ANNEX

1. Nationals and fishing vessels of, and fishing vessels licensed by, either Party shall not fish for halibut in Convention waters in which the other exercises exclusive fisheries jurisdiction except as provided in Article I of the Convention and as stated in this Annex.

2. In the maritime area ouside the Bering Sea in which the United States exercises exclusive fisheries jurisdiction, beyond three miles from the baseline from which the territorial sea of the United States is measured, nationals and fishing vessels of Canada issued registration permits by the United States may catch three million pounds of halibut during the period beginning April 1, 1979, and ending March 31, 1981, subject to the following limits:

- (a) during the period beginning April 1, 1979, and ending March 31, 1980, they may catch two million pounds of halibut;
- (b) during the period beginning April 1, 1980, and ending March 31, 1981, they may catch one million pounds of halibut, except that this catch limit shall be adjusted such that the catch by nationals and vessels of Canada under sub-paragraphs (a) and (b) shall total three million pounds.

3. After April 1, 1979, the annual total allowable catch set by the Commission for halibut fishing in Area 2 shall be divided as follows:

- (a) Forty percent of the annual total allowable catch may be caught in the maritime area in which the United States exercises exclusive fisheries jurisdiction as of March 29, 1979;
- (b) Sixty percent of the annual total allowable catch may be caught in the maritime area in which Canada exercises exclusive fisheries jurisdiction as of March 29, 1979.

4. Fishing effort by nationals and vessels of Canada in that portion of Area 2 in which the United States exercises exclusive fisheries jurisdiction and in Area 3 shall be in the same general proportion as the historical level of Canada in effort in those areas.

5. Nationals and fishing vessels of Canada may not retain incidental catches of species other than halibut, except for immediate on-board use as bait, when conducting fishing operations pursuant to the Convention in the maritime area in which the United States exercises exclusive fisheries jurisdiction.

6. Vessels of Canada engaged in fishing for halibut in the maritime area in which the United States exercises exclusive fisheries jurisdiction shall have on board a registration permit issued by the Government of the United States. No fees shall be reqired for such permits. Applications for such permits shall be prepared and processed in accordance with paragraphs 7 and 8 of this Annex.