

Natural Resource Damage Assessment Funding and Participation Agreement

Port Gamble Bay Natural Resources Trustees and Pope Resources, Olympic Property Group I, LLC, and OPG Properties LLC

This Funding and Participation Agreement (“Agreement”) is between Pope Resources, a Delaware Limited Partnership (“Pope”) and its subsidiaries, Olympic Property Group I, LLC and OPG Properties LLC (collectively, the “Companies”); and the Tribal Natural Resource Trustees (defined below), the State Natural Resource Trustee (defined below), and the United States Natural Resource Trustee (defined below) (collectively, the “Natural Resource Trustees” or “Trustees.”) The Trustees and the Companies may hereinafter be collectively referred to as the “Parties” or individually as a “Party”.

1. DEFINITIONS

“Effective Date” means the date on which all Parties have executed this Agreement.

“Past Assessment Costs” means those natural resource damages assessment costs incurred by the Trustees prior to January 1, 2016.

“Site” means the area in which natural resources are located at, in, or adjacent to Port Gamble Bay, Kitsap County, Washington, and which may have been affected by releases of hazardous substances from facilities located at or near the Port Gamble Bay and Mill Site as defined in the Consent Decree in State of Washington, Department of Ecology v. Pope Resources LP, OPG Properties LLC, Kitsap County Superior Court No. 13-2-02720-0 (Dec. 20, 2013).

“State Natural Resource Trustee” means the Washington State Department of Ecology as the lead trustee for natural resources within the State of Washington under applicable federal and state laws and regulations, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, *et seq.* (“CERCLA”); the Oil Pollution Act, 33 U.S.C. § 2701, *et seq.* (“OPA”); the Clean Water Act, 33 U.S.C. § 1251, *et seq.* (the “CWA”); the National Contingency Plan, 40 C.F.R. Part 300 (the “NCP”); and the CERCLA Natural Resource Damage Assessment Regulations, 43 C.F.R. Part 11 (the “NRDA Regulations”); the Model Toxics Control Act (“MTCA”), Chapter 70.105D of the Revised Code of Washington; and the MTCA Regulations, Chapter 173-340 of the Washington Administrative Code.

“Tribal Natural Resource Trustees” means the following federally recognized Indian tribes that are trustees for natural resources at, in, or adjacent to Port Gamble Bay under applicable federal, state, and tribal laws and regulations, including, but not limited to, CERCLA; OPA; the CWA; the NCP; and the NRDA Regulations:

- (i) The Jamestown S'Klallam Tribe;
- (ii) The Lower Elwha Klallam Tribe;
- (iii) The Port Gamble S'Klallam Tribe;
- (iv) The Skokomish Indian Tribe; and
- (v) The Suquamish Tribe.

“United States Natural Resource Trustee” means the United States Department of the Interior as the trustee for natural resources at, in, or adjacent to Port Gamble Bay under applicable federal laws and regulations, including, but not limited to, CERCLA; the CWA; OPA; the NCP; and the NRDA Regulations.

2. BACKGROUND

The Trustees have formed the Port Gamble Bay Trustee Council to investigate, assess and pursue resolution of natural resource damage claims associated with the Site. It is possible that there has been or will be injury to, destruction of, loss of, or loss of use of natural resources as a result of releases of hazardous substances at the Site. This Agreement provides the structure under which the Parties agree to conduct a cooperative Natural Resource Damage Assessment (“NRDA”) to identify whether any injury, destruction, or loss of resources and their services for which the Trustees have trusteeship has resulted from releases of hazardous substances at the Site. The Parties shall also attempt to reach agreement on such actions as may be necessary or appropriate to provide for the restoration, rehabilitation, replacement, or acquisition of the equivalent of those injured, destroyed, or lost natural resources and their services.

3. GOALS AND OBJECTIVES

The Parties’ goal for activities undertaken pursuant to this agreement will be the assessment of natural resource injuries in as efficient and cost-effective a manner as is reasonably practicable and settlement of the Trustees’ Natural Resource Damages (“NRD”) claims against the Companies at the Site without contested litigation. The objective of this process is a settlement to resolve all of the Companies’ NRD liability for injury to natural resources associated with releases of hazardous substances from the Site. The Parties anticipate that the legal instrument for any settlement shall be a consent decree identifying payments and/or natural resource restoration or replacement projects or actions to redress damages allegedly resulting from releases at the Site.

