the exception of NMFS in its oversight role for the purposes of statutory and regulatory compliance and consistency. Any right to any such appeal is hereby irrevocably waived and relinquished. Such final decision shall bind the parties and shall not require any further action of enforcement or collection once docketed with the records of the Sector. In breach by any Member of performance thereof, the Manager may *sua* sponte and without any notice or hearing issue a Stop Fishing Order or an Order of Expulsion respecting such Member in breach.

The Sector shall, without limiting the foregoing rights and procedure, also have the right to enforce any decision against any Member in breach by an action for specific performance, declaratory relief, *lis pendens* or any other action in a court of law having jurisdiction of the parties, it being understood and agreed that the Federal court for the District of Massachusetts and the Massachusetts Superior Court for the County where the registered office of the Sector is located shall be deemed to have such jurisdiction

19. Amendment and Incorporation by Reference. The Exhibits hereto and the collateral documents referred to herein are and shall all be as the same may be amended from time to

time. Any amendments thereto or hereto which are approved by the Board shall, as a condition of further membership of any Member in the Sector be deemed without any requirement of acceptance, consent or execution by any such Member to have been adopted, ratified and confirmed by such Member.

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EXHIBIT A

Sector Membership Fishing Year 2010 (May 1, 2010 to April 30, 2011)

SECTOR MEMBERS: The following table identifies The NEFS X Members:

Owner/Entity	Permit #	MRI #	Vessel Name
Mannix Fisheries Inc.	210991	19	Lady Jane
Paul S. Unangst	223496	26	Destiny
Ronald G. Borjeson	230003	103	Angenette
Kevin R. Shea	230228	135	Endeavor
Edward Barrett	230855	182	Sirius
William H. Amaru	230926	183	Joanne A III
Philip M. Lynch	240033	211	Mona Elizabeth
William H. Amaru	150922	213	Wood Flat Boat
Philip M. Lynch	210110	216	Kathy Elizabeth
Timothy Barrett	240194	313	Odessa
ZNK Fisheries Inc.	250523	374	Zachary Nicholas
John M. Shea	150849	380	Yankee Rose
Stephen Welch	250467	397	Holly & Abby
Ronald Gustafson	240468	398	Cheryl Ann
Stephen Welch	136990	406	Abby & Holly
Christopher W. King	310231	475	Donna Marie
Thomas J. Bell	150538	482	Five Girls
Christopher W. King	310175	484	Blue Skies
Boat Kathleen A. Mirarchi Inc.	149951	491	Barbara L. Peters
Stephen Welch	150642	642	Stur
Peter Krzyzewski	148859	1226	Drifter
Timothy F. Seaver	223371	1227	Shannon Rose
Robert James Roche	232093	1262	Sarah C
Thomas J. Bell	250541	1444	Michael Brandon
Michael Duane	231809	1473	Cygnet
Timothy Caldwell	125520	1537	C.W. Griswald
Shannon Fisheries Co.	222158	1624	Sorry Charlie
Stephen Welch	149568	1637	Leslie
Ames Fisheries Inc.	125743	1669	Brenna Ashley
Michael D Pratt	126120	1768	Sea-Venture
Donald N. Herbet Jr.	212120	1796	Marianna

Owner/Entity	Permit #	MRI #	Vessel Name
Timothy Caldwell	230273	1831	Kyley Lauren
Edward Barrett	210396	1847	Phoenix
Philip M. Lynch	250525	1851	Mary Elizabeth
Henry S. & Joyce Anne McCarthy	241088	1917	Last Chance
Survival Fishing Co.	220437	1964	Survival
John J. Good	230178	1986	Alosa
Michael Kevin Inc	212513	2029	Michael Kevin Inc
Phillip Brazao	223338	2090	Sarah Ann
Philip M. Lynch	251005	2166	Paula Lyn
John Hunt Jr.	128572	2189	Silver Rose
Stephen Welch	150742	2362	Skimmer
Michael Kevin Inc	113909	47808	Kevin Michael
Thomas J. Bell	147567	47900	Already Gone

ACTIVE MEMBERS: The following table identifies the Vessels that are authorized to harvest Sector ACE:

Owner/Entity	Vessel Name	Doc/Reg #
Mannix Fisheries Inc.	Lady Jane	652109
Paul S. Unangst	Destiny	1092974
Ronald G. Borjeson	Angenette	250536
Kevin R. Shea	Endeavor	557094
William H. Amaru	Joanne A III	655451
Timothy Barrett	Odessa	554354
ZNK Fisheries Inc.	Zachary Nicholas	625470
John M. Shea	Yankee Rose	MS7319AU
Stephen Welch	Holly & Abby	590567
Ronald Gustafson	Cheryl Ann	610571
Stephen Welch	Abby & Holly	MS4985AU
Christopher W. King	Donna Marie	518804
Boat Kathleen A. Mirarchi Inc.	Barbara L. Peters	MS7878AL
Peter Krzyzewski	Drifter	1149703
Timothy F. Seaver	Shannon Rose	1050793
Thomas J. Bell	Michael Brandon	626829
Michael Duane	Cygnet	947819
Timothy Caldwell	C.W. Griswald	ME 0780T
Shannon Fisheries Co.	Sorry Charlie	963285
Stephen Welch	Leslie	MS8502AT
Ames Fisheries Inc.	Brenna Ashley	951658
Michael D Pratt	Sea-Venture	MS7243ZB
Donald N. Herbet Jr.	Marianna	608201
Timothy Caldwell	Kyley Lauren	550822
Edward Barrett	Phoenix	605288
Philip M. Lynch	Mary Elizabeth	624744
Henry S. & Joyce Anne McCarthy	Last Chance	620185
Survival Fishing Co.	Survival	600104
John J. Good	Alosa	558858
Michael Kevin Inc	Michael Kevin Inc	946697
Phillip Brazao	Sarah Ann	1048917
Philip M. Lynch	Paula Lyn	943258
John Hunt Jr.	Silver Rose	MS7498JH

