

**Prince of Wales Island  
Community Holding Corporation**



**Community Quota Entity (CQE)  
Individual Fishing Quota (IFQ) Lease Agreement  
(For IFQ Held on Behalf of the City of Craig, Alaska)**

This lease agreement is entered into by and between the Prince of Wales Island Community Holding Corporation, Alaska, PO Box 725, Craig, Alaska 99921 (hereinafter "Corporation"), and \_\_\_\_\_, PO Box \_\_\_\_\_ Craig, AK 99921 (hereinafter "Lessee").

**WHEREAS** The Corporation is duly authorized to represent the City of Craig, Alaska, which is an eligible entity in the Community Quota Entity Program and holds Certificates for IFQ on behalf of the City of Craig; and

**WHEREAS** Lessee desires to lease \_\_\_\_\_ pounds of \_\_\_\_\_ IFQ from the Corporation; and

**WHEREAS** The Lessee, by signing this lease document, certifies that they are a permanent, full time resident of the City of Craig (permanent full time resident is defined as a resident who has had an established primary domicile located within the Municipal Limits of the City of Craig, who has physically resided in the aforementioned domicile for a minimum of 10 of the previous 12 months, and who intends to indefinitely continue to reside in a domicile within the municipal limits of the City of Craig). Lessee further agrees to provide all documentation requested by the Corporation, the State of Alaska or the National Marine Fisheries Service necessary to verify resident status; and

**WHEREAS** The Lessee is fully certified to transfer, hold and fish Halibut /Sablefish IFQ by the State of Alaska and the National Marine Fisheries Service. Lessee's Transfer Eligibility Certificate (TEC) Number is: \_\_\_\_\_

Lessee's name, as it appears on the TEC is: \_\_\_\_\_

Lessee will fish the leased IFQ on the F/V \_\_\_\_\_ (Vessel Name and ADF&G Number) whose overall length is \_\_\_\_\_ and whose home port is \_\_\_\_\_.

Lessee holds \_\_\_\_\_ pounds of personally owned or non-Corporation leased IFQ for the same species. IFQ certificate numbers for owned and non-corporation leased IFQ that the Lessee will be fishing are \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.

**WITNESSETH:**

1. The Corporation hereby leases to Lessee IFQ described below:

Type of Fish: \_\_\_\_\_

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Lessee Initials: \_\_\_\_\_

Corporation Initials: \_\_\_\_\_

Pounds of IFQ Leased to Fisherman: \_\_\_\_\_

Transfer Certificate Number: \_\_\_\_\_

IFQ Area: \_\_\_\_\_ and Vessel Class: \_\_\_\_\_ (but may be fished from Class B, C or D Vessels)

2. The effective date of this lease is \_\_\_\_\_. This and shall expire December 31, 2005.

3. The Lessee shall pay to the Corporation a lease payment of: \$\_\_\_\_\_ Per pound of Leased IFQ; or, \_\_\_\_\_% of GROSS sales of fish resulting from leased IFQ. \_\_\_\_\_ of the Per Pound and \_\_\_\_\_ of the estimated GROSS sales amount (based on the current local average dock price at the time the action is taken as determined by the Corporation) of the lease amount will be paid at lease signing. Payment by the Lessee on all leased IFQ is due within 10 days of the sale of fish of the leased IFQ species. All payments made under item 3 may be forfeited if the Lessee is required to return the IFQ to the Corporation under item 4.

4. The Lessee will make full payment based on actual pounds leased or estimated GROSS sales (based on the current local average dock price at the time the action is taken as determined by the Corporation) by July 15, 2005 regardless of whether or not fish have been caught. If the IFQ has not been fished and the Lessee fails to make complete payment by July 15, 2005 the Corporation may rescind the transfer certificate and reissue the IFQ. If the transfer certificate is rescinded the Lessee may forfeit any lease payments already made under the provisions of item 3. The Corporation may hold all payments made and make a determination to declare them forfeit, or refund any or all payments based on successful re-lease and catch of the IFQ. Lessee shall be sent notice by return receipt, certified, first-class mail of possible action to rescind IFQ 15 days before the final payment date. The Corporation may take action on the first day following July 15, 2005 to rescind the IFQ or renegotiate with the Lessee.

