

1 SECTOR OPERATIONS PLAN AND AGREEMENT

2 This NORTHEAST FISHERY SECTOR OPERATIONS PLAN AND AGREEMENT (this "Agreement") is entered  
3 into as of **March 15, 2017** (the "Effective Date"), by and among X Northeast Fishery Sector, Inc. ("NEFS  
4 X") and each of the Sector members identified on the attached **Exhibit C**.

5 **Recitals**

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

11 B. The parties to this Agreement wish to form a self-selecting voluntary sector under Amendment 16 and  
12 to do so are voluntarily entering into this Agreement for **Fishing Year 2017 (May 1, 2017-April 30,**  
13 **2018) and Fishing Year 2018 (May 1, 2018-April 30, 2019)**.

14 **Agreement**

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

18 1. Sector Name. The organization described under this Agreement shall be called the X  
19 Northeast Fishery Sector, Inc. This is a non-profit organization incorporated in Massachusetts on May 26,  
20 2009 and therefore may be held liable for violations committed by its members.

21 2. Sector Eligibility and Membership. To be eligible to be a member of the Sector, a person  
22 must hold a Limited Access Northeast multi-species permit and meet all other Sector eligibility  
23 requirements as established from time to time by the Sector's Board of Directors (the "Board"). Any  
24 person wishing to become a Sector member must submit an application no later than sixty (60) days prior  
25 to the annual deadline by which Sector contracts must be submitted to NMFS. Sector membership shall  
26 be effective upon admission of a member by the Board and acceptance by execution by such member of  
27 the Sector's Membership Agreement. Subject to the automatic renewal provisions of Section 12 below,  
28 and the disciplinary expulsion provisions of Section 13 below, Sector membership shall expire at the  
29 conclusion of each fishing year, unless renewed by the Board in accordance with the Sector's Bylaws and

1 this Agreement. The Sector’s members (the “Members”), such Members’ “Limited Access Multispecies  
2 Permit” (LA MS) as identified by its “Moratorium Rights Identifier” (MRI), and the vessels that will harvest  
3 the Sector’s Amendment 16 allocations are identified on the attached **Exhibit C**, which may be amended  
4 from time to time in accordance with this Agreement and the Sector’s Bylaws.

5                   2.1. Rule of Three Requirement: Amendment 16 to the NE multispecies FMP  
6 defines a sector as a group of three or more persons, none of whom have an ownership interest in the  
7 other two persons in the sector. This criterion has been fulfilled for FY 2017 with permit # 147967 under  
8 the distinct ownership of Stephen Welch, permit 230855 under the distinct ownership of Edward Barrett  
9 and permit # 230003 under the distinct ownership of Ronald Borgeson. Documentation of fulfillment of  
10 this criterion for FY 2018 will be located in **Exhibit I** of this Agreement and will be furnished by the Sector  
11 in accordance with NMFS guidance and schedule pertaining to bi-annual operation plan submission.

12                   3. Member and Vessel Permits. The attached **Exhibit D** is provided in accordance with the  
13 requirements of Amendment 16 that all state and federal permits held by Members or assigned to  
14 Members’ vessels be disclosed in each sector’s annual operations plan. Documentation of fulfillment of  
15 this criterion for FY 2018 will be located in **Exhibit I** of this Agreement and will be furnished by the Sector  
16 in accordance with NMFS guidance and schedule pertaining to bi-annual operation plan submission.

17                   4. Sector Allocation and Exemptions. Each Member shall take all actions and execute all  
18 documents necessary to obtain the Sector’s Amendment 16 annual catch entitlement (“ACE”). The Sector  
19 shall request all universal exemptions granted to sectors under Amendment 16 and relating multispecies  
20 implementing regulations; and any special exemptions the Board deems appropriate. The special  
21 exemptions initially requested by the Sector are identified on the “Harvesting Rules” attached hereto as  
22 **Exhibit A**.

23                   5. Distribution of Sector ACE. Each Member acknowledges that the Sector’s ACE is  
24 composed of allocations for each species of Northeast multispecies groundfish allocated by Amendment  
25 16 (each such species being an “Allocated Species”), and any subsequent Framework or Amendment.  
26 Subject to the terms and conditions of this Agreement, each Member shall be entitled to harvest or  
27 transfer an amount of the Sector’s ACE, as adjusted by the Sector for retainages including but not limited  
28 to the Reserve, for each Allocated Species proportionate to the amount of ACE for such species that the  
29 Sector receives as a result of such Member’s membership in the Sector. The amount of Sector ACE a  
30 Member may harvest or transfer, as adjusted by transfers and Sector retainages including but not limited

1 to the Reserve, made in accordance with this Agreement, is referred to hereafter as a Member’s “Harvest  
2 Share.” Each Member may harvest or transfer its Harvest Share only under the terms and conditions of  
3 this Agreement and in compliance with the restrictions imposed by the Manager (as defined below), the  
4 Enforcement Committee (as defined below) and the Board in accordance with this Agreement. Any other  
5 attempted harvest or transfer of a Member’s Harvest Share shall be a breach of this Agreement.

6           6. Sector Manager and Registered Agent. The Board shall from time to time appoint a  
7 person to act as the Sector’s authorized agent in all NMFS and New England Fishery Management Council  
8 matters (the “Manager”), and a person to serve as the registered agent for receiving service of process on  
9 behalf of the Sector (the “Registered Agent”). The procedures for appointing the Manager and the  
10 Registered Agent shall be as provided in the Sector’s Bylaws, as the same may be amended from time to  
11 time. The Manager and the Registered Agent may be the same person. The Manager shall be responsible  
12 for preparing and filing all reports required of the Sector under Amendment 16 and the related  
13 implementing regulations. Stephen Welch will serve as the registered agent for receiving service of  
14 process on behalf of the Sector. The Sector will notify NMFS prior to May 1, 2017 who will be acting as  
15 their Manager for FY 2017. Documentation of fulfillment of this criterion for FY 2018 will be located in  
16 **Exhibit I** of this Agreement and will be furnished by the Sector in accordance with NMFS guidance and  
17 schedule pertaining to bi-annual operation plan submission.

18           6.1. Communication with Sector. The Manager is the primary point of contact for  
19 all communications on behalf of the Sector and all communications regarding NEFS X should be directed  
20 accordingly. In addition to the Sector Manager, Elizabeth Etrie or the acting program director of Northeast  
21 Sector Service Network is authorized to act on behalf of the Sector. At the time in which this Agreement  
22 is entered into, the Board of Directors are as follows:

- 23                               President: Timothy Barrett
- 24                               Vice President: Stephen Welch
- 25                               Treasurer: Edward Barrett
- 26                               Clerk: Manuela Barrett
- 27                               Directors: Paul Unangst, Peter Krzyzewski, Henry McCarthy

28 In the event that the Board of Directors is modified, the Sector will notify NMFS of such modifications.  
29 Additionally, a list of current Board members can also be located at the following link.

30                               <http://corp.sec.state.ma.us/corpweb/corpsearch/CorpSearch.aspx>

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

3                   7.1. Harvest Share Reserve. Each Member acknowledges that under NMFS  
4 regulations, the Members’ aggregate harvest of the Sector’s ACE may not exceed the Sector’s ACE  
5 allocation, as adjusted by transfers of ACE between the Sector and other sectors. Each Member further  
6 acknowledges that under NMFS regulations, each Member may be held jointly liable for fines, penalties  
7 and forfeitures related to the Sector’s ACE being overharvested. Each Member therefore authorizes the  
8 Manager to annually establish a reserve of each Allocated Species in the amount the Manager deems  
9 necessary to insure the Sector’s ACE is not over-harvested (the “Reserve”). The Reserve for each Allocated  
10 Species shall be established by assessing the Members’ Harvest Shares for such Allocated Species on a pro  
11 rata basis, according to their Harvest Share percentages for each such species. The amount of each  
12 Member’s Harvest Share available for harvest or transfer shall be net of the amount assessed for the  
13 Reserve. The Reserve shall be managed under a “Deemed Value System” (“DVS”) by the Manager in  
14 accordance with the terms and conditions adopted by the Board from time to time. If the Board requires  
15 that Members pay for distributions from the Reserve, the DVS payments received by the Sector shall be  
16 distributed to the Members after the close of fishing for the year on a pro rata basis, such that each  
17 Member receives a share of the total amount paid for distributions of each Allocated Species from the  
18 Reserve proportionate to the amount of such Allocated Species each Member contributed to the Reserve.

19                   7.2. Harvest Share Use. Only Members that notify the Manager in writing on or  
20 before [INSERT DATE] (the “Notification Date”), and on or before any succeeding Notification Dates  
21 established by the Board for FY 2017 and FY 2018 thereafter of their intention to harvest Sector ACE  
22 (“**Active Members**”) may harvest Sector ACE. Each Member’s notice that such Member intends to harvest  
23 Sector ACE shall identify the vessels which will be used for such harvest. **Non-Active Members** shall not  
24 harvest Sector ACE, including without limitation, their own Harvest Share. No **Active Member** shall  
25 harvest an amount of Sector ACE in excess of their Harvest Share. Harvest of each **Active Member’s**  
26 Harvest Share shall be subject to all NMFS and other management regulations generally applicable to the  
27 Sector’s ACE (including but not limited to seasonal apportionments and area harvest restrictions) on a  
28 discreet, individual basis; i.e., no greater percentage of each Member's Harvest Share may be harvested  
29 in any season or area than the percentage of the related Sector ACE allocation permitted to be harvested  
30 in such season or area. The Manager may impose and enforce additional restrictions on each **Active**  
31 **Member’s** harvest of Sector ACE authorized by this Agreement or adopted by the Board.



1 received actual notice of such transfer. No Member may transfer any portion of such Member's Harvest  
2 Share, or interest in the Sector's ACE, to any person other than an **Active Member** unless the Board first  
3 authorizes such transfer in writing. Any such transfer shall be subject to such terms and conditions as the  
4 Board may adopt from time to time, including but not limited to establishment of procedures to  
5 implement a Right of First Offer (the "ROFO") that is extended to **Active Members** of the Sector, **Active**  
6 **Members** of other Northeast Fishery Sectors, and certain other parties in accordance with the terms and  
7 conditions established by the Board. Without limiting the foregoing, the Sector Board of Directors may  
8 condition, review, approve and restrict transfers of Harvest Shares to non-Members as it deems necessary  
9 to promote the harvest of the Sector's entire ACE allocation and ensure that the Sector's management  
10 and administrative costs can be recouped through reasonable Sector membership fees established by the  
11 Board.

12                               7.4. Harvesting Rules and Fishing Plan. The Board may from time to time adopt  
13 such restrictions on harvest of the Sector's ACE as the Board deems necessary to ensure the Sector's  
14 compliance with Amendment 16 and related implementing regulations (such restrictions referred to  
15 hereafter as "Harvesting Rules"). The Harvesting Rules are set forth on Exhibit A. Each **Active Member**  
16 shall conduct their harvest of the Sector's ACE in strict compliance with the Harvesting Rules. Each  
17 Member shall exercise their best efforts to ensure such Member's Harvest Share is harvested in  
18 accordance with the Harvesting Rules. The Manager shall annually develop a Sector fishing plan that  
19 promotes harvest of the Sector's ACE in accordance with the Harvesting Rules and shall make the Fishing  
20 Plan available to Active Members prior to the commencement of the fishing season.

21                               7.5. Re-direction of Effort. During FY 2015, NEFS X vessels switched fishing efforts  
22 into the following fisheries:

- 23                               • Fishery: Squid fishery with trawl gear
- 24                               • Fishery: Fluke fishery with trawl gear
- 25                               • Fishery: Horseshoe crab fishery with trawl gear
- 26                               • Fishery: Whelk fishery with trawl gear
- 27                               •

28  
29 During the first quarter of FY 2016, NEFS X vessels switched effort into the following fisheries:

- 30
- 31                               • Fishery: Squid fishery with trawl gear
- 32                               • Fishery: Fluke fishery with trawl gear
- 33                               • Fishery: Skate fishery with trawl gear
- 34                               • Fishery: Monk fishery with trawl gear

1  
2 During FY 2017 & FY 2018, NEFS X anticipates similar redirection of effort to the fisheries listed above.

3                   7.6. Sector Vessel Interactions with Allocated Species in Non-Amendment 16  
4 Fisheries. NMFS will account for Member harvests of Allocated Species as harvests of the Sector’s ACE,  
5 regardless of whether such harvests are made during directed groundfish fishing trips or during other  
6 fishing trips, unless the Allocated Species harvest is managed under another management plan or as a  
7 sub-component annual catch limit (“ACL”) of Amendment 16 Allocated Species. Each **Active Member** shall  
8 report every fishing trip by such Member to the Manager prior to sailing, for determination whether the  
9 related Allocated Species harvest must be accounted for to NMFS as harvest of the Sector’s ACE.

10                   7.7. Consolidation and Redistribution of ACE: Scientific recommendations and  
11 new Magnuson requirements will influence the level of consolidation that will take place in the groundfish  
12 fishery. The Sector members intend to utilize sector management to mitigate excessive consolidation that  
13 may occur in the effort controlled system where overall management measures are based upon the  
14 weakest stocks. In FY 2016, 44% of the permits enrolled in the NEFS X for FYs 2017 and 2018 are attached  
15 to vessels actively fishing for NE multispecies. For FYs 2017 and 2018, the NEFS X sector has 27 permits  
16 currently enrolled. Of those permits 15 are anticipated to actively fish for NE multispecies in FYs 2017 and  
17 2018. While these numbers may change, the NEFS X sector expects that, compared to FY 2016, there  
18 would be no change from the consolidation that previously occurred among the members during FY 2016.  
19 The member permits that are not attached to active NE multispecies vessels in FYs 2017 and 2018 are the  
20 same permits that did not fish in FY 2016. In all cases, a member who owns multiple permits fished the  
21 ACE (or DAS if in the common pool) of all those permits on fewer hulls and will now continue to fish the  
22 ACE contributed by all those permits on fewer hulls, resulting in no additional consolidation.

23  
24  
25                   8. Release of Catch Data. Pursuant to section 402(b)(1)(F) of the Magnuson-Stevens  
26 Fishery Conservation and Management Act, 16 U.S.C. §1881a(b)(1)(F), the undersigned hereby authorizes  
27 the release to the Manager of X Northeast Fishery Sector, Inc.; Program Director of Northeast Sector  
28 Service Network, and the FishTrax Programmer, of information that may be or is considered to be  
29 confidential or privileged by the Magnuson-Stevens Act or other federal law regarding the catch of various  
30 species of fish associated with the limited access Northeast multispecies permit with the Moratorium  
31 Right Identifiers (MRIs) enrolled in the sector submitted to the National Marine Fisheries Service that the

1 undersigned has authority to access. This information includes data required to be submitted or collected  
2 by NOAA Fisheries, including but not limited to days-at-sea allocation and usage, vessel trip reports, dealer  
3 reports, Northeast Fishery Observer Program data, information collected for conservation and  
4 management purposes, catch and landings history data, at-sea monitoring data, VMS information, and all  
5 other information associated with the vessel, MRI #, and/or permit records.

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

18           10. Breach and Remedies for Breach. The benefits associated with Sector membership will  
19 only accrue to the Members if each of them strictly complies with this Agreement. Each Member will  
20 make significant operational and financial commitments based on this Agreement, and any Member's  
21 failure to fulfill any of its obligations under this Agreement could have significant adverse consequences  
22 for some or all other Members. Any failure by a Member to fulfill any of its obligations under this  
23 Agreement shall constitute a breach of this Agreement. Each Member shall be bound by the procedures  
24 set forth in this Section for determining whether a Member has breached this Agreement. The Sector  
25 shall be entitled to the remedies set forth in this Section if a Member is determined by the Sector to have  
26 breached this Agreement. Each Member shall take all actions and execute all documents the Manager  
27 deems necessary or convenient to give effect to the provisions of this Section.

28           10.1. Liquidated Damages Schedule and Schedule Amendments. The loss, costs  
29 and damages which may be suffered or incurred by Members as the result of any Member harvesting  
30 Sector ACE in excess of the amount such Member is authorized to harvest under this Agreement, or  
31 otherwise breaching this Agreement, will be difficult to calculate. The loss, costs and damages the



1 Members and the Sector could suffer as the result of a Member harvesting more Sector ACE than its  
2 Harvest Share, or otherwise breaching this Agreement, are likely to substantially exceed the market value  
3 of the excess harvest. Consequently, the Sector may impose and assess upon any breaching Member the  
4 liquidated damages amounts as established under Section 10.3, below.

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

15                   10.3. Liquidated Damages Base Value and Multiplier Adoption. Not less than sixty  
16 (60) days prior to each annual Season Opening Date, the Manager shall establish the market value of an  
17 unprocessed pound of each Allocated Species (each such value being a “Base Value”), and transmit such  
18 Base Values to the Enforcement Committee. In establishing such Base Values, the Manager may take into  
19 account both the direct costs and the opportunity costs associated with an over-harvest of the relevant  
20 species. Not less than thirty (30) days prior to each annual Season Opening Date, the Enforcement  
21 Committee, in consultation with the Manager, shall adopt Base Values and Base Value multipliers, and  
22 the liquidated damages amounts for breaches of this Agreement other than over-harvest of a Member’s  
23 Harvest Share, which shall be based on the Enforcement Committee’s estimate of the losses that the  
24 Sector and its Members could be expected to suffer as a result of such breaches. Because the damages  
25 suffered by one or more other Sector Members as the result of a Member harvesting an amount of Sector  
26 ACE in excess of its Harvest Share are likely to substantially exceed the market value of the excess harvest,  
27 the Base Value multipliers shall not be less than three (3). Upon the Enforcement Committee’s adoption  
28 of Base Values and Base Value multipliers, such Base Values and Base Value multipliers will be the basis  
29 for calculation of damages for unreconciled Harvest Share overages.

30                   10.4. Liquidated Damages Calculation. The liquidated damages amount for each  
31 pound by which a Member’s harvest of an Allocated Species exceeds such Member’s Harvest Share for

1 such species shall be the relevant Base Value, multiplied by the relevant liquidated damages multiplier.  
2 The liquidated damages amounts for breaches of this Agreement, other than over-harvest of a Member's  
3 Harvest Share shall be as provided on **Exhibit E**.

4                   10.5. Notice to Vessel Masters; Assumption of Liability. Each vessel harvesting a  
5 Member's Harvest Share, or participating in a fishery that may require utilization of a Member's Harvest  
6 Share (i.e., non-exempt monkfish), will be under the day-to-day command of the vessel's master who will  
7 to a significant degree have control over whether the vessel is operated in compliance with this  
8 Agreement. Each Member shall ensure that the master(s) of the vessel(s) harvesting such Member's  
9 Harvest Share are aware of the terms and conditions of this Agreement governing the harvest of such  
10 Member's Harvest Share, including without limitation the Harvesting Rules, and shall have confirmed their  
11 agreement to abide by such terms in writing. Each Member assumes all liability under this Agreement  
12 arising out of or related to the actions of the master(s) operating such Member's vessel(s).

13                   10.6. Liquidated Damages Security. The Board may require that a Member that  
14 has two (2) or more NMFS fishing regulation violations, or which has breached this Agreement or another  
15 sector's operations plan on two (2) or more occasions, post a bond or obtain a letter of credit securing  
16 such Member's payment and performance obligations under this Agreement in such amounts as the  
17 Board deems appropriate, or may require such Member to personally guaranty, and/or have other  
18 Members or third parties personally guaranty, such Member's payment and performance obligations  
19 under this Agreement.

20                   10.7. Manager Action in Response to Apparent Breach. The Manager shall monitor  
21 the Members' compliance with the terms and conditions of this Agreement. If the Manager becomes  
22 aware of an apparent breach of this Agreement by a Member, the Manager shall investigate the matter,  
23 and if the Manager concludes that a Member has breached this Agreement, the Manager shall notify such  
24 Member of the apparent breach and (if such breach is reasonably susceptible of cure) provide such  
25 Member with an opportunity to cure the breach. If such Member fails to demonstrate to the Manager,  
26 in the Manager's sole and absolute discretion, that no breach occurred, or to cure the breach within the  
27 time period directed by the Manager, taking into account the magnitude of the breach and the potential  
28 consequences of the breach for the Sector and the other Members, the Manager shall notify the Member  
29 in writing that the Manager is referring the alleged breach to the Enforcement Committee, and shall notify  
30 the Enforcement Committee in writing of the alleged breach and the proposed liquidated damages.  
31 Pursuant to Section 14, below, if during the investigation, notice and cure period described above, the

1 Manager concludes it is necessary for the protection of the interests of the Sector and its Members, the  
2 Manager may issue a “Stop Fishing Order” to the Member in apparent breach, and if such Member fails  
3 to cause the vessels harvesting its Harvest Share to immediately stop fishing , the sector manager may  
4 take any action he/she deems necessary including without limitation, self-help or court action which may  
5 include the seeking of injunctive relief.

