

THIS IS AN IMPORTANT LEGAL NOTICE

**THE MATTERS DISCUSSED HEREIN MAY AFFECT
SUBSTANTIAL LEGAL RIGHTS THAT YOU MAY HAVE**

READ THIS NOTICE CAREFULLY

**IN THE UNITED STATES DISTRICT COURT
DISTRICT OF OREGON**

LLOYD D. WHALEY, et al.,

Plaintiffs,

v.

PACIFIC SEAFOOD GROUP, et al.,

Defendants.

Case No.: 1:10-CV-03057-PA

NOTICE OF PROPOSED RESOLUTION OF CLASS ACTION

TO: Commercial fishing vessel owners and fishermen who delivered trawl-caught groundfish, whiting or pink shrimp to seafood processors on the West Coast from Ft. Bragg in northern California to the Canadian border, at any time between June 21, 2006 and December 31, 2011.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY THIS LITIGATION.

This Notice of Proposed Resolution of Class Action ("Notice") has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the District of Oregon, Medford Division (the "Court"). The purpose of this Notice is to inform you of the proposed resolution of this case and of the hearing ("Resolution Hearing") to be held by the Court to consider the fairness, reasonableness and adequacy of the agreement resolving the claims brought by plaintiffs contained in the Stipulation and Resolution Agreement of Class Action Claims between Plaintiffs and Defendants, dated as of April 2, 2012 (the "Stipulation") on file with the Court.

This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the lawsuit as to any of the Defendants or the merits of the claims or defenses asserted by or against Defendants. This Notice is solely to advise you of the proposed resolution of those claims and your rights in connection with that proposed resolution.

I. SUMMARY OF PROPOSED RESOLUTION.

This case was started on June 21, 2010, by Lloyd Whaley and others seeking damages and injunctive relief for a class of fishermen and vessel owners who delivered trawl-caught groundfish, whiting and pink shrimp to West Coast processors between June 21, 2006 and December 31, 2011. The case was intensively litigated over 20 months including voluminous documentary and data discovery and a total of 60 depositions. This extensive discovery revealed that some of what fueled the antitrust concerns in this case arose out mistrust and of a lack of understanding between fishermen and seafood processors. Plaintiffs also acknowledged that Pacific Seafood and Ocean Gold Seafoods have made substantial investments that contributed to the development of international markets for West Coast seafood products that benefit the industry. Defendants acknowledge there are a number of pro-competitive measures that will reduce fleet/processor conflict over ex vessel prices, increase transparency, and improve the competitiveness of the West Coast fishing industry, and defendants will continue prior best practices.

In February and March, 2012, the parties engaged in lengthy negotiations coordinated and overseen by U.S. District Court Judge Michael R. Hogan acting as mediator. As a result of those negotiations, the Class Representatives have agreed to drop claims for damages against Defendants in exchange for Defendants' continued support of a comprehensive package of

provisions designed to assure the competitiveness and transparency of the onshore whiting, groundfish and pink shrimp markets on the West Coast.

Mediator and U.S. District Judge Michael R. Hogan commended the parties on their willingness to make huge compromises to reach the terms of this Agreement:

This case could have gone on for years, including appeals. The fishermen and the processors, especially Pacific Seafood Group, are to be commended for taking a statesmanlike approach to resolving this complicated case. These parties focused on how to insure the West Coast fishing industry for the future. How can these markets be more transparent? How can we create conditions to make them more competitive?

The result is a five-year agreement with pro-competitive features. A number of these items are summarized below:

- A 10-year exclusive agreement between Pacific Seafood Group and Ocean Gold Seafoods will not be renewed in 2016, potentially creating a large new processing competitor.
- Pacific Seafood Group and Ocean Gold have agreed to continue their best practices of not sending vessels they own to fish for shrimp before that processor has reached an agreement with fishermen on ex vessel prices in that port or other vessels have commenced fishing for shrimp.
- With respect to shrimp, Pacific Seafood Group will not concentrate its fleet of fishing vessels at any one port and will maintain its vessels on a like-rotation and like-limits basis when compared to independently owned boats.
- Peeled pink shrimp will be purchased on a peel count basis and ice sampling procedures will be standardized.
- Potential conflicts of interest involving fishermen's cooperatives will be eliminated.
- Pacific Seafood Group and Ocean Gold Seafoods, who operate the largest fishmeal plants that turn fish waste into fishmeal, will accept fish scrap from new processors who enter the market provided their plants have the capacity.
- Provided other processors sign on, Pacific Seafood Group and Ocean Gold Seafoods will report average wholesale prices to a seafood market reporting service, increasing the market data available to both fishermen and processors.

II. REASONS FOR THE RESOLUTION.

Plaintiffs believe that the proposed resolution is a good outcome and is in the best interests of the Class. Because of the risk and costs associated with continuing to litigate and proceeding to trial, there was a danger that the Class would not have prevailed on any of its claims, in which case the Class would receive neither damages nor the protections included in the proposed Stipulation. Defendants would have asserted that Plaintiffs' damages methodology and damages theory were factually incorrect and not admissible and that most of the certified Class lacked legal standing to pursue their claims in this case. The proposed resolution provides an immediate benefit to Class Members, and will avoid the years of delay that would likely occur in the event of a contested trial and appeals.

III. STATEMENT OF ATTORNEYS' FEES AND EXPENSES SOUGHT.

Plaintiffs' counsel has not received any payment for their services in prosecuting this case on behalf of the Plaintiffs and the Members of the Class, nor have they been paid for their expenses. Pursuant to the Stipulation, Plaintiffs' counsel will apply to the Court for attorneys' fees not to exceed \$2,600,000 plus expenses of \$300,000. The amount of attorney's fees requested by plaintiffs' counsel has been discounted by one-third. Defendants do not object to the requested fees and expenses. The payments will come from an insurance carrier for one of the parties.

