

RECEIVED  
US ATTORNEY OFFICE  
'00 JUN 7 PM 4 25

1000-  
JUN 02 2000

**FILED**

JUN 07 2000

UNITED STATES DISTRICT COURT  
DISTRICT OF ALASKA

By                      Deputy

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ALASKA

UNITED STATES OF AMERICA,

Plaintiff,

v.

EXXON CORPORATION, EXXON SHIPPING  
COMPANY, and EXXON PIPELINE COMPANY,  
et al., in personam, and the T/V  
EXXON VALDEZ, in rem,

Defendants.

No. A91-082-CV (HRH)

THIRD AMENDED ORDER  
FOR DEPOSIT AND TRANSFER  
OF SETTLEMENT PROCEEDS

Pursuant to Rule 67 of the Federal Rules of Civil Procedure, 28 U.S.C. § 2401, and Local Rules 67.1 and 67.2, and in accordance with 43 U.S.C. § 1474b and note, 43 U.S.C. § 1474b-1, Pub. L. No. 106-113, 113 Stat. 1501 (1999), and the terms of the Agreement and Consent Decree (the "Decree") between the United States, the State of Alaska (the "State"), and defendants Exxon Corporation, Exxon Shipping Company (collectively referred to,

THIRD AMENDED ORDER FOR DEPOSIT AND  
TRANSFER OF SETTLEMENT PROCEEDS

-1-

(262)

together with the T/V EXXON VALDEZ, as "Exxon"), and Exxon Pipeline Company, entered by this Court on October 8, 1991, it is hereby ORDERED that:

1. Except as provided in paragraph 22 of this Order, Exxon shall pay to the Clerk of the Court all sums specified in paragraph 8 of the Decree, less those amounts paid directly to the United States and the State ("the Governments") in reimbursement of past costs in accordance with the Decree.

2. Exxon shall make these payments by electronic transfer to:

ABA # 021030004

TREAS NYC/CTR/BNF=/AC-4606

OBI=#A91-082 CIV and #A91-083 CIV

in accordance with the procedures specified in paragraph 8 of the Decree.

3. All money paid into the Court or received by its officers in connection with the Exxon Valdez Oil Spill Settlement in these cases and which are to be placed in an interest-bearing account, shall be placed in the Court Registry Investment System ("CRIS") administered through the United States District Court for the Southern District of Texas.

4. Under the CRIS, except as provided below, monies deposited in connection with this case and ~~United States v. Exxon Corp.~~ <sup>*State of Alaska*</sup> ~~91-082~~ <sup>*A91-083*</sup> Civil (D. Alaska) will be "pooled" together with those on deposit with the United States Treasury to the credit of other courts in the CRIS and used to purchase Treasury Securities which will be held at the Federal Reserve Bank of Dallas, in a



Safekeeping account in the name and to the credit of the Clerk, United States District Court for the Southern District of Texas, hereby designated custodian for the CRIS.

5. An account shall be established in the "CRIS - Liquidity Fund" specifically for, and only for, settlement proceeds in this case and in ~~United States~~ *State of Alaska* v. Exxon Corp., No. ~~A91-082~~ *A91-083* Civ. (D. Alaska) and shall be titled EXXON VALDEZ Oil Spill Settlement Account ("the Exxon Valdez Liquidity Account").

6. All funds in the Exxon Valdez Liquidity Account shall be invested in the CRIS - Liquidity Fund which provides weekly liquidity and a maximum of 100 day-term Treasury Securities.

7. All income received from CRIS - Liquidity Fund investments will be distributed to the Exxon Valdez Liquidity Account on the ratio that the account principal and income has to the aggregate principal and income total in the fund each week.

8. Weekly reports showing the income earned and the principal amounts contributed to the Exxon Valdez Liquidity Account will be prepared and distributed to the Clerk of this Court and the Clerk of the United States District Court for the Southern District of Texas and made available, upon request, to counsel for the United States and the State and to the Executive Director of the Exxon Valdez Trustee Council.

9. Except as provided in Paragraph 23, funds in the Exxon Valdez Liquidity Account shall remain on deposit with the CRIS until further order of this Court, at which time all of the funds or a portion of the funds, together with any interest earned thereon, shall be retrieved by the Clerk of this Court and

redeposited into the Registry of the Court for disposition by further order of this Court or electronically transferred directly to the State of Alaska, the United States or their agents in the manner ordered by this Court.

10. Disbursements of settlement proceeds from the Registry of this Court shall be made upon joint application of counsel for the United States and the State, consistent with the provisions of the Memorandum of Agreement and Consent Decree entered by the Court in United States v. Alaska, No. A91-081 Civ. (D. Alaska), on August 28, 1991.

11. The fee on the Exxon Valdez Liquidity Account in the CRIS - Liquidity Fund, which the custodian for the CRIS is authorized to deduct under the Notice of Change in Method of Assessing the Courts' Registry Fee, issued by the Administrative Office of the United States Courts, 56 Fed. Reg. 56356 (Nov. 4, 1991), is hereby ordered.

12. The appropriate parties will file a notice of each deposit or proposed withdrawal at or prior to the time of the deposit or withdrawal, and a copy of that notice shall be served upon the Clerk of this Court and the Clerk for the Southern District of Texas at the time of filing.

13. A fund entitled the "CRIS - Exxon Valdez Reserve Fund" shall be established by the CRIS.

14. The CRIS - Exxon Valdez Reserve Fund shall be administered through the United States District Court for the Southern District of Texas and shall be an investment mechanism authorized for funds pertaining to said matter which are ordered by



this Court to be placed in the CRIS - Exxon Valdez Reserve Fund.