6                   10.8. Member Appeals. A Member receiving notice of an alleged breach and  
7 proposed liquidated damages shall have five (5) days from the date that the Member receives the notice  
8 to request an appeal hearing before the Enforcement Committee. If a Member fails to request a hearing  
9 within such 5-day appeal period, the Member’s right of appeal shall expire, the Member shall be deemed  
10 to have breached this Agreement in accordance with the Manager’s determination, and the Member shall  
11 be obligated to pay the related liquidated damages. If a Member timely requests an appeal hearing, the  
12 Manager shall consult with the Enforcement Committee and schedule an Enforcement Committee  
13 meeting for that purpose. The Enforcement Committee shall make reasonable efforts to schedule the  
14 meeting at a time and place such that the Member requesting the appeal is able to attend, and shall  
15 provide the Member with at least thirty (30) days advance written notice of the time and place of the  
16 meeting. At such meeting, the Enforcement Committee shall provide the Manager with an opportunity  
17 to present evidence of the apparent breach, and shall provide the Member in apparent breach with a  
18 reasonable opportunity to rebut such evidence. Per Section 9, above, the catch and delivery data  
19 produced by the Manager shall be presumed accurate, and, absent manifest error, each Member's  
20 obligations under this Agreement and all related documents may be enforced to their fullest extent on  
21 the basis of such data. If the Enforcement Committee determines that a Member breached this  
22 Agreement, the Sector shall have the right to collect from such Member the liquidated damages amount  
23 provided for such breach under this Agreement.

24                   10.9. Voluntary Compliance. In connection with breaches of this Agreement for  
25 which a Member is liable to the Sector or other Sector Members for liquidated damages, the Sector shall  
26 provide the breaching Member fifteen (15) days prior notice of its intent to exercise its rights of collection,  
27 during which period the Member may propose an alternative method of compensating the Sector and  
28 other Sector Members for the damages suffered as the result of such Member’s breach. The Enforcement  
29 Committee may approve or disapprove any alternative form of compensation in its sole discretion,  
30 provided that if the breach at issue is an overharvest of a Member’s Harvest Share, there shall be no  
31 liquidated damages imposed if the Member in breach obtains sufficient Harvest Share from other

1 Members to offset the overharvest, and tenders conclusive evidence to that effect to the Enforcement  
2 Committee. Such Member shall nevertheless remain liable for the costs and fees incurred by the Sector  
3 in connection with the alleged breach, and the Sector shall be entitled to collect such costs and fees if  
4 such Member fails to pay the same within ten (10) days of receiving the Sector's demand for payment.

5                   10.10. Liquidated Damages Collection and Related Expenses. If a Member fails to  
6 resolve a breach of this Agreement through voluntary compliance measures approved by the Enforcement  
7 Committee and performed by such Member on a timely basis, the Member in breach shall pay the  
8 liquidated damages amount assessed by the Sector within ten (10) days of the end of the voluntary  
9 compliance period described in Section 10.9, above. Liquidated damages amounts not paid when due  
10 shall accrue interest at a rate of interest equal to the prime rate of interest announced by Bank of America,  
11 or such other bank as the Board may select from time to time, as of the last day of the voluntary  
12 compliance period plus twelve percent (12%). If a Member fails to pay the liquidated damages amount  
13 assessed by the Enforcement Committee with interest within thirty (30) days of the end of the voluntary  
14 compliance period described in Section 10.9, above, the Sector may pursue legal action to collect the  
15 liquidated damages. In addition, in connection with Member breaches resulting from an over-harvest of  
16 a Member's Harvest Share, the Sector (acting through the Enforcement Committee) may take possession  
17 of an amount of the Member in breach's Harvest Share for the overharvested species for the year in which  
18 the contract breach occurred and, if necessary, in subsequent years, in a total amount equal to three (3)  
19 times the amount of such over-harvest, provided that the amount of a Member's liability to the Sector for  
20 over-harvest shall be reduced proportionately to the extent that the Sector does so. In addition to  
21 liquidated damages, the Sector shall be entitled to all fees, costs and expenses, including attorney's fees,  
22 actually incurred by the Sector in connection with any action to collect liquidated damages from a Member  
23 in breach of this Agreement, whether or not the Sector prevails in such action.

24                   10.11. Consequential Damages for Gross Negligence or Willful Misconduct. In  
25 addition to the liquidated damages imposed under this Section 10, each Member shall be liable for  
26 consequential damages in connection with a breach of this Agreement resulting from the Member's gross  
27 negligence or willful misconduct. Each Active Member shall be liable for the consequential damages  
28 arising out of or related to the gross negligence or willful misconduct of the captain operating such Active  
29 Member's vessel(s).

30                   10.12. Distribution of Damages. Where a Member's breach causes one or more  
31 other Members to harvest less than their Harvest Share, damages awarded to the Sector under this

1 provision shall first be distributed *pro rata* among the Members whose harvest was reduced, with each  
2 Member receiving a fraction of such funds, the numerator of which is the amount by which such Member's  
3 catch was less than such Member's allocation or apportionment, and the denominator of which is the  
4 sum of the aggregate amount of by which all Members' allocations or apportionments were reduced as a  
5 result of the breach, up to the amount of loss suffered by each such Member as the result of the breach.  
6 Any damages awarded to the Sector in excess of those distributed to other Members under this Section,  
7 and any damages awarded in connection with a breach which does not cause any other Member's  
8 allocation or apportionment to be reduced, shall be retained by the Sector and applied to the costs of  
9 Sector operations.

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

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

28           12. Membership Termination. No Member may terminate its membership in the Sector  
29 other than in accordance with this Section 12. A Member that has agreed to join the Sector prior to the  
30 Effective Date may withdraw from Sector membership prior to the Effective Date without penalty or  
31 prejudice. Thereafter, only a Member that is not in breach of this Agreement and that has no outstanding

1 Sector performance or payment obligations may terminate its membership in the Sector, and may do so  
2 only in compliance with the terms and conditions of this Section 12. Notwithstanding the foregoing, the  
3 Board may terminate the membership of a Member in breach of its payment or performance obligations  
4 under this Agreement, as the Board deems appropriate in its sole discretion.

5 Subject to the provisions of this Section 12 regarding withdrawal prior to the Effective Date, above, a  
6 Member that is eligible to terminate such Member's Sector membership may do so only by providing  
7 written notice to that effect to all other Members on or before March 31<sup>st</sup> or such date as the Board may  
8 from time to time establish for that purpose (the "Termination Date") each fishing year. A Member that  
9 fails to provide such notice by the Termination Date shall be deemed to have automatically renewed its  
10 Sector membership for the following year, and all other Members shall be entitled to act in reliance on  
11 such renewal accordingly. If any Member provides a membership termination notice by the Termination  
12 Date, each of the other Members shall have ten (10) days from the date they receive such notice to  
13 terminate their membership as well, notwithstanding the Termination Date notice deadline. Termination  
14 of membership in the Sector shall be effective as of the final day of the current fishing year.

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

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

28           13. Expulsion. A Member may be expelled from the Sector at any time for: (i) a knowing,  
29 willful breach of this Agreement; (ii) any alleged breach of this Agreement that is either not appealed  
30 pursuant to Section 10.8, or is upheld by the Enforcement Committee after being appealed, and which

1 such Member fails to cure through voluntary compliance approved by the Enforcement Committee  
2 pursuant to Section 10.9, or by paying liquidated damages in accordance with Section 10.10; (iii)  
3 perpetrating a fishery regulation violation that exposes Sector Members to joint liability for such violation.  
4 A Member shall be immediately and automatically expelled from the Sector if such Member ceases to be  
5 eligible to participate in the Sector or if such Member engages in conduct that exposes the Sector or other  
6 Sector Members to antitrust or unfair trade practice liability. As of the date of expulsion, the expelled  
7 Member shall lose all rights to harvest any portion of the Sector's ACE unless the expelled Member is re-  
8 admitted. Expulsion shall not relieve a Member of the obligation to pay fees that were levied prior to the  
9 date of expulsion, or to pay liquidated damages and costs and fees related to an action or omission by the  
10 expelled Member that preceded the date of expulsion. The Sector shall notify NMFS immediately upon  
11 a Sector Member's expulsion; by electronic email, followed by posted mail.

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

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

29 In consideration of these circumstances, and in consideration for the Sector waiving its right to require  
30 each Member to obtain a security bond or pledge collateral to secure its obligation to the Sector to limit

1 its harvest of Sector ACE to such Member's Harvest Share, which consideration each Member agrees it  
2 has received and is sufficient, the Members hereby agree as follows.

3 14.1. The Sector, acting through the Manager, has the authority to issue to any  
4 Member that the Manager determines is in breach a Stop Fishing Order, and upon such issuance, such  
5 Member shall immediately cause all vessels harvesting its Harvest Share to cease doing so, and such  
6 Member shall not permit the vessels harvesting its Harvest Share to resume doing so unless and until the  
7 Manager rescinds the Stop Fishing Order. Each Member hereby releases the Sector, all other Members  
8 and the Manager from any and all liability of any nature whatsoever, including but not limited to both  
9 contractual and tort liability, for any direct or indirect, incidental or consequential losses or damages that  
10 a Member may suffer as a result of complying with a Stop Fishing Order.

11 14.2. If any vessel(s) harvesting a Members' Harvest Share does not immediately  
12 comply with a Stop Fishing Order in accordance with its terms, the Sector may exercise remedies of self  
13 help and take any and all other action as the Sector determines necessary to enforce the Stop Fishing  
14 Order and this Agreement, including injunctive relief. In seeking injunctive relief, the Sector Manager's  
15 burden of proof (if any) shall be satisfied by A. (production of a copy of the Stop Fishing Order) and B.  
16 (evidence that the vessel continued to fish thereafter).

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

20 15. Permit Transfer/Sale. A Member may transfer a Permit to a party other than a Member,  
21 subject to a Right of First Refusal (the "ROFR"), which may be adopted or amended from time to time by  
22 the Board, in favor of **Active Members** of the Sector, **Active Members** of other Northeast Fishery Sectors,  
23 and certain other parties. No Member may transfer such Member's "LA MS" permit or "MRI" permit to a  
24 person who is not an **Active Member** unless such person assumes all of the transferring Member's  
25 obligations under this Agreement as of the effective date of such transfer. A person other than a Member  
26 who receives a Member's "LA MS" permit or "MRI" permit from a Member in accordance with this Section  
27 15 (a "Transferee") shall only be eligible to participate in the Sector for the balance of the fishing year  
28 during which the transfer occurs, and thereafter may only remain a Sector Member if such Transferee  
29 applies for and is admitted to Sector membership in accordance with Section 2, above.



1                   15.1. The Transferee shall be deemed a **Non-Active Member** of the Sector, with  
2 no rights to harvest any Sector ACE, including but not limited to the ACE allocated to the Sector in  
3 connection with the assets acquired under the Permit Offer. A Transferee wishing to acquire **Active**  
4 **Member** status during the fishing year in which the permit transfer occurred must submit a written  
5 request to the Board for consideration. The Board will have the authority to approve, conditionally  
6 approve or deny such request.

7                   16. Release and Waiver of All Claims against Sector Manager; Indemnification and Hold  
8 Harmless. Each Member acknowledges that the effectiveness of this Agreement depends on the Manager  
9 exercising reasonable independent business judgment in good faith in reviewing and approving or  
10 disapproving Members' fishing plans, monitoring harvest of the Sector's ACE, and enforcing the terms and  
11 conditions of this Agreement. Each Member hereby waives and releases any and all claims against the  
12 Manager arising out of or relating to Manager's performance under this Agreement, other than those  
13 arising solely from the gross negligence or willful misconduct by the Manager, as conclusively determined  
14 by a court of final and competent jurisdiction. The Sector and the Members agree to jointly and severally  
15 indemnify, defend and hold the Manager harmless from and against any third party claims, damages,  
16 fines, penalties and liabilities of any kind whatsoever asserted against the Manager in connection with the  
17 Manager's performance under this Agreement, other than those arising out of gross negligence or willful  
18 misconduct by the Manager.

19                   17. Sector Membership Fees. At least thirty (30) days prior to the Effective Date, and at  
20 least thirty (30) days prior to each annual Termination Date thereafter, the Board shall notify the Members  
21 in writing of the amount of Sector membership fees that the Board has adopted for the upcoming year of  
22 Sector operations and At-Sea Monitoring costs. Member acknowledges that the Board may adopt  
23 additional fee's or modify current fee's during the duration of this agreement in order to ensure Sector  
24 operational and/or At-Sea Monitoring costs can be covered.

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

1 The party's written request for arbitration shall include the name of the arbitrator selected by the party  
2 requesting arbitration. The respondent party shall have ten (10) days to provide written notice of the  
3 name of the arbitrator it has selected, if any. If the other party timely selects a second arbitrator, the two  
4 arbitrators will jointly select a third arbitrator within ten (10) days. If the other party does not timely  
5 select the second arbitrator, there shall be only the one arbitrator. The single arbitrator or the three (3)  
6 arbitrators so selected will schedule the arbitration hearing as soon as possible thereafter. Any arbitrator  
7 must have no material ties to the Sector or any Member. The decision of the arbitrator (or in the case of  
8 a three (3) arbitrator panel, the decision of the majority) will be final and binding. The arbitration will be  
9 conducted under the rules of (but not by) the American Arbitration Association. The parties will be  
10 entitled to limited discovery as determined by the arbitrator(s) in his, her or their sole discretion. All costs  
11 of arbitration shall be borne by the party requesting the same. Each party shall bear its own costs of  
12 preparation and presentation, unless, in the case of the Sector, the Board determines to assess such costs  
13 to the applicable Member, which costs shall be immediately due and payable. In no event will arbitration  
14 be available pursuant to this paragraph after the date when commencement of such legal or equitable  
15 proceedings based on such claim, dispute, or other matter in question would be barred by an applicable  
16 statute of limitations.

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

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

29           19. No Collective Marketing. The Members acknowledge that the Sector has not been  
30 formed or qualified as a collective marketing association. The Members therefore agree that nothing in

1 this Agreement shall be construed as permitting or obligating Members to collaborate regarding the  
2 processing, marketing or sales of the product produced from catch harvested under their Harvest Shares.  
3 Each Member shall conduct all sales of such catch in competition with the other Members, and shall hold  
4 ex-vessel price information as confidential from other Members until such information becomes public or  
5 until such price information is six months old, unless and until the Sector is properly qualified under State  
6 and Federal law as a collective marketing association

7                   20. Amendment and Incorporation by Reference. The Exhibits hereto and the collateral  
8 documents referred to herein are and shall all be as the same may be amended from time to time. Any  
9 amendments thereto or hereto which are approved by the Board shall, as a condition of further  
10 membership of any Member in the Sector be deemed without any requirement of acceptance, consent  
11 or execution by any such Member to have been adopted, ratified and confirmed by such Member.

**EXHIBIT A: HARVESTING RULES FOR FY 2017 and FY 2018**

*The Members and the Participating Vessels of X **Northeast Fishery Sector, Inc.**, agree to be legally bound to follow the Harvesting Rules for the Fishing Year 2017 (May 1, 2017 to April 30, 2018) & Fishing Year 2018 (May 1, 2018 to April 30, 2019) 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 fish in primarily in the Gulf of Maine, though fishing may also occur to a lesser extent in Inshore Georges Ban and Southern New England/Mid Atlantic (SNE/MA).*

**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): except in those situations where a member is participating in an exempted fishery, or if a plan submitted by the Sector under §648.87(b)(2)(xiv) in this document has been approved by NMFS. The Sector members may resume fishing activities if additional ACE is secured through inter-sector ACE transfer. The Annual Catch Entitlement, allocated by NMFS to NEFS X for FY 2017 is identified in the table below:

Stock	Sector ACE:
GB Cod	4527.3473
GB Cod East	357.3634
GB Cod West	4169.9839
GOM Cod	14122.1779
GB Haddock	160318.871
GB Haddock East	73691.15
GB Haddock West	86627.7213
GOM Haddock	81675.0739
GB Yellowtail Flounder	5.315
SNE/MA Yellowtail Flounder	2262.8399
CC/GOM Yellowtail Flounder	29250.139
Plaice	24732.1187
Witch Flounder	13653.0824
GB Winter Flounder	140.7929
GOM Winter Flounder	124167.6833
SNE/MA Winter Flounder	6245.3816
Redfish	72979.9499
White Hake	45211.1244
Pollock	273401.0153

- 1 The Annual Catch Entitlement, allocated by NMFS to NEFS X for FY 2018 will be identified in **Exhibit I** of  
2 this Agreement in accordance with NMFS guidance and schedule pertaining to bi-annual operation plan  
3 submission.
- 4 **2. QUOTA MANAGEMENT:** Sector vessels, the dealers to which they are delivering fish and monitors will  
5 use a PC based software for collecting data, reporting catch, landings and discards, and reporting catch  
6 area information for logbook and stock attribution purposes. The Sector will utilize a quota release  
7 program that sets forth overall sector quota (ACE) release targets by species and individual member  
8 Harvest Share targets as they relate to the Sector targets. Interim and annual targets will be  
9 considered in the development of the Sector’s Fishing Plan. The Sector Manager will monitor the  
10 trajectories to interim and annual targets for the Sectors ACE’s as well as for the individual members  
11 Harvest Shares. The Sector expects to utilize ACE Transfers to balance the Sector’s ACE during the  
12 fishing year to prevent exceeding Sector ACE and to assist Members Harvest Share management.
- 13 **3. RESERVE:** For each stock held by the Sector, the quota release program will utilize an initial target  
14 trajectory that is not to exceed **90%** of the current quota held by the Sector as adjusted by ACE  
15 transfers. The remaining **10%** is the minimum aggregate total of the Reserve which will be set aside  
16 prior to Harvest Share distribution to Members. The Sector, through their Board, may modify the  
17 RESERVE holdback percentages for any or all stocks held by the Sector to prevent under or over  
18 harvest of the Sector’s ACE. Specifications in this section for FY 2018 will be documented in **Exhibit I**  
19 in accordance with NMFS guidance and schedule pertaining to bi-annual operation plan submissions.
- 20 **4. SLOWING CATCH:** The quota release program will incorporate a list of thresholds for both Sector ACE  
21 and member Harvest Shares, for the purposes of alerting the Sector Manager and members.  
22 Thresholds to “Slow Catch”, “Initiate Trading” and “Cease Fishing” will be incorporated into the Sector  
23 quota monitoring system. Members Harvest Shares are net from the Reserve. Therefore, Harvest  
24 Shares trajectories will be set to the Harvest Share. Once **85 %** of any Sector ACE is attained, slowing  
25 mechanisms such as tiered landing limits that apply differential counting of quota or service fees to  
26 each tier in excess of agreed landing limits may be utilized. When such slowing mechanisms are  
27 triggered or at any time during the fishing year, the Board may direct the Sector Manager to seek  
28 additional ACE through an ACE transfer with other sectors.
- 29 **5. FULL RETENTION OF LEGAL SIZED FISH:** All legal sized fish of allocated stocks harvested during the  
30 fishing operations must be retained and counted against the Sector’s ACE allocation, unless otherwise  
31 exempted.
- 32 **6. DAYS AT SEA:** Each participating permit and participating vessel will be allocated Days-At-Sea (DAS)  
33 by the Regional Administrator. Sector Member permits will not be subject to the DAS reduction in  
34 Amendment 16 for common pool vessels. Members will be required to use a DAS, as specified in  
35 controlling FMPs, when conducting fishing operations that are not exempted from DAS usage, for  
36 example, when fishing under a monkfish DAS.

1 **7. STOCK AREA DECLARATION:** Prior to leaving port, sector vessels will declare one or more than one of  
2 the four Broad Stock Areas (BSA) as identified in Amendment 16 and relating implementing  
3 regulations.