IV. IDENTIFICATION OF ATTORNEYS' REPRESENTATIVES.

For further information regarding this resolution, you may contact a representative of Haglund Kelley Jones & Wilder, LLP, 200 SW Market Street, Suite 1777, Portland, OR 97201, telephone: (503) 225-0777.

V. NOTICE OF HEARING ON PROPOSED RESOLUTION.

A hearing will be held on May 21, 2012, at 11:00 a.m. before the Honorable Owen M. Panner, United States District Judge, Courtroom 201, United States District Court, Medford Division, United States Courthouse, 310 W. Sixth Street, Medford, OR 97501. The purpose of the hearing will be to determine: (1) whether the proposed agreement, as set forth in the Stipulation, should be approved as fair, reasonable and adequate to the Members of the Class; (2) whether the application by Plaintiffs' counsel for an award of attorneys' fees and expenses should be approved; and (3) whether a Judgment and Order of Dismissal with Prejudice should be entered.

VI. THE RIGHTS OF CLASS MEMBERS.

If you are a Class Member, you may receive the benefit of, and you will be bound by the terms of, the proposed resolution described in this Notice, upon approval of the Stipulation by the Court.

If you are a Class Member, you have the following options:

1. Do nothing, remain in the Class and accept the benefits of the proposed agreement; or
2. Request exclusion from the Class in order to pursue your own independent claims. An exclusion request must be submitted in writing and should be addressed as follows:

Clerk of the Court
United States District Court for the District of Oregon
310 West 6th Street, Suite 302
Medford, OR 97501-2710

If you timely and validly request exclusion from the Class, you are excluded from the Class and you will not be bound by any judgment entered in the case, and you are not precluded,

by reason of your decision to request exclusion from the Class, from otherwise prosecuting an individual claim, if timely, against Defendants based on the matters complained of in the case.

You may object to the proposed resolution agreement. You may, but are not required to enter an appearance through counsel of your own choosing at your own expense, provided that such counsel must file an appearance on your behalf on or before May 7, 2012, and must serve copies of that appearance on the following lawyers: Michael E. Haglund, Haglund Kelley Jones & Wilder, LLP, 200 SW Market Street, Suite 1777, Portland, OR 97201; Michael J. Esler, Esler Stephens & Buckley, 888 SW Fifth Avenue, Suite 700, Portland, OR 97204; and Christopher J. Kayser, Larkins Vacura LLP, 621 SW Morrison Street, Suite 1450, Portland, OR 97205.

VII. DISMISSAL AND RELEASES.

If the proposed resolution is approved, the Court will enter a Judgment and Order of Dismissal with Prejudice ("the Judgment"). In addition, upon the effective date, Plaintiffs and all Class Members who do not request exclusion, will release Defendants and their past and present employees, officers, directors, shareholders, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and each of their respective past or present employees, officers, directors, shareholders, agents, principals, heirs, representatives, accountants, auditors, and consultants (the "Released Parties"), from the "Released Claims," which are defined as follows:

Any and all claims for monopolization, attempted monopolization or conspiracy to restrain trade under Sections 1 and 2 of the Sherman Act that relate to the delivery of trawl-caught groundfish, whiting or pink shrimp to West Coast processors from Ft. Bragg, California north to the Canadian border between June 21, 2006 and December 31, 2011 and specifically including any claims for damages and/or injunctive relief related to those claims.

VIII. CONDITION TO RESOLUTION AGREEMENT.

In the event that the owners of 20 or more commercial fishing vessels that did not deliver trawl-caught groundfish, whiting or pink shrimp to Pacific Seafood Group or Ocean Gold Seafoods between June 21, 2006 and December 31, 2011 opt to request exclusion from the Class, defendants shall have the option to declare the Stipulation and Resolution Agreement null and void. In the event that defendants so elect, the case will be reinstated to the active docket for further litigation.

IX. THE RIGHT TO BE HEARD AT THE HEARING.

Any Class Member who objects to any aspect of the proposed resolution may appear and be heard at the hearing on May 21, 2012. Any such person must submit a written notice of objection such that it is received on or before May 7, 2012, by each of the following:

To the Court:

Clerk of the Court
United States District Court for the District of Oregon
310 West 6th Street, Suite 302
Medford, OR 97501-2710

To Plaintiffs' Counsel:

Michael E. Haglund
Haglund Kelley Jones & Wilder, LLP
200 SW Market Street, Suite 1777
Portland, OR 97201

To Defendants' Counsel:

Michael J. Esler
Esler Stephens & Buckley
888 SW Fifth Avenue, Suite 700
Portland, OR 97204

Christopher J. Kayser
Larkins Vacura LLP
621 SW Morrison Street, Suite 1450
Portland, OR 97205

The notice of objection must demonstrate the objecting person's membership in the Class and contain a statement of the reasons for the objection. Only members of the Class who have submitted written notices of objection will be entitled to be heard at the May 21, 2012 hearing, unless the Court orders otherwise.

X. EXAMINATION OF PAPERS.

This Notice contains only a summary of the terms of the proposed Stipulation and does not describe all of the details of the Stipulation. For more detail, the Stipulation may be viewed at the website www.seafoodantitrustlawsuit.com. If you have questions about the proposed Stipulation, you may contact class counsel by writing to: Haglund Kelley Jones & Wilder, LLP, 200 SW Market Street, Suite 1777, Portland, OR 97201.

DATED: April __, 2012.

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
DISTRICT OF OREGON (MEDFORD DIVISION)