4. COOPERATIVE ASSESSMENT PROCESS

4.1 Data Gaps – The Parties will attempt to analyze issues of injury and redress using existing data to the extent feasible and additional studies to address any data gaps. Where possible, data gaps will be filled using appropriate, jointly agreed upon, scientifically based assumptions rather than new studies, or with further technical studies agreed to by the Parties. The Parties have collaborated on the recent sampling of bottom fish (English Sole) and the collection of additional sediment bioassays from Port Gamble Bay. The Trustees reserve, as a matter of their due diligence obligations, the right to determine: (a) whether data gaps exist and

(b) whether additional studies are necessary to address the data gaps. Absent consent, the Companies are not obligated to agree to any conclusions by the Trustees about the existence of gaps, the need for additional studies, or the interpretation of studies or data. The Companies also are not obligated to pay for any additional studies under this Agreement, absent their consent. The parties reserve the right to perform their own additional studies (including additional injury assessment studies) outside of the cooperative process addressed in this Agreement, and the Trustees reserve the right to seek recovery of the cost of any such studies they may perform.

4.2 Work Plan – The Parties’ anticipate that the cooperative NRDA will follow the Work Plan phases outlined below and will be performed collaboratively by the Parties:

Phase A – Existing and New Data and Studies, and Application of All Data:

The Phase A Tasks shall consist of the following:

- Reach consensus on the list of contaminants of concern that will be the focus of Phase A efforts prior to reviewing and evaluating data and studies.
- Review and evaluate existing and new data regarding hazardous substances of potential concern and potentially injured resources at the Site. New data will include the 2016 Port Gamble Bay English Sole Survey, the 2016 Port Gamble Bay sediment bioassays, and the 2015 study examining toxic contaminants in embryonic Pacific herring in Port Gamble Bay.
- Review and evaluate injury assessment studies applicable to the Site. Determine how the Parties will apply biological and chemical data. Topics may include timeframe of injury, bounding data, assumptions and limitations on use, and tools.
- One regularly scheduled Trustee Council meeting per month for six months and four meetings between the Parties’ technical staff during the same six-month period.

The Parties have initiated and will continue negotiations concerning what significance will be ascribed to the results of English sole studies, additional sediment bioassays, as well as to other studies, data, or evidence pertaining to potential injury to natural resources resulting from releases of hazardous substances at the Site. The Parties anticipate, without determining at this point, that the major focus of any restoration will be to address potential injury through habitat creation, restoration and/or enhancement.

Phase B – Injury Assessment Revisions and Restoration:

The Phase B Tasks shall consist of the following:

- Apply injury assessment tools to assess and quantify estimates of potential injury and proposed restoration options.

- Determine scale of restoration necessary to compensate for estimates of interim service losses, and select appropriate compensation and/or restoration project(s).

The estimated timeline for completion of Phase A of the Work Plan and the agreed-upon budget for the Trustees' activities under Phase A are set forth in the document attached as Exhibit A to this Agreement and incorporated herein.

Assuming the Parties reach agreement on and complete Phase A, the Parties will collaboratively prepare a list of activities for Phase B. That activity list, the estimated timeline for the completion of Phase B of the Work Plan and the agreed-upon budget for the Trustees' activities under Phase B will be incorporated as written amendments to Exhibit A of this Agreement. The Parties will begin Phase A efforts upon deposit of the Phase A advance funding amount described in Paragraph 6.6, and will make all reasonable efforts to complete Work Plan Phase A within six months thereafter, with a goal of completing Phase B and reaching a settlement in principle within nine months thereafter. The Parties acknowledge that additional time after completion of Work Plan Phase B may be necessary to complete any later phases of the Work Plan, *e.g.*, observe and engage in public notice and comment, finalize a settlement, and seek judicial approval.

The Parties agree that additional studies (including additional injury assessment studies) related to natural resource damages in Port Gamble Bay shall not be undertaken under this Agreement unless proposals for such studies have first been presented to all Parties for joint consideration.

5. COORDINATION AMONG THE PARTIES

5.1 Information Sharing – NRDA data, analyses, and modeling results produced, collected, or developed by the Parties under this Agreement shall be fully and freely shared among the Parties as soon as reasonably practicable after they are produced, collected, or developed; provided that internal working documents and analyses, as well as data, writings, and modeling results that are protected by attorney-client or other applicable privilege shall not be subject to this requirement.

5.2 Outreach – The Trustees may be required by law to give public notice and to solicit public review and comment during certain phases of the NRDA. The Companies shall provide reasonable and necessary information and assistance to the Trustees for any such requirement. The Trustees and the Companies each reserve the right to provide information about releases at or from the Site and the NRDA process to the public. The Companies will provide written notice to each Trustee prior to any documents developed under this Agreement being disseminated to the public. Nothing in this Agreement shall be construed as preventing the United States Natural Resource Trustee from complying with the Federal Freedom of Information Act and its implementing rules and regulations; the State Natural Resource Trustee from complying with the Washington Public Records Act; or any Trustee from complying with any other applicable law. The Companies reserve the right to assert that the public notice, review, and comment efforts of the Trustees, including the content thereof, are not in compliance with applicable laws and regulations for purposes of obtaining the rebuttable presumption under 42 U.S.C. § 9607(f)(2)(C).