4 **7.1 Inshore Gulf of Maine Declaration:** For the purpose of providing the Sector and its Manager  
5 with a greater understanding of the fishing patterns conducted by their members, the  
6 following reporting requirements have been crafted and adopted by the Sector in  
7 collaboration with all Northeast Groundfish Sectors in the region. These provisions afford  
8 Sectors an administrative tool to track fishing activity west of the 70:15. The  
9 implementation of the following requirements is conditioned on the adoption by all  
10 Northeast Groundfish Sectors in their FY 2017 & 2018 Operations Plans. In the event this  
11 provision is not adopted by all Northeast Groundfish Sectors the specifications below will  
12 not be implemented by this Sector.

13 **7.1.1** For the purpose of Section 7.1 of the Harvesting Rules, the portion of BSA 1 west  
14 of 70:15 to the shoreline north to the Maine Coast and South to Cape Cod would  
15 be defined as **Inshore GOM**.

16 **7.1.2 When an Observer/Monitor is onboard.** The Sector Vessel may declare and fish in  
17 all Broad Stock Areas, including the portion of BSA 1 defined as the Inshore GOM  
18 defined in this section.

19 **7.1.3 When an Observer/Monitor is NOT onboard:**

20 **A.** If the Sector Vessels intends to fish West of the 70:15 in the area described in  
21 Section 7.1.1 of these Harvesting Rules as the Inshore GOM, at any time during  
22 a trip, the vessel must declare BSA 1 only and the Sector Vessel may not  
23 conduct any fishing activity outside of the area defined as BSA 1 for the entire  
24 trip.

25 **B.** If the vessel declares more than one Broad Stock Area on a trip, the vessel is  
26 prohibited from conducting fishing activity west of the 70:15 in the area  
27 described in Section 7.1.1 of Exhibit A: Harvesting Rules as the inshore GOM.

28 **C.** If the Member declares more than one BSA on the trip, the Member is  
29 prohibited from conducting fishing activity West of the 70:15 in the area  
30 described above as the Inshore GOM.

31 **D.** The Member must indicate acknowledgement of this restriction by  
32 transmitting a Trip Start Hail, through their VMS unit or third party software,  
33 and check the “b. Inshore Gulf of Maine” from the list of Sector Ops Plan  
34 Provisions in the Trip Start Hail.

35  
36 **7.1.4** X, Northeast Fishery Sector Board of Directors reserves the right to remove and/or  
37 modify this Inshore GOM Declaration provision at any time during the 2017 and  
38 2018 Fishing Years.

39 **7.1.5** Continuation of H.R. §7.1 in FY 2018 will be documented accordingly in Exhibit I  
40

1 **8. TRIP HAIL:** Sector vessels will comply with any Hail requirements established by the Sector and/or  
2 Agency.

3 **8.1 METHOD OF TRANSMISSION HAILS:** The sector vessels will be transmitting HAILS (Trip Start  
4 and Trip End) electronically via the email messaging component of their VMS units. All data  
5 necessary to the requirements will be sent in compressed formats to minimize characters  
6 and maximize message capacity directly to the Sector's Server which will collect, store,  
7 convert and relay all data elements necessary to meet various requirements. The Sector will  
8 relay required HAILS (Trip State and Trip End) to NMFS, immediately upon receipt. In the  
9 event that the primary system is unavailable, Sector Vessels will utilize a backup system,  
10 including but not limited to, direct cell phone or radio transmission between the vessel and  
11 NMFS OR a relay through the Sector Manager.

12 **8.2 TRIP START HAIL:** Prior to leaving port on a trip in which the catch of allocated stocks will  
13 count against the Sectors ACE i.e. a sector trip, each Active Vessel must notify their Sector  
14 Manager that the vessel is departing on a sector trip by completing a Trip Start Hail. The Trip  
15 Start Hail ("TSH") must include:

16 **8.2.1** Operator's Permit Number

17 **8.2.2** Vessel Trip Report (VTR) serial number

18 **8.2.3** Whether an Observer (NEFOP) or At-Sea Monitor (ASM) is onboard

19 **8.2.4** Usage of specific sector exemptions which require identification in the TSH

20 **8.2.5** Usage of specific sector plan provisions which require identification in the TSH

21 **8.2.6** Landing Port City

22 **8.2.7** Landing State (abbreviation)

23 **8.2.8** Estimated time and date of arrival in port

24 **8.2.9** Estimated time and date of offloading (required **only** for trips less than 6 hours in  
25 duration **or** if fishing within 6 hours of the offload port)

26 **8.2.10** Any comments as directed by the Sector Manager or NMFS Regional Administrator

27  
28 **8.3 TSH FOR TRIPS LESS THAN SIX HOURS OR OCCURRING WITHIN SIX HOURS OF PORT:** For  
29 trips less than six hours in length or occurring within six hours of port, the estimated time  
30 of arrival to port, must be provided in the Trip Start Hail (TSH). The Trip End Hail (TEH) will  
31 be sent upon completion of the last tow with required updated information. An alternative  
32 timing for the TEH may be implemented during FY 2017 or 2018 if agreed upon by the  
33 Sector, and NMFS.

34 **8.4 TRIP END HAIL:** The trip-end hail report must be submitted at least 6 hours in advance of  
35 landing for all trips at least 6 hours in duration or occurring more than 6 hours from port.  
36 For shorter trips, the trip-end hail reports must be submitted within sufficient in  
37 consultation with NMFS Office of Law Enforcement. An alternative timing for the trip end  
38 hail may be implemented during FY 2017 or 2018 if agreed upon by the sector, the  
39 monitoring provider, and NMFS. The trip end hail must include the following:

40 **8.4.1** Operator's Permit Number

- 1                   **8.4.2** Vessel Trip Report (VTR) serial number
- 2                   **8.4.3** First landing port city
- 3                   **8.4.4** First landing State (abbreviation)
- 4                   **8.4.5** Dealer/Offload Location
- 5                   **8.4.6** Estimated time and date of arrival
- 6                   **8.4.7** Estimated time and date of offload
- 7                   **8.4.8** Second offload port city
- 8                   **8.4.9** Second offload State (Abbreviation)
- 9                   **8.4.10** Total Groundfish Kept in pounds
- 10                  **8.4.11** Total non-Groundfish kept in pounds
- 11                  **8.4.12** Any comments as directed by the Sector Manager or NMFS Regional Administrator
- 12

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

15

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

22

23 **11. CLOSED AREAS:** Participating vessels may fish in closed areas to the extent authorized by NMFS.

24

25 **12. CATCH REPORTS:** All Active Member vessels fishing groundfish will be required to submit complete  
26 catch records to the Sector Manager electronically via VMS email or other electronic means prior to  
27 entering port to end a trip. Catch reports will include, at a minimum, all data elements of a fully  
28 compliant VTR logbook record/s. The Sector Manager may modify, at his/her discretion, the frequency  
29 of reporting transmissions and/or additional data to be submitted, to meet programmatic needs, such  
30 as, but not limited to, participation in a SAP, or internal quota management requirements. In the event  
31 a Member vessel is unable to submit his catch records electronically, the Member, will have no more  
32 than twenty-four (24) hours to provide such reports in hard copy to the Sector Manager, upon  
33 completion of vessel offload.

34

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



1  
2 **14. WEEKLY/DAILY REPORTS:** The Sector Manager, or his/her designated representative, will submit  
3 weekly or daily Sector Reports of all landings and discards by sector vessels, to NMFS. The Sector will  
4 submit required reports, using the format and procedures prescribed by NMFS. The reports required  
5 by NMFS are the *Sector Manager ACE Status Report*, *Sector Manager Detailed Report*, and *Sector*  
6 *Manager Trip Issue Report* as codified in §648.87(b)(1)(vi)(B). Specifically, the *Sector Manager*  
7 *Detailed Report* provides information down to the sub-trip level about each sector trip for a given  
8 week, regardless of completeness of the data. The information includes stock, gear, mesh categories,  
9 landing amounts, discards and total catch. The *Sector Manager Trip Issue Report* provides information  
10 about the sector trips for a given week that have enforcement or other issues. The *Trip Issue Report*  
11 allows the sector to briefly describe to NMFS any enforcement or reporting compliance issues,  
12 violations of the Sectors operations plan and regulation, and general problems with monitoring or  
13 sector operations during the reporting period. One *Trip Issue Report* is submitted per reporting  
14 period. The *Sector Manager ACE Status Report* documents the ACE status calculations, which allows  
15 NMFS to cross check totals as stipulated in Amendment 16. In the event that the Sector triggers daily  
16 reporting for a specific allocated stock, the *Sector Manager Daily ACE Status* will provide the mean for  
17 a sector manager to report their Sectors ACE status calculations on a daily basis if the “trigger point”  
18 i.e. thresholds specified in 14.1 have been reached during the current Fishing Year. These reports are  
19 cumulative in nature from the start of the fishing year until the current reporting week and are  
20 adjusted retroactively as data becomes available or issues documented in JIRA are resolved. JIRA is  
21 an issue tracking application implemented by NMFS, which should be used to report all data quality  
22 issues to the appropriate people for research and correction process.

23  
24 **14.1 REPORTING THRESHOLDS THAT TRIGGER DAILY REPORTING:** The reporting frequency for  
25 the sector manager’s ACE Status Report will be increased to daily when 90% of any of the  
26 sector’s ACEs is reached. The Sector Manager, or a designated representative, must notify  
27 NMFS immediately by email if the threshold that triggers daily reporting has been reached.  
28 During the period when a sector has reached or exceeded 90% of any of its ACEs, daily ACE  
29 Status and Detailed Reports must be submitted only on a day when a member vessel lands,  
30 or when the sector engages in an ACE transfer of a stock that is exceeding the 90%  
31 threshold.

32  
33 An alternative threshold for triggering daily reporting may be implemented during FY 2017  
34 or FY 2018 if agreed upon by the sector and NMFS.

35  
36 **14.2 ENFORCEMENT ISSUES:** The Members acknowledge that the Sector Manager must include  
37 any enforcement or reporting compliance issues, including violations of Operations Plan  
38 (excluding those sections identified as administrative provisions in this document as  
39 identified in **Exhibit F**); violations of regulations, or general problems with monitoring or  
40 sectors operations in their *Trip Issue Report* which is submitted to NMFS weekly.

1  
2 **15. ANNUAL REPORT:** Within sixty (60) days of the end of the fishing year the Sector Manager will submit  
3 an annual report to NMFS that summarizes: fishing activities of Members, including harvest levels of  
4 all species by sector vessels (landings and discards by gear types); enforcement actions; and any other  
5 relevant information required to evaluate the performance of the Sector. The actual date of  
6 submission will be specified by NMFS, which has been previously based in part on completeness of  
7 various data sets including but not limited to final reconciliation of ACE usage and availability of final  
8 fishing year data generated by NMFS. In addition, the Annual Report will report the number of sector  
9 vessels that fished for regulated groundfish and their permit numbers (when such disclosure does not  
10 violate protection of confidentiality); number of vessels that fished for other species; method used to  
11 estimate discards; landing port used by sector vessels while landing groundfish; and any other  
12 additional information requested by the Regional Administrator for inclusion in the Annual Report.  
13 The Sector will submit required reports using the format and procedures prescribed by NMFS.  
14

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

18 **17. DISCARD RATES AND IN-SEASON DISCARD ESTIMATES:** The Sector manager (or his/her designated  
19 representative) will derive stock specific discards for each trip. If the trip is observed by either an at-  
20 sea monitor or a Northeast Fisheries Observer Program (NEFOP) observer, discards will be derived  
21 based on data collected during that trip and will account for all hauls (observed and unobserved) on  
22 that trip. If the trip is not observed, discards will be derived using the NMFS-provided discard rate  
23 resulting from the NMFS method to estimate 'in-season' discard rates, which may not include data  
24 from research trips or sector trips using certain exemptions.  
25

26 **18. RESERVED FOR FUTURE USE:**  
27

28 **19. DATA MANAGEMENT:** The sector vessels will be transmitting catch data electronically via the email  
29 messaging component of their VMS units. All data necessary for sector ACE management, including  
30 all elements of VTR logbook and daily / weekly reporting requirements will be sent in compressed  
31 formats to minimize characters and maximize message capacity. Notwithstanding reporting  
32 requirements that cannot be altered by a sectors operations plan, the Sector's server will be capable  
33 of collecting, storing, converting and relay all data elements necessary to meet all reporting  
34 requirements in the formats required by the recipients  
35

36 The Sector, acting through its Manager, will maintain database(s) of vessel trip reports (VTR), dealer,  
37 At-Sea (ASM), and NEFOP Observer reports. In addition, the Sector will maintain any other database  
38 it determines necessary for its operations. NMFS will maintain a NEFOP/ASM database and will  
39 provide the Sector with data from NEFOP and the ASM program.

1  
2 **20. PROOF OF SECTOR MEMBERSHIP:** Upon approval of the Sector, each sector vessel will be issued a  
3 Letter of Authorization (“LOA”), which will specify the exemptions that have been approved for the  
4 Sector. Each Member agrees that its sector vessels **must** comply with all requirements stipulated in  
5 the LOA and all applicable federal regulations and laws not specifically exempted in the LOA.  
6

7 Furthermore, Member agrees that its sector vessels shall maintain the LOA, and a copy of the Sector  
8 Agreement and Harvesting Rules on-board at all times while fishing on a ‘sector-trip’.  
9

10 **21. SECTOR SPECIFIC EXEMPTIONS:** As referenced in §4.0 of this Agreement all Sectors are granted the  
11 following **Universal Exemptions**.

12 **21.1** Exemption from all Groundfish DAS requirements, including days-at-sea (DAS) reductions,  
13 differential groundfish DAS counting, the 3/15 rule for gillnets, and 24-hour DAS counting.  
14 NE multispecies (DAS) requirements to persecute other fisheries as specified in §§ 648.92  
15 and 648.32, 2 such as monkfish and skate continue to apply.

16 **21.2** Exemption from trip limits on NE multispecies stocks, except Atlantic halibut,  
17 windowpane flounder, ocean pout and Atlantic wolffish:

18 **21.2.1** , Halibut: Trip limit continues to be one fish per trip

19 **21.2.2** No vessel, whether in the Common Pool or in a Sector, are allowed to possess any  
20 windowpane flounder (both southern and northern), ocean pout, or wolffish  
21 onboard at any time. When caught, these species must be discarded.

22 **21.3** Exemption from the Georges Bank Seasonal closure in May.

23 **21.4** Exemption from any additional mortality controls adopted by Amendment 16, including  
24 additional seasonal or year-round closures, gear requirements, DAS reductions,  
25 differential DAS counting, and/or restricted gear areas.

26 **21.5** The Gulf of Maine Cod Protection Closures IV and V.

27 **21.6** Exemption from the requirement to use 6.5” minimum mesh size restriction for trawl gear  
28 specified at § 648.80(a)(4)(i) when using a haddock separator or Ruhle trawl within the  
29 GB Regulated Mesh Area (RMA), provided the vessel uses a codend with at least 6”  
30 minimum mesh size.

31 **21.7** From all or a portion of ASM coverage if the vessel is fishing on a monkfish DAS with extra-  
32 large mesh gillnets (10-inch or greater mesh) **exclusively** in Inshore Georges Bank and/or  
33 Southern New England.  
34

35 In addition to the Universal Exemptions granted to all Sectors, as referenced above and in §4.0 of  
36 this Agreement, **Members agree to abide by the following obligations as specified and**  
37 **authorized in their LOA, in order to utilize these Sector Specific Exemptions. Furthermore,**  
38 **Members acknowledge that specific details pertaining to certain exemptions are located in**  
39 **Exhibit B as required by NMFS:**  
40

- 1           **21.8**     120-Day Block Requirement Out of the Fishery for Day Gillnet Vessels:
- 2           **21.9**     20 Day Spawning Block:
- 3           **21.10**    Limitation on the Number of Gillnets for Day Gillnet Vessels:
- 4           **21.11**    Prohibition on a vessel’s hauling another Vessel’s gillnet gear
- 5           **21.12**    Limitation on the Number of Gillnets that may be hauled on GB when Fishing Under a
- 6                    Groundfish/Monkfish DAS:
- 7           **21.13**    Limitation on the Number of Hooks that may be Fished:
- 8           **21.14**    DAS Leasing Program Length and Horsepower Restrictions
- 9           **21.15**    Prohibition on Discarding
- 10          **21.16**   Daily catch reporting by Sector Managers for Sector vessels that fish in the CA I Hook Gear
- 11                   Haddock SAP
- 12          **21.17**   Trawl Gear Requirements in the Eastern US/CA Management Area
- 13          **21.18**   Prohibition on Fishing Inside and Outside the CA I Hook Gear Haddock SAP while on the
- 14                   same trip
- 15          **21.19**   Prohibition on a Vessel hauling another vessels hook gear
- 16          **21.20**   Requirement to declare intent to fish in the Eastern US/CA SAP and CA II YT/Haddock SAP
- 17                   from the dock
- 18          **21.21**   Seasonal Restrictions for the Eastern US/CA Haddock Sap
- 19          **21.22**   Seasonal Restrictions for the CA II YT/Haddock SAP
- 20          **21.23**   Minimum Mesh Size Requirement for Targeted Redfish Trips.\*
- 21          **21.24**   Prohibition on using small mesh trawl nets to target small mesh species (silver hake, red
- 22                   hake, and squid) on a Sector Trip in the SNE Regulated Mesh Area\*
- 23          **21.25**   Prohibition on Hauling another vessel's trap gear\*
- 24          **21.26**   Nantucket Lightship Closed Area\*

25

26

27   **22. SECTOR AT-SEA MONITORING PROGRAM.** The Sector is proposing their preferred At-Sea Monitoring

28           (ASM) Program for consideration by NMFS, as articulated in **Exhibit J** of this Agreement. . It is the

29           Sectors hope that the Agency will work collaboratively with the Sector over the fall and winter to

30           resolve any and all concerns the Agency may have with this program. In the event that the Sectors

31           designed ASM program is not approved by NMFS the Sector will use the NMFS designed ASM Program

32           as documented in **Exhibit K**. Where appropriate, documentation of fulfillment of this criterion for FY

33           2018 will be located in **Exhibit I** of this Agreement and will be furnished by the Sector in accordance

34           with NMFS guidance and schedule pertaining to bi-annual operation plan submission.

35   **22.1   USE OF MONITORING SERVICES.** The Members acknowledge that for the Sector to function

36           efficiently, it is essential that the Active Members conduct their fishing operations such that

37           at-sea monitoring service costs are kept as low as commercially practical amount. The Active

38           Members therefore agree to provide accurate landing time projections, to make landings

39           expeditiously, and to choose landing locations based in part on the efficiency and

40           responsiveness of the buyer receiving catch harvested under the Sector’s ACE. Active

1 Members who fail to comply with the provision of this Section may be assessed the excess  
2 cost of monitoring resulting from their failure to do so. Furthermore, the Sector BOD may  
3 opt from time to time to modify provisions such as authorized landing ports in order to  
4 ensure that the cost associated with these required programs do not become cost  
5 prohibitive.

6 **22.2 COVERAGE RATES:** NEFS X will deploy at-sea monitors in a way to achieve coverage of 16%  
7 of trips that is random and representative of the fishing activities of the sector. A monitored  
8 trip must be a sector trip, including those taken in which a NE multispecies day-at-sea is used  
9 to target other species such as monkfish or skates, unless exempted by NMFS.

10 **22.3 ADDITIONAL COVERAGE:** In addition to ensuring that the coverage rates specified by NMFS  
11 are met by the ASM program, as well as to satisfy any internal sector determinations for  
12 coverage, the Sector may from time to time opt to have additional coverage in order to fully  
13 utilize specific approved exemptions or to address specific needs of the Sector.

14 **22.4 AT-SEA MONITORING PROVIDER:** The Sector will contract with one or more of the  
15 companies approved by NMFS to provide At-Sea Monitoring and will notify NMFS of its  
16 selection no later than May 1, 2017 via electronic mail or written mail. If a vendor in which  
17 the Sector has a contractual arrangement with is decertified during the fishing year, the  
18 Sector will negotiate a new contractual arrangement with another certified vendor(s) and  
19 notify NMFS of these new agreements.

