September 24, 2007

Dear Subsector Member:

Our records indicate you are obligated to pay the fee repaying the $35,000,000 fishing loan for the longline catcher processor subsector of the Bering Sea and Aleutian Islands non-pollock groundfish fishing capacity reduction program (BSAI non-pollock buyback).

A copy of the final rule to implement an industry fee system for the BSAI non-pollock buyback published today in the Federal Register and is enclosed for your information. Please read it thoroughly for more details.

Fee payment collection will begin in 30 days on October 24, 2007. All longline catcher processor subsector members must then pay the fee on landings of BSAI Pacific cod until the loan is repaid. The initial fee rate has been established at 2.0 cents per pound.

To provide more accessible services, streamline payments, and save taxpayer dollars, subsector members may disburse fee deposits to NMFS by using a secure Federal system on the Internet known as Pay.gov. Pay.gov enables subsector members to use their checking accounts to electronically disburse their collected fee deposits to NMFS. Subsector members who have access to the Internet should consider using this quick and easy fee disbursement method. Subsector members may access Pay.gov by going directly to Pay.gov’s Federal website at: https://www.pay.gov/paygov/.

Subsector members who do not have access to the Internet or who simply do not wish to use the Pay.gov electronic system, must disburse fee deposits to NMFS by sending a check to our lockbox at:

NOAA Fisheries Longline Catcher Processor Non-pollock Buyback
P O Box 979028
St. Louis, MO 63197B9000

Subsector members must include with their disbursements a fee collection report, copy enclosed, applicable to each disbursement. Subsector members using Pay.gov will find an electronic fee collection report to accompany electronic disbursements. Subsector members who do not use Pay.gov must include a hard copy fee collection report with each of their disbursements. Subsector members not using Pay.gov may also access the NMFS website for a PDF version of the fee collection report at: http://www.nmfs.noaa.gov/mb/financial_services/buyback.htm.
In addition to the monthly collection report accompanying each disbursement from the fee deposit account, each subsector member must also submit by February 1 of each year, an annual fee report consisting of at least the following during the preceding fishing year:

(a) The full delivery value of all fee fish landed,
(b) Fees paid during the year,
(c) Monthly fee disbursements,
(d) Interest earned on deposits, and
(e) Year-end deposit account balances.

We will provide an annual report example before the report is due and will post the report on our website.

We hope this letter has been useful and look forward to your cooperation.

Please contact us at the following numbers and addresses if you have further questions about fee payment or any other aspect of the BSAI non-pollock buyback:

<table>
<thead>
<tr>
<th>PERSON</th>
<th>TELEPHONE (301) 713-2390</th>
<th>E-MAIL ADDRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meredith Walz</td>
<td>Extension 206</td>
<td><a href="mailto:meredith.walz@noaa.gov">meredith.walz@noaa.gov</a></td>
</tr>
<tr>
<td>Patrick Wilbert</td>
<td>Extension 210</td>
<td><a href="mailto:patrick.wilbert@noaa.gov">patrick.wilbert@noaa.gov</a></td>
</tr>
<tr>
<td>Mike Sturtevant</td>
<td>Extension 212</td>
<td><a href="mailto:michael.a.sturtevant@noaa.gov">michael.a.sturtevant@noaa.gov</a></td>
</tr>
</tbody>
</table>

Sincerely,

Leo Erwin, Chief
Financial Services Division

Enclosures:
(1) Fee Collection System Final Rule
(2) Fee collection report