5.3 Dispute Resolution – The Parties agree that all disputes arising from or related to this Agreement will be addressed by informal discussion among the Parties. If informal discussion does not resolve the dispute, then the Parties may state their respective positions through a written exchange of letters. The Parties agree that, except as explicitly set forth herein, the only relief or remedy that may be granted for any dispute arising from or related to this Agreement is withdrawal from the Agreement; provided, however, that if a dispute arises that the Parties cannot resolve through informal negotiations, the Parties may elect to resolve the dispute through mediation, the costs of which shall be determined by further negotiation. If the Parties elect to resolve disputes through mediation, they agree to use a mediator with experience handling natural resource damage claims under applicable federal laws and regulations, including but not limited to CERCLA, the CWA; OPA, the NCP; and the NRDA Regulations. Inclusion of this dispute resolution provision shall not be construed as a waiver of sovereign immunity by any of the Trustees.

6. FUNDING

6.1 Agreement to Fund (General) – The Companies agree to pay the agreed-upon assessment costs to be incurred for activities undertaken pursuant to this Agreement. Reasonable assessment costs include only labor, overhead, travel, and supplies related to work undertaken by staff, consultants, attorneys, and contractors of the Trustees that are reasonably related to the completion of the damage assessment.

6.2 Advance Funding – The Companies will provide the Trustees with an advance lump sum payment in the amount of the agreed-upon budget for Phase A of the Work Plan, as stated in Exhibit A. The Companies shall pay such amount within thirty (30) calendar days of the Effective Date of this Agreement. The Companies will make such payment in accordance with the instructions attached hereto as Exhibit B.

Assuming the Parties reach agreement on and complete Phase A, the Parties will attempt to negotiate an advance lump sum payment for the Trustees' completion of the agreed-upon Phase B of the Work Plan. Upon completion of Phase B of the Work Plan, the Parties will attempt to negotiate an advance lump sum payment for the Trustees' completion of any later phases of the Work Plan mutually agreed upon.

6.3 Accounting of Expenditures – At the conclusion of each Work Plan Phase, each Trustee will provide the Companies with an accounting of expenditures from the advance funding for that Phase. Each Trustee will provide, at a minimum, a spreadsheet stating labor (hours and rates), travel costs, equipment costs, contractors' costs, indirect charges, overhead charges and miscellaneous expenses (e.g., supplies, overnight mail). The Companies reserve the right to request additional documentation, subject to the dispute provisions in 5.3 of this agreement.

6.4 Additional Costs – The Trustees shall monitor progress under the Work Plan on an ongoing basis in an effort to determine as early as possible during implementation of each Work Plan Phase whether the advance lump sum payment will be sufficient to complete the Phase as agreed upon. If, prior to completion of a budgeted Work Plan Phase, the Trustees determine that the lump sum is likely to be insufficient to complete the Phase, the Trustees will

so inform the Companies prior to incurring costs in excess of the lump sum. The Trustees shall provide the Companies with a summary of costs already incurred under the Work Plan Phase, and a written explanation of why additional funds are required, with an estimate of additional funds reasonably necessary to complete the Phase.

Within twenty-one (21) calendar days of receiving the initial notice from the Trustees requesting additional funds, the Companies shall respond in writing either agreeing or declining to provide additional funding necessary to complete the agreed-upon Work Plan Phase. During this twenty-one-day period, the Companies may consult with the Trustees regarding the estimate of additional funds needed. If the Companies provide to the Trustees timely written notice of their agreement to pay the additional agreed-upon amount, the Trustees shall proceed to complete the implementation of the Work Plan Phase, and the Companies shall pay the agreed-upon additional amount within twenty-one (21) calendar days of its agreement to do so pursuant to the instructions referred to in Paragraph 6.2 and attached hereto as Exhibit B.

All parties retain the right to terminate their participation in this Agreement and to perform independent assessment activities outside the scope of this Agreement.