20 **22.5 AT-SEA MONITORING PROGRAM GOALS AND OBJECTIVES:** The Sector acknowledges that  
21 they have been informed that the current goals and objectives of At-Sea Monitoring (“ASM”)  
22 as codified by NMFS in 50 C.F.R 648.11(1) are

Goal	Objectives
Improving Documentation of Catch	<ul style="list-style-type: none"> <li>Determine total catch and effort (for all sectors and the common pool) as accurately as possible. Leads to better understanding of how well the target or regulated species are faring.</li> <li>Determine how much observer coverage is needed in order to minimize effects of potential "monitoring bias."</li> <li>Maintain monitoring program flexibility in order to improve fleet viability.</li> </ul>
Reducing Monitoring Costs	<ul style="list-style-type: none"> <li>Streamline data management operations and eliminate redundancies.</li> <li>Explore options for cost-sharing with and deferment of cost to industry</li> <li>Recognize the opportunity costs of insufficient monitoring.</li> </ul>
Reducing Discards	<ul style="list-style-type: none"> <li>Determine discard rate by using the smallest possible strata while simultaneously maintaining cost-effectiveness.</li> <li>Collect information by gear type in order to accurately calculate discard rates.</li> </ul>
Getting More Data Sources to Better Assess Stocks	<ul style="list-style-type: none"> <li>Reduce management and/or biological uncertainty.</li> <li>Perform biological sampling. That is, perform sampling if it can be used to improve the accuracy of mortality or recruitment calculations.</li> </ul>
Improving Safety of Monitoring Program	<ul style="list-style-type: none"> <li>Improve the safety of the ASM program as necessary.</li> </ul>
Performing Periodic Review Of Monitoring Program to Assess Effectiveness	<ul style="list-style-type: none"> <li>Periodically review the performance of the ASM program to ensure it is meeting these goals and objectives.</li> </ul>

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**23. RESERVED FOR FUTURE USE:**

**24. RESERVED FOR FUTURE USE:**

**25. RESERVED FOR FUTURE USE:**

**26. OFFLOADING PORTS:** 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; Sandwich, Green Harbor, Plymouth, Boston, Provincetown, Scituate, Brant Rock, Cohasset, Hyannis, Nantucket, Chatham	

9

**27. SAFE HARBOR PROTOCOL:** 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

10  
11  
12

1 sinking, crew injury or life threatening illness and any other emergency situations that may arise, a  
2 sector vessel may enter a port other than those listed as "Landing Ports" to ensure the safety of the  
3 vessel and its crew. In the event that a Sector Vessel must utilize this safe harbor protocol, they must  
4 notify their Manager and NMFS OLE of when and where they had to seek safe harbor within 6 hours  
5 of this entering the port.

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

10 **28.1 INTRA-SECTOR DAYS AT SEA (DAS) LEASING:** Days at Sea may be leased intra-sector  
11 (between members) within the guidelines and procedures contained in the FMP and as  
12 amended by Amendment 16. The Sector would accept any future relief in the length and  
13 horsepower constraints of the program that may be authorized by the RA in the future.

14 **28.2 INTER-SECTOR DAYS AT SEA (DAS) LEASING:** Members who wish to lease Days-at-Sea (DAS)  
15 outside of the Sector are authorized under this provision to do so, only with Members of  
16 other Sectors whom are similarly exempt. Members acknowledge that such DAS leasing  
17 would not be exempted from existing length and horsepower constraints as currently  
18 contained in applicable regulations.

19 **28.3 PAPER VTR:** Members acknowledge that they are bound to all applicable reporting  
20 requirements. Sector vessels shall continue using paper VTRs for FY 2017 & 2018, as  
21 required by regulations. However, electronic vessel trip reporting (e-VTR) systems for  
22 transmission and submission of required VTR reports have been authorized by the Regional  
23 Administrator using a phased implementation process. The Sector and its Members may  
24 utilize e-VTR in accordance with the phased implementation process.

25 **28.4 ADDITIONAL EXEMPTIONS:** Members note that NMFS is generating one Environmental  
26 Assessment for all sectors seeking authorization for Fishing Year 2017 & 2018, and that  
27 NMFS communication has stated that if an exemption is approved for one Sector, all other  
28 authorized Sectors can be similarly approved for that specific exemption based on the terms  
29 and conditions of the originally requesting sector. In light of this understanding, NEFS X will  
30 request authorization for such exemptions it deems beneficial for its operations, prior to  
31 the publication of the final authorizing rule.

32 **28.4.1** Furthermore, NMFS has indicated that Sectors will be afforded the opportunity to  
33 request additional exemptions for the 2<sup>nd</sup> year of operations i.e. FY 2018 in  
34 accordance with a supplemental schedule to be established by NMFS.

35 **29. MODIFICATION OF HARVESTING RULES:** Members acknowledge that from time to time, the Sector  
36 Manager in collaboration with Board of Directors, and at times Membership, may adopt additional

1 requirements or restrictions on the internal reporting requirements or fishing activities of all members  
2 in order to ensure effective utilization and management of the Sector's ACE. These modifications may  
3 include, but are not limited to, additional notification of planned fishing activity to the Manager,  
4 additional internal reporting requirements, gear requirements, and restrictions on locations where  
5 fishing may occur during specific times of the year or with specific gear. When such modifications are  
6 implemented, all Members will be notified in writing.

7  
8



1 **Exhibit B: Additional Details Regarding Specific Approved Sector Exemptions**

2  
3 **Nantucket Lightship Closed Area:**

4  
5 This exemption allows sector vessels to access portions of the Nantucket Lightship Closed Area to provide  
6 additional opportunities to target monkfish, dogfish, and skates.

7 A trawl vessel may fish in the Western Exemption Area with any legal trawl gear. A trawl vessel fishing in  
8 the Eastern Exemption Area is restricted to approved selective trawl gear, including the separator trawl,  
9 the Ruhle trawl, or the rope trawl. Flounder nets are prohibited in the Eastern Exemption Area. A hook  
10 vessel is permitted in both areas. A gillnet vessel is restricted to fishing 10-inch (25.4-cm), or larger,  
11 diamond mesh in both areas. A gillnet vessel must use pingers when fishing in the Western Exemption  
12 Area from December 1 – May 31, because this area lies within the existing Southern New England  
13 Management Area of the Harbor Porpoise Take Reduction Plan.

14  
15 The Western and Eastern Nantucket Lightship Closed Areas are defined by lines connecting the points  
16 listed below in the order stated.

17  
18 **Western Nantucket Lightship Closed Area**

19

POINT	LATITUDE	LONGITUDE
A	40°50'N	70°20'W
B	40°50'N	70°00'W
C	40°20'N	70°00'W
D	40°20'N	70°20'W
A	40°50'N	70°20'W

20  
21  
22 **Eastern Nantucket Lightship Closed Area**

23

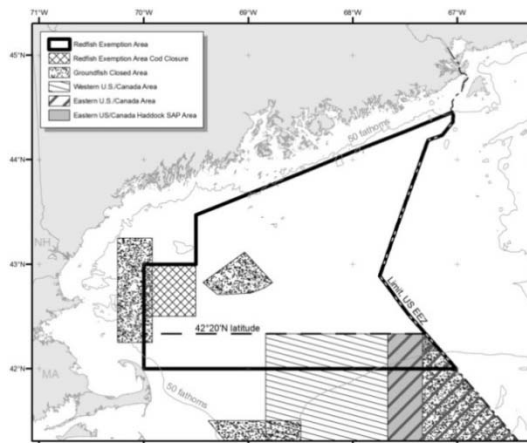
POINT	LATITUDE	LONGITUDE
A	40°50'N	69°30'W
B	40°50'N	69°00'W
C	40°20'N	69°00'W
D	40°20'N	69°30'W
A	40°50'N	69°30'W

24  
25  
26 Any vessel that intends to access the Western or Eastern Nantucket Lightship Closed Areas must declare  
27 a closed area trip through the VMS trip start hail by checking the box next to “Closed Area Trip” under  
28 sector exemptions. Trip Start Hails must be submitted prior to departure. The sector must follow any  
29 additional trip declaration or reporting requirements that NMFS implements during the fishing year.

30  
31 **Exemption from the 6.5-inch mesh size for directed redfish trips:**

1  
 2 This exemption allows a sector vessel to fish for Acadian redfish in the designated Redfish  
 3 Exemption Area, described below, using nets with codend mesh no smaller than 5.5 inches.  
 4 When fishing inside the Redfish Exemption Area all other restrictions applicable to trawl nets  
 5 still apply. In order to use this exemption, a vessel must strictly adhere to the following  
 6 conditions and restrictions:

- 7
- 8 1. The vessel must declare its trip in PTNS under standard requirements, there is no  
 9 additional at-sea monitoring coverage required above the target coverage level for the  
 10 sectors (i.e., ~16% in fishing year 2017).  
 11
- 12 2. Prior to leaving the dock, the vessel must declare its intent to use the redfish exemption  
 13 on the trip through the VMS trip start hail by checking the box “Redfish Trip” under  
 14 sector exemptions.  
 15
- 16 3. The vessel must submit a Multispecies Catch Report through its VMS system, each day  
 17 for the **entire trip**, including Parts 1 and 2 of the trip as described below, even if the  
 18 vessel has declared the exemption, but does not target redfish. The vessel must submit  
 19 Multispecies Catch Reports through VMS in 24-hr intervals for each day of the fishing  
 20 trip. The report must be submitted by 0900 hr (9:00 a.m.) on the date following the date  
 21 the fish were caught. The report must provide a good faith estimate of the amount each  
 22 regulated species caught on each day of the trip.  
 23
- 24 4. In accordance with the restriction stated herein, the vessel may use a codend with 5.5-  
 25 inch mesh and greater within the Redfish Exemption Area. The northern boundary  
 26 ensures that the exemption is used in deeper water (i.e., greater than 50 fathoms).  
 27 Vessels cannot use the exemption in the “cod closure” (block 131) during February and  
 28 March.



30  
 31 The Redfish Exemption Area is bounded on the east by the U.S.-Canada Maritime  
 32 Boundary, and bounded on the north, west, and south by the following coordinates,  
 33 connected by straight lines in the order listed:  
 34

Point	N. Lat.	W. Long.
-------	---------	----------

A	44°27.25'	67°02.75'
B	44°16.25'	67°30.00'
C	44°04.50'	68°00.00'
D	43°52.25'	68°30.00'
E	43°40.25'	69°00.00'
F	43°28.25'	69°30.00'
G	43°00.00'	69°30.00'
H	43°00.00'	70°00.00'
I	42°00.00'	70°00.00'
J	42°00.00'	67°00.63' <sup>1</sup>

1 <sup>1</sup>The intersection of 42°00' N. latitude and the U.S.-Canada Maritime Boundary, approximate longitude in  
2 parentheses.

3  
4 Due to concerns about GOM cod, block 131 is closed for February and March. The area is  
5 bounded on the east, north, west, and south by the following coordinates, connected by straight  
6 lines in the order listed:  
7

Point	N. Lat.	W. Long.
G	43°00.00'	69°30.00'
H	43°00.00'	70°00.00'
K	42°30.00'	70°00.00'
L	42°30.00'	69°30.00'
G	43°00.00'	69°30.00'

8  
9 5. During a Redfish Exemption Trip, any codend that is only authorized on a Redfish  
10 Exemption Trip must be stowed below deck and can only be retrieved after completing  
11 the requirements identified in paragraph 8 below.  
12

13 **Part 1 of Redfish Exemption Trip**

14  
15 6. When a vessel declares a “Redfish Trip” via VMS, it may fish outside the Redfish  
16 Exemption Area during Part 1 of the Redfish Exemption Trip in accordance with  
17 otherwise applicable regulations and sector exemptions. However, fishing outside of the  
18 Redfish Exemption Area first is optional. A vessel may choose to immediately transit to  
19 the Redfish Exemption Area and begin fishing.  
20  
21 7. Any catch thresholds do not apply for Part 1 of the trip.  
22

23 **Part 2 of Redfish Exemption Trip: Switching Codends**

24  
25 8. When the vessel plans to target redfish, it must travel to the Redfish Exemption Area.  
26 Once the vessel is in the Redfish Exemption Area, immediately before switching  
27 codends, it must send a Multispecies Catch Report via VMS. This report is in addition to  
28 the daily Multispecies Catch Reports that are required when utilizing this exemption.  
29 The Multispecies Catch Report a vessel must send before switching codends must  
30 provide a good faith estimate of all fish caught by the vessel that day between 12:01 AM  
31 and the time of the report, and must fill out Step 5 indicating that it intends to use the  
32 exemption immediately after sending the report. After the vessel is in the Redfish

1 Exemption Area and submits the required catch report, it may retrieve the 5.5-inch mesh  
2 codend from below deck and begin using it. The vessel may use a 5.5-inch mesh codend  
3 (or greater) for the remainder of the trip in Redfish Exemption Area.  
4

- 5 9. Once a vessel sends the Multispecies Catch Report via VMS indicating that it is  
6 switching to the smaller mesh codend (Step 5), it is prohibited from fishing outside the  
7 Redfish Exemption Area.  
8
- 9 10. The vessel must submit a final Multispecies Catch Report, in addition to other required  
10 Multispecies Catch Reports, and a Trip End Hail via VMS once it stops fishing and  
11 begins its return to port.  
12

### 13 **Summary Of All Redfish Exemption Trip Reporting Requirements**

- 14
- 15 1. Submit a trip start hail declaring a redfish trip
- 16 2. Submit VTRs when switching chart area, gear, and/or mesh size.
- 17 3. Submit daily catch reports of all kept fish by 9 AM the following day.
- 18 4. Send a catch report of all kept fish since 12:01 AM of that day, with Step 5 completed.
- 19 5. Submit a final catch report and Trip End Hail at the end of the trip.  
20

### 21 **Monitoring Catch Thresholds**

22

23 For all trips declaring the redfish exemption and targeting redfish under Part 2 of the trip, at least  
24 50% of the total groundfish kept must be redfish. For observed trips (NEFOP/ASM) declaring  
25 the redfish exemption and targeting redfish under Part 2 of the trip, total groundfish discards  
26 (including redfish) may not exceed 5% of all kept fish. If after at least one month, it is  
27 determined that the sector is not meeting one of these two thresholds, NMFS will notify the  
28 sector and be given 30 days to modify fishing behavior in order to meet both thresholds. NMFS  
29 retains the authority to rescind the exemption if either threshold is not being met.  
30

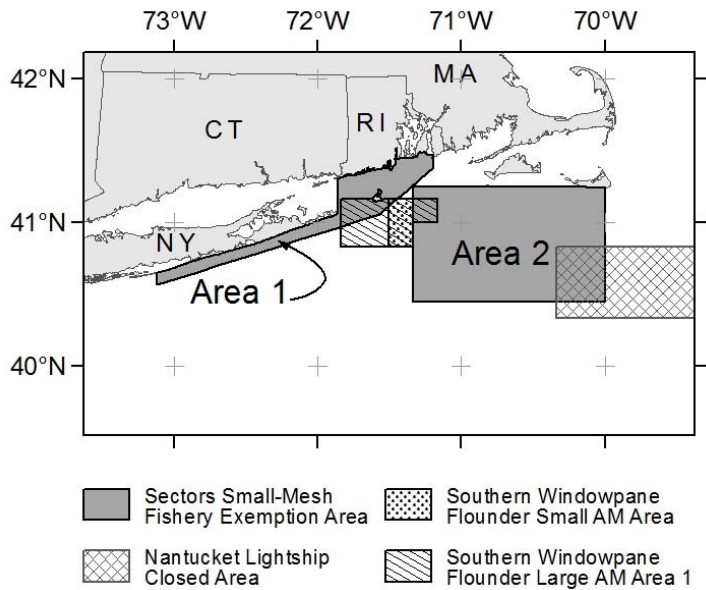
### 31

### 32

### 33 **Prohibition on combining small-mesh exempted fishery and sector trips:**

34

35 The exemption applies to sector trips only and is intended to allow a vessel to catch some small-  
36 mesh species after targeting groundfish. A vessel could land whiting, longfin squid, mackerel,  
37 herring and other small-mesh species, provided the vessel still meets the requirements of those  
38 fisheries. Because of declaration, observer, and reporting requirements in other fisheries, a  
39 vessel may not be able to target groundfish and catch more than incidental amounts of small-  
40 mesh species. A sector vessel must fish with trawl nets that meet current regulatory requirements  
41 and sector exemptions during the first part of the trip, but may switch to modified small mesh  
42 gear for the second portion of the trip. The small-mesh portion of the trip must be fished in  
43 Small Mesh Areas 1 and 2, described below and must use the modified small mesh gear  
44 described below.



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Sector Small-Mesh Fishery Exemption Area 1 is bounded by the following coordinates connected in the order listed by straight lines, except where otherwise noted:

Point	N. Latitude	W. Longitude	Note
A	<a href="#">40°39.2'</a>	<a href="#">73°07.0'</a>	
B	<a href="#">40°34.0'</a>	<a href="#">73°07.0'</a>	
C	<a href="#">41°03.5'</a>	<a href="#">71°34.0'</a>	
D	<a href="#">41°23.0'</a>	<a href="#">71°11.5'</a>	
E	<a href="#">41°27.6'</a>	<a href="#">71°11.5'</a>	(1)
F	<a href="#">41°18.3'</a>	<a href="#">71°51.5'</a>	
G	<a href="#">41°04.3'</a>	<a href="#">71°51.5'</a>	(2)
A	<a href="#">40°39.2'</a>	<a href="#">73°07.0'</a>	

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(1) From POINT E to POINT F along the southernmost coastline of Rhode Island and crossing all bays and inlets following the COLREGS Demarcation Lines defined in 33 CFR part 80.

(2) From POINT G back to POINT A along the southernmost coastline of Long Island, NY, and crossing all bays and inlets following the COLREGS Demarcation Lines defined in 33 CFR part 80.

Sector Small-Mesh Fishery Exemption Area 2 is bound by the following coordinates connected in the order listed by straight lines. Sector vessels cannot fish the small-mesh portion of their trip using this exemption in the Nantucket Lightship Closed Area where the two areas overlap.

Point	N. Latitude	W. Longitude
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H	<a href="#">41°15.0'N</a>	<a href="#">71°20.0'W</a>
I	<a href="#">41°15.0'N</a>	<a href="#">70°00.0'W</a>
J	<a href="#">40°27.0'N</a>	<a href="#">70°00.0'W</a>
K	<a href="#">40°27.0'N</a>	<a href="#">71°20.0'W</a>
H	<a href="#">41°15.0'N</a>	<a href="#">71°20.0'W</a>

The modified small mesh gear must contain either:

- A drop chain sweep with a minimum drop of 12 inches (30.48 cm) in length, with a 24-inch headrope setback; or
- a large mesh belly panel with a minimum mesh size of 32 inches (81.28 cm), with the meshes hung on the half (a hanging ratio of 2:1); or
- an excluder grate secured forward of the codend with an outlet hole forward of the grate with bar spacing of no more than 1.97 inches (5.00 cm) wide.

In order to use this exemption, the following additional conditions and restrictions apply:

1. Prior to leaving the dock, the vessel must declare a small mesh trip through the VMS trip start hail by checking the box next to “Other Exemption (when directed by NMFS)” under sector exemptions.
2. A vessel declaring this exemption must render its small mesh gear not available for immediate use, as defined by 50 C.F.R. § 648.2, when using large-mesh gear during the first portion of the trip.
3. Upon completing the large-mesh portion of the trip, the vessel must submit a Multispecies Catch Report via VMS with a good faith estimate of all catch on board and with Step 5 completed.
4. The date-time stamp of the Multispecies Catch Report indicates to Enforcement that the vessel is now in the second portion of the trip and is prohibited from redeploying its large-mesh gear.
5. Following submission of the Multispecies Catch Report, the vessel may deploy its modified small mesh gear in the areas described above and is prohibited from fishing outside of the small mesh exemption areas. All other applicable regulations apply to this portion of the trip.
6. The vessel must comply with the remaining requirements of a sector trip, including the submission of VTRs, a trip end hail, and a final Multispecies Catch Report.
7. A vessel fishing with this exemption must retain and land all legal-sized groundfish on both the regulated mesh and small mesh portions of the trip.

