

Pacific Lumber Inspection Bureau Service Fee Policy

This document establishes the service fee policy for PLIB.

1. Definitions

Lumber: for the purpose of service fee, a manufactured product derived by sawing in a sawmill and/or sawmill and planing facility or in a remanufacturing facility which, when rough, shall have been sawn, edged and trimmed; and when dressed shall have been surfaced on at least the opposing faces; and which has not been further manufactured as an original sawn/dressed product other than crosscutting, ripping or re-sawing.

Volume-based service fees: service fees that are calculated based on the volume of material shipped in a given month.

Monthly shipment report: a report submitted by the facility to PLIB each month that provides the volume of lumber or items shipped in a given month. Monthly shipment reports are due by the 10th of each following month.

Shipment declaration: a report submitted by the facility to PLIB annually that provides the actual volume of lumber or items shipped for the year. This form is signed by the auditor, certified accountant or controller and reflects any yearend adjustments to the monthly reports that may be required. This information is required by some of PLIB's accrediting agencies. The annual shipment declaration is due by February 15 each year.

Travel expenses: includes any out of pocket expenses that PLIB incurs such as airfare, hotel, rental car, parking, etc.

2. Establishment of Dues

The establishment of PLIB dues is the responsibility of the PLIB Board of Directors. Payment of dues is the responsibility of the Member or Subscriber. Section 3.3 of the PLIB Bylaws, Fees and Charges, states: "Members shall pay fees and charges in such amounts as fixed from time to time by the Board of Directors."

3. Dues Basis

The PLIB dues formula is approved by the PLIB Board of Directors. Fees may vary based on the program and/or service and may include annual fees, flat fees or variable fees or any combination.

3.1. Volume-based dues

Certain dues may be determined based on the total volume of material (lumber, pellets, etc.) shipped.

3.1.1. Calculating Reportable Volumes

3.1.1.1. Lumber Grade Stamping Program

Total volume of lumber shipped shall **include**:

Total softwood lumber shipments (in board feet), whether grade stamped or not grade stamped, whether graded or not graded, based on a nominal count basis, all sizes, all destinations, whether produced in a sawmill or planing facility and/or remanufactured from original sawn lumber.

Total volume of lumber shipped shall **exclude**:

Engineered wood products that are not described or referred to as a product under the applicable grade rules and lumber that has passed through a remanufacturing facility but has not changed form or been altered in any manner. Clarification: volumes of lumber that are re-sorted must be reported, but volumes of packages that are re-sized for transportation purposes (i.e. package trimmed to fit into a container) are exempt.

3.1.1.2. Heat Treating Program

Total volume of lumber shipped (in board feet) that has been heat treated and stamped with the facility's HT mark, whether or not the lumber was heat treated at the facility, and including any cut stock, trimmed and re-stamped with the facility's HT mark.

3.1.1.3. Wood Packaging Program

Total volume of WPM shipped (in board feet) shall include:

- HT stamped, solid wood used in the production of any IPPC marked wood packaging such as pallets, crates, boxes, spools, dunnage, etc.
- total volume of solid wood included in any wood packaging that is heat treated at the facility, and subsequently stamped with the IPPC Mark
- *Option:* Facilities whose inventory includes only HT stamped lumber (single inventory facilities) can report total purchases of HT stamped lumber in lieu of reporting usage volumes.

3.1.2. Reporting Volumes

For volume-based dues, facilities shall submit a copy of their shipment report each month to the PLIB office. PLIB will in turn use the monthly shipment volumes to determine the correct dues for each facility.

PLIB Members and Subscribers must provide volume declarations in a timely manner. Correct invoicing for monthly service charges rely on the timely return of the monthly shipment report and it is the responsibility of the member/subscriber to return their shipment report by the due date shown on the shipment report form.

3.1.2.1. Failure to Report Volumes

In the event a facility fails to submit a monthly shipment report, PLIB shall estimate the monthly shipment volume using a formula determined by the Board of Directors.

Note: for programs with volume-based dues the current formula is 1.3 times the highest monthly shipment volume reported over the previous 18 months. The multiplier shall increase to 1.5 for shipment reports more than 3 months delinquent. If the facility has no reportable shipments for the previous 18 months, the dues will be assessed at the rate applicable for active facilities at the minimum volume level.

Failure to report shipments for more than six months may result in disciplinary action that could include warning, suspension or termination of service. Such matters will be reviewed by the Executive Committee or Board of Directors.

3.1.2.2 Credit Memos for Missing Shipment Reports

Credit memos will not be issued for any invoice where the shipment report is more than 30 days past due.

4. Late Fees & Penalties

Payments for all invoices are due 30 days from the date of invoicing. PLIB reserves the right to assess interest and/or a monthly late fee on past due invoices up to the maximum amount

allowed by law. In addition to other remedies available to the corporation as a matter of law, nonpayment of delinquent fees and charges shall, at the discretion of the Board of Directors, subject a delinquent member to termination of membership.

5. Extra Inspections & Associated Fees

PLIB strives to provide its members and subscribers with excellent service in the most economical manner possible. Each member and/or subscriber shall receive the minimum of visits per year as prescribed by the enforcement regulations of PLIB's accrediting bodies.

Occasionally extra visits for training purposes or technical support are necessary, desired or requested. Such visits require extra staff time and have associated costs. As much as possible, PLIB attempts to absorb these costs; however, this is not always possible or equitable.

Extraordinary travel costs or extensive staff time cannot necessarily be absorbed. Also, the costs of regrading and/or reinspection visits (also called recall visits) resulting from items being put "on hold" by PLIB or one of its accrediting agencies (ALSC or CLSAB), should, in fairness, be borne by the facility that produced the non-compliant product. At the same time, PLIB recognizes that occasionally mistakes are made and this policy does not seek to assess unfair punitive fees.

With this in mind, the following policy is established for fees associated with extra visits.

5.1. Optional Visits for Training and/or Technical Support

Extra, optional visits for training or technical support will be accommodated as much as possible without charge; however, this may not always be possible depending on the circumstances and PLIB reserves the right to charge for additional optional visits. PLIB will discuss any additional charges for optional visits with the facility in advance. In addition, some special services have a set fee structure – see section 5.5.

5.2. Regrading (recall) Visits at Origin

5.2.1. Subscribers in the Lumber and HT Programs

Two regrading visits at the mill/facility site for lumber put on hold by PLIB or one of its accrediting agencies due to mislabeled lumber for any reason (excessive below grade, excess moisture, incorrect or illegible stamping, off species, failure to properly heat treat, etc.) will be provided per 12 month period at no additional charge other than travel expenses. Additional regrading visits above and beyond this will be billed at the standard rate plus travel expenses. See 5.3 and 5.4 for special cases.

5.2.2. Subscribers in the Wood Packaging Material and Pellet Fuels Programs

Two recall visits at the facility for items put on hold by PLIB or one of its accrediting agencies due to mislabeled items for any reason (excessive bark, non-obliteration of stamps, incorrect or illegible stamping, failure to properly heat treat, etc.) will be provided at no additional charge other than travel expenses. Additional recall visits above and beyond this will be billed at the standard rate plus travel. See 5.3 and 5.4 for special cases.

5.3. Regrading