6.5 Carryover Funds – If any portion of an advance payment has not been expended at the completion of its corresponding Work Plan Phase, such remaining amount shall be credited toward future work to be performed in a subsequent Work Plan Phase. Should the Parties decide not to engage in additional Work Plan Phases or apply the remaining amount to any ultimate NRD settlement, then such remaining amount will promptly be returned to the Companies, so long as such action is permitted by applicable law. If a Trustee is barred by law from returning some portion of the remaining amount, that amount shall be credited against any remaining NRD liability that the Companies may be responsible for at the Site.

6.6 Reasonable Assessment Costs – The Companies agree to pay to the Trustees within thirty (30) calendar days of the Effective Date of this Agreement, \$200,000, which is a portion of the Trustees' claimed past assessment costs incurred through December 31, 2015 ("Past Assessment Costs"). Assuming the Parties reach agreement on and complete Phase A of the Work Plan as outlined in Paragraph 4.2, the Companies will pay, within thirty (30) calendar days of completing Phase A an additional \$200,000 towards Past Assessment Costs. All remaining Past Assessment Costs will be addressed by the Parties as part of a future settlement or litigation. The Companies will make payments of Past Assessment Costs in accordance with the instructions attached hereto as Exhibit B. The Trustees reserve their right to seek recovery of any unreimbursed Past Assessment Costs incurred through December 31, 2015; any reasonable assessment costs incurred by the Trustees from January 1, 2016, until the Effective Date of this Agreement; and any reasonable, unreimbursed assessment costs incurred by the Trustees after the effective date of this Agreement if the parties fail to finalize a settlement of the Trustees' claims. In addition to the reservations contained in Paragraph 7.1 below, the Companies reserve all defenses regarding all assessment costs and other claims for damages. Further, the Parties agree that, by making these payments, the Companies are not conceding liability for any specific cost(s) or damages claimed by any Trustee. The Companies may apply the amount paid to the Trustees under this Paragraph against any assessment cost sums determined to be valid and due under any ultimate resolution of this matter through settlement or litigation. By way of example,

if a court determines that the Companies paid costs that are not subject to reimbursement as assessment costs, the Companies shall be entitled to apply the amount of their previous cost payment(s) towards any assessment costs identified as valid and due by the court or toward any other obligation to the trustees for NRD.

6.7 Independent Expert Costs - If the Parties agree independent expertise is necessary to advance their joint interests under this Agreement, the Parties shall mutually agree upon the third party expert(s) and the scope of assistance. Except as applies to mediation in Paragraph 5.3, the Companies agree to separately fund the third party expert(s) and agree that the funds paid in accordance with Paragraph 6.2 and Exhibit A shall not be used to fund said expert(s).

7. MISCELLANEOUS PROVISIONS

7.1 Reservation of Rights – Nothing in this Agreement or in the course of any Party's cooperation under this Agreement, is intended or shall be construed as a waiver by any Party of its rights, defenses, privileges or affirmative claims in any proceeding related to NRD liability arising from the release of hazardous substances at the Site, including contribution claims by the Companies. The Companies specifically reserve the right to seek contribution and other affirmative relief from any potentially liable persons, including those potentially liable persons identified in the Consent Decree in Kitsap County Superior Court, Case No. 13-2-02720-0 (Dec. 20, 2013). Nor shall anything in this Agreement be construed as a waiver of the sovereign immunity by any of the Trustees, or a submission to jurisdiction by the Companies. This Agreement does not release the Companies from any potential NRD liability except the liability for actual amounts paid by the Companies under this Agreement.

Nothing in this Agreement is intended, or shall be interpreted, to limit the scope of the NRDA appropriate for the Site or to otherwise restrict or abrogate the authority or discretion of the Trustees to determine the scope of the NRDA.

7.2 Expenditures of Funds – Nothing in this Agreement shall be construed as obligating the Trustees or their officers, agents or employees to expend any funds in excess of appropriations authorized by law.

7.3 Modification, Termination and Withdrawal – Any modification of this Agreement or its Attachment(s) must be in writing and shall be effective upon execution by all of the Parties.

This is a voluntary Agreement, and nothing in this Agreement shall be construed as obligating the Parties to continue working together if the Parties have determined that they can no longer do so productively. Any party may terminate its participation in this Agreement at any time by giving thirty (30) calendar days written notice to all Parties.