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EXHIBIT B

Sector Member and Vessel Permits Amendment 16 Disclosure Requirements Fishing Year 2010 (May 1, 2010 to April 30, 2011)

The following table represents those Limited Access Multispecies Permits held by Sector Members that were not signed into a Sector:

All permits eligible to be entered into a Sector by these Members have been, as of the date of this submission.

Additional Information on federal and state permits associated with Sector Vessels and Sector Members can be located at TAB 7.

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EXHIBIT C

HARVESTING RULES

Fishing Year 2010 (May 1, 2010 to April 30, 2011)

The Members and the Participating Vessels of **Northeast Fishery Sector X** *agree to be legally bound to follow the Harvesting Rules for the Fishing Year 2010 as described herein, in accordance with all provisions of the Sectors Operations Plans and Agreement (herein "Agreement"), notwithstanding those rules and regulations applicable to the common pool Multispecies vessels.*

Members and the Participating Vessels of NEFS X will primarily fish in the Gulf of Maine and Georges Bank though a limited amount fishing may also take place within southern New England.

ANNUAL CATCH ENTITLEMENT: (as determined by NMFS)

GOM Cod	GB Cod	GOM Haddock	GB Haddock	CC/GOM Yellowtail Flounder	GB Yellowtail Flounder:	SNE/MA Yellowtail Flounder
	Eastern:		Eastern:			
	Western:		Western:			
Pollock	Redfish	White Hake	American Plaice	GOM Winter Flounder	GB Winter Flounder	Witch Flounder

1. ANNUAL CATCH ENTITLEMENT: The members agree that they will not collectively harvest more than the Sector ACE, as adjusted by transfers, for any allocated groundfish stocks. Furthermore, the members agree that once an annual ACE is reached no member will fish commercially with any fishing gear capable of catching any of the allocated groundfish stocks or other species managed under plan within the applicable area(s). The Sector members may resume fishing activities if additional ACE is secured through inter-sector ACE transfer.

2. QUOTA MANAGEMENT: Sector vessels, the dealers to which they are delivering fish and dockside monitors will use a PC based software for collecting data, reporting catch, landings and discards, and reporting catch area information for logbook and stock attribution purposes. The Sector will utilize a quota release program that sets forth overall sector quota (ACE) release targets by species and individual member Harvest Share targets as they relate to the

Sector targets. Interim and annual targets will be considered in the development of the Sector's Fishing Plan. The Sector Manager will monitor the trajectories to interim and annual targets for the Sectors ACE's as well as for the individual members Harvest Shares. The Sector expects to utilize ACE transfers to balance the Sector's ACE during the fishing year to prevent exceeding Sector ACE and to assist Members Harvest Share management.

3. RESERVE: For each stock held by the Sector, the quota release program will utilize an initial target trajectory that is not to exceed 90% of the current quota held by the Sector as adjusted by ACE transfers. The remaining 10% is the minimum aggregate total of the RESERVE buffer system. The Sector, through their Board, may alter the RESERVE holdback percentages for any or all stocks held by the Sector to prevent under harvest of the Sector's ACE.

4. SLOWING CATCH: The quota release program will incorporate a list of thresholds for both Sector ACE and member Harvest Shares, for the purposes of alerting the Sector Manager and members. Thresholds to "Slow Catch", "Initiate Trading" and "Cease Fishing" will be incorporated into the Sector quota monitoring system. Members Harvest Shares are net from the Reserve. Therefore, Harvest Shares trajectories will be set to the Harvest Share. Once 90% of any Sector ACE is attained, slowing mechanisms such as tiered landing limits that apply differential counting of quota or service fees to each tier in excess of agreed landing limits may be utilized. When such slowing mechanisms are triggered or at any time during the fishing year, the Board may direct the Sector Manager to seek additional ACE through an ACE transfer with other sectors.

5. FULL RETENTION OF LEGAL SIZED FISH: All legal sized fish of allocated stocks harvested during the fishing operations must be retained and counted against the Sector's ACE allocation.

6. DAYS AT SEA: Each participating permit and participating vessel will be allocated Days-At-Sea (DAS) by the Regional Administrator. Sector Member permits will not be subject to the DAS reduction proposed in Amendment 16 for common pool vessels. Members will be required to use an "A", "B Regular" or "B Reserve" DAS when conducting fishing operations that are not exempted from DAS usage, for example, when fishing under a Monkfish DAS.

7. STOCK AREA DECLARATION: Prior to leaving port, sector vessels will declare one or more than one of the four stock delineation areas NMFS has proposed for Amendment 16.

8. START TRIP NOTICE: Sector vessels will copy the Sector Manager on all trip start messages required through the Dockside Monitoring Program.