**Prohibition on Hauling another vessel's trap gear:**

Exhibit D

1  
2 Vessels participating in the NEFS X may haul another sector vessel's groundfish trap gear, provided that  
3 each vessel adheres to the gear marking requirements specified at § 648.84(a). Gear must be tagged by  
4 each vessel that intends to haul the gear.  
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**Exhibit C:**

**Sector Membership Fishing Year 2017 (May 1, 2017 to April 30, 2018)**

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

147967	MYSTIC	Stephen Welch
148859	DRIFTER	Peter Krzyzewski
150642	1982 STUR	Stephen Welch
150742	1976 SKIMMER	Stephen Welch
150792	VESSEL PLAYTIME II	South Shore Preservation Fund, Inc
150803	NELLIE M STANLEY	South Shore Preservation Fund, Inc
150818	FRANCIS ELIZABETH	South Shore Preservation Fund, Inc
150845	GAMBLER	South Shore Preservation Fund, Inc
150850	ESTER M	South Shore Preservation Fund, Inc
150852	UNICORN	South Shore Preservation Fund, Inc
240095	Richard & Arnold	David W Dutra
151608	COLEMAN	Henry S. & Joyce Anne McCarthy
210396	PHOENIX	Edward Barrett
220437	SURVIVAL	Survival Fishing Co.
222158	SORRY CHARLIE	Shannon Fisheries Co.
223338	SARAH ANN	Phillip Brazao
223496	DESTINY	Paul S. Unangst
230003	ANGENETTE	Ronald G. Borjeson
230855	SIRIUS	Edward Barrett
231809	CYGNET	Michael Duane
240194	ODESSA	Timothy Barrett
999925	LESLIE	Stephen Welch
999924	HOLLY & ABBY	Stephen Welch
999923	BETSY GALS II	Lee Jackson
151447	2011 KL Industries Skiff	Stephen Welch
151326	1990 Appleby	John J Good
149711	Nicholas Zachary	South Shore Preservation Fund Inc.

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

Vessel Name	Vessel Reg No
SORRY CHARLIE	963285
RICHARD & ARNOLD	232989
PHOENIX II	MS1911AD
SIRIUS	648817
SURVIVAL	600104
DRIFTER	1149703
CYGNET	947819
DESTINY	1092974
SARAH ANN	1048917
ANGENETTE	250536
MYSTIC	MS8230AY
ODESSA	554354

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1 **EXHIBIT D**

2 **Sector Member and Vessel Permits Amendment 16 Disclosure Requirements Fishing Year 2017 (May**  
3 **1, 2017 to April 30, 2018)**

4  
5 Sector Members have enrolled all eligible Limited Access Multispecies Permits into the Sector.

6 Additional Information on federal & state permits associated with Sector Vessels and Sector Members:

7

Permit	Boat	Owner	Permit Data
147967	Mystic	Stephen Welch	Bluefish, Spiny Dogfish, Herring, AM. Lobster, Monkfish, NE Multispecies, Red Crab, Skate, Squid/ Butterfish, Atlantic Mackerel, Tilefish
148859	Drifter	Peter Krzyzewski	Bluefish,Bluefish charter,Summer flounder Spiny Dogfish, Herring, AM. Lobster,Lobster trap, Monkfish, NE Multispecies, Red Crab, Skate, Squid/ Butterfish, Atlantic Mackerel, Tilefish
240194	Odessa	Timothy Barrett	Bluefish, Spiny Dogfish, Herring, AM. Lobster, Monkfish, NE Multispecies, Red Crab, Skate, Squid/ Butterfish, Atlantic Mackerel, Tilefish
231809	Cygnet	Michael Duane	Bluefish, Spiny Dogfish, Herring, AM. Lobster, Monkfish, NE Multispecies, Skate, Tilefish
230003	Angenette	Ronald Borjeson	Bluefish, Spiny Dogfish, Herring,Scallop, AM. Lobster, Monkfish, NE Multispecies, Ocean Quahog, Skup, Surf Clam, Skate, Squid/ Butterfish
223496	Destiny	Paul Unangst	Bluefish,Bluefish charter,Black Sea Bass,Summer flounder, Spiny Dogfish, Herring, AM. Lobster,Lobster trap, Monkfish, NE Multispecies, Red Crab, Skate, Atlantic Mackerel, Tilefish , Scup
223338	Sarah Ann	Philip Brazao	Bluefish,Bluefish charter,Black Sea Bass,Summer flounder, Spiny Dogfish, Herring, AM. Lobster, Monkfish, NE Multispecies, Red Crab, Skate, Squid/Mackerel/Butterfish charter, Tilefish , Scup
222158	Sorry Charlie	Daniel Shannon	Bluefish, Spiny Dogfish, Herring,Scallop, AM. Lobster, Monkfish, NE Multispecies, Red Crab, Atlantic Mackerel, Tilefish, Skate, Squid/ Butterfish

Permit	Boat	Owner	Permit Data
220437	Survival	Kevin Scola	Bluefish,Bluefish charter,Black Sea Bass,Summer flounder, Spiny Dogfish, Herring, AM. Lobster, Lobster trap, Atlantic Mackerel Monkfish, NE Multispecies, Red Crab, Skate, Squid/Mackerel/Butterfish charter, Scup
210396	Phoenix	Edward Barrett	AM. Lobster, Monkfish, NE Multispecies, Skate,
230855	Sirius	Edward Barrett	AM. Lobster, Monkfish, NE Multispecies, Skate,
151326	1990 Appleby	John J Good	Bluefish,Summer flounder Spiny Dogfish, Herring, AM. Lobster,Lobster trap, Scup, NE Multispecies, Red Crab, Skate, Squid/ Butterfish, Tilefish
250393	Betsy Gals II	Lee Jackson	Summer flounder , AM. Lobster,Lobster trap, Scup, NE Multispecies, Red Crab, Skate,Surf clam,Scup, Ocean Quahog
150642	1982 Stur	Stephen Welch	Bluefish, Spiny Dogfish, Herring, Atlantic Mackerel, Squid/Butterfish, Red Crab Monkfish, NE Multispecies, Skate, Tilefish
151608	Coleman	Henry McCarthy	Bluefish, Herring, Atlantic Mackerel, Squid/Butterfish, Red Crab Monkfish, NE Multispecies, Skate
240095	Richard & Arnold	Judith Dutra	Bluefish, Spiny Dogfish, Herring, Ocean quahog, Squid/Butterfish, Red Crab Monkfish, NE Multispecies, Skate, Tilefish, summer flounder,scallop,AM Lobster,Surf clam, Scup

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**EXHIBIT E**

<b>NEFS X Penalty Schedule</b>			
	<b>FIRST OFFENSE</b>	<b>SECOND OFFENSE</b>	<b>THIRD OFFENSE</b>
<b>VIOLATION REGARDING REPORTING, DOCUMENTATION REQUIREMENTS:</b>			
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; (technical and minor violations may result in a letter of warning).	Written Warning <b>or</b> up to \$5000.00	Written Warning <b>and</b> up to \$7,500.00.	Written Warning <b>and</b> up to \$10,000.00 <b>and/or</b> stop fishing order.
<b>VIOLATION REGARDING EXEMPTION PERMIT REQUIREMENTS</b>			
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 <b>or</b> up to \$10,000.00	Written Warning <b>and</b> \$10,000.00-\$50,000.00.	Written Warning <b>and</b> up to \$100,000.00 <b>and/or</b> stop fishing order.
<b>VIOLATION REGARDING TIME/AREA/GEAR RESTRICTIONS</b>			
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 <b>or</b> up to \$20,000.00	Written Warning <b>and</b> \$20,000.00-\$50,000.00.	Written Warning <b>and</b> up to \$100,000.00 <b>and/or</b> expulsion.
<b>VIOLATIONS THAT PLACE THE SECTOR AGREEMENT AT RISK</b>			
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 <b>and</b> up to \$50,000.00 <b>or</b> stop fishing order.	Stop fishing order <b>or</b> Expulsion.	Expulsion.

<b>VIOLATIONS SPECIFIC TO THE INDUSTRY FUNDED AT-SEA MONITORING PROGRAM</b>
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All violations including but not limited to a violation by Member/Vessel that fails to comply with the ASM cancellation policy established by the Sector with the ASM Provider(s); subverting vessel selection with No Call/No Show activity;	Written Warning <u>or</u> up to \$5000.00	Written Warning <u>and</u> up to \$7,500.00.	Written Warning <u>and</u> up to \$10,000.00 <u>and/or</u> stop fishing order.
ASM Refusals	Written Warning <u>or</u> up to \$5000.00	Written Warning <u>and</u> up to \$7,500.00.	Written Warning <u>and</u> up to \$10,000.00 <u>and/or</u> stop fishing order.
All violations including but not limited to: unreasonable interference with onboard data collectors; failing to participate in Sector Catch Monitoring Programs; (technical and minor violations may result in a letter of warning).	Written Warning <u>or</u> up to \$5000.00	Written Warning <u>and</u> up to \$7,500.00.	Written Warning <u>and</u> up to \$10,000.00 <u>and/or</u> stop fishing order.
All violations associated with failure to pay ASM fee in a timely manner as invoiced by Sector.	Written Warning <u>or</u> up to \$5000.00	Written Warning <u>and</u> up to \$7,500.00.	Written Warning <u>and</u> up to \$10,000.00 <u>and/or</u> stop fishing order.

1 **Exhibit F:**

2 **Administrative Provisions Addendum:**

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

7 **SECTOR OPERATIONS PLAN AND AGREEMENT**

8 1. Sector Name.

9 2. Sector Eligibility and Membership.

10 4. Sector Allocation and Exemptions.

11 5. Distribution of Sector ACE.

12 6. Sector Manager and Registered Agent.

13 6.1 Communication with Sector.

14 7. Consolidation Plan.

15 7.1 Harvest Share Reserve.

16 7.2 Harvest Share Use. Section 7.2 is administrative except to the extent that it applies to the  
17 Sector managers ability to impose and utilize legal means to recover Liquated damages as  
18 authorized in section §10.10 of this agreement, in which case NMFS enforcement procedures may  
19 apply.

20 7.2.1 Non-Active Members. Section 7.2.1 is administrative except to the extent that it  
21 applies to the Sector managers' ability to impose and utilize legal means to recover damages as  
22 authorized in section §10.10 of this agreement, in which case NMFS enforcement procedures may  
23 apply.

24 7.3 Harvest Share Transfer.

1 7.4 Harvesting Rules and Fishing Plan. Section 7.4 is administrative except to the extent that it  
2 applies to Harvesting Rules Sections 1, 5, 6, 8, 11, 16, and 17, which are enforceable and therefore  
3 not considered administrative under this section. This section is also administrative except to the  
4 extent that it applies to Harvesting Rules Section 7 Stock Area Declaration. Sub-Section 7.1 is  
5 administrative in nature.

6 7.5 Re-direction of Effort.

7 7.6 Sector Vessel Interactions with Allocated Species in Non-Amendment 16 Fisheries.

8 7.7 Consolidation and Redistribution of ACE:

9 8. Release of Catch Data.

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

13 10. Breach and Remedies for Breach.

14 10.1 Liquidated Damages Schedule and Schedule Amendments.

15 10.2 Enforcement Committee.

16 10.3 Liquidated Damages Base Value and Multiplier Adoption.

17 10.4 Liquidated Damages Calculation.

18 10.5 Notice to Vessel Masters; Assumption of Liability.

19 10.6 Liquidated Damages Security.

20 10.7 Manager Action in Response to Apparent Breach.

21 10.8 Member Appeals.

22 10.9 Voluntary Compliance.

23 10.11 Consequential Damages for Gross Negligence or Willful Misconduct.

- 1           10.12 Distribution of Damages.
- 2   11. Joint Liability and Indemnification.
- 3   12. Membership Termination
- 4   15. Permit Transfer/Sale.
- 5   16. Release and Waiver of All Claims against Sector Manager; Indemnification and Hold Harmless.
- 6   17. Sector Membership Fees.
- 7   18. Binding Arbitration.
- 8   19. No Collective Marketing.
- 9   20. Amendment and Incorporation by Reference.

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EXHIBIT A - HARVESTING RULES

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2. QUOTA MANAGEMENT:

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3. RESERVE:

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4. SLOWING CATCH:

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7.1 INSHORE GULF OF MAINE DECLARATION

16

12. CATCH REPORTS:

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18. RESERVED FOR FUTURE USE:

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19. DATA MANAGEMENT:

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22. AT-SEA MONITORING: In the event that ASM is funded by NMFS, any additional coverage funded by the Sector, above that which is funded and managed by NMFS, will be administrative, except in those specific situations where NMFS enforcement would apply.

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22.1 USE OF MONITORING SERVICES:

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22.3 ADDITIONAL COVERAGE

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22.3. AT SEA MONITORING PROGRAM GOALS AND OBJECTIVES



- 1 23. RESERVED FOR FUTURE USE
- 2 24. RESERVED FOR FUTURE USE
- 3 25. RESERVED FOR FUTURE USE
- 4 27: SAFE HARBOR PROTOCOL:
- 5 28. SECTOR UNDERSTANDING AND ACKNOWLEDGEMENTS
- 6 29: MODIFICATION OF HARVESTING RULES
- 7 Exhibit C – Sector Roster, as it relates to identification of Active Vessels is administrative
- 8 Exhibit D – Additional Permit Information is administrative
- 9 Exhibit E – Penalty Schedule is administrative.
- 10 Exhibit F – Administrative Addendum is administrative
- 11 Exhibit G - Explanatory Addendum is administrative
- 12 Exhibit H – Contact Info is administrative
- 13

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Exhibit G: EXPLANATORY ADDENDUM

2 Per request by NMFS this **explanatory text** is being provided to identify in one location Right of  
3 First Offer (“ROFO”) and Right of First Refusal (“ROFR”). ROFO and ROFR are two separate and  
4 distinct provisions that deal with harvest share transfers and permit sales, respectively; it is  
5 inaccurate to construe them as meaning the same thing. Nothing within this explanatory  
6 addendum should be considered as part of the Sector governing documents which the Members  
7 have agreed to follow, all questions regarding these provisions should be directed to their  
8 respective sections in the governing documents:

9           § 7.3 Harvest Share Transfers: Right of First Offer i.e. ROFO will be used for intra and inter  
10 sector harvest share transfers.

11           § 15 Permit Transfer/Sale: Right of First Refusal i.e. ROFR will be used for permit sales or  
12 transfers.

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**Exhibit H: INFORMATIONAL ADDENDUM**

2 Per request by NMFS the table below identifies specific points of contacts and their responsibilities, which the Agency may utilize to determine  
3 appropriate communication stream for inquiries.

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Sector Communications Contacts					Mailing Address			
Name	Title	Responsibility	Email	Phone	Street 1	City	State	Zip
John Haran	Manager	Day-to-Day Sector Operations						
Elizabeth Etrie	Program Director, Northeast Sector Service Network	Data Management i.e. questions regarding software systems utilized by Sector for Weekly Report Computation						
John Haran	Manager	Reporting i.e. vessel reporting requirements involving sector trips.						
Jackie Odell	Executive Director, Northeast Seafood Coalition	Policy						
OR Owner of F/V	Manager OR Owner of F/V	Sector Specific Research; Fishing Vessel specific research is vessel specific, contact vessel						
John Haran	Manager	Sector Specific Outreach						
Edward Barrett								
Stephen Welch								

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1                    **EXHIBIT I: FY 2018 (MAY 1, 2018-APRIL 30, 2019) Operations Plan Updates**

2                    [To be completed in accordance with NMFS schedule for year two, FY 2018 (May 1, 2018 – April  
3                    30, 2019) of the Sectors Bi-Annual Operations Plan and Agreement]

1 **Exhibit J: Sector Designed ASM Program**

2 **1. SECTOR AT-SEA MONITORING PROGRAM:** The Sector plans on working collaboratively with  
3 certified At-Sea Monitoring Provider(s) (“Provider”) to ensure that implementation of the at-  
4 sea monitoring program adheres to applicable NMFS requirements, as well as any internal  
5 needs that the Sector deems necessary. Specific details of the Sector’s proposed At-Sea  
6 Monitoring Program are located below.

7 **1.1 RANDOMIZED SELECTION OF COVERAGE PROCESS:** The Sector and ASM provider  
8 acknowledge that NMFS will continue to operate the Pre-trip Notification System  
9 (PTNS) to make selection for NEFOP (NMFS funded program) and ASM (Industry  
10 funded program) because NMFS has expressly stated they will not approve an ASM  
11 program that includes a vessel selection process not handled by NMFS. The Sector  
12 will work with their ASM Provider(s) to ensure that the selection process is fair and  
13 equitable, distributed in a statistically random manner and representative of the  
14 fishing activities and operations of all vessels within the Sector throughout the  
15 fishing year. The Sector acknowledges that its ability to work with their contracted  
16 ASM provider to achieve the above elements will be limited in light of how PTNS is  
17 designed and managed by NMFS.

18 **1.2 DATA COLLECTION & AT-SEA MONITORS:** The Service Provider must ensure that all  
19 At-Sea Monitors are trained and equipped in accordance with NEFSC/NMFS  
20 standards. At-Sea Monitors (“ASM”) primary responsibility is to collect accurate  
21 actual weights on the discard portion of the catch, as well as accounting for all catch  
22 (kept and discarded) on each tow/haul. Data collected by the ASM will be used to  
23 quantify the discards that occur on that trip. This data will also be used to estimate  
24 the discards that occur by sector vessel trips that were not selected to take an ASM.  
25 The ASM will be responsible for describing various aspects of the gear(s) and  
26 recording the catch composition and corresponding weights on a haul by haul basis.  
27 The specific data fields to be observed and methods used to collect the data are  
28 detailed in the training and published in an At-Sea Monitoring Manual by NMFS.  
29 Any additional data collection requests or procedures not directly related to the  
30 purpose of this program i.e. catch verification and discard information must be  
31 agreed upon by the Sector and the Provider(s) prior to implementation. All data  
32 must be reported electronically in a standard acceptable form from the At-Sea  
33 Monitor to the Sector and NMFS within 48 hours of completion of the trip. The  
34 Sector notes that for FY 2017, NMFS via the NEFSC will be reviewing data submitted  
35 by ASM for quality assurance and will be computing and producing both the  
36 assumed discard rates and observed discard data for the Sector to use in its reports  
37 as accessible on SIMMs. In addition to the specific data fields and data collection  
38 methods specified by the NMFS at-Sea Monitoring Manual and training; the Sector  
39 may from time to time working with their contracted Service Provider request  
40 additional data be collected, which would be approved by NMFS as required. This  
41 data if collected will be transmitted to the Sector within 48 hours upon completion  
42 of the trip in a manner agreed upon between the Sector and their Service Provider.  
43

44 **1.3 VESSEL OPERATIONS:**

45 **1.3.1 PRE-TRIP NOTIFICATION:** Sector Vessels will continue to comply with the 48

1 hour pre-trip notification System (PTNS) for deployment of NEFOP  
2 Observers. Acceptable notification methods are internet, phone or email.  
3 The Sector’s identified ASM Provider(s) shall be provided with a full list of all  
4 pre-trip notifications  
5

6 **1.4 AT-SEA MONITOR SELECTION PROCESS:** A determination will be made **immediately**  
7 after completing a Pre-Trip Notification whether the trip in question has been  
8 preliminarily selected for a NEFOP Observer. As explained by Northeast Fishery  
9 Observer Program Staff, the PTNS immediately determines whether a trip has been  
10 preliminarily selected for NEFOP coverage. If a trip is preliminarily selected, NEFOP  
11 Providers have twelve hours to determine whether they can deploy a NEFOP  
12 observer. Therefore, if the PTNS immediately determines that the trip is not  
13 preliminarily selected for a NEFOP Observer, the PTNS notification and all  
14 corresponding details will **immediately** be forwarded to the Sectors ASM Provider(s).  
15 If the trip in question is preliminarily selected for a NEFOP Observer, the NEFOP  
16 Program protocol will be followed and the Vessel will be notified in accordance to  
17 the process of this program. Additionally, the ASM Provider(s) will be notified  
18 **immediately** of this preliminary selection for NEFOP coverage and a waiver from  
19 ASM will be provided.

20 **1.4.1 VESSEL DATA TO BE PROVIDED TO ASM PROVIDER:** When notifying the  
21 Sectors ASM Provider(s) of a vessel that has either been preliminarily  
22 selected for NEFOP or ASM the Provider shall be furnished with the following  
23 data:

- 24 A. Sector Affiliation
- 25 B. Vessel Name
- 26 C. Permit Number
- 27 D. Day or Multi-Day Declaration
- 28 E. Gear Declared
- 29 F. Departing Port
- 30 G. Coverage Rate to date for Vessel
- 31 H. Coverage Rate to Date for Sector

32  
33 **1.4.2 NOTIFICATION OF SELECTION/WAIVER FROM ASM:**

- 34 A. Trips Not Selected for Coverage:
  - 35
  - 36 i. Trip Boats: A Vessel that has completed their pre-trip notification  
37 for trips which will be 48 hours or longer will be notified  
38 **immediately** upon completing their pre-trip notification, if not  
39 preliminarily selected for a NEFOP Observer, whether the trip has  
40 been preliminarily selected for an At-Sea Monitor. If the trip has  
41 been selected for an ASM the Vessel will work with the  
42 Provider(s) on all details pertaining to the trip and may set sail at  
43 any time as long as an ASM is onboard or a subsequent waiver  
44 has been granted. If the trip has not been preliminarily selected  
45 for an ASM the vessel may set sail at any time up to the estimated  
46 departure date and time provided in their pre-trip notification.

