

APPLICATION TO USE PROCESSING FACILITIES OWNED BY VALDEZ FISHERIES DEVELOPMENT ASSOCIATION, INC. AS A FISHERIES BUSINESS INCUBATOR

I. GENERAL INSTRUCTIONS

Valdez Fisheries Development Association (VFDA) must determine if you are qualified to use the fisheries business incubator facility. Please fill out this application and include with the completed application all documents and plans requested. Incomplete applications may be rejected at the discretion of VFDA.

PLEASE READ THESE INSTRUCTIONS CAREFULLY!

VFDA in its sole discretion and authority will review applications and issue permits based upon the qualifications of the applicants and the limitations of the facilities. VFDA's decisions are final. By submitting this application, you are bound by the terms and conditions contained here. Your signature on the submitted application indicates that you have read and understand the requirements for using the facility, and that you agree to the terms and conditions contained in this application. Therefore, this application also constitutes your agreement to be bound by all the terms and conditions in this application.

If your application is accepted, VFDA will review your permit and the conditions annually. VFDA may extend or terminate your permit at its sole discretion.

If you have been permitted to use the facility, and your permit has been terminated, you must vacate the facility immediately and remove all personal property. VFDA may rescind its permission to use the facility if you violate this agreement or threaten injury to persons or property.

II. APPLICANT QUALIFICATIONS AND REQUIREMENTS

These are the qualifications for using the facility. Please indicate your assent to the terms and conditions of this application/agreement by putting you initials on the line next to each item. You must submit documents if requested. Incomplete applications will be rejected and returned to applicants.

- _____ 1. I hold, in my name, a valid, current Commercial Fisheries Entry Commission Limited Entry Permit, and/or a valid, current National Marine Fisheries Service (NMFS) Individual Fishing Quota (IFQ) share certificate for the fishery product being processed.
- _____ 2. I am currently employed in a fishery located within the Prince William Sound Economic Development District.
- _____ 3. I certify that I am only processing my product, caught under my permit number and am not custom processing for any other person or entity.
- _____ 4. I hold a HACCP certificate showing that I have completed the necessary HACCP training as required under FDA requirements 21 CFR 123.10
- _____ 5. I possess a valid, current Direct Marketers Processor's License issued by the Alaska Department of Environmental Conservation.
- _____ 6. I have a processor's bond if required by the Alaska Department of Revenue.
- _____ 7. If applicable, I hold a NMFS Federal fisheries processors permit for halibut and sablefish processing and transport.
- _____ 8. I have a valid, current State of Alaska Business License.
- _____ 9. I have submitted a plan of operation, attached to this Agreement, which includes:
 - a. The identification of the permitted users of the facility, vessel name, and landing or fish ticket numbers for my product.
 - b. The identification of any primary or secondary processing that is to be conducted in conjunction with the facility.
 - c. Dates and times for use of the facility requested by the permitted user. The times and dates available are subject to other obligations for use and by other users of the facility and equipment.
 - d. All building space, equipment, and personnel requirements necessary to conduct the plan of operation.
 - e. A shipping plan describing when the finished product will be removed from the facility and by whom.

- f. The identification of all consumable or expendable items that are to be used in the production, storage, or transportation of any fisheries product.
- g. A complete, approved Hazard Analysis Critical Control Point plan for all processing to be conducted.

III. NOTICES AND OBLIGATIONS

Only after a plan of operation has been submitted, reviewed by VFDA, and agreed upon by all of the concerned parties shall it become incorporated into this agreement. The submission of a plan of operation and the acceptance or rejection of the plan shall not in itself create any relationship between the parties.

Only fisheries products accompanied by a signed Alaska Department of Fish and Game fish ticket or NMFS landing receipt in the name of the above mentioned permit holder qualify to be processed under this agreement.

VFDA shall name a technical supervisor or his designee to assist you in your use of the equipment and facilities. Neither the appointment of the technical supervisor nor the use of the facility creates an employer/employee relationship between VFDA, the technical supervisor at the facility, and you. VFDA is not liable to you for any acts or omissions of the technical supervisor. Neither VFDA, nor the technical supervisor, assume responsibility for any product produced, modified, or maintained at or from the facility.

You are solely responsibility for the quality and safety of any product coming into or leaving the facility!

You may only use processing equipment as permitted by VFDA. Because of the possibility of injury or property damage, mechanized seafood cutting equipment may only be used by the technical supervisor or his designee. You are responsible for the cost of the operator. All costs are due upon completion of work. You are responsible for all costs associated with the transportation of all goods and product into and out of the facility and for all costs associated with all goods and services utilized in the production, adding of value, storage, transportation, and marketing of any fisheries products.

The terms of this Agreement and costs and fees to use the facility may be changed at the discretion of VFDA.

You are responsible for the complete cleanup and sanitation, and for all costs associated with the cleanup and sanitation, of the premises, equipment, or facilities associated in any way with your use or occupation of the premises, equipment, or facilities, which shall be determined by the technical supervisor in his sole discretion.

You will not use, or permit the premises, or any part thereof, to be used, for any purpose or purposes other than those for which the facility was designed.

You must comply with all laws affecting the premises. Also, you understand that there will be others using the facility on a first come, first service basis. This agreement does not permit exclusive use of the facility by you, and there will be multiple permit users of the facility at the same time.

You must not abandon any product or property when you use the premises. If you leave anything on the premises, it will be considered abandoned, and VFDA may dispose of it in any manner it chooses. Failure to respond within ten (10) days to a notice to quit the premises and remove any product or property, provided by regular United States Postal Service or hand delivery at your last known address, shall be conclusive evidence of abandonment.