9. VESSELS FISHING MULITPLE STOCK AREAS: If a vessel declares into multiple stock areas the vessel will complete a catch report each time the vessel changes areas.

10. <u>FISHING IN US/CA AREAS</u>: When fishing in the US/CA area, a sector vessel that fishes in more than one US/CA area or more than one of the four stock areas will complete a catch report each time the vessel changes areas. Sector vessels will track their Eastern US/CA sub-ACE for Cod and Haddock separately while fishing in the Eastern Area. Sector vessels may fish in all US/CA areas as well as Open areas in the same trip. The vessel will declare the stock areas (of the Four A16 reporting areas) intended to be fished prior to starting a trip.

11. <u>CLOSED AREAS</u>: Participating vessels may fish in closed areas to the extent authorized by NMFS.

12. <u>CATCH REPORTS</u>: All Active Member vessels fishing groundfish will be required to submit complete catch records to the Sector Manager electronically via VMS email or other electronic means prior to entering port to End a Trip. Catch reports will include, at a minimum, all data elements of fully compliant VTR logbook record/s and the Dockside Monitoring Program. The Sector Manager may modify, at his/her discretion, the frequency of reporting transmissions to meet programmatic (SAP) or internal quota management requirements. In the event a Member vessel is unable to submit his catch records electronically, the Member, will have no more than twenty-four (24) hours to provide such reports to the Sector Manager, upon completion of vessel offload.

13. <u>VESSEL LOGBOOKS (VTRs/e-VTR)</u>: All sector members will comply with applicable reporting requirements including submission of Vessel Trip Reports (VTRs). If Electronic Vessel Trip Reports (e-VTRs) are approved by the Regional Administrator, Sector Members will submit e-VTRs in the format required by the FSO and NERO. Sector Members will execute all documents necessary to meet legal requirements for the purpose of facilitating e-VTR service.

14. <u>WEEKLY REPORTS</u>: The Sector Manager will submit Weekly Sector Reports of all landings and discards by sector vessels, to NMFS, as required. The Sector will submit required reports using the format and procedures prescribed by NMFS. The Sector will continue to work with NMFS to improve the weekly reporting system and requirements.

14.1 **REPORTING THRESHOLDS THAT TRIGGER DAILY REPORTING**: The Sector Manager will begin reporting daily, to NMFS, when either 80% of any of the Sector ACEs is reached, or when, for two consecutive weekly reporting periods 20% or more of the remaining portion of any ACE is harvested, whichever occurs first.

An alternative threshold for increasing reporting frequency may be implemented during FY 2010 if agreed upon by the sector and NMFS.

15. <u>ANNUAL REPORT</u>: Within sixty (60) days of the end of the fishing year the Sector Manager will submit an annual report to NMFS and the Council that summarizes: fishing activities of Members, including harvest levels of all species by sector vessels (landings and discards by gear types); enforcement actions; and any other relevant information required to evaluate the performance of the Sector. In addition, the Annual Report will report the number of sector vessels that fished for regulated groundfish and their permit numbers (when such disclosure does not violate protection of confidentiality); number of vessels that fished for other species; method used to estimate discards; landing port used by sector vessels while landing groundfish; and any other additional information requested by the Regional Administrator for inclusion in the Annual Report. The sector will submit required reports using the format and procedure prescribed by NMFS.

16. <u>DATA RECONCILIATION</u>: The Sector Manager will verify that Dealer and Dockside Monitor (if the trip is monitored) are consistent. The Sector will receive the data electronically to expedite and automate data reconciliation. If a discrepancy is detected, the Sector Manager will notify the DM vendor and the Dealer of the discrepancy and will note discrepancies on the weekly report until resolved. For the purpose of monitoring Sector ACE and preventing ACE overages, the Sector Manager will consider the higher value(s) of landings from each report (Dealer Weigh Out Slip and DSM) until the discrepancy is reconciled. The Sector Manager will work with the DSM and Dealer and keep a reconciliation record and/or document signed by the dealer and the DSM vendor once reconciled.

17. <u>STOCK ATTRIBUTION</u>: The Sector Manager will utilize landings information from each trip and apply logbook area information to calculate stock attribution ratios for all applicable species.

18. <u>DISCARD RATES AND IN-SEASON DISCARD ESTIMATES</u>: The Sector will commence FY 2010 with discard rates provided by NMFS and will apply in-season discard rates as provided by NMFS.

19. <u>ADMINISTRATIVE EXEMPTION</u>: In order to facilitate electronic data transmission from the sector's vessels to a data collection and distribution web portal, an administrative exemption

may or may not be required to allow the server to relay catch reports and logbook data on behalf of sector member vessels.

20. <u>DATA MANAGEMENT</u>: The sector vessels will be transmitting catch data electronically via the email messaging component of their VMS units. All data necessary for sector ACE management, including all elements of VTR logbook and daily / weekly reporting requirements will be sent in compressed formats to minimize characters and maximize message capacity. Notwithstanding reporting requirements that cannot be altered by a sectors operations plan, the **<u>Sector's server</u>** will be capable of collecting, storing, converting and relay all data elements necessary to meet all reporting requirements in the formats required by the recipients

21. <u>PROOF OF SECTOR MEMBERSHIP</u>: Upon approval of the Sector, each sector vessel will be issued a Letter of Authorization ("LOA"). Each Member agrees that its sector vessels shall maintain the LOA on-board at all times while fishing for groundfish, as well as a copy of the Sector Agreement and Harvesting Rules. Furthermore, Members acknowledge that the Vessels must comply with all applicable Federal regulations not specifically exempted in the LOA.