15. Upon Order of this Court, monies may be deposited to the CRIS - Exxon Valdez Reserve Fund from the Exxon Valdez Liquidity Account in the CRIS - Liquidity Fund and shall be held separately from those on deposit with the Treasury to the credit of other cases and used to purchase Treasury securities which will be held at the Federal Reserve Bank of Dallas, in a Safekeeping Account in the name and to the credit of the Clerk, United States District Court for the Southern District of Texas, hereby designated custodian for the case in the CRIS - Exxon Valdez Reserve Fund.

16. The investment strategy for securities purchased for the CRIS - Exxon Valdez Reserve Fund shall have such average and maximum maturity as ordered by this Court. Upon maturity of these securities and/or additional deposits, the custodian shall reinvest funds in such instruments and for such maturity as directed by order of this Court. The CRIS - Exxon Valdez Reserve Fund shall provide no quarterly liquidity, unless a special order of disbursement is entered.

17. Annual Reports for the CRIS - Exxon Valdez Reserve Fund showing the income earned and the principal amount contributed will be prepared and distributed to the United States District Court for the District of Alaska, as well as to the Clerk of the United States District Court for the Southern District of Texas, to counsel for the United States and the State, and to the Executive Director of the Exxon Valdez Trustee Council.

18. Upon Order from the United States District Court for the District of Alaska, all or part of the funds placed in the CRIS - Exxon Valdez Reserve Fund and the investments therein may be transferred and/or sold and may be moved to the Exxon Valdez Liquidity Account and reinvested in the CRIS - Liquidity Fund.

19. The custodian is authorized and directed by this Order to deduct, for maintaining an account in the CRIS - Exxon Valdez Reserve Fund, the fee on the account as authorized in 56 Fed. Reg. 56356 (Nov. 4, 1991). The fee may be deducted on a prorated basis over the course of the deposits in the CRIS - Exxon Valdez Reserve Fund.

#### ADDITIONAL INVESTMENT OPTIONS

20. The federal and state natural resource trustees for the Exxon Valdez oil spill ("EVOS Trustees") may, by unanimous agreement, select a fund or funds ("Investment Fund[s]") to receive and invest joint trust funds and any interest accrued thereon, received and to be received by the United States and the State of Alaska under the Decree. An Investment Fund may be in either the Natural Resource Damage Assessment and Restoration Fund ("NRDA-R Fund") established in Title I of the Department of the Interior and Related Appropriations Act, 1992 (Pub. L. 102-154, 43 U.S.C. 1474(b)) or an account outside the United States Treasury as permitted by Pub. L. No. 106-113 Appendix - H.R. 3423, sec. 350 (1999).

21. Monies and other assets held in the Investment Fund(s) shall be accounted for separately from any other monies and assets that may be on deposit with the Investment Fund(s) for other



purposes. The manager of an Investment Fund may establish such accounts within the Investment Fund as the Trustee Council determines appropriate.

22. Upon written notice by the Governments to Exxon and the Clerk of the United States District Court for the District of Alaska, Exxon shall pay to one or more Investment Funds all sums required to be paid by Exxon under paragraph 8 of the Decree after the date of this order and receipt of the written notice, less those amounts paid directly to the United States and the State in accordance with paragraph 10 of the Decree. Exxon shall make these payments by electronic transfer to the Investment Fund(s) in accordance with the procedures specified in paragraph 8 of the Decree. If an Investment Fund is unable to receive payment by electronic transfer, Exxon shall make the payments by such means as is mutually agreed to by it and the Governments.

23. Upon joint application by the Governments and Order of this Court, all or part of the funds currently in the Exxon Valdez Oil Spill Settlement Account and the CRIS - Exxon Valdez Reserve Fund shall be transferred and deposited into a specified Investment Fund. Upon order of this Court, funds in an Investment Fund may be transferred into a different Investment Fund or paid into the Court, placed in the CRIS and administered as provide by the order.

24. All money in an Investment Fund shall be invested in income-producing obligations and other instruments or securities that have been determined unanimously by the EVOS trustees to have a high degree of reliability and security.

25. All income received from an Investment Fund's investments shall be deposited in the Investment Fund.

26. Periodic financial reports, as determined necessary by the EVOS Trustees and showing the income earned and the principal amounts contributed to each Investment Fund, shall be prepared and distributed to the Executive Director of the Exxon Valdez Trustee Council.

27. Except as otherwise provided in paragraph 23, funds in an Investment Fund shall remain on deposit in that Fund until such time as the EVOS Trustees unanimously resolve to expend all or a part of the funds. Such funds shall then, upon the joint notification of the Governments to the Investment Fund and the Court, be transferred to either the State of Alaska or the United States for the purposes provided for by the unanimous resolution of the EVOS Trustees and consistent with the provisions of the Memorandum of Agreement and Consent Decree entered by the Court in United States v. Alaska, No. A91-081 Civ. (D. Alaska), on August 28, 1991. Such notification will 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 and the Governments applied to the Court for disbursement of the funds.


28. No fees shall be assessed by the custodian of an Investment Fund for investment of that Fund except as approved in advance by the EVOS Trustees.

29. To the extent it is inconsistent, this Order shall take precedence over Rule 67, Federal Rules of Civil Procedure.



30. A certified copy of this order shall be served upon the Clerk of this Court and upon the Clerk of the United States District Court for the Southern District of Texas.

DATED: 6/7/00

  
H. RUSSEL HOLLAND  
United States District Judge

A91-0082--CV (HRH)

-----  
D. SERDANELY  
J. BOTTINI (US-ATTNY)  
Finance