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ii. Day-Boats: Vessels that have completed their pre-trip notification for trips less than 48 hours, with potential sale dates up to 9 days in advance will be notified 24 hours in advance of sailing if a NEFOP or At-Sea Monitor will be onboard. Upon notification that neither a NEFOP nor At-Sea Monitor will be assigned, the vessel may set sail at any time up to the estimated departure time provided in their pre-trip notification for the trip occurring within 24 hours of notification.

B. Trips Selected for Coverage: If a vessel is selected for coverage, they will be notified by either a NEFOP service provider or their Sectors ASM Provider no later than 24 hours of receiving notification.

i. NEFOP: NEFOP Observers take precedence over all other monitors. If the trip is selected for a NEFOP observer, the vessel shall follow all NEFOP protocols and requirements.

ii. At-Sea Monitoring: If the trip is selected for coverage under the ASM Program, Vessels shall follow all appropriate Sector ASM Program protocols and processes as outlined in this section. Sector Vessels selected for ASM coverage are not allowed to set sail until the ASM arrives and is onboard or a waiver is granted by the ASM Provider(s).

iii. Delays: If a vessel must delay a multi-day trip sail date, and has been selected for an ASM, the vessel must notify their ASM Provider(s) & Sector Manager immediately. Trips greater than 48 hours, may delay their sail date/time up to 48 hours from the estimated sail date and time provided in their Pre-Trip notification, provided that an ASM is still available to sail on that trip or a waiver is granted.

iv. Cancellations: If a Sector Vessel is selected for ASM Coverage and must cancel their trip, the Vessel will be automatically selected for ASM Coverage on their next notified trip, or the next time an ASM is available for coverage.

v. Notification of Delays or Cancellations: The Sectors ASM Provider(s) will notify the PTNS coordinator & the Sector Manager of any trip delays, cancellations, or waivers within 24 hours via email within 24 hours of such notification.

**1.5 AT-SEA MONITORING OPERATIONAL STANDARDS:**

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**1.5.1 Safety Requirements:** Prior to setting sail the Operator of the Sector Vessel shall detail and identify any vessel safety operating procedures and other important information to the assigned ASM. The Sector Member acknowledges that an ASM must complete a pre-trip vessel safety checklist as provided by NMFS prior to leaving port. An ASM cannot be deployed on a vessel that has failed to review the safety issues, and such vessel is prohibited from leaving port without the ASM on board (unless a waiver is granted). For the safety of the vessels captain, crew and the ASM; the ASM will not be allowed on deck any time that gear is being deployed.

The Sector and its Members note that each ASM must be provided with all the equipment specified by the NEFOP. It is the responsibility of the individual ASM and its employer to ensure that all equipment is in good working order and brought to the vessel at the agreed upon time prior to sailing.

**1.6 WAIVERS:**

**1.6.1 Late At-Sea Monitor:** In the event that an ASM fails to arrive at the scheduled sail time and/or place; the Vessel Captain must call the PTNS line to obtain a waiver prior to sailing at 1-855-FISHES1 i.e. 1-855-347-4371. If a waiver is issued, the PTNS Coordinator will notify both the Sector Manager and Sectors ASM Provider via email (or another agreed upon method of communication).

**1.6.2 Late NEFOP Observer:** In the event that a NEFOP Observer fails to arrive at the scheduled sail time and/or place; the Vessel must contact the PTNS Coordinator to obtain a waiver prior to sailing.

**1.7 ELECTRONIC MONITORING** The Sector reserves the right to modify/update their At-Sea Monitoring Program in the event that Electronic Monitoring (EM) is approved by the Agency during the fishing year upon the discretion of the Sectors Board of Directors. Upon approval by the Agency and subsequently the Sectors Board of Directors, EM may be adopted by some or all Sector Vessels in accordance with EM standards.



1 **Exhibit K: NOAA Fisheries Designed ASM Program**

2 C.1. BACKGROUND OVERVIEW

3 The National Oceanographic and Atmospheric Administration 's (NOAA) mission is to understand  
4 and predict changes in the Earth's environment and conserve and manage coastal and marine  
5 resources to meet our Nation's economic, social, and environmental needs. NOAA's National  
6 Marine Fisheries Service (NMFS) supports the overall NOAA mission by focusing on stewardship  
7 of living marine resources through science-based conservation and management and the  
8 promotion of healthy ecosystems.

9 NMFS is responsible for the management, regulatory compliance, economic data and protection  
10 of living marine resources within the United States Exclusive Economic Zone. NMFS also plays a  
11 supportive and advisory role in the management of living marine resources in coastal areas under  
12 state jurisdiction. It provides scientific and policy leadership in the international arena, and  
13 implements international conservation and management measures as appropriate. Under this  
14 mission, the goal is to optimize the benefits of living marine resources to the Nation through  
15 sound science and management. This requires a balancing of multiple public needs and interests  
16 in the sustainable benefits and use of living marine resources, without compromising the long-  
17 term biological integrity of coastal and marine ecosystems. Many natural and human-related  
18 factors affect the status of fish stocks, protected species and ecosystems. Although these factors  
19 cannot all be controlled, available scientific and management tools enable the agency to have a  
20 strong influence on many of them. Maintaining and improving the health and productivity of  
21 these species is the heart of the NMFS mission. These activities will maintain and enhance current  
22 and future opportunities for the sustainable use of living marine resources as well as the health  
23 and biodiversity of their ecosystems.

24 NMFS has three objectives in its mission to protect, restore, and manage the use of coastal and  
25 oceanic resources:

- 26 • Protect and restore ocean, coastal, and Great Lakes resources
- 27 • Recover protected species
- 28 • Rebuild and maintain sustainable fisheries.

29 NMFS will measure its performance against these objectives using the following measures:

- 30 1) Increased number of coastal and marine ecosystems maintained at a healthy and  
31 sustainable level
- 32 2) Increased social and economic value of the marine environment and resources (e.g.,  
33 seafood, recreation, and tourism)
- 34 3) Increased number of acres and stream-miles restored for coastal and ocean species
- 35 4) Increased number of protected species in a stable condition or in an upward trend
- 36 5) Increased number of managed species that are at optimum levels

1 6) Improved ecological conditions in coastal and ocean protected areas

2 Additionally, Amendment 16 to the Northeast (NE) Multispecies Fishery Management Plan (FMP)  
3 was developed by the New England Fishery Management Council (Council) as part of the biennial  
4 adjustment process established in the FMP to update status determination criteria for all NE  
5 multispecies (groundfish) stocks; adopt rebuilding programs for groundfish stocks newly classified  
6 as being overfished and subject to overfishing; and revise management measures necessary to  
7 end overfishing, rebuild overfished groundfish stocks, and mitigate the adverse economic impacts  
8 of increased effort controls. In addition, Amendment 16 would implement new requirements for  
9 establishing allowable biological catch (ABC), annual catch limits (ACLs), and accountability  
10 measures (AMs) for each stock managed by the FMP, pursuant to the Magnuson-Stevens Fishery  
11 Conservation and Management Act (Magnuson-Stevens Act), as revised. This action is necessary  
12 to address the results of the most recent stock assessment that indicates that several additional  
13 groundfish species are overfished and subject to overfishing and that stocks currently classified  
14 as being overfished require additional reductions in fishing mortality to rebuild by the end of  
15 existing rebuilding periods.

16 The Northeast Fisheries Science Center (NEFSC), National Marine Fisheries Service (NMFS)  
17 is required to collect scientific, management, regulatory compliance and economic data for  
18 fisheries by placing At-Sea Monitors aboard U.S. domestic fishing vessels participating in the  
19 groundfish multispecies Fisheries Management Plan. These data cannot be obtained at the dock  
20 or on Government research vessels. These data are needed for the management and monitoring  
21 of Annual Catch Limits and groundfish sectors.

22 Every sector should equally be covered at 16% (16% total, 8% ASM). The coverage rates  
23 apply to the seaday level. At-Sea Monitors will be systematically assigned by NMFS to a vessel to  
24 ensure the coverage is fair and even. Several types of fishing gear may be used: longline, trawl,  
25 and gillnet. A monitored trip must be a trip where landings of groundfish occur (a “groundfish”,  
26 “skate” or “monkfish” trip as defined in Amendment 16). Coverage levels will be in terms of  
27 number of seadays. At-Sea Monitoring standards will be consistent with the final regulations  
28 implemented under Amendment 16, unless further specified by NMFS. As described in the rule,  
29 Northeast Fisheries Observer Program (ASM) observers take precedence over At-Sea Monitors for  
30 vessel placement when deployments overlap.

31 C.2. AT-SEA MONITOR PROGRAM OBJECTIVES

32 NMFS has an extensive program to monitor and observe living marine resources and associated  
33 communities to provide information on biota, their habitats, and the human activities and actions  
34 that may impact coastal and ocean ecosystems. Data are the foundation of scientific advice,  
35 which provides information to management to support decision-making. A more consistent flow  
36 of high quality, credible information is required to improve decision-making. To collect the  
37 quantity and quality of data necessary, NMFS intends to improve its capacity to conduct surveys  
38 and to conduct research and studies for better understanding of ecosystems. These efforts rely  
39 on extensive collaboration with fisheries participants and other stakeholders in the living marine  
40 resource decision process.

41 At-Sea Monitors are the only independent data source for some types of at-sea information such  
42 as bycatch composition and mortality, and marine mammal, sea bird and sea turtle interactions.

1 Although vessel self-reporting is often utilized, only limited data collection demands can  
2 reasonably be placed on the captain and crew. In addition, the reliability of self-reported  
3 information is a concern for scientists and policy makers, who use the data to make fishery  
4 management decisions for the purpose of maintaining the nation's marine resources.

5 Currently, more than 500 At-Sea Monitors are deployed in 11 At-Sea Monitor programs most of  
6 which are administered through NMFS 6 regional Fisheries Science Centers (FSC). Increasing  
7 NMFS At-Sea Monitor data coverage is essential to reliably estimating catch and bycatch and  
8 helping to implement programs to reduce bycatch. Additional benefits of enhanced At-Sea  
9 Monitor programs are near real-time monitoring of biological and environmental conditions and  
10 sampling opportunities not available from dockside sampling. This includes information on  
11 marine mammals, turtles and seabirds, resource abundance, contaminants, habitat, life history,  
12 and other basic biological information. NMFS is required to collect scientific, management,  
13 regulatory compliance, and economic data for fisheries by placing At-Sea Monitors aboard U.S.  
14 domestic fishing vessels. These data cannot be obtained at the dock or on Government research  
15 vessels. These data are needed for the management of fisheries occurring in the U.S. Exclusive  
16 Economic Zone (EEZ) and the high seas beyond the EEZ.

17 NMFS desires contractor support, as described below, to satisfy these requirements.

### 18 C.3. SCOPE AND OUTCOMES

19 The contractor shall provide and retain the necessary qualified personnel, material, equipment,  
20 services, and facilities (except as otherwise specified) to perform quality environmental, and  
21 fisheries operations data collection, data analysis, and information dissemination for the  
22 Northeast Fisheries Science Center (NEFSC) Data quality is of the utmost importance. Quality  
23 data collection, analysis, and dissemination are expected to increase the critical information  
24 gathered for stock assessments to manage the species.

25 This Statement of Work (SOW) defines the requirements and services necessary to provide  
26 program continuity, integrity, and productivity.

#### 27 C.3.1. Policies and Regulations

28 In addition to the Federal Acquisition Regulation (FAR) clauses referred to and listed herein of this  
29 Request for Proposal (RFP), the contractor shall comply with the Federal Regulations, Acts,  
30 Executive Orders, Special Publications, Guidelines, NOAA Directives and Policies and standards  
31 listed below. This listing is not all-inclusive and is not intended to relieve the contractor of its  
32 responsibilities for identification of applicable statutes, regulations and procedures and  
33 compliance therewith, when performing work under this SOW.

- 34 • Magnuson-Stevens Fishery, Management, and Conservation Act (MSA)
- 35 • Marine Mammal Protection Act (MMPA)
- 36 • Endangered Species Act (ESA)
- 37 • Data Quality Control Act (P.L. 106-514)
- 38 • Information Technology Security Policy
- 39 • Fisheries Management Plans (FMP)
- 40 • Biological Opinions (BO)

- 1 • Take Reduction Team (TRT)
- 2 • NOAA Safety Standards
- 3 • Fair Labor Standards Act (FLSA)
- 4 • Service Contract Act (SCA)
- 5 • Department of Labor Wage Determinations
- 6 • Applicable Federal and State labor laws
- 7 • At-Sea Monitor Health and Safety regulations
- 8 • Federal, state, and local safety regulations
- 9 • Merchant Marine Act (Jones Act) and General Maritime Law
- 10 • U.S. Longshore and Harbor Worker’s Compensation Act
- 11

12 C.4. PERFORMANCE WORK STATEMENT

13 The contractor shall meet all requirements of the SOW.

14 C.4.1. Management Requirements

15 C.4.1.1. Project Management

16 The contractor shall perform all Project Management functions including contract, technical,  
17 personnel, administrative, logistic, quality, business, and other management functions that are  
18 necessary to execute the total effort required by this SOW. The contractor shall provide all  
19 personnel and other resources, except as otherwise specified in this SOW, necessary to  
20 accomplish these functions. The contractor shall effect these management functions through an  
21 integrated management approach, including cost, schedule, and technical performance within an  
22 acceptable project management framework. The contractor shall develop and submit to NMFS a  
23 Project Management Plan (as further defined in Section F.5.2) for approval that details how the  
24 contractor will manage the contract and its At-Sea Monitor program.

25 C.4.1.2. Project Manager

26 The contractor shall assign a Project Manager to be the focal point for communications between  
27 NMFS and the contractor. The assigned Project Manager shall be designated as Key Personnel for  
28 this contract (per Section H.7). Ensure that all key personnel attend any refresher trainings for  
29 At-Sea Monitors. For a specific job description see Section J, Attachment 2, Labor Category  
30 Classifications and Job Descriptions.

31 C.4.1.3. Coordinators

32 The contractor shall assign coordinators as needed to coordinate At-Sea Monitor deployment and  
33 provide At-Sea Monitor support services. The coordinator shall be designated as key personnel  
34 under this contract (per section H.8). All coordinators are required to maintain current At-Sea  
35 Monitor Certification. Ensure that all key personnel attend any refresher trainings for At-Sea  
36 Monitors. For a specific job description see Section J, Attachment 2, Labor Category Classifications  
37 and Job Descriptions.

38 C.4.1.4. Management Reporting and Coordination

1 The contractor shall prepare and submit to the Contracting Officer (CO) , Contracting Officer's  
2 Technical Representative (COTR) a monthly Status Report, as listed in Section F.5.1, that provides  
3 information on project status to include, contract award-to-date financial expenditures; At-Sea  
4 Monitor retention status; any problems or issues encountered; and other information as may be  
5 requested by the COTR.

#### 6 C.4.1.5. Performance Measures

7 The contractor shall monitor and meet all requirements as stated in the SOW.

#### 8 C.4.2. Operational Requirements

9 At-Sea Monitors are deployed, in accordance with coverage rates developed by NMFS and as  
10 assigned through the Pre-Trip Notification System (PTNS), to vessels. Due to availability of  
11 funding, changes in the fishery management, such as emergency closures, court ordered closures,  
12 weather, and unforeseen events must remain flexible. Additional funding for sea days may be  
13 added to the contract within the scope and maximum allowable sea days.

14 The following items define the operational services to be provided by the contractor under this  
15 contract.

##### 16 C.4.2.1. At-Sea Monitor Recruitment and Retention Requirements

17 The recruitment and retention of fully qualified At-Sea Monitors is essential to successful  
18 performance under the contract. At-Sea Monitors shall be employees of the contractor. The  
19 contractor shall provide sufficient qualified At-Sea Monitors to complete the mandated coverage  
20 requirement by selecting the best candidates. The contractor shall describe their strategy for  
21 recruiting qualified candidates and retaining their services, as referenced in Section F.5.4. The  
22 contractor shall manage its At-Sea Monitors to retain both experienced and new At-Sea Monitors.  
23 The contractor is encouraged to provide incentives for superior performance demonstrated by  
24 their work force.

##### 25 C.4.2.2. Eligibility Requirements

###### 26 C.4.2.2.1. Educational Qualifications

27 Collecting marine fisheries data during fishing activities requires speed and accuracy. At-Sea  
28 Monitors must possess the minimum educational and experience requirements and specific  
29 psychological and physical qualities cited in the Minimum At-Sea Monitor Qualifications for  
30 educational requirements (Section J, Attachment 3, NMFS At-Sea Monitor Eligibility  
31 Requirements).

###### 32 C.4.2.2.2. Non-Conflict of Interest

33 Section J, Attachment 4 (Statement of Non-Conflict of Interest)

###### 34 C.4.2.2.3. Physical/Medical Condition

35 Section J, Attachment 5 (Physical Standards & Acknowledgement of Risks)

1 C.4.2.2.4. Communication Skills

2 At-Sea Monitor candidates must be able to clearly and concisely communicate verbally and in  
3 writing in English.

4 C.4.2.2.5. Citizenship or Ability to Work Legally in the United States

5 At-Sea Monitor must be a U.S. Citizen, or a non-citizen who has a green card, TN Authorization,  
6 H1 visa, or valid work visa, and a social security card.

7 C.4.2.2.6. Statement of No Criminal Conviction

8 Section J, Attachment 6 (Statement of No Criminal Conviction)

9 C.4.2.2.7. CPR and First Aid Requirements

10 At-Sea Monitors shall obtain and maintain current certification for CPR by the American Red Cross  
11 or American Heart Association (AHA) or other as approved by the COTR. Completion of a basic  
12 First Aid class is also required before the start of training. A copy of CPR and First Aid  
13 certification(s) for all At-Sea Monitors will be provided to NMFS 7 calendar days prior to the first  
14 day of training and annually thereafter.

15 C.4.2.2.8. At-Sea Monitor Standards of Conduct

16 At sea, At-Sea Monitors work in a self-supervised capacity and shall maintain high standards of  
17 conduct. At-Sea Monitors shall maintain a professional, objective demeanor at all times. At-Sea  
18 Monitors shall comply with these standards and those set forth in the Standards of Conduct  
19 (Section J, Attachment 7, At-Sea Monitor Standards of Conduct).

20 C.4.2.3. Observer/At-Sea Monitor Duties and Data Collection Requirements

21 (a) General Observer Duties and Data Collection Requirements – Fishery Observer I, II, and III

22 i. Observers/At-Sea Monitors shall collect scientific, management, compliance, and other  
23 data at sea through interviews of vessel captains and crew; observations of fishing operations;  
24 sampling catch; measuring selected portions of the catch and fishing gear; and collecting samples.  
25 Observer/At-Sea Monitor coverage is mandated by a number of statutes and is an integral part of  
26 the regulations. These authorities empower the observer/At-Sea Monitor to perform certain  
27 functions aboard vessels as well as afford protection to the observer/At-Sea Monitor against  
28 interference and intimidation in the course of performing his/her duties.

29 ii. Observer/At-Sea Monitors shall collect data on fishing effort, location, retained catch and  
30 discarded catch for each gear deployment that occurs while the observer/At-Sea Monitor is  
31 aboard the vessel. The At-Sea Monitor Sampling Manual describes data collection protocols for  
32 gear deployment that the observer/At-Sea Monitor sees as well as those not observed.

33 iii. Observer/At-Sea Monitors shall collect length samples from segments of the catch.  
34 Observer/At-Sea Monitor protocols, priorities, and data/sample collection procedures are  
35 detailed in the At-Sea Monitor Manual.

1 iv. Observer/At-Sea Monitors shall collect information on any incidentally captured sea  
2 turtles, including, but not limited to, location of take, biopsies, measurements, photos, and any  
3 other information. Observer/At-Sea Monitors shall also collect information on any marine  
4 mammals or other protected species interactions. When protected species are caught, the  
5 primary responsibility of the observer/At-Sea Monitor shall be to handle and release the  
6 protected species.