22. <u>SECTOR SPECIFIC EXEMPTIONS</u>: In addition to the Universal Exemptions granted to all Sectors, as referenced in §4.0 of the Agreement, Members agree to abide by the following obligations, as Authorized in their LOA, in order to utilize these Sector Specific Exemptions:

> **22.1 <u>ADMINISTRATIVE EXEMPTION</u>:** In order to facilitate electronic data transmission from the Sector's vessels to a data collection and distribution web portal, an administrative exemption may or may not be required to allow the server to relay catch reports and logbook data on behalf of sector member vessels.

23. <u>DOCKSIDE MONITORING PROGRAM</u>: The Sector plans on working collaboratively with certified Dockside Monitoring Provider(s) ("Provider") to ensure that implementation of the dockside monitoring program adheres to applicable Dockside Monitoring Standards as well as any internal needs that the Sector deems necessary. The sector will contract with a NMFS approved provider from the following list to provide dockside monitoring for the 2010 fishing year. For any at-sea monitoring service that may be needed for various purposes including reduced notice times for the NEFOP or NMFS at sea monitoring programs, the sector will secure a service arrangement with one or more of the certified ASM vendors.

All contractual arrangements will be finalized before May 1, 2010 and the sector will notify NMFS of its selection(s).

A.I.S., Inc
Atlantic Catch Data Limited

East West Technical Services LLC
MRAG Americas, Inc.
Saltwater Inc.

Dockside monitoring (DSM) will be deployed in such a way as to achieve 50% coverage of trips that is random and representative of the fishing activities of the Sector.

If a vendor in which the Sector has contractual arrangements with is decertified during the fishing year, the Sector will negotiate new contractual arrangements with another certified vendor(s) and notify NMFS of these new agreements.

23.1 DATABASE MANAGEMENT: The Sector, acting through its Manager, will maintain the database(s) of vessel trip reports (VTR), dealer, At Sea (ASM), NEFOP Observer, and Dockside (DSM) monitoring reports. In addition, the Sector will maintain any other database it determines necessary for its operations.

23.2 METHOD OF TRANSMISSION OF HAILS: The sector vessels will be transmitting HAILS (Trip Start and Trip End) electronically via the email messaging component of their VMS units. All data necessary to meet DSM requirements will be sent in compressed formats to minimize characters and maximize message capacity directly to the **Sector's Server** which will collect, store, convert and relay all data elements necessary to meet DSM, FSO and OLE requirements. The Sector will relay required HAILS (Trip State and Trip End) to NMFS, immediately upon receipt. In the event that the primary system is unavailable, Sector Vessels will utilize a backup system, including but not limited to, direct cell phone or radio transmission between the vessel and DSM vendor OR a relay through the Sector
Manager.

23.3 HAIL TRIP START: Prior to leaving port on a sector trip for which catch will count against sector annual catch entitlements (ACE), each sector vessel must hail trip start, meaning notify the SM and DSM vendor that the vessel is departing on a sector trip. The trip start hail must include vessel permit number, the trip ID# (which is the VTR number on the first VTR used for that trip or an EVTR trip ID#), and estimated trip duration. The DSM vendor must immediately send a confirmation to the vessel that the trip start hail was received; if the vessel does not receive confirmation within 10 minutes, the captain must contact the vendor to confirm the trip start hail via an independent backup system that must be set up by the DSM vendor. As an alternative to the ten minute requirement, sector vessels would not start a trip until receipt of the trip-start hail confirmation from either the service provider directly or from an independent backup system developed by the service provider.

23.4 **NOTICE OF TRIP END**: The trip-end hail report must be submitted at least 6 hr in advance of landing for all trips at least 6 hr in duration or occurring more than 6 hr from port. For trips less than 6 hours in length or occurring within 6 hours of port, the estimated time of arrival to port and time of offload will be provided in the trip start hail. The trip end hail will be sent upon completion of the last tow with required updated information. *(It should be noted that the timing of this requirement will be logistically problematic for the affected sector vessels.)* An alternative timing for the trip end hail may be implemented during FY 2010 if agreed upon by the sector, the monitoring provider, and NMFS.

23.4.1 The trip end hail must include the following:

A) Permit number;
B) Trip ID#;
C) Specific offloading location(s): Dock/dealer, port/harbor, and state (for all dealers or facilities where the vessel intends to offload);
D) Estimated landing time;
E) Estimated offloading time; and
F) Estimated weight of each species of fish being landed.

23.4.2 The DSM vendor must immediately send a confirmation to the vessel that the trip end hail was received. If the vessel does not receive confirmation prior to landing the vessel operator must use the backup system to contact the DSM vendor and no offloading can take place until confirmation (see backup system H.R. Section 23.2) is given to the vessel operator.. The DSM vendor must inform the vessel in the trip end hail confirmation (and no earlier) that:

A) The vessel will have a dockside monitor (DM) or roving monitor (RM) present; meaning no offloading can take place until the DM or RM is present, **or**
B) The vessel is issued a DSM waiver for the trip (meaning no DM or RM will be present to witness the offload).

23.4.3 If the DM has an emergency and cannot meet the vessel as scheduled, the DSM vendor must notify the vessel, the sector manager, and OLE as soon as possible to resolve the pending DSM event.

