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UNITED STATES DISTRICT COURT DISTRICT OF ALASKA

STATE OF ALASKA,)
Plaintiff,) No. 3:91-CV-0083 (HRH)
v.) FORTY-THIRD
EXXON CORPORATION, and EXXON SHIPPING COMPANY,	JOINT NOTICE OFEXPENDITURES FROMFROM THE INVESTMENT
Defendants.) FUND)
)

The United States and the State of Alaska ("the Governments") jointly provide this notice of their expenditure of \$1,982,985 from the Research Sub-Account of the Exxon Valdez Oil Spill Investment Fund ("Investment Fund") AND \$43,600 from the Habitat Sub-Account of the Investment Fund. The Governments' natural resource trustee agencies will use these funds for purposes consistent with the Memorandum of Agreement and Consent Decree entered by this Court in *United States v. State of Alaska*, No. A91-081 CIV (D. Alaska) on August 28, 1991 ("MOA").

On September 25, 1991, the United States and the State of Alaska settled their claims against the Exxon Corporation, Exxon Shipping Company, Exxon Pipeline Company, and the T/V

Exxon Valdez arising from the Exxon Valdez Oil Spill ("EVOS"). All funds resulting from these settlements were subsequently ordered by this Court to be placed in an interest-bearing account in the Court Registry Investment System ("CRIS") administered through the United States District Court for the Southern District of Texas.

On June 7, 2000, this Court entered its Third Amended Order for Deposit and Transfer of Settlement Proceeds ("Third Amended Order"). The Third Amended Order allows the Governments the option of investing the money in an account outside the United States Treasury. On September 29, 2000, upon application by the Governments, the Court entered an Order Re: Transfer of Funds from the Exxon Valdez Liquidity Account and the Reserve Fund to an Investment Fund Within the Alaska Department of Revenue, Division of Treasury, authorizing transfer of settlement proceeds to an account within the State. On October 5, 2000, all funds and securities were transferred from the CRIS to the Investment Fund. The Third Amended Order further allows the Governments to establish separate sub-accounts within the primary account "as the Trustee Council determines appropriate." On October 1, 2002, three sub-accounts were created in the Investment Fund: the Research Investment Sub-Account, the Habitat Investment Sub-Account, and the Koniag Investment Sub-Account. These sub-accounts were established to carry out the Trustee Council's decision in its Resolution of March 1, 1999 to manage separately the remaining assets of the Joint Trust Funds for the specific purposes of funding a long term research and monitoring program, the acquisition of lands along the Karluk River, and the establishment of a fund to purchase small parcels of land that may become available in the future.

Paragraph 27 of the Third Amended Order provides that "funds in an Investment Fund shall remain on deposit in that Fund until such time as the EVOS Trustees unanimously resolve to

FORTY-THIRD JOINT NOTICE OF EXPENDITURES FROM THE INVESTMENT FUND 3:91-CV-0083 (HRH)

expend all or part of the funds." The funds may then be expended, for purposes consistent with the MOA, upon the joint notification of the Governments to the Investment Fund and the Court. The notification is to inform the Court of the proposed uses of the funds in the same manner and to the same extent as was the Governments' practice when the funds were in the registry of the Court. 1/

The Governments provide notice of this forty-third expenditure for the following: (1) the expenditure of \$1,982,985 from the Research Sub-Account to fund Project 11100836 by Boufadel for Bioremediation Pilot Studies, Phase I of Project 11100853 by Irons for Pigeon Guillemot Restoration in Prince William Sound, and Project 11100112 by Irvine for Lingering Oil on Boulder-Armored Beaches; \(^1\)/ and (2) the expenditure of \$43,600 from the Habitat Sub-Account for due diligence activities in support of the acquisition of three small parcels in the Kenai River area, Alaska.\(^3\) Of the \$2,026,585 that is the subject of this Notice, \$1,982,985 will be provided to the United States and \$43,600 will be provided to the State of Alaska.

The Trustee Council has met once since the Governments' filing on December 21, 2010 of their Forty-Second Joint Notice of Expenditures. The Governments will submit the meeting notes for the February 11, 2011 meeting once they have been approved by the Trustee Council. The meeting notes for the Trustee Council's November 3, 2010 meeting are appended to this Notice at Attachment B.

A copy of the notice provided to the Investment Fund pursuant to paragraph 27 of the Third Amended Order for Deposit and Transfer of Settlement Proceeds is appended to this Notice as Attachment A, pp. 1-3.

The Trustee Council unanimously authorized these funds at its February 11, 2011 meeting as reflected in Resolution 11-05 appended to this Notice at Attachment A, pp. 4-10.

The Trustee Council unanimously authorized these funds at its February 11, 2011 meeting as reflected in Resolution 11-04 appended to this Notice at Attachment A, pp. 11-23.

RESPECTFULLY SUBMITTED this 7th day of March, 2011 at Anchorage, Alaska.

FOR THE STATE OF ALASKA

JOHN J. BURNS ATTORNEY GENERAL

By:

s/JENNIFER L. SCHORR Assistant Attorney General

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FOR THE UNITED STATES

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 7th day of March, 2011, a copy of the foregoing FORTY-THIRD JOINT NOTICE OF EXPENDITURES FROM THE INVESTMENT FUND, together with attachments A and B thereto, was served by U.S. mail, first class, postage paid, on the following:

James F. Neal Neal & Harwell 2000 One Nashville Place 150 Forth Avenue North Nashville TN 37219	Douglas J. Serdahely Patton Boggs LLP 601 W. 5 th Avenue, Suite 700 Anchorage, AK 99501	Patrick Lynch O'Melveny & Meyers 400 South Hope Street Los Angeles, CA 90071
Matt vanSteenwyk AK Dept. of Fish & Game PO Box 115526 Juneau, AK 99811-5526	John F. Clough III Clough & Associates PO Box 211187 Auke Bay, AK 99821- 1187	Cherri Womac AK Dept. of Fish & Game Exxon Valdez Oil Spill Trustee Council Office 441 W. 5 th Ave., Suite 500 Anchorage, AK 99501
Michael Zevenbergen U.S. Department of Justice c/o NOAA/Damage Assessment 7600 Sand Point Way NE Seattle, WA 98115		

s/Samantha Christenson