7 v. Observers shall participate in all training, briefings and debriefings as required by the  
8 COTR. Observer/At-Sea Monitors shall participate in port orientations, if offered by NMFS and  
9 requested by the COTR (Section B – Supplies or Services and Prices/Costs Training CLIN 0003,  
10 1003, and CLIN 2003. Debriefing of the observer/At-Sea Monitor ensures that the data are  
11 complete and as accurate as possible before computer audits are run. Debriefing also provides  
12 immediate feedback to the observer/At-Sea Monitor in the field and errors can be corrected  
13 immediately. Debriefings shall occur on a regular basis and as frequently as possible either by  
14 email, phone or in person. Debriefings shall consist of but are not limited to:

- 15 1) Reviewing sampling methods and answering observer/At-Sea Monitor questions;
- 16 2) Reviewing preliminary data;
- 17 3) Correcting any data errors;
- 18 4) Reviewing any other past errors or changes in sampling techniques or recorded on forms;
- 19 5) Reviewing any logistical problems or concerns encountered by the observer/At-Sea  
20 Monitor; and
- 21 6) Testing observer/At-Sea Monitor ability to adhere to sampling protocols
- 22 7) Checking gear calibration
- 23 8) Providing the observer/At-Sea Monitor with any updates on modifications to sampling  
24 procedures or other program information.

25 vi. Observer/At-Sea Monitors who encounter captains or vessels' owners operating in  
26 fisheries requiring mandatory observer/At-Sea Monitor coverage that refuses to accept the  
27 observer/At-Sea Monitor on their vessel for deployments shall provide documentation of the  
28 refusal to NMFS. This documentation shall be provided via e-mail or hard copy to the Branch  
29 Chief of the Fisheries Sampling Branch on the day of the event. This documentation shall be of  
30 sufficient substance and detail to be usable for NMFS enforcement actions. Narrative shall be  
31 provided to completely answer the following guideline questions: who, what, when, and where.  
32 This shall be reported on the Incident Report Form (Section J, Attachment 8, Incident Report  
33 Form).

34 vii. Observer/At-Sea Monitors may be asked to perform various program support tasks  
35 (industry outreach activities, industry meetings, observer/At-Sea Monitor training sessions, port  
36 orientations, reconnaissance, other research project needs, etc.). Each observer/At-Sea Monitor  
37 should attend at least one (1) Fishery Council Meeting each year in their assigned area. The  
38 contractor shall invoice NMFS separately for these hourly costs in Section B Supplies or Services  
39 and Prices/Costs Hourly Rate observer/At-Sea Monitor CLINS 0004, 1004 and 2004, and travel  
40 costs in Section B Supplies or Services and Prices/Costs Travel CLINS 0002, 1002, and 2002.

41 viii. Observer/At-Sea Monitors shall send in the whole animal or take a photo of all species  
42 encountered the Species ID Verification Program quarterly to NMFS (Section J, Attachment 9,  
43 Species Verification Program). Failure to do so may result in an observer/At-Sea Monitor's change  
44 in status (i.e., pre-probation, probation, and decertification).

1 (b) Fishery Observer/At-Sea Monitor I – Performance Requirements and Labor Category  
2 Definition - The Fishery observer/At-Sea Monitor I shall meet and perform all the General  
3 Requirements specified in C.4.3.2a and the following:

- 4 1. Performs routine tasks associated with recurring and continuing work according to  
5 prescribed or established procedural standards and technical methods assigned.
- 6 2. Assures that tasks are completed, data developed, methods used in securing and verifying  
7 data are technically accurate and in compliance with instructions and established procedures.
- 8 3. Makes estimates of amounts and species composition of fish caught, retained and  
9 discarded, using at a minimum, simple, single stage sampling techniques and dichotomous keys.
- 10 4. According to established standards and detailed procedures, records data on appropriate  
11 forms and logs, some of which may be electronic.
- 12 5. Maintains field equipment and supplies.
- 13 6. Collects scientific, management, compliance information, and make observations of  
14 fishing operations.
- 15 7. Use and complete a pre-boarding vessel safety checklist.
- 16 8. Measures selected portions of catch including incidentally caught marine mammals, sea  
17 birds and sea turtles.
- 18 9. Uses calculator and/or PC for calculations and recording data.
- 19 10. Obtains, enter and transfer data electronically.
- 20 11. Obtains and record information on gear characteristics of fishing gear types while working  
21 either on board vessels, on an alternative platform, or at a shore-based facility.
- 22 12. Use interpersonal and communication skills to contact fishermen and schedule  
23 observer/At-Sea Monitor sampling trips.
- 24 13. Observes and documents compliance with fishery regulations, and write affidavits as  
25 required.

26 (c) Fishery Observer/At-Sea Monitor II - The Fishery observer/At-Sea Monitor II shall meet  
27 and perform all the General Requirements specified in C.4.3.2a, perform all duties of Fishery  
28 observer/At-Sea Monitor I and the following additional duties:

- 29 1. Independently executes duties, while learning when and how to resolve exceptions and  
30 special problems.
- 31 2. Estimate amounts and species composition of fish caught, retained and discarded,  
32 utilizing knowledge of various statistically valid sampling methods and dichotomous keys.
- 33 3. Measure selected portions of catch including incidentally caught marine mammals, sea  
34 birds and sea turtles.
- 35 4. Uses calculator and/or PC for calculations and recording data.

36 (d) Fishery Observer/At-Sea Monitor III - The Fishery Observer/At-Sea Monitor III shall meet  
37 and perform all the General Requirements specified in C.4.3.2a, perform all duties of Fishery  
38 observer/At-Sea Monitor II and the following additional duties:

- 39 1. May act as field coordinator of lower graded fishery observer/At-Sea Monitors.



- 1 2. Demonstrates extensive familiarity of methods, procedures and management to ensure  
2 proper day-to-day operations.
- 3 3. Shifts from one type of responsible technical assignment to other types, which are  
4 different in terms of equipment used, of data used, and uses to which data will be put.
- 5 4. Makes estimates of amounts and species composition of fish caught, retained and  
6 discarded, utilizing knowledge of various statistically valid sampling, sub-sampling methods and  
7 dichotomous keys.
- 8 5. According to established standards and detailed procedures, records data on appropriate  
9 forms and logs, some of which may be electronic and provide recommendations for updates.
- 10 6. Oversees the maintenance of field equipment and supplies.
- 11 7. Collect scientific, management, compliance information, observations of fishing  
12 operations, measure selected portions of catch including incidentally caught marine mammals,  
13 sea birds and sea turtles.

#### 14 C.4.2.3.1. Data Deliverables

15 Electronic data entry by At-Sea Monitors is required in addition to required paperwork, and shall  
16 be managed by the contractor in coordination with the COTR. Submission of At-Sea Monitor data  
17 to the NMFS shall be accomplished in a timely manner. The contractor shall work with the COTR  
18 to establish the appropriate means to transfer the electronic data to the COTR.

19 (a). Delivery of paper log data shall be received within 5 calendar days (120 hours) of the vessel  
20 landing as referenced in Section F.5.5.

21 (b). Delivery of electronic data shall be received within 2 calendar days (48 hours) of the vessel  
22 landing as referenced in Section F.5.6.

23 (c). Delivery of biological specimens (whole fish samples) shall be received within 5 calendar days  
24 (120 hours) of the vessel landing as referenced in Section F.5.7.

25 At-Sea Monitors shall send any written data and biological specimens directly to NMFS. The  
26 Government will provide shipping and supplies. At-Sea Monitors shall assure that biological  
27 samples or whole animals requiring freezing are received by the nearest NMFS freezer facility  
28 within twenty-four (24) hours of vessel landing. NMFS has freezers located in major fishing ports  
29 (Section J, Attachment 10, Freezer Locations). The transfer or transport of the frozen samples or  
30 animals must be received by NMFS (At-Sea Monitor Training Center) within 5 calendar days of the  
31 trip landing, unless a delay is authorized by the COTR. Costs for travel associated with transport  
32 of biological samples will be reimbursed under the travel provision section herein (Section B  
33 Supplies or Services and Prices/Costs Travel CLINS 0002, 1002 and 2002).

#### 34 C.4.2.3.2. At-Sea Monitor Communication

35 At-Sea Monitors shall maintain regular contact with their assigned NMFS editor/debriefer. All At-  
36 Sea Monitors shall call their editor/debriefer prior to making a trip in a fishery or program covered  
37 for the first time or as requested. At-Sea Monitors shall return phone calls or reply to email

1 questions as soon as realistically possible (i.e., before departing on a multi-day trip). NMFS can  
2 request that an in-person meeting occur with an At-Sea Monitor at any time. These meetings will  
3 take priority over accomplishment of the sea day schedule. All travel costs associated with  
4 required in person debriefings, exit interviews and meetings with NMFS will be reimbursed under  
5 the travel provision section herein (Section B Supplies or Services and Prices/Costs Travel CLINS  
6 0002, 1002 and 2002) and the At-Sea Monitor hourly rate will be reimbursed under the hourly  
7 rate provision section herein (Section B Supplies or Services and Prices/Costs Hourly Rate At-Sea  
8 Monitor CLINS 0004, 1004 and 2004).

9 NMFS staff will provide written memo updates to the contractor regarding any new or changed  
10 sampling protocols, data collection procedures, or other collection or reporting procedures. The  
11 contractor shall make certain that At-Sea Monitors comply with changes, as applicable.

12 Require that any At-Sea Monitor who leaves the program come into the At-Sea Monitor Training  
13 Center complete all exit procedures including an in-house exit interview with NMFS (Section J,  
14 Attachment 11, Exit Procedures) within 30 days from landing from their last trip.

15 Provide the primary port, contact information(full name, mailing address, residential address, e-  
16 mail address, cell phone number, home number, emergency contact name and phone number,  
17 and working status (full time or part time). If there is a change made to any variables in the list,  
18 an updated list shall be provided to NMFS immediately (Section F.5.8).

#### 19 C.4.3. At-Sea Monitor Support Services

##### 20 C.4.3.1. Logistic and Operation Support for At-Sea Monitor Deployment

21 The contractor shall provide complete logistical and operational support to At-Sea Monitors  
22 throughout their employment. The contractor's approach to supporting At-Sea Monitors shall be  
23 detailed in the proposal.

##### 24 C.4.3.2. Training and Debriefings

25 Attachment 34, HR Bulletin 103, provides policy and guidance on training for non-government  
26 employees. At least 95% of new At-Sea Monitor recruits are expected to pass the required  
27 training course (Section J, Attachment 12, ASM Training Standards) and the required physical  
28 examination (Section J, Attachment 5, Physical Standards & Acknowledgement of Risk).

29 Training costs are reimbursable and are intended to include all costs associated with At-Sea  
30 Monitor training (both initial training and refresher trainings), including, but not limited to, salary  
31 during the training period, per diem (meals & reimbursements and lodging), miscellaneous  
32 equipment for use during training (as authorized or requested by the Government – Section B  
33 Supplies or Services and Prices/Costs Training CLINS 0003, 1003 and 2003).

34 At-Sea Monitor candidates shall undergo an initial 2-week certification training session with  
35 NMFS. A series of tests will be administered during this training that candidates must pass prior to  
36 certification. Candidates must demonstrate their potential to collect accurate field data, and  
37 react to unfamiliar situations at sea in a professional manner. NMFS personnel as well as  
38 specialists in other areas such as vessel safety shall conduct training. Refresher training sessions  
39 will be conducted when data logs or protocols change, at the discretion of the COTR, or when

1 there has been over six months service interruption for the At-Sea Monitor. At-Sea Monitors shall  
2 be required to attend an annual refresher course for data collection, species identification, and  
3 vessel safety. In order for the At-Sea Monitor to maintain a current certification they must  
4 successfully complete the recertification training.

5 Three trainings are scheduled for each year (planned trainings will be posted on the FSB website).  
6 The contractor shall provide NMFS with at least 45 calendar days prior notice when a training  
7 session is needed and identify any foreign nationals that may be attending training (it takes a  
8 minimum of 30 working days for foreign national clearance) as referenced in Section F.5.9. For  
9 extenuating circumstances, additional trainings may be scheduled at the Government's  
10 discretion. Attendance by a key personnel at training is required for at least two days each week  
11 of training.

12 The contractor shall submit to NMFS, at least 30 calendar days before the beginning of the  
13 training, the following information as referenced in Section F.5.10:

- 14 • a list of the potential candidates names for review by NMFS
- 15 • a hard copy (mailed to the COTR) of each candidates resume
- 16 • a hard copy (mailed to the COTR) of the candidates college transcript
- 17 • a hard copy (mailed to the COTR) of reference checks from three individuals for each  
18 candidate (name of individual providing reference, association with At-Sea Monitor, how long  
19 they have known the candidate, contact information (phone number, e-mail), and information  
20 about the At-Sea Monitor's past performance)

21 The contractor shall submit to NMFS, at least 14 calendar days before the beginning of the  
22 training, the following information as referenced in Section F.5.11:

- 23 • an updated list of candidates
- 24 • a medical report for each candidate substantiating the individual's medical qualifications  
25 for the job
- 26 • online security clearance electronic forms must be initiated by candidates (Section J,  
27 Attachment 13, Security Background Instructions)

28

29 The contractor shall submit to NMFS, at least 7 calendar days before the beginning of the training,  
30 the following information as referenced in Section F.5.12:

- 31 • final list of candidates attending upcoming training session
- 32 • CPR and First AID Certificate

33 NMFS may require additional information regarding At-Sea Monitor candidates and should be  
34 consulted regarding any for which proposed candidate there is some question regarding  
35 qualifications. Should substitution of At-Sea Monitors be required, the contractor shall also

1 provide their pertinent information to the COTR prior to such substitution. The Government  
2 retains the right to reject any At-Sea Monitor proposed by the contractor if his or her  
3 qualifications do not meet the qualifications specified in paragraph C.4.2.2, Eligibility  
4 Requirements, or if their work has been performed at an unsatisfactory level on previous projects,  
5 or if their behavior on other projects has been disruptive.

6 The contractor shall provide the status of its At-Sea Monitor training approvals completed and in  
7 process in its Monthly Status Report (Section F.5.1).

8 NMFS training curriculum is detailed in the ASM training agenda (Section J, Attachment 14, ASM  
9 Training Agenda).

10 An At-Sea Monitor's first 4 deployments and the resulting data shall be immediately edited and  
11 approved after each trip by NMFS prior to any further deployments by that At-Sea Monitor  
12 (Section J, Attachment 15, ASM Training Trip Policy). During the At-Sea Monitor's first 4  
13 deployments, in order for them to go on their next trip, their data must be received, edited and  
14 the At-Sea Monitor must be "cleared" by NMFS to sail on their next trip. This notification will be  
15 sent via e-mail to the At-Sea Monitor's provider. The At-Sea Monitor cannot be deployed until  
16 the e-mail notification has been sent by NMFS. If the data quality is considered acceptable the  
17 At-Sea Monitor will become certified. If the data quality is not considered acceptable, the At-Sea  
18 Monitor will not be certified by NMFS at that time.

19 The first trip an At-Sea Monitor takes after completing the initial 2-week training course will be  
20 accompanied by either a NMFS member or a certified trip trainer. Certified trip trainers are  
21 current At-Sea Monitors under this contract and are certified by NMFS. In order to become a trip  
22 trainer, the contractor must request to NMFS the names of the At-Sea Monitor they would like  
23 certified. NMFS would then assign a NMFS staff member to accompany the trip trainer candidate  
24 on a future trip. If approved by NMFS the At-Sea Monitor would become a trip trainer. Contractor  
25 responsibilities consist of finding vessels that are willing to take two (2) At-Sea Monitors, setting  
26 up the logistics of the trip, and communicating with NMFS regularly providing updates on the  
27 status of the trip (Section J, Attachment 16, Trip Trainer Certification Program).

28 At-Sea Monitor trip trainers taking their training assignment trips with NMFS personnel may bill  
29 the cost of a seaday under CLINS 0003, 1003 and 2003. When two At-Sea Monitors are on a vessel  
30 for the days a certified At-Sea Monitor trip trainer is accompanying a new At-Sea Monitor then  
31 the new At-Sea Monitor should be billed under CLINS 0001, 1001 and 2001. The certified trainer  
32 would be billed as a seaday under CLINS 0003, 1003 and 2003. NMFS determines the number of  
33 trainers needed based on how many At-Sea Monitors are currently working, what the demand for  
34 new At-Sea Monitors is, and what the projected training schedule looks like. NMFS currently has  
35 12 certified At-Sea Monitor trip trainers and would expect to maintain that level. At-Sea Monitors  
36 certified as trip trainers must be geographically representative of the ports ASM At-Sea Monitors  
37 cover to accommodate all new trainees.

38 Key personnel will be expected to attend any other periodic NMFS required trainings related to  
39 the ASM program that could impact At-Sea Monitor protocols, such as program manual update  
40 trainings or changes to the Pre-Trip Notification System. One key personnel is required per all  
41 trainings, however, NMFS encourages all available staff attend periodic trainings that relate to

1 changes in the ASM program or sampling protocols for their own education. A key personnel is  
2 required to attend two days per week of each training and all the days of refresher training.

3 Compensation for the At-Sea Monitor's time at the refresher training and all other training as well  
4 as meals & reimbursement (M&I) and lodging will be reimbursed by NMFS (Section B – Supplies  
5 or Services and Prices/Costs Training CLINS 0003, 1003, and 2003). Costs for travel to and from  
6 the training center will not be covered by NMFS.

7 Per Diem and lodging during weekends are reimbursable during trainings that occur over the  
8 course of multiple weeks. Weekend At-Sea Monitor salary costs are not covered under  
9 reimbursement, unless training (such as a weather-delayed training trip) occurs on a weekend  
10 day. A weekend make up day would be required if the building is closed during the week.

11 At-Sea Monitors shall be expected to remain as active At-Sea Monitors or serve in other capacities  
12 directly related to the Northeast Fisheries At-Sea Monitor Program (e.g. program management)  
13 for at least one (1) year after training. The contractor shall reimburse the Government for training  
14 expenses for any At-Sea Monitors terminating their At-Sea Monitor employment with the  
15 contractor within one (1) year of completing the NMFS training. This will be done by issuing a  
16 credit for the next training session. For example, if three (3) At-Sea Monitors leave the program  
17 prior to completing one (1) year of employment, at the next training, three (3) individuals' training  
18 costs (Section B Supplies or Services and Prices/Costs Training CLINS 0003, 1003, and 2003) and  
19 hourly wages associated with the training (Section B Supplies or Services and Prices/Costs Hourly  
20 Rate At-Sea Monitor CLINS 0004, 1004 and 2004) will not be billed to the Government.

21 At-Sea Monitors shall sign a non-disclosure statement (confidentiality agreement) at the  
22 commencement of training (Section J, Attachment 17, NEFSC Statement of Non-Disclosure) as  
23 referenced in Section F.5.24.

24 NMFS may request an At-Sea Monitor be accompanied by a NMFS staff member on a future trip.  
25 The contractor shall assist with the setting up these shadow trips (Section J, Attachment 18,  
26 Shadow Trip Program).

27 The contractor shall make At-Sea Monitors available to NMFS (Enforcement and FSB staff) for the  
28 purposes of routine debriefings, requested meetings regarding data quality issues, investigating  
29 circumstances of alleged refusals by vessels to take an At-Sea Monitor or other violations of the  
30 Magnuson-Stevens Fishery Conservation Act (MSA), Marine Mammal Protection Act (MMPA), or  
31 the Endangered Species Act (ESA) recorded by the At-Sea Monitor in the course of his/her duties  
32 (Section B Supplies or Services and Prices/Costs Training CLINS 0003, 1003 and 2003) and hourly  
33 wages associated with the training (Section B Supplies or Services and Prices/Costs Hourly Rate  
34 At-Sea Monitor CLINS 0004, 1004 and 2004). All At-Sea Monitors shall call their editor/debriefer  
35 prior to making a trip in a fishery or program covered for the first time.

#### 36 C.4.3.3. Data Quality Control

37 Data shall be collected and maintained in accordance with contractor's Quality Assurance Plan as  
38 incorporated in the contract (Section F.5.3).

39 The overall goal of quality control is to ensure the effectiveness and efficiency of collection efforts  
40 as well as the quality of data collected. Data quality is of utmost importance. As such the

1 contractor shall ensure the highest quality in data collected by its At-Sea Monitors. NMFS will  
2 provide a data quality rating of At-Sea Monitors to the provider on a bi-annual basis (Section J,  
3 Attachment 19, Data Quality Rating). The contractor shall use the data quality rating of At-Sea  
4 Monitors in their Quality Assurance Plan (F.5.3).