If the vessel retains a portion of the landings from a trip to be offloaded during a future landing event, the VTR for the trip on which the landings were caught must include those landings with the code for fish retained for future sale. The

VTR for the subsequent trip, after which the retained landings are finally sold, must include the previously retained landings in addition to the current landings from trip. The previously retained landings must be identified by a unique code on the VTR. Landings will only count against ACE once.

23.5 MONITORING OF OFFLOAD AT DEALER:

23.5.1 If the vessel will get a DSM Waiver: The DSM vendor, when confirming that it has received the trip end hail, must notify the vessel that the vessel is receiving a waiver from DSM for the trip. The vessel operator must provide copies of all VTRs and dealer receipts for the trip to the SM, or SM-designated third party, within 24 hours of offloading.

23.5.2 If the vessel has been selected for DSM:

A) The vessel may land, but no offloading may commence until the DM is present.
B) Vessels offloading at more than one dealer or facility must have a DM present during offload at each location.
C) Upon meeting the vessel at the offloading site, the DM must:
    1. Take copies of all VTRs filled out for the trip, with all information available (no blocked cells).
    2. Record whether or not the scales are certified by the dealer's state.
    3. Observe and record whether ice and box weights are tared by the dealer before the catch is added. If the dealer does not tare the box and ice, the DM must obtain the estimated weight of the ice and box from the dealer and record that weight in his/her report.
    4. Ask the captain whether all fish have been offloaded, and whether any are being retained for personal use. The DM must record the captain's estimate of weight of each species being retained for home use or retained on the vessel and record the reason(s).
    5. Either the DM or dealer must record the weight of offloaded fish, by species (and market class, if culled), in a report. This report must be signed by the DM, and the DM must keep a copy of the signed report.

6. Provide accurate and complete data to the SM, and/or any SM-designated third party, within 24 hours of the completion of the DSM event.
7. Send copies of the VTR(s), the dealer receipt(s) if separate from the DM's report, and the DM's report to the SM or any SM-designated third party.
8. Keep a copy of his/her report, which must be electronically stored by the DSM vendor.

23.6 <u>MONITORING OFFLOAD TO A TRUCK</u>

23.6.1 Each sector must specify in its DM contract, the remote unloading facilities where sector members will be allowed to offload catch to trucks. Details are dependent upon contractual arrangements and specifications to be agreed upon by the Sector, the Vendor and OLE. See 23.8 OFFLOADING PORTS.

23.6.2 Offloading of landings to trucks and subsequent weigh out of landings at all dealer facilities are considered separate (in terms of individual monitors) but conjoined (in terms of fishing trip) events. If a trip is selected for DSM and will offload to a truck, the trip must have a RM present to witness all offload activities, as well as a DM present at each dealer that receives the fish to certify weigh-out of all landings. The RM and DM may be the same or different individuals.

23.6.3 If the landings are weighed by a representative of the receiving dealer in front of the RM before being loaded into the truck, the event must follow the protocol for offload at a dealer (Section 23.5 of this section).

23.6.4 If the landings are not weighed by a representative of the receiving dealer in front of the RM before being loaded into the truck, all requirements of DSM when offloading to a dealer will apply (except weight and dealer-receipt records), and the additional requirements of this section will also apply.

23.6.5 Additional requirements:

A) All fish must be weighed in the presence of a DM at the receiving dealer(s) *when the truck offloads. (It should be noted that the requirement to weigh and sort catch "when the truck unloads" will be logistically problematic for the affected dealers, truckers and sectors.)*

B) Upon meeting the vessel at the offloading site the RM must:
   1. Take copies of all VTRs filled out for the trip with all information available (no blocked cells).
   2. If there are no scales at the offload site, record the number of totes of each species and the captain's estimate of the weight of each species in each tote.

3. Ask the captain whether all fish have been offloaded, and whether any are being retained for home use. The RM will record the captain's estimate of weight of any species being retained for home use or retained on the vessel and record the reason(s).
4. Record all offloaded fish, by species (or market class if culled) in a report, unless the driver creates such a report that the RM may use. This report shall be signed by the RM, and the RM shall keep a copy of the signed report.
5. Ensure that each trip is tagged with appropriate identifying information, including but not limited to: Trip ID# , RM name, tote number, and species.
6. Send copies of the VTR(s), driver manifest(s) if separate from the RM's report, and the RM report to the sector manager or SM-designated third party.
7. Keep a copy of his/her report, which must be electronically stored by the DSM vendor.

23.7 <u>SAFE HARBOR PROTOCOL</u>: To promote safety at sea, the Sector sets forth the following protocol for variance from the landing ports listed. If for reasons beyond a vessel operators control such as severe weather, mechanical failures, compromised hull integrity, instances of pump failures and danger of sinking, crew injury or life threatening illness and any other emergency situations that may arise, a sector vessel may enter a port other than those listed as "Landing Ports" to ensure the safety of the vessel and it's crew. If the vessel has been selected for dockside monitoring, the vessel will not offload fish, until a dockside monitor is present, or a waiver has been granted. The vessel operator must contact the Dockside Monitoring vendor to obtain a waiver from dockside monitoring for the trip. The vessel operator may request and be granted a waiver from dockside monitoring due to the situations described here in Section 23.7. In addition, the vessel operator may request and be granted a waiver from dockside monitoring if either the Coast Guard ("CG"), Environmental Police ("EP"), or NOAA's Office of Law Enforcement ("OLE") are on scene and determine it is necessary for offloading to occur in order to improve a safety or vessel integrity concern.

