Revise the following in Chapter 11.0 Voluntary Three-Piece Cooperative Program:

(1) Modify section 2.7.2 to read as follows:

2.7.2 Use Caps.
In the Northern Region annual use caps will be at 60 percent for the opilio crab fishery unless subject to a custom processing cap exemption as described in component 2 of the section titled “Clarifications and Expressions of Council Intent.

(2) Modify the last paragraph in component 2 of the section titled “Clarifications and Expressions of Council Intent” to read as follows

Clarifications and Expressions of Council Intent

* * *
2. Ownership/use cap distinction

* * *

Although custom processing is permitted by the Council motion, the Council established that limits on ownership and use would count any crab custom processed by a plant toward the cap of the plant owner, unless those crab meet the custom processing exemption described below. The application of the cap to certain custom processing is intended to prevent consolidation, which could occur if that custom processing is not considered.

* * *

(3) Insert the following text after the last paragraph in component 2 of the section titled “Clarifications and Expressions of Council Intent” as amended to read as follows:

Clarifications and Expressions of Council Intent

* * *

2. Ownership/use cap distinction

* * *
Custom Processing Cap Exemption

Fisheries and Regions:
Custom processing will be exempt from use caps in the following regions and fisheries:
North region of the Bering Sea *C. opilio* fishery;
Western Aleutian Islands golden king crab fishery West designated or Undesignated shares processed in the West region;
Western Aleutian Islands red king crab fishery;
Eastern Aleutian Islands golden king crab fishery;
St. Matthew Island blue king crab fishery;
Pribilof Islands red and blue king crab fishery;

Definition of custom processing exemption:
Physical processing of IPQ crab held by a person who is not affiliated with the owner of the facility at which those IPQ crab are processed. IPQ custom processed at a facility owned by an entity does not count toward the cap of the entity (i.e., only processor share holdings count toward an entity’s cap).

Locations qualified for the exemption:
Custom processing will qualify for the exemption from IPQ use caps, provided that processing is undertaken in the applicable fishery and region at a shore plant, or a floating processor that is moored at a dock or docking facilities (e.g., dolphins, permanent mooring buoy) in a harbor in a community that is a first or second class city or a home rule city, except for the community of Atka, where a floating processor may anchor at any location, provided that it is within the municipal boundary.

Facility cap
Outside of the West region, no facility may process more than 60 percent of EAI golden king crab and WAI red king crab.

Provisions to protect interests of the community of origin
In the event that processing shares currently or formerly subject to a right of first refusal are transferred from the initial recipient, custom processing of those shares in the community of origin will not be counted toward cap of the processing plant (the shares would only count toward the cap of the share holder).