#### 5 C.4.3.4. At-Sea Monitor Equipment, Operation and Maintenance

6 The contractor shall provide all materials and equipment necessary for the collection of data and  
7 biological sampling (Section J, Attachment 20, ASM Gear List). The contractor shall maintain and  
8 replace lost gear to ensure the At-Sea Monitor is able to carry out his/her sampling duties. For  
9 items listed with a brand name, the contractor shall provide the equivalent quality to the brand  
10 listed.

11 The gear and equipment, purchased and charged to the Government in the performance of the  
12 contract becomes Government property at the end of the contract. Equipment and gear should  
13 be inspected and repaired in accordance with manufacturers specification as needed and at a  
14 minimum of once per year. Newly acquired gear must be of the same quality as the originally  
15 provided Government gear. At-Sea Monitor gear and contractor's tracking and maintenance of  
16 such gear is subject to periodic audit by the Government. The Government retains the right to  
17 modify gear specifications and requirements to meet research collection needs.

#### 18 C.4.3.5. Travel and Lodging

19 The contractor is responsible for all travel arrangements and expenses, appropriate lodging, and  
20 all expenses associated with training, safety meetings, briefings, debriefings, and deploying At-  
21 Sea Monitors to assigned vessels. All travel costs and expenses incurred shall be reimbursed in  
22 accordance with the Government's Travel Regulations.

23 Travel costs are reimbursable and are intended to include costs associated with At-Sea Monitor  
24 travel to and from vessels and to and from the port if the At-Sea Monitor travels greater than fifty  
25 (50) miles, one way, from their primary port (Section B Supplies or Services and Prices/Costs CLINS  
26 0002, 1002, and 2002).

27 Coordinator and support staff travel (related to At-Sea Monitor deployment) to and from vessels  
28 and to and from the port are reimbursable if travel meets Government Travel Regulations and At-  
29 Sea Monitor travel costs under CLINS 0002, 1002, and 2002. The contractor shall submit a travel  
30 voucher (Section J, Attachment 21, At-Sea Monitor Travel Voucher) clearly documenting all travel  
31 logistics and associated costs to the COTR.

32 While an At-Sea Monitor is out at sea, per diem is not reimbursable, unless authorized on a case-  
33 by-case basis by the COTR, such as if an At-Sea Monitor lands in a port other than their primary  
34 port.

#### 35 C.4.3.6. Vessel Selection

36 The contractor shall strictly adhere to all sampling design requirements specified for the  
37 Northeast Fisheries At-Sea Monitor Program (ASM). NMFS will provide the contractor with a set  
38 of specific guidelines regarding vessel selection and placement considerations by various fisheries.  
39 The contractor shall make contact with vessels selected either by NMFS to arrange for At-Sea

1 Monitor coverage and deployment scheduling as necessary. When the contractor/At-Sea  
2 Monitor makes initial contact with the vessel, the contractor/At-Sea Monitor shall verify with the  
3 captain that he has sufficient life raft capacity for an additional person (At-Sea Monitor). If not,  
4 the contractor shall immediately attempt to have one of the NMFS issued valise life rafts available  
5 for the At-Sea Monitor for that trip. If one is not available, and the captain still intends to sail  
6 without the At-Sea Monitor, an SDR shall be issued to the captain of the vessel (Section J,  
7 Attachment 22, Safety Deficiency Report). The contractor shall assign At-Sea Monitors to vessels  
8 without regard to preference expressed by vessel owners or operators with respect to At-Sea  
9 Monitor race, gender, age, religion, or sexual orientation nor shall the contractor consider At-Sea  
10 Monitor's expressed preference. The contractor shall not assign At-Sea Monitors who are  
11 showing symptoms of illness or who may be contagious. In the event that an At-Sea Monitor falls  
12 severely ill or injured at sea, and the vessel must prematurely cease fishing to return the At-Sea  
13 Monitor to port, the contractor shall propose a plan on how to work out a fair reimbursement for  
14 the vessel's fuel expenses.

15 Various regulated fisheries have a requirement for a vessel's representative to notify the ASM  
16 prior to making each fishing trip. Notification is required prior to the planned departure in a  
17 specific time frame, e.g., forty-eight (48). The vessel is then randomly assigned, by NMFS, an At-  
18 Sea Monitor or issued a waiver, relieving them of the requirement to carry an At-Sea Monitor for  
19 that specific trip.

20 The contractor shall provide personnel or an automated answering service to handle notifications  
21 twenty four (24) hours a day, seven (7) days a week, for certain fisheries. Depending on  
22 regulations enacted by the NMFS, the notification requirement may require e-mails, telephone  
23 calls, or inputting into a website from the vessel's representative. The Groundfish fishery is  
24 required to notify NMFS, NMFS is responsible for the selection and informs the vessel and the  
25 contractor of trip details.

26 For the groundfish fishery (notifies NMFS when they are sailing), the contractor will be notified of  
27 trip selection via the website. The contractor may accept or decline trips within twelve (12) hours.  
28 The reasons to decline a trip must be related to limited At-Sea Monitor availability or reported  
29 safety concerns. The contractor must take the trip once they have claimed acceptance. If there  
30 is an unforeseen emergency that results in changing the contractor's acceptance of a trip, it shall  
31 be reported to the COTR. If a trip is accepted by a contractor, the contractor would make contact  
32 with the vessel for trip logistics. If a vessel informs the contractor that they are cancelling a trip  
33 selected to carry an At-Sea Monitor, the contractor shall report that to NMFS twenty-four (24)  
34 hours after the scheduled sail date. The COTR shall be notified all circumstances in which At-Sea  
35 Monitors were late or missed a scheduled trip for all fisheries as referenced in Section F.5.13.

36 Vessels must be covered randomly, without repeated deployments on the same vessels by the  
37 same At-Sea Monitor, unless waived by the COTR. For trips outside closed areas and other special  
38 access fishing programs there shall be no more than two (2) back to back trips by the same At-Sea  
39 Monitor on the same vessel AND there shall be no more than two (2) trips on the same boat within  
40 one month. A vessel selection list may be provided by NMFS which will rank vessels in the order  
41 they should be covered.

42 Cost Reimbursement is authorized for At-Sea Monitors for the time associated with a "no show".  
43 The maximum amount of time for a no show is up to 2.5 hours. The At-Sea Monitor must arrive

1 30 minutes prior to the scheduled departure time and remain at the designated area for up 2  
2 hours following the scheduled departure time. Travel to and from the site and per diem are not  
3 included unless conditions in C.4.3.5 are met. Any costs billed for a “no show” will be billed against  
4 CLINS 0004, 1004 and 2004. There will be no reimbursement for situations in which it is the At-  
5 Sea Monitor’s fault for missing the trip or no attempt was made to communicate with the captain  
6 prior to taking the trip. A travel voucher (Section J, Attachment 21, At-Sea Monitor Travel  
7 Voucher) is required for proper reimbursement.

8 Cost Reimbursement is authorized for At-Sea Monitors for the time associated with a  
9 “cancellation” in instances where trips are cancelled at the dock or when an at-sea monitor is en  
10 route to the vessel and cancellations occurs. The maximum amount of time for a cancellation is  
11 up to 2.5 hours. Travel to and from the site and per diem are not included unless conditions in  
12 C.4.3.5 are met. Any costs billed for a “Cancellation” will be billed against CLINS 0004, 1004 and  
13 2004. A travel voucher (Section J, Attachment 21, At-Sea Monitor Travel Voucher) is required for  
14 proper reimbursement.

#### 15 C.4.3.7. Safety Requirements

16 Vessels must be in compliance with the At-Sea Monitor Health and Safety Regulations before an  
17 At-Sea Monitor is deployed  
18 ([http://www.nefsc.noaa.gov/fsb/Misc/Obs\\_Health\\_&\\_Safety\\_Regs.FR.11.01.07.pdf](http://www.nefsc.noaa.gov/fsb/Misc/Obs_Health_&_Safety_Regs.FR.11.01.07.pdf)). Vessels  
19 must pass the Pre-Trip Vessel Safety Checklist (Section J, Attachment 23) that will be performed  
20 by the At-Sea Monitor with the assistance of the captain or designee prior to deployment. If the  
21 vessel fails to pass the Pre-Trip Vessel Safety Checklist, the At-Sea Monitor shall not sail on the  
22 vessel and shall complete Safety Deficiency Report (Section J, Attachment 22, Safety Deficiency  
23 Report), which shall be provided to the captain and NMFS.

24 Valise life rafts will be issued to the contractor by NMFS upon award of the contract. It is expected  
25 that the contractor shall maintain the life rafts while in their care and ensure the life raft is up to  
26 date with service and inspections. When service and inspection dates are coming close to their  
27 expiration, the contractor shall contact NMFS to schedule a drop off of the raft. If there is  
28 evidence that the life raft is not treated properly while in their care (i.e., dragged on the ground  
29 resulting in holes in the raft) then the contractor will be liable for the cost of a replacement raft.

30 At-Sea Monitor safety is of paramount importance to ASM. If at any time an At-Sea Monitor feels  
31 that a vessel is unsafe prior to departure, they may decline the trip and report this on the Pre-Trip  
32 Vessel Safety Checklist (Section J, Attachment 23) to NMFS.

#### 33 C.4.3.8. Communication

34 The contractor shall provide and employ a method for At-Sea Monitors to communicate vessel  
35 departure and arrival information; handle At-Sea Monitor emergencies and/or problems related  
36 to At-Sea Monitor logistics when they are at sea, in transit to the dock, or in port awaiting vessel  
37 departure. The contractor shall contact NMFS of all emergency situations, including medical,  
38 within twelve (12) hours of learning of the incident as referenced in Section F.5.14.



1 The contractor shall provide NMFS with access to a real time online At-Sea Monitor tracking  
2 system for At-Sea Monitor deployments (including vessel identifier information), leave schedules,  
3 and status (part-time vs. full-time) updates as referenced in Section F.5.15.

4 The contractor shall provide NMFS with all written documents/memos that are sent their At-Sea  
5 Monitors within 24 hours of when the document/memo is sent as referenced in Section F.5.25.

6 The contractor shall notify NMFS of when an At-Sea Monitor is subject to disciplinary action by  
7 the contractor (i.e., placed on probation, performance monitoring, etc....) within 24 hours of when  
8 the disciplinary action took place as referenced in Section F.5.26.

#### 9 C.4.3.9. Notification of Potential Infractions

10 The contractor shall immediately notify the COTR of any potential violation of the Rules and  
11 Regulations that implement the Fishery Management Plan under the Magnuson-Stevens Fishery  
12 Conservation and Management Act, Marine Mammal Protection Act or Endangered Species Act  
13 or any regulations that govern the At-Sea Monitor program, including but not limited to: vessels  
14 failing to provide adequate notification prior to departing, failing to take an At-Sea Monitor,  
15 incidents of At-Sea Monitor interference, harassment, or intimidation. The contractor shall  
16 ensure that each returning At-Sea Monitor is debriefed for incidents of intimidation, interference,  
17 or harassment within twelve (12) hours of trip landing as referenced in Section F.5.14. Reported  
18 incidents of the vessel failing to take an At-Sea Monitor or incidences of the contractor failing to  
19 handle incidents of interference, harassment or intimidation of At-Sea Monitors will be  
20 investigated by NMFS.

#### 21 C.4.3.10. Vessel Operations and Working Conditions

22 Fishing vessels routinely operate out of ports from New York to Maine (Section J, Attachment 24,  
23 Location of ASM Trips in 2010). Trips can range from 1-14 days in duration. The vessels operate  
24 in ocean waters, 3-200 miles offshore in all weather conditions. Vessels are generally 30-150 feet  
25 in length. Crew members and At-Sea Monitors live and sleep in cramped quarters, often in damp  
26 conditions and share common facilities. On some vessels, the crew does not speak English. At-  
27 Sea Monitors must be willing to travel occasionally to cover locations other than their primary  
28 ports.

29 At-Sea Monitor Health and Safety Regulations require sleeping areas for the At-Sea Monitor to be  
30 equal to those of the crew. Some vessels have no shower and may lack permanent toilets or  
31 bunks. Although vessels may not have separate facilities for women, federal regulations require  
32 reasonable privacy for female At-Sea Monitors. Female At-Sea Monitors on a vessel with an all-  
33 male crew must be accommodated with adequate privacy which can be ensured by installing a  
34 curtain or other temporary divider, in a shared cabin. Because of the size and responsiveness of  
35 these vessels to sea conditions, motion sickness can be debilitating for some individuals and  
36 should be seriously considered in all prospective At-Sea Monitor candidates. Most vessels carry  
37 no trained medical personnel aboard and rely upon first aid knowledge of the boat's operator in  
38 consultation with land-based physicians via radio.

1 Food is provided on multiday trips for the At-Sea Monitor and must be equal to the food being  
2 served to the rest of the crew. On single day trips, At-Sea Monitors must bring their own food  
3 and water.

#### 4 C.4.3.11. Data Quality

5 The NMFS COTR will monitor all aspects of contractor performance as described below:

- 6 • Failure to deliver data from an observed sea day includes:
- 7 • All data must be delivered at the required time frame, as specified by NMFS.
- 8 • Data must not be fraudulent or of such poor quality as to be unusable (i.e. if determined  
9 to be fraudulent or unusable within 90 days of receipt of the data).

10 The contractor shall interact with vessels which have carried At-Sea Monitors. They shall  
11 interview the captain; using NMFS issued workbooks with a pre-determined set of questions  
12 (Section J, Attachment 25, Captain Interview Questions), and determine if the At-Sea Monitor  
13 performed his/her job in a professional manner and carried out all required tasks. Unless  
14 otherwise instructed by NMFS, a random selection of 10% of each At-Sea Monitor's trips each  
15 quarter will have follow-up interviews. Format questions will be provided by NMFS. Trip  
16 Interview Reports will be provided to NMFS electronically within two working days of the  
17 interview as referenced in Section F.5.16. The contractor shall report, in writing to the COTR, all  
18 complaints made by the industry regarding At-Sea Monitor activities, as well as any At-Sea  
19 Monitor injuries aboard vessels or on docks to NMFS.

20 An At-Sea Monitor's ability to work will be based on his/her certification. If an At-Sea Monitor  
21 does not adhere to NMFS protocols or meet the At-Sea Monitor Standards of Conduct (Section J,  
22 Attachment 7, At-Sea Monitor Standards of Conduct), they may be placed on pre-probation,  
23 probation or decertified, as described in the NMFS policy statement regarding certification  
24 (Section J, Attachment 26, ASM At-Sea Monitor Performance Monitoring, Review, Probation and  
25 Decertification).

26 NMFS will provide the contractor with a data quality rating for each At-Sea Monitor (Section J,  
27 Attachment 19, Data Quality Rating).

#### 28 C.4.3.12. Vessel Compensation for At-Sea Monitor Food Reimbursement

29 Contractors shall compensate vessels at a rate of \$40 per day (for every completed 24 hour  
30 period) to cover At-Sea Monitor accommodation and food costs while aboard the vessel for trips  
31 lasting longer than one (1) day (i.e., 24 hours) (Section B Supplies or Services and Prices/Costs  
32 Vessel Meal Reimbursement CLINS 0005, 1005 and 2005). The contractor shall provide NMFS  
33 with an example of the vessel reimbursement form the contractor develops as referenced in  
34 Section F.5.17. The contractor shall provide a report for all vessel meal reimbursements provided  
35 within the last monthly period. The contractor is encouraged to make all vessel compensation  
36 payments through Electronic Funds Transfer. If the contractor makes vessel meal reimbursement  
37 payment through check, the contractor shall provide proof that the check has been cashed within  
38 90 days of vessel receipt of the check. If a check has not been cashed within 90 days of vessel  
39 receipt, the contractor shall cancel the check and provide an offset to NOAA in the amount of the

1 original check less any check cancellation fees (Section F.5.18). The contractor shall provide  
2 evidence for all check cancellation fees to the COTR.

3 C.4.3.13. Contractor Standards of Conduct

4 The Contractor shall comply with the requirements of Clause H.2.2 At-Sea Monitors Preventing  
5 Personal Conflicts of Interest. The contractor shall assign at-sea monitors without regard to any  
6 preference expressed by representatives of vessels based on, but not limited to, at-sea monitor  
7 race, gender, age, religion or sexual orientation.

8 C.4.3.14. At-Sea Monitor Termination Documentation

9 The contractor shall notify the COTR when an At-Sea Monitor leaves the ASM for any reason as  
10 referenced in Section F.5.19. Reasons for termination, whether contractor initiated or At-Sea  
11 Monitor initiated, must be documented and provided to NMFS within 7 days of the At-Sea  
12 Monitor's departure and shall be used to determine trends and assist in improving retention of  
13 qualified At-Sea Monitors as referenced in Section F.5.20.

14 C.4.3.15. Emergency Action Plan

15 The contractor shall institute an Emergency Action Plan that documents what they will do in the  
16 case of an emergency. The purpose of an Emergency Action Plan is to facilitate and organize  
17 employer and employee actions during workplace emergencies. Well developed emergency plans  
18 and proper employee training (such that employees understand their roles and responsibilities  
19 within the plan) will result in fewer and less severe employee injuries. The contractor shall provide  
20 NMFS with a copy of their Emergency Action plan as referenced in Section F.5.27.

21 C.4.3.16. Quality Assurance Plan

22 The contractor shall develop and submit to NMFS a contractor Quality Assurance Plan, as  
23 referenced in Section F.5.3, which details how the contractor will ensure effectiveness and  
24 efficiency of collection efforts as well as the quality of data collected by its At-Sea Monitors. The  
25 contractor shall further establish, implement, and maintain a Quality Assurance Management  
26 program to ensure consistent quality of all work products and services performed under this  
27 contract.

28 C.5. PERFORMANCE MONITORING

29 C.5.1. Quality Assurance Surveillance Plan

30 NMFS intends to monitor contractor performance against the Schedule of Deliverables (Section  
31 F.5.3).

32 C.6. SECURITY RISK LEVEL DESIGNATIONS

33 The risk levels under this contract have been determined by the Program Office as shown below:

34 LABOR CATEGORY	SECURITY RISK
35 Program Manager	Low

1 Coordinator Low

2 Observer I, II, III Low

3 Investigation Packages

4 At-Sea Monitors and key personnel would be considered contractors and all undergo the required  
5 background investigation (Section J, Attachment 13, Security Background Instructions) and would  
6 be either U.S. Citizens, Naturalized Citizen, Green Card Holders (aka Permanent Resident Card),  
7 or Foreign Nationals. The following requirements will be completed prior to official hiring:

8 • 0 – 30 days = Security Worksheet, Finger Print Cards (FD 258 Cards)

9 • 31 – 179 days = Security Worksheet, SAC Form (OFI Form 86C), Finger Print Cards (FD 258  
10 Cards)

11 • 180 or greater days = EQIP Package

12 o Security Worksheet

13 o Electronic Questionnaire (filled out after applicant has been placed in EQIP)

14 o EQIP Signature pages (generated after applicant has completed Questionnaire in EQIP)

15 o Declaration for Federal Employment (Optional Form 306)

16 o Finger Print Cards (FD 258 Cards)

17 o Fair Credit Reporting Form (filled out based on position sensitivity)

18 Foreign National (FN) Information (must be submitted along with Investigation Packages)

19 Foreign Nationals is anyone who is a non-U.S. citizen or non-green card holder (aka permanent  
20 resident card). Foreign Nationals fall into two categories: Visitors or Guests. Visitors are  
21 personnel onsite for up to 3 days; or whom will be attending a conference, workshop, or training  
22 (which can go up to 5 days). Guests are personnel who will be onsite over 3 days and who do not  
23 fall into the 5 day category listed above. All Foreign National Visitor/Guests information must be  
24 submitted through the Foreign National Registration System (FNRS) by NMFS.

25 C.7. CLAUSES INCORPORATED BY REFERENCE

26 C.7.1. CAR 1352.237-71 SECURITY PROCESSING REQUIREMENTS—LOW RISK CONTRACTS (APR  
27 2010)(Reference 48 CFR 1337.110-70)(c))

28 C.7.2. CAR 1352.237-73 FOREIGN NATIONAL VISITOR AND GUEST ACCESS TO DEPARTMENTAL  
29 RESOURCES (APR 2010) (Reference 48 CFR 1337.110-70)(e))

