

ARTICLE VI

Export measures

As of the Effective Date, Canada shall apply the Export Measures¹ to exports of Softwood Lumber Products to the United States.²

ARTICLE VII

Export charge and export charge plus volume restraint

1. By the Effective Date, each Region shall elect to have Canada apply the measures in either Option A or Option B to exports of Softwood Lumber Products to the United States from the Region. Option A is an Export Charge collected by Canada, the rate of which varies based on the Prevailing Monthly Price, as provided in the table in paragraph 2. Option B is an Export Charge with a volume restraint, where both the rate of the Export Charge and the applicable volume restraint vary based on the Prevailing Monthly Price, also as provided in the table in paragraph 2. The Export Charge shall be levied on the Export Price. The Prevailing Monthly Price is defined in Annex 7A.

¹ If any value referred to in the SLA 2006 is converted on the Date of Shipment from U.S. dollars to Canadian dollars, the conversion shall be based on the nominal noon exchange rate quoted by the Bank of Canada for the day before the Date of Shipment.

² Exports of Softwood Lumber Products from each Region that initially elects Option B (under Article VII) nevertheless shall be subject to Option A (under Article VII) from the Effective Date until December 31, 2006, by which time Canada shall have completed the arrangements necessary for the administration of Option B ("transition period"). Canada shall provide a refund of Export Charges paid during any month of the transition period to exporters in such a Region if, during that month, the Region exported no more than what the Region's volume restraint would have been had its exports been subject to Option B during the month. The refund amount shall be the difference between what the exporter paid in Export Charges for that month, and what the exporter would have paid in Export Charges for that month had the Region's exports been subject to Option B. Article VIII shall not apply during the transition period to a Region that elected Option B during a month in which it qualified for a refund. In determining the volume restraint levels which would have applied to an Option B Region during the transition period, the carry-forward and carry-back rules laid out in Annex 7B shall be taken into account for all of the months of the transition period.