5. Lessee agrees, as of the date of this agreement, to harvest and sell quota leased from the Corporation prior to harvest and sale of personally owned, other leased quota, or quota fished on behalf of other fishermen for fish of the same species. If the Lessee violates this provision the Corporation may demand immediate and full payment of actual pounds leased or estimated GROSS sales (based on the current local average dock price at the time the action is taken as determined by the Corporation). If the Lessee violates this provision and does not make the demanded payment within 10 days of the sale of fish of the same species as the leased IFQ, the Corporation may rescind and reissue the IFQ. Lessee shall be given notice by hand delivery or by return receipt, certified, first-class mail of possible action to rescind IFQ.

6. The provisions of 50 CFR Part 679, Amendment 66, including qualifications; use; and personal and vessel limits, are incorporated herein by reference,

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Lessee Initials: \_\_\_\_\_

Corporation Initials: \_\_\_\_\_

as if fully set forth herein; and Lessee acknowledges receipt of a copy of those provisions.

7. The Lessee shall be responsible to pay the annual fee assessed by the National Marine Fisheries Service against IFQ permit holders with landings on all leased IFQ.

8. The Corporation shall have the right to request information as recorded by the Lessee, fish buyers, State of Alaska Agencies or the National Marine Fisheries Service on the harvest, sale, or transfer of fish by the Lessee of the same species as the leased IFQ.

9. Lessee agrees to hold harmless, indemnify and defend the Corporation against any and all claims for damage, injury, or wrongful death which may be brought or asserted by Lessee, its agents, or third parties resulting from Lessee's use of the leased IFQ.

10. Liens and Collateral. Need a provision that allows the Corporation to ask for collateral or the power to lien IFQs, vessels, etc. in the case of default.

11. Lessee certifies that they are leasing IFQ from the Corporation for their use and not at the direction of another eligible or ineligible fisherman, fish buyer, boat captain, boat owner or other entity who has a direct financial interest. Lessee may not sublease or transfer leased IFQ.

12. Lessee shall provide the names and business addresses of those individuals employed as crew members when fishing the leased IFQ.

13. Lessee shall employ crewmembers who shall meet the aforementioned definition of permanent, full time residents when fishing leased IFQ. If eligible crewmembers are not available or would cause undue hardship the Lessee may apply, in writing, to the Corporation for a waiver to this provision. The Corporation, by a majority vote of the Board of Directors of the Corporation, may waive this provision.

14. This lease and all the covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

15. This lease may be renewed under those terms and conditions acceptable to both the Corporation and Lessee. The Corporation has no obligation to renew the lease.

16. If Lessee violates any provision contained herein, and/or does not make full payment on all leased IFQ per the terms of this agreement, the Lessee shall become ineligible to lease quota from the Corporation for a period of 3 years following the effective date of the original agreement. In addition, the Corporation reserves the

right to pursue legal options available to recover any funds owed by the Lessee as part of this agreement, or any modification hereto.

IN WITNESS WHEREOF the parties hereto have set their hands and seals the day and year written below.

\_\_\_\_\_  
(Lessee)

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

PRINCE OF WALES ISLAND COMMUNITY HOLDING CORPORATION

DATED: \_\_\_\_\_ By: \_\_\_\_\_  
Don Pierce, Chairman

ACKNOWLEDGMENT BY LESSEE

STATE OF ALASKA

FIRST JUDICIAL DISTRICT

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2005, in Craig, Alaska before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared \_\_\_\_\_, to me known and known to me to be the person he represented himself to be and the same identical person who executed the above and foregoing instrument on behalf of himself. And who acknowledged to me that he had full power and authority to and did execute the above and foregoing as a free and voluntary act and deed on behalf of himself, and for the purposes therein mentioned.

WITNESS my hand and official seal the day, month and year herein first above written.

\_\_\_\_\_  
Notary Public, State of Alaska

My commission expires: \_\_\_\_\_

ACKNOWLEDGMENT BY THE CORPORATION

STATE OF ALASKA

FIRST JUDICIAL DISTRICT

THIS IS TO CERTIFY that on this \_\_\_\_\_ day of \_\_\_\_\_, 2005, in Craig, Alaska before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Don Pierce, Chairman of the Prince of Wales Island Community Holding Corporation, Alaska, to me known and known to me to be the person he represented himself to be and the same identical person executed the above and foregoing instrument on behalf of the Prince of Wales Island Community Holding Corporation, Alaska and who acknowledged to me that he had full power and authority to and did execute the above and foregoing as a free and voluntary act and deed on behalf of the Prince of Wales Island Community Holding Corporation, and for the purposes therein mentioned.

WITNESS my hand and official seal the day, month and year herein first above written.

\_\_\_\_\_  
Notary Public, State of Alaska

My commission expires:\_\_\_\_\_