VFDA and its agents and employees may enter the premises at any time, without notice, and you have no right to privacy of any area or location on the premises.

If you damage any of the premises or equipment, you must immediately repair it or reimburse VFDA for the damages.

You must pay all costs and fees you incur by using the facility. You must pay for your obligations in using the facility before VFDA releases any product to you. If you fail to make timely payment, that is considered a material breach of VFDA's agreement to permit you to use the facility and VFDA may, in its sole discretion, give you immediate notice to leave the premises.

VFDA is not liable for any loss, injury, death, or damage to persons or property which is suffered by you or others using or visiting the premises, even if the loss, injury, death, or damage is caused by or arises out of any act, omission, or negligence by you or any occupant, visitor, or user of the premises. You agree to indemnify, defend, and hold harmless VFDA against all claims, liability, loss, or damage whatsoever because of any such loss, injury, death, or damage. You also agree to waive all claims against VFDA for damages to the building and its improvements and for injuries to persons or property on the premises. Your liability does not apply to loss, injury, death, or damage arising by reason of the sole negligence or misconduct of VFDA.

You agree to maintain in effect throughout your use of the premises personal injury and product liability insurance, as and if required by law to process seafood products in the State of Alaska. Such insurance shall specifically insure you

against all liability assumed by you under this agreement, liability imposed by law, and must insure both you and VFDA.

You may not place any kind of lien on the premises.

By submitting this application, you agree that you are not obtaining any right to the property, improvements, facilities, or equipment located on the premises or owned or maintained by VFDA.

You agree to maintain for the proper time, and give copies to VFDA immediately upon request, all records required for seafood processing including, but not limited to, those required for HACCP, SSOP, processor bonds, product liability and recall.

You are solely liable to the State of Alaska or any other entity for all taxes and fees associated with processing fisheries products; VFDA is not liable for any of your taxes, and you agree to indemnify VFDA in any disputes arising out of taxes owed on fisheries products processed and sold.

State of Alaska law governs this agreement and application; the jurisdiction for disputes is in the Third Judicial District at Valdez.

You understand that you have had the opportunity to read and review this agreement and application, and that you have the opportunity to consult a lawyer about the meaning of this agreement, so that if there are any ambiguities or misunderstandings they are not construed against the drafter of this agreement.

DATED this _____ day of _____, 2014 at Valdez, Alaska.

Valdez Fisheries Development Association, Inc.
By: _____
Its: _____

Permitted User
By: _____

FISHERIES BUSINESS INCUBATOR PROGRAM SEAFOOD PROCESSING PLAN

NAME _____ DATE _____
 ADDRESS _____ VESSEL NAME _____
 _____ ADF&G NUMBER _____
 _____ ACCOUNT NUMBER _____
 PHONE () _____ FAX () _____

SERVICE REQUEST LIST

DATE FISH ARRIVING _____ A.M. P.M. SPECIES _____
 AMOUNT ROUND/LBS _____ (EST)

UNLOADING NEEDS

SCALES BRAILER TOTES TOTES # _____ ICE # _____

PROCESSING NEEDS

HAND HEADING MECHANICAL HEADING HAND FILLETING
 HAND GUTTING MECHANICAL GUTTING MECHANICAL FILLETING
 HAND PIN BONE REMOVAL MECHANICAL PIN BONE REMOVAL MECHANICAL STEAKING
 HAND STEAKING MECHANICAL SKINNING HAND SKINNING

Mechanical cutting of fish requires a technical oversight operator supplied by the program. Handwork can be done by the user and/or his employees that are provided by the user. A clean up fee of \$80.00 will be charged for all mechanical processing.

PACKAGING NEEDS

BULK TOTES EXPORTS (Freezer Boxes) WET LOCKS
 VAC BAGS GLAZING

Packaging is not provided by the program. Space to assemble and store packaging is provided. Please indicate for planning purposes.

REFRIGERATION NEEDS

Cooler and cold storage is available on a limited basis only to store product for immediate shipment. Storage is arranged with the program on an individual basis and is strictly based on availability. Users must have offsite storage to accommodate product before using program.

BLAST FREEZING COOLER ICE # _____ COLD STORAGE

SHIPPING PLAN

SHIPPING DATE _____ SHIPPING COMPANY _____

MODE

TRUCKING AIR OTHER

Finished product is required to be shipped immediately. The user is responsible for all shipping arrangements for its product. The program is not liable for any damaged product due to insufficient planning on the users part.

APPROVED TO PROCESS

NO REASON YES

 USER

 PROGRAM MANAGER

 DATE

 DATE

SCHEDULE OF COSTS & FEES

1.)	Annual Registration Fee	\$100.00/year
2.)	Sanitation & Clean Up Fee	\$ 80.00/day
3.)	Technical Supervisor Fees	\$ 20.00/hr/man
4.)	Equipment Maintenance Fee To be paid on all round pounds.	\$ 0.05/lb
5.)	Freezing Fee To be paid on all finished pounds.	\$ 0.10/lb.
6.)	Cold Storage Fee (Per 100 cwt) Over 100lbs	\$ 0.025/lb./mo
	Under 100 lbs	\$ 25.00/mo
7.)	Ice/tote Ice used in the plant to cool fish while processing is free	\$15.00/tote
8.)	Materials & Supplies	@ Cost
	Gloves	
	Aprons	
	Boots	
	Knives	
	Labels	
	Vacuum Bags	
	Bait	

NOTE: COSTS AND FEES MAY BE CHANGED AT THE DISCRETION OF VFDA AT ANYTIME.