7.4 Notice – Notice required or authorized under this Agreement shall be sent to the following representatives of the Parties:

FOR THE COMPANIES:

Jon Rose
c/o Olympic Property Group
19950 7th Ave. NE, Suite 200
Poulsbo, WA 98370
Jon@orminc.com
360-394-0519

David Ubaldi
Davis Wright Tremaine LLP
777 108th Ave., NE, Suite 2300
Bellevue, WA 98004
davidubaldi@dwt.com
425-646-6188

The Natural Resource Trustees:

Lower Elwha Klallam Tribe:

Matt Beirne, Program Coordinator/Environmental Quality
Lower Elwha Klallam Tribe
2851 Lower Elwha Road
Port Angeles, WA 98363
matt.beirne@elwha.nsn.us
360-452-8471, ext. 7480

Steve Suagee
Lower Elwha Klallam Tribe
Office of General Counsel
2851 Lower Elwha Road
Port Angeles, WA 98363
steve.suagee@elwha.nsn.us
360-452-8471, ext. 7435

Port Gamble S’Klallam Tribe

Paul McCollum, Natural Resources Director
Port Gamble S’Klallam Tribe
31912 Little Boston Road NE
Kingston, WA 98364
paulm@pgst.nsn.us
360-297-6297

John Sledd
Kanji & Katzen, PLLC
401 2nd Ave. S., Suite 700
Seattle, WA 98104
jsledd@kanjikatzen.com
206-344-8100, ext. 102

Jamestown S’Klallam Tribe

Scott Chitwood, Natural Resources Director
Jamestown S’Klallam Tribe
1033 Old Blyn Highway
Sequim, WA 98382
schitwood@jamestowntribe.org
360-681-4616

Lauren Rasmussen
Law Offices of Lauren P. Rasmussen, PLLC
1904 3rd Ave.
Securities Bldg., Suite 1030
Seattle, WA 98101-1170
lauren@rasmussen-law.com
206-623-0900

Skokomish Indian Tribe:

Joseph Pavel, Natural Resources Director
Skokomish Indian Tribe
N. 80 Tribal Center Road
Skokomish, WA 98584
jpavel@skokomish.org
360-877-5213, ext. 2206

Earle Lees
Skokomish Tribal Attorney's Office
N. 80 Tribal Center Road
Skokomish, WA 98584
elees@skokomish.org
360-877-2100

Suquamish Tribe:

Richard Brooks, Environmental Program Manager
Suquamish Tribe
PO Box 498
18490 Suquamish Way
Suquamish, WA 98392
rbrooks@suquamish.nsn.us
360-394-8442

Melody Allen
Suquamish Tribe
Office of the Tribal Attorney
PO Box 498
18490 Suquamish Way
Suquamish, WA 98392
mallen@suquamish.nsn.us
360-394-8488

Washington State Department of Ecology:

Celina Abercrombie, Environmental Specialist
Department of Ecology
Toxics Cleanup Program
PO Box 47600
Olympia, WA 98504-7600
ceab461@ecy.wa.gov
360-407-6285

Jonathan C. Thompson
Office of the Attorney General
2325 Bristol Ct. SW
Olympia, WA 98504-0117
JonaT@atg.wa.gov
360-586-4613


United States Department of the Interior:

Deirdre F. Donahue
U.S. Department of the Interior
Office of the Solicitor
805 SW Broadway, Suite 600
Portland, OR 97205
deirdre.donahue@sol.doi.gov
503-231-6157

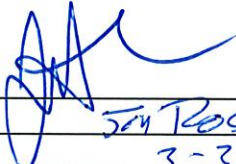
7.5 Counterparts - This Agreement may be executed separately or independently in any number of counterparts, each of which together shall be deemed to have been executed simultaneously and for purposes of this Agreement. Signature of an electronic or facsimile copy of this Agreement, and transmission of a signature by those means, shall bind the signing Party to the same degree as delivery of a signed original. A Party having delivered a signature by electronic means or facsimile shall promptly deliver an original signature as well at the written request of any Party directed to the designated representative of another Party.

IN WITNESS WHEREOF, the undersigned representative of each of the Parties certifies that he or she is fully authorized to enter into the terms and conditions of this Agreement and to legally bind such Party to all terms and conditions of this Agreement. The Parties have executed this Agreement on the dates set forth below.


POPE RESOURCES, L.P.