23.8 <u>OFFLOADING PORTS</u>: The following list represents those ports where sector vessels are authorized to offload. Additionally, sector vessels are authorized to land fish to trucks within these same locations.

Primary Port(s) of Landing	Secondary Port(s) of Landing
Massachusetts: Green Harbor; Marshfield; Provincetown; Scituate; North River; Plymouth; Sandwich; Brant Rock; Gloucester	Massachusetts: Chatham; Hyannis; Woods Hole; Falmouth; New Bedford

24. AT-SEA MONITORING PROGRAM: The Sector will be participating in the NMFS funded at-sea-monitoring program for FY2010.

25. SECTOR UNDERSTANDING AND ACKNOWLEDGMENTS: Sector Members understand and acknowledge that the following provisions have been interpreted by NMFS as applicable to all operating sectors. Sector Members acknowledge this applicability and where appropriate utilize these universal interpretations within their sector management and operations:

25.1 INTRA-SECTOR DAYS AT SEA (DAS) LEASING: Days at Sea may be leased intra-sector (between members) within the guidelines and procedures contained in the FMP and as amended by Amendment 16. The Sector would accept any future relief in the length and horsepower constraints of the program that may be authorized by the RA in the future.

25.2 INTER-SECTOR DAYS AT SEA (DAS) LEASING: Members who wish to lease Days-at-Sea (DAS) outside of the Sector are authorized under this provision to do so, only with Members of other Sectors whom are similarly exempt. Members acknowledge that such DAS leasing would not be exempted from existing length and horsepower constraints as currently contained in applicable regulations.

25.3 EASTERN U.S./CANADA AREA: Members/vessels acknowledge that they are granted permission to access the Eastern US/CA Area year round, regardless of projections that the hard TAC applicable to the common pool will be caught. Members further acknowledge that access to this area on a continual basis is conditioned on the vessels availability of ACE.

25.4. PAPER VTR: Members acknowledge that they are bound to all applicable reporting requirements. Sector vessels shall continue using paper VTRs for FY 2010, as required by regulations. However, should electronic vessel trip reporting (e-VTR) systems for transmission and submission of required VTR reports be authorized by the Regional Administrator in FY 2010, this Sector reserves the option to utilize this reporting method.

25.5 <u>ADDITIONAL REQUESTS</u>: It is the understanding of the Sector that they may be able to request additional exemptions in the event other NMFS approved measures are deemed applicable and available to Sectors for Fishing Year 2010; for example 6" mesh for gillnets in the Gulf of Maine.

EXHIBIT D

NEFS X Penalty Schedule			
VIOLATION REGARDING REPORTING, DOCUMENTATION REQUIREMENTS:			
VIOLATION	**FIRST OFFENSE**	**SECOND OFFENSE**	**THIRD OFFENSE**
All violations including but not limited to: providing false statements or supporting documentation on applications or reports to the Sector; late reporting or non-reporting; unreasonable interference with onboard and dockside data collectors; failing to participate in Sector Catch Monitoring Programs; (technical and minor violations may result in a letter of warning).	Written Warning **or** up to $5000.00	Written Warning **and** up to $7,500.00.	Written Warning **and** up to $10,000.00 **and/or** stop fishing order.
VIOLATION REGARDING EXEMPTION PERMIT REQUIREMENTS			
All violations including but not limited to: failure to comply with a permit condition/restriction/letter of authorization issued to Sector Vessels by the Regional Administrator; or failure to comply with VMS/DAS requirements. (technical and minor violations may result in a letter of warning).	Written Warning **or** up to $10,000.00	Written Warning **and** $10,000.00-$50,000.00.	Written Warning **and** up to $100,000.00 **and/or** stop fishing order.
VIOLATION REGARDING TIME/AREA/GEAR RESTRICTIONS			
All violations including but not limited to: exemption areas, closed fisheries, closed season, restricted gear/management areas. (technical and minor violations may result in a letter of warning).	Written Warning **or** up to $20,000.00	Written Warning **and** $20,000.00-$50,000.00.	Written Warning **and** up to $100,000.00 **and/or** expulsion.
VIOLATIONS THAT PLACE THE SECTOR AGREEMENT AT RISK			
All violations including but not limited to a violation of a stop fishing order, fishing in a closed area, transfer of fish from non-sector vessel to a sector vessel, transfer of fish from sector vessel to a non-sector vessel; subverting the reporting requirements or any other action so egregious that it would severely jeopardize the Sectors existing and future authorization(s).	Written Warning **and** up to $50,000.00 **or** stop fishing order.	Stop fishing order **or** Expulsion.	Expulsion.

Administrative Provisions Addendum:

Notwithstanding regulatory authority granted in other regulations the following provisions represent those sections of **NEFS X** Agreement and related Exhibits that are Administrative in nature and therefore not subject to enforcement by the National Marine Fisheries Service, as required to be specified by sector regulations 50 CFR 648.87(b)(2)(x).

