

6. Subject to paragraph 9, upon allocation by Canada of the established base and the lower fee base among Canadian softwood lumber exporters, Canada shall collect the applicable fee under subparagraph 2(b) or (c), as determined in accordance with paragraph 7, during a calendar quarter from each exporter of softwood lumber first manufactured in the province of Ontario, Quebec, British Columbia or Alberta whose exports to the United States in that quarter exceed 28.75 percent of its yearly allocation of the established base (excluding any additional quantities of exports allowed under Article III -Trigger Price). The fee shall apply with respect to the quantity of the exporter's exports of softwood lumber to the United States during the calendar quarter that exceeds 28.75 percent of the exporter's yearly allocation of the established base (fee quantity).

7. The exports on which a fee is payable under paragraph 6 shall be deemed to be exports within the lower fee base set out in subparagraph 2(b), except that if the sum of:

- (a) the exporter's fee quantity for the then calendar quarter, and
- (b) the exporter's fee quantities in previous calendar quarters of the same year

exceeds the exporter's lower fee base allocation, such exports, to the extent of the excess, shall be deemed to be exports within the upper fee base set out in subparagraph 2(c).

8. Canada may remit, following collection:

- (a) at the end of a calendar quarter, fees collected under paragraph 6, to the extent that such fees were collected on exports of softwood lumber to the United States not in excess of 28.75 percent of the established base;
- (b) at the end of the year, one-half the amount of the fees collected under paragraph 2, if exports of softwood lumber to the United States did not exceed 28.75 percent of the established base in any calendar quarter of that year, to the extent that such fees were collected on exports not in excess of the established base;
- (c) at the end of the year, one-third the amount of the fees collected under paragraph 2, if exports of softwood lumber to the United States exceeded 28.75 percent of the established base in any calendar quarter of that year, to the extent that such fees were collected on exports not in excess of the established base.

The quantity of exports for which fees have been remitted under subparagraph (a) shall be counted against an exporter's allocation of the established base, up to the point that the exporter has used up its allocation of the established base, in which case all further quantities shall be counted against the exporter's lower fee base allocation.

9. Canada shall not be required to collect a fee under paragraph 5 or 6 at any time from an exporter:

- (a) whose production of softwood lumber was less than 10 million board feet in the previous calendar year, or
- (b) whose production of softwood lumber during the preceding calendar quarter was substantially disrupted (*i.e.*, reduced by at least 25 percent by comparison to the same quarter of the previous year) due to a worker