By Thomas M. Ringo
Dated: March 30, 2017

OLYMPIC PROPERTY GROUP I, LLC


By Jim Rose
Dated: 3-30-2017

OPG PROPERTIES LLC

By 
Dated: 3-30-17

THE JAMESTOWN S'KLALLAM TRIBE

By _____
Dated: _____

THE LOWER ELWHA KLALLAM TRIBE

By _____
Dated: _____

THE PORT GAMBLE S'KLALLAM TRIBE

By _____
Dated: _____

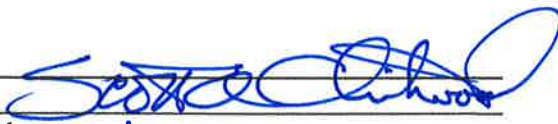
THE SKOKOMISH INDIAN TRIBE

By _____
Dated: _____

OPG PROPERTIES LLC

By _____
Dated: _____

THE JAMESTOWN S'KLALLAM TRIBE

By  _____
Dated: April 2, 2017

THE LOWER ELWHA KLALLAM TRIBE

By _____
Dated: _____

THE PORT GAMBLE S'KLALLAM TRIBE

By _____
Dated: _____

THE SKOKOMISH INDIAN TRIBE

By _____
Dated: _____

OPG PROPERTIES LLC

By _____
Dated: _____

THE JAMESTOWN S'KLALLAM TRIBE

By _____
Dated: _____

THE LOWER ELWHA KLALLAM TRIBE

Francis B. Chalk
By Chairwoman
Dated: 04/03/2017

THE PORT GAMBLE S'KLALLAM TRIBE

By _____
Dated: _____

THE SKOKOMISH INDIAN TRIBE

By _____
Dated: _____

OPG PROPERTIES LLC

By _____
Dated: _____

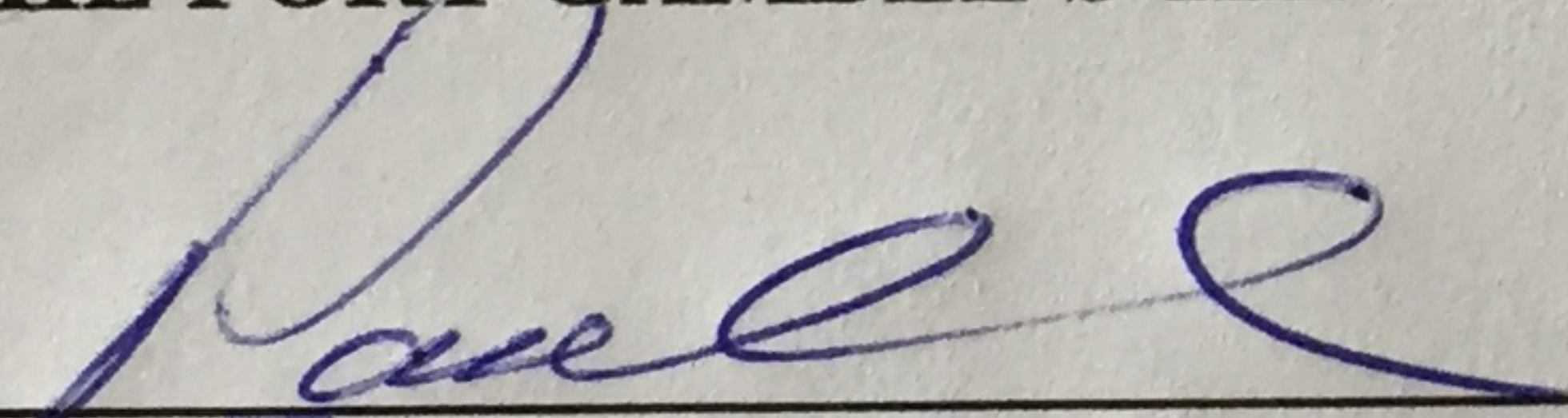
THE JAMESTOWN S'KLALLAM TRIBE

By _____
Dated: _____

THE LOWER ELWHA KLALLAM TRIBE

By _____
Dated: _____

THE PORT GAMBLE S'KLALLAM TRIBE



By Paul McCollum
Dated: 3-31-17

THE SKOKOMISH INDIAN TRIBE

By _____
Dated: _____

OPG PROPERTIES LLC

By _____
Dated: _____

THE JAMESTOWN S'KLALLAM TRIBE

By _____
Dated: _____

THE LOWER ELWHA KLALLAM TRIBE

By _____
Dated: _____

THE PORT GAMBLE S'KLALLAM TRIBE

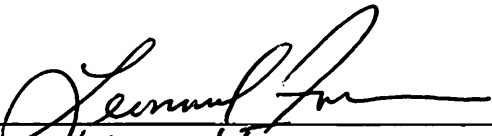
By _____
Dated: _____

THE SKOKOMISH INDIAN TRIBE

(Charles Miller)