SECTOR OPERATIONS PLAN AND AGREEMENT

1. Sector Name.

2. Sector Eligibility and Membership.

4. Sector Allocation and Exemptions.

5. Distribution of Sector ACE.

6. Sector Manager and Registered Agent.

7. Consolidation Plan.

7.1 Harvest Share Reserve

7.2 Harvest Share Use. Section 7.2 is administrative except to the extent that it applies to the Sector managers ability to impose and utilize legal means to recover Liquated damages as authorized in section §10.10 of this agreement, in which case NMFS enforcement procedures may apply.

7.3 Harvest Share Transfer.

7.4 Harvesting Rules and Fishing Plan. Section 7.4 is administrative except to the extent that it applies to Harvesting Rules Sections 1, 5, 6, 7, 8, 11, 17, and 18, which are enforceable and therefore not considered administrative under this section.

7.5 Re-direction Of Effort.

7.6 Sector Vessel Interactions with Allocated Species in Non-Amendment 16 Fisheries.

7.7 Consolidation and Redistribution of ACE:

8. Release of Catch Data.

9. Catch Monitoring and Reporting. Section 9 is administrative except to the extent that it applies to Harvesting Rules Sections 13, 14, and 15, which are enforceable and therefore not considered administrative under this section.

10. Breach and Remedies for Breach.

10.1 Liquidated Damages Schedule and Schedule Amendments.

10.2 Enforcement Committee.

10.3 Liquidated Damages Base Value and Multiplier Adoption.

10.4 Liquidated Damages Calculation.

10.5 Notice to Vessel Masters; Assumption of Liability.

10.6 Liquidated Damages Security.

10.7 Manager Action in Response to Apparent Breach.

10.8 Member Appeals.

10.9 Voluntary Compliance.

10.11 Consequential Damages for Gross Negligence or Willful Misconduct.

10.12 Distribution of Damages.

11. Joint Liability and Indemnification.

12. Membership Termination

15. Permit Transfer/Sale.

16. Release and Waiver of All Claims Against Sector Manager; Indemnification and Hold Harmless.

17. Sector Membership Fees.

18. Binding Arbitration.

19. Amendment and Incorporation by Reference.

EXHIBIT C

HARVESTING RULES

2. QUOTA MANAGEMENT:

3. RESERVE:

4. SLOWING CATCH:

12. CATCH REPORTS:

16. DATA RECONCILIATION:

19. ADMINISTRATIVE EXEMPTION:

20. DATA MANAGEMENT:

22. SECTOR SPECIFIC EXEMPTIONS:

- 22.1 Administrative Exemption

23. DOCKSIDE MONITORING PROGRAM: Section 23 is enforceable except for the sub-sections 23.1, 23.2, 23.5.1, 23.6.1, which are administrative.

Exhibit D is administrative

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ADDENDUM

AMENDMENTS TO

NORTHEAST FISHERY

SECTOR X

OPERATIONS PLAN

AMENDMENT 1 TO THE NORTHEAST FISHERY SECTOR X OPERATIONS PLAN

APPROVED BY THE NATIONAL MARINE FISEHRIES SERVICE MAY 6, 2010

EFFECTIVE MAY 1, 2010, THROUGH APRIL 30, 2011 - THE 2010 FISHING YEAR

This amendment officially recognizes Atlantic Catch Data Ltd. as the authorized dockside monitoring service provider for the Northeast Fishery Sector X for fishing year 2010. Specific contact information for this provider is:

Atlantic Catch Data Ltd.
99 Wyse Road, Suite 815
Dartmouth, Nova Scotia
CANADA, B3A 4S5
Phone 1+(902) 422-4745
Fax 1+(902) 422-9780

This amendment also officially recognizes Jim Reardon as the Sector Manager for the Northeast Fishery Sector X. Specific contract information for Mr. Reardon is:

Jim Reardon
369 Savin Hill Avenue
Boston, MA 02125
(617) 755-2440
jimreardon@earthlink.net

AMENDMENT 2 TO THE NORTHEAST FISHERY SECTOR X OPERATIONS PLAN

APPROVED BY THE NATIONAL MARINE FISEHRIES SERVICE MAY 17, 2010

EFFECTIVE MAY 1, 2010, THROUGH APRIL 30, 2011 - THE 2010 FISHING YEAR

This amendment officially recognizes the final fishing year (FY) 2010 Northeast Fishery Sector X membership based on the final sector roster, submitted on April 30, 2010. The final roster is summarized below:

Owner/Entity	Permit #	MRI #	Vessel Name
Mannix Fisheries Inc.	210991	19	Lady Jane
Paul S. Unangst	223496	26	Destiny
Ronald G. Borjeson	230003	103	Angenette
Kevin R. Shea	230228	135	Endeavor
Edward Barrett	230855	182	Sirius
William H. Amaru	230926	183	Joanne A III
Philip M. Lynch	240033	211	Mona Elizabeth
William H. Amaru	150922	213	Wood Flat Boat
Philip M. Lynch	210110	216	Kathy Elizabeth
ZNK Fisheries Inc.	250523	374	Zachary Nicholas
John M. Shea	150849	380	Yankee Rose
Stephen Welch	250467	397	Holly & Abby
Ronald Gustafson	240468	398	Cheryl Ann
Stephen Welch	136990	406	Abby & Holly
Thomas J. Bell	150538	482	Five Girls
Boat Kathleen A. Mirarchi Inc.	149951	491	Barbara L. Peters
Stephen Welch	150642	642	Stur
Peter Krzyzewski	148859	1226	Drifter
Timothy F. Seaver	223371	1227	Shannon Rose
Robert James Roche	232093	1262	Sarah C
Thomas J. Bell	250541	1444	Michael Brandon
Timothy Caldwell	125520	1537	C.W. Griswald
Shannon Fisheries Co.	222158	1624	Sorry Charlie
Stephen Welch	149568	1637	Leslie
Ames Fisheries Inc.	125743	1669	Brenna Ashley
Michael D Pratt	126120	1768	Sea-Venture
Timothy Caldwell	230273	1831	Kyley Lauren
Edward Barrett	210396	1847	Phoenix
Philip M. Lynch	250525	1851	Mary Elizabeth
Henry S. & Joyce Anne McCarthy	241088	1917	Last Chance
Survival Fishing Co.	220437	1964	Survival
John J. Good	230178	1986	Alosa
Michael Kevin Inc	212513	2029	Michael Kevin

