



January 1, 2018

Dear Sir or Madam:

I am writing on behalf of the Softwood Lumber Board with instructions about how to renew your small company exemption from the softwood lumber check-off, or apply for a new one if you did not do so last year.

By way of background, USDA published a Final Rule (regulation) in August, 2011 that established the Softwood Lumber Research, Promotion, Consumer Education and Industry Information Order (the Order), commonly referred to as the softwood lumber check-off. The Final Rule states that the check-off will be financed by an assessment of \$0.35 per thousand board feet on companies which manufacturer and ship domestically and / or import 15 million board feet or more of softwood lumber each year. The Final Rule further states that the program will be administered by a board of softwood lumber manufacturers and importers, the Softwood Lumber Board, appointed by the Secretary of Agriculture.

The small company exemption for companies under 15 MMBF. U.S. manufacturers who ship within the United States or importers who import into the U.S. less than 15 million board feet of softwood lumber during the calendar year (the fiscal year begins on January 1st) are exempt from paying the assessment and are qualified to receive a certificate of exemption. Certificates of exemption must be requested annually.

ACTION NEEDED—how to request the exemption: To take advantage of this exemption, each year small shippers must request a certificate of exemption from the Softwood Lumber Board using the simple form (attached) called the “Application For Exemption From Assessment.” This year, the deadline for submission is **February 28, 2018**. This form may be submitted in either English or French. Companies must state the volume of 2017 (previous year) shipments and imports as well as estimates for 2018 volumes. Domestic manufacturers must submit substantiating documentation which can consist of, for example, 2017 (previous year) company shipment or production records, reports to grading agencies, reports to government, and so forth. The Softwood Lumber Board will reconcile import volumes with U.S. Customs Data, therefore supporting documentation is not required from importers. If importers do not have a US Tax ID number they should instead use the “Importer of Record Number” issued by US Customs and Border Protection (where the form asks for a Tax ID number).

Companies must request an exemption annually. All data is reported is confidential for use only by the SLB staff and USDA to determine assessments and exemptions.

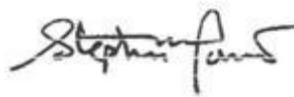
Companies that do not obtain a certificate of exemption will be invoiced and will be responsible for paying assessments to the Board. However, U.S. manufacturers and importers who pay an assessment but domestically ship or import less than 15 mmbf during the year will be reimbursed by the Board within 30 calendar days after the end of the fiscal year or upon

receipt of substantiating documentation. If the volume shipped or imported by a company holding a certificate of exemption exceeds 15 mmbf, that company is responsible for paying the assessment on all volumes over the 15 mmbf.

The check-off program belongs to the entire industry. The Board, as your representatives, welcomes your feedback and encourages ideas for initiatives that will have a meaningful impact on softwood lumber markets. More information about the Softwood Lumber Board and its programs can be found at on the SLB's website at www.softwoodlumberboard.org.

Please do not hesitate to contact the Softwood Lumber Board for information at 202-463-4705 or by email at info@softwoodlumberboard.org. With kind regards I am,

Sincerely yours,

A handwritten signature in black ink, appearing to read "Stephen Lovett". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stephen M Lovett
CEO