By Chairman
Dated: 5-24-2017

THE SUQUAMISH TRIBE


By Leonard Forster
Dated: 4/17/17

**STATE OF WASHINGTON
OFFICE OF THE ATTORNEY GENERAL**

By _____
Dated: _____

UNITED STATES OF AMERICA

By _____
Dated: _____

THE SUQUAMISH TRIBE

By _____
Dated: _____

STATE OF WASHINGTON
~~OFFICE OF THE ATTORNEY GENERAL~~ DEPARTMENT OF ECOLOGY

Barry Rogowski
By Barry Rogowski
Dated: April 11, 2017

UNITED STATES OF AMERICA

By _____
Dated: _____

THE SUQUAMISH TRIBE

By _____
Dated: _____

**STATE OF WASHINGTON
OFFICE OF THE ATTORNEY GENERAL**

By _____
Dated: _____

**UNITED STATES Department of the Interior
U.S. Department of the Interior/U.S. Fish and Wildlife Service**

Acting

By Drew E. Raw
Dated: June 9, 2017

**Exhibit A – Phase A Scope of Work
Natural Resource Damage Assessment Funding and
Participation Agreement**

**Port Gamble Bay Natural Resources Trustees and Pope
Resources, Olympic Property Group I, LLC,
and OPG Properties LLC**

This Exhibit A to the accompanying Funding and Participation Agreement ("Agreement") outlines the schedule, and estimated costs to perform the Phase A tasks described in the Agreement, as well as the estimated timeline and agreed-upon budget for the Trustees' activities to complete these tasks.

A series of four (4) focused technical meetings will be held between representatives of the Trustees and the Companies, each of which are anticipated to last 4 hours and to require an additional 10 to 20 hours of preparation and follow-up per principal participant, plus travel time. The meetings will be approximately six to eight weeks apart, beginning approximately thirty days after the Companies deposit advance Phase A funding in accordance with Paragraph 6.6 and exhibit B of the Agreement. The meetings will address the following:

- **Meeting 1.** Reach consensus on the list of contaminants of concern that will be the focus of Phase A efforts prior to reviewing and evaluating data and studies.
- **Meeting 2.** Review and evaluate existing and new data regarding hazardous substances of potential concern and potentially injured resources at the Site. New data will include the 2016 Port Gamble Bay English Sole Survey, the 2016 Port Gamble Bay sediment bioassays, and the 2015 study examining toxic contaminants in embryonic Pacific herring in Port Gamble Bay.
- **Meeting 3.** Review and evaluate injury assessment studies applicable to the Site. Determine how the Parties will apply biological and chemical data. Topics may include timeframe of injury, bounding data, assumptions and limitations on use, and tools.
- **Meeting 4.** Continue and complete remaining Phase A work.

Notwithstanding the schedule above, the Parties recognize that they may be able to address more than one Phase A task during any given meeting period, or that additional technical meeting time and associated budget revisions may be required to complete the work.

As part of the Phase A Work Plan the Trustee Council will also hold six, monthly meetings to conduct ongoing damage assessment activities including discussion of technical meeting progress, and any needed meetings with non-technical representatives of the Companies. Meetings are expected to last four hours and to require 1 to 7 hours of preparation and follow-up, and up to three hours of travel time, per attendee.

The agreed-upon budget for the Trustees to complete these tasks is \$150,000.

U.S. Department of the Interior

Natural Resource Damage Assessment and Restoration Fund

Assessment and Settlement Deposit Remittance Procedures

The Department of Interior Business Center (IBC) has established procedures with the Department of Treasury to provide two electronic options for remitting payments to the Natural Resource Damage Assessment and Restoration Fund. Procedures for using these processes are attached.

The preferred electronic method is the Department of Treasury's Automated Clearing House (ACH)/Remittance Express. If your bank does not have ACH deposit transmission capabilities, then Treasury's Federal Wire (FedWire) Transfer procedure is the required alternative. Use the attached forms to assist in preparing your remittance.

All remitters are encouraged to use these electronic methods. Non-electronic remittances (checks) are acceptable as well, and should be written payable to the Department of Interior and forwarded to:

DOI Restoration Fund
IBC Division of Financial Management Services
Branch of Accounting Operations
Attn: Collection Officer
Mail Stop D-2770
7401 West Mansfield Ave.
Lakewood, CO 80235

**Please reference "NRDA 14X5198" and the site name
on check or transmittal letter**

U.S. Department of the Interior

Natural Resource Damage Assessment and Restoration Fund

Assessment and Settlement Deposit Remittance Procedures

In order to accomplish electronic transfers, in addition to other settlement or billing information, please provide the following information to the remitter:

Preferred method of electronic transfer: Automated Clearing House (ACH)

Receiver name: DOI Restoration Fund
ALC 14010001

Receiver Tax ID Number: 53-0196949

Receiver address: 7301 West Mansfield Ave.
Mailstop D-2770
Lakewood, CO 80235

Receiver bank: Federal Reserve Bank
New York, NY
ABA # 051036706

Receiver ACH Account No.: 312024

Receiver Fedwire Acct No.: Treasury NYC 021030004
(To be used only for Fedwire transfers)

Payment Related Data: Should at a minimum reference site location

Attachments I-3 and I-4 provide more technical specifics which can be provided to the remitter's banking institution. Questions concerning electronic deposit procedures should be directed to Joan Acree at (303) 969-5512.

