

**RESOLUTION OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL**

We, the undersigned, duly authorized members of the *Exxon Valdez* Oil Spill Trustee Council ("Council"), after extensive review and after consideration of the views of the public, find as follows:

1. Afognak Joint Venture ("AJV"), owns the surface estate of lands located on Afognak Island, Alaska, as described in the Resolution adopted by the Trustee Council at its meeting on April 2, 1998 ("Resolution") at Attachment A to the Resolution and depicted on the map at Attachment B to the Resolution (the "Lands").
2. The Lands are within the oil spill area as defined by the Council in the Final Restoration Plan approved November 2, 1994.
3. Pursuant to the Resolution the Council authorized the expenditure of seventy million five hundred thousand dollars (\$70,500,000) plus an additional adjustment for the deferred payments in funding towards the purchase by the State and the United States.

THEREFORE, we resolve to provide seventy million five hundred thousand dollars (\$70,500,000) plus an additional adjustment for the deferred payments in funding towards the purchase by the State and the United States for the Lands as follows: (i) the amount to be paid at the first closing shall be twenty-eight million dollars (\$28,000,000); (ii) the amount to be paid at the second closing, on or after October 1, 1999, shall be twenty million five hundred thousand dollars (\$20,500,000) plus an additional amount to be calculated by multiplying two million one hundred ninety three thousand dollars (\$2,193,000) by the number of days between the first closing and the second closing divided by three hundred sixty five (365); and (iii) the amount to be paid at the third closing, on or after October 1, 2000, shall be twenty two million dollars (\$22,000,000) plus an additional amount to be calculated by multiplying one million one hundred thirty-five thousand two

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hundred dollars (\$1,135,200) by the number of days between the second closing and the third closing divided by three hundred sixty five (365). These amounts are based on the above-described acquisition of the Lands, consisting of approximately 41,750 acres, more or less, as described in the Resolution at Attachment A to the April 2, 1998 Resolution and depicted on the map at Attachment B to the Resolution.

This authorization for funding is subject to the inclusion of the following terms and conditions in any implementing purchase agreement with AJV:

(a) receipt by the United States District Court for the District of Alaska (District Court) of any necessary settlement payments due from Exxon Corporation, et al. and the subsequent disbursement of these funds by the District Court for this purpose;

(b) AJV shall grant to the United States or the State, respectively, at no additional cost a conservation easement similar to that used in other acquisitions funded by the Council which will enable the United States or the State to enforce on a non-exclusive basis the restoration objectives of this acquisition. The form and substance of this easement and the related warranty deed for the State or the United States must also be satisfactory to the Alaska Department of Law and the United States Department of Justice;

© AJV shall grant to the United States or the State, as requested by the United States or the State at the time of the first closing and at no additional cost a temporary conservation easement on the portion of the Lands to be conveyed in the second and third closings precluding development and the harvest of timber (except on those lands where the harvest of timber is allowed pursuant to the Resolution) and similar to that used in other acquisitions funded by the Council which will enable the United States or the State to enforce on a non-exclusive basis the restoration objectives of this acquisition. The form and substance of this easement must also be satisfactory to the Alaska

Department of Law and the United States Department of Justice:

(d) completion of a title search and review, and any required surveys, said surveys to be paid for by AJV, all of which must be satisfactory to the United States and the State for the respective interests in the Lands acquired by each government;

(e) no development or timber harvesting is to take place on the Lands prior to closing except that timber harvesting may take place on the portion of the Lands within parcel AJV 3a identified for timber harvesting;

(f) completion of a hazardous materials survey satisfactory to the State and the United States;

(g) an adjustment to the Lands to be acquired and the price to be paid may be made, subject to approval by the Executive Director of the Trustee Council ("Executive Director"), to allow AJV to convey title to an approximately 28 acre inholding to Roy and Shannon Randall, who currently hold a permit for operation of a wilderness lodge at the site, so long as a conservation easement on the 28 acres is conveyed to the State and/or the United States. The form and substance of this easement must also be satisfactory to the Executive Director, the Alaska Department of Law, and the United States Department of Justice;

(h) compliance with the National Environmental Policy Act and other provisions of applicable federal and state law.

By unanimous consent and upon execution of the purchase agreement(s) and written notice from the State of Alaska, the United States, and the Executive Director of the EVOS Restoration Program that the terms and conditions set forth herein and in the purchase agreement have been satisfied, we request the Alaska Department of Law and the Assistant Attorney General of the Environment and Natural Resources Division of the U.S. Department of Justice to petition the District

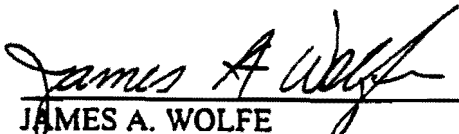
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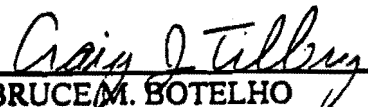
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Court for withdrawal from the District Court Registry account the sum of \$28,000,000 to be paid at the time of initial closing, \$20,500,000 and an additional sum that represents an adjustment, based on the initial date of closing at an annualized rate of 5.16% of the outstanding balance to be paid at the second closing on or after October 1, 1999, and \$22,000,000 and an additional sum that represents an adjustment, based on the date of the second closing at an annualized rate of 5.16% of the outstanding balance to be paid at the third closing on or after October 1, 2000. These amounts represent the only amounts due under this resolution to AJV from the EVOS joint settlement funds in the District Court Registry and no additional amounts are herein authorized to be paid to AJV from such joint funds.


APPROVED by the Council at its meeting of August 13, 1998, held in Anchorage and Juneau, Alaska, as affirmed by our signatures affixed below:




JAMES A. WOLFE
Regional Forester Trustee Representative
Alaska Region
USDA Forest Service



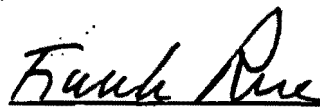
BRUCE M. BOTELHO
Attorney General
State of Alaska



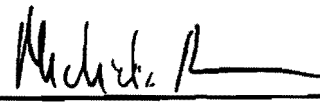
DEBORAH L. WILLIAMS
Special Assistant to the
Secretary for Alaska
Department of the Interior



STEVEN PENNOYER
Director, Alaska Region
National Marine
Fisheries Service



FRANK RUE
Commissioner
Alaska Department of
Fish and Game



MICHELE BROWN
Commissioner
Alaska Department of
Environmental Conservation

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