Owner/Entity	Permit #	MRI #	Vessel Name
Philip M. Lynch	251005	2166	Paula Lyn
John Hunt Jr.	128572	2189	Silver Rose
Stephen Welch	150742	2362	Skimmer
Michael Kevin Inc	113909	47808	Kevin Michael
Thomas J. Bell	147567	47900	Already Gone
Christopher W. King	310231	475	Donna Marie
Christopher W. King	310175	484	Blue Skies

AMENDMENT #3 TO THE NORTHEAST FISHERY SECTOR X FISHING YEAR (FY) 2010 SECTOR OPERATIONS PLAN

APPROVED BY THE NATIONAL MARINE FISHERIES SERVICE
DECEMBER 23, 2010

EFFECTIVE DECEMBER 23, 2010, THROUGH APRIL 30, 2011

This amendment officially recognizes that the Northeast Fishery Sector X FY2010 Operations Plan has been amended to include the following additional exemptions from regulations of the Northeast (NE) Multispecies Fishery Management Plan, made effective through a final rule published December 23, 2010 (75 FR 80720).

Vessels participating in the Northeast Fishery Sector X are granted the following additional exemptions (as described in 75 FR 80720):

1. 120-Day Block Requirement Out of the Fishery for Day Gillnet Vessels: Exemption from the declaration of time out of the gillnet fishery, specified in § 648.82(j)(1)(ii);
2. 20-Day Spawning Block: Exemption from the declaration of 20 days out of the fishery for the spawning season, specified in § 648.82(g);
3. Limitation on the Number of Gillnets for Day Gillnet Vessels: Exemption from the limit on the number of sink gillnets that a Day gillnet vessel may fish in any of the Regulated Mesh Areas, specified in §§ 648.80(a)(3)(iv)(B)(*2*), (a)(4)(iv)(B)(*1*), (b)(2)(iv)(B)(*1*), and (c)(2)(v)(B)(*1*), and the requirement for two gillnet tags per roundfish net specified in §§ 648.80(a)(3)(iv)(B)(*4*), (a)(4)(iv)(B)(*3*), (b)(2)(iv)(B)(*3*), and (c)(2)(v)(B)(*3*), with the caveat that a sector vessel may fish up to 150 roundfish or flatfish nets in any of the RMAs, not to exceed 150 nets total, and must tag both roundfish and flatfish nets with one tag per net;
4. Prohibition on a Vessel Hauling Another Vessel's Gillnet Gear: Exemption from the tagging requirements specified in §§ 648.14(k)(6)(ii)(A) and 648.84(a), such that a sector vessel may fish gillnets marked and tagged by another vessel, provided the gear is tagged with each sector vessel's gillnet tags consistent with §§ 648.80(a)(3)(iv)(B)(*4*), 648.80(a)(4)(iv)(B)(*3*), 648.80(b)(2)(iv)(B)(*3*), and 648.80(c)(2)(v)(B)(*3*) or exemption 3 above, and all gear is marked consistent with § 648.84(a);
5. Limitation on the Number of Gillnets that May Be Hauled on Georges Bank (GB) When Fishing Under a Groundfish/Monkfish Day-at-sea (DAS): Exemption from the limit on the number of gillnets that may be hauled on GB specified in § 648.80(a)(4)(iv)(B)(*1*), provided the vessel is fishing under concurrent NE multispecies and monkfish DAS and does not haul more than 150 nets total;
6. Limitation on the Number of Hooks that May Be Fished: Exemption from the limit on the number of hooks that may be fished in any of the RMAs, specified in §§ 648.80(a)(3)(v), 648.80(a)(4)(v), 648.80(b)(2)(v), and 648.80(c)(2)(iv);
7. Length and Horsepower Restrictions of the DAS Leasing Program: Exemption from the restriction on the length and horsepower of a Lessee vessel, specified for the DAS Leasing Program in § 648.82(k)(4)(ix); and
8. GOM Sink Gillnet Mesh Exemption: Exemption from the minimum mesh size for a

sink gillnet in the Gulf of Maine (GOM) RMA, specified at § 648.80(a)(3)(iv)(A)(*1*) and (B)(*1*), when fishing in the GOM RMA with roundfish nets January 1, 2011, through April 30, 2011, provided the vessel uses minimum 6” mesh roundfish nets. The sector vessel may not fish with, haul, possess, or deploy flatfish nets in the GOM RMA during this period, but may transit the area with flatfish nets, provided they are properly stowed and not available for immediate use in accordance with one of the methods specified at § 648.23(b).