U.S. Department of the Interior

Natural Resource Damage Assessment and Restoration Fund

Assessment and Settlement Deposit Remittance Procedures

The following information is provided to assist Remitters in giving complete and accurate data to their financial institution for use in originating Automated Clearing House payments. The industry name for the following format is CCD+.

ACH CCD+ Format

Data Element Name	Contents	Size	Position
<i>Record Type Code</i>	'6'	1	01-01
<i>Transaction Code</i>	'22'	2	02-03
<i>Receiving ABA</i>	'05103670'	8	04-11
<i>Check Digit</i>	'6'	1	12-12
<i>Account Number</i>	'312024'	17	13-29
Payment Amount		12	30-41
Identification #		13	42-54
<i>Receiver Name</i>	<i>DOI Restoration Fund</i>	22	22-76
Discretionary	N/A	2	77-78
<i>Addenda Indicator</i>	'2'	1	79-79
Trace Number	Assigned by Remitters Bank	15	80-94

ACH Addenda Record Format

Data Element Name	Contents	Size	Position
<i>Record Type Code</i>	'7'	1	01-01
<i>Addenda Type Code</i>	'05'	2	02-03
Payment Related		80	04-83
<i>Sequence Number</i>	'0001'	4	84-87
Addenda Trace	Assigned by Remitters Bank	17	88-94

The data items in bold must be provided to the bank by the Remitter. Those items bolded and italicized must be provided verbatim. The **Payment Amount** is the judgement or settlement amount being remitted; dollars and cents must be separated by a decimal point, do not use commas or any other punctuation. The **Identification Number** is the case Court Number. The **Payment Related** data should include the paying potentially responsible party(ies) name, site or case name and site location.

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Natural Resource Damage Assessment and Restoration Fund

Assessment and Settlement Deposit Remittance Procedures

Federal Wire (FedWire) Transfer

The following information is provided to assist Remitters in giving complete and accurate data to their financial institution for use in originating FedWire payments (**in the event ACH is not available**). The industry name for the following format is FedWire Transfer Format.

Required Fields and Tags

Field Tag Name	Field Tag Number	Field Tag Contents
Message Disposition	(1100)	Assigned by Federal Reserve Bank
Acceptance Time Stamp	(1110)	Assigned by Federal Reserve Bank
OMAD	(1120)	Assigned by Federal Reserve Bank
IMAD	(1520)	Assigned by Remitters Bank
Amount	(2000)	
Sender FI	(3100)	Assigned by Remitters Bank
Sender Reference	(3320)	Assigned by Remitters Bank
<i>Receiver FI</i>	<i>(3400)</i>	<i>'Treasury NYC 021030004'</i>
<i>Beneficiary</i>	<i>(4200)</i>	<i>'DOI Restoration Fund ALC 14010001'</i>
Ref for Beneficiary	(4320)	
Originator	(5000)	
Originator Financial Institution	(5100)	Assigned by Remitters Bank
Orig to Beneficiary	(6000)	

The data items in bold must be provided to the bank by the Remitter. Those bolded and italicized must be provided verbatim. The **Amount** is the judgement or settlement amount being remitted; dollars and cents must be separated by a decimal point, do not use commas or any other punctuation. The **Reference for Beneficiary** is the case Court Number. **Originator** is the paying potentially responsible party(ies). **Originator to Beneficiary** should include the site or case name and site location.

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The Department of Interior Business Center (IBC) has established procedures with the Department of Treasury to provide two electronic options for remitting payments to the Natural Resource Damage Assessment and Restoration Fund. Procedures for using these processes are attached.

The preferred electronic method is the Department of Treasury's Automated Clearing House (ACH)/Remittance Express. If your bank does not have ACH deposit transmission capabilities, then Treasury's Federal Wire (FedWire) Transfer procedure is the required alternative. Use the attached forms to assist in preparing your remittance.

All remitters are encouraged to use these electronic methods. Non-electronic remittances (checks) are acceptable as well, and should be written payable to the Department of Interior and forwarded to:

**DOI Restoration Fund
IBC Division of Financial Management Services
Branch of Accounting Operations
Attn: Collection Officer
Mail Stop D-2770
7401 West Mansfield Ave.
Lakewood, CO 80235**

**Please reference "NRDA 14X5198" and the site name
on check or transmittal letter**