

RESOLUTION OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

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We, the undersigned, duly authorized members of the Exxon Valdez Oil Spill Trustee Council, after due consideration of the views of the public and as a supplement to our Resolution regarding the Orca Narrows Sub-Parcel, find as follows:

1. On May 3, 1994, the Trustee Council unanimously resolved to offer to buy from the Eyak and Sherstone Corporations (Sellers) the commercial timber located on a sub-parcel of the Orca Narrows area, consisting of approximately 2,052 acres. We resolved that the Sellers were to be paid the appraised fair market value, determined as of May 1, 1994, for these commercial timber rights, the title to which was then to be conveyed to the United States. The purchase of the commercial timber rights for the Orca Narrows sub-parcel is an appropriate means to restore a portion of the injured natural resources, and the services they provide, in the oil spill area.

2. Pursuant to the May 3, 1994, Resolution, the State of Alaska Department of Law and the United States Department of Justice were requested, upon execution of a purchase agreement between the Sellers and the United States, to petition the United States District Court in Alaska (District Court) to release joint trust funds in the amount of \$2,000,000 for the acquisition of the commercial timber rights by the United States. A purchase agreement was executed on May 6, 1994, and, upon a petition to the

U.S. District Court, \$2,000,000 was released and transferred to the United States to pay the Sellers upon closing.

3. By an appraisal approved by the state and federal review appraisers, the total appraised fair market value- for the commercial timber rights located on the sub-parcel was determined to be \$3,100,000. An additional \$350,000 adjustment was also offered to the Sellers for specific items the Sellers and the State and Federal Governments agreed would be considered in the appraisal, which related, among other things, to the expected period of logging and use of the log transfer facility, but were not included in the appraisal instructions. On December 31, 1994, the Sellers accepted the total of \$3,450,000 as the purchase price for the sub-parcel commercial timber rights.

THEREFORE, we resolve as follows:

(a) We certify that, in accordance with the Memorandum of Agreement and Consent Decree entered as settlement of *United States of America v. State of Alaska*, No. A91-081 Civil (D.Alaska), unanimous agreement has been reached to expend funds received in settlement of *United States of America v. Exxon Corporation, et al.*, No. A91-083 Civil (D.Alaska), for necessary natural resource restoration activities for federal fiscal year 1995. The State of Alaska Department of Law and the United States Department of Justice are therefore requested to petition expeditiously the

District Court for release of joint trust funds for distribution to the United States in the amount of \$1,450,000, which, in addition to the \$2,000,000 previously disbursed by the District Court, shall constitute the total purchase price to be paid to the Sellers for the commercial timber rights upon closing. The payment of the purchase price is subject to the following conditions and terms, in addition to terms and conditions identified in the May 3, 1994, Resolution:

(1) Congressional review to the extent required with respect to acquisitions by the Forest Service pursuant to House Report No. 102-116;

(2) Clarification of the language contained in Exhibit B to the May 6, 1994 Purchase Agreement to the extent it may be necessary, as determined by the U.S. Department of Justice and the Alaska Department of Law, intended to authorize the State to enforce in a court of competent jurisdiction the restoration and conservation purposes for which this acquisition is made as set forth in the May 3, 1994, Resolution, this Resolution, and the May 6, 1994 Purchase Agreement.

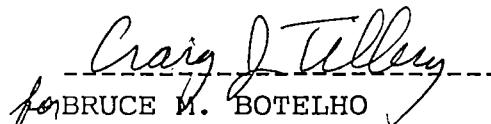
(b) These amounts represent the only amounts due under this Resolution to the Sellers by the United States or the State of Alaska from the joint trust funds in the District Court, and no additional amounts or interest are herein authorized to be paid to

the Sellers from such joint funds for the sub-parcel interests, and, prior to or at closing, the Sellers shall acknowledge that \$3,450,000 is the total and final purchase price Sellers are entitled to receive under the May 6, 1994 Purchase Agreement.

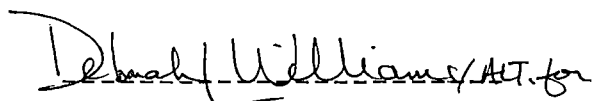
Dated this Fifth day of January, 1995, at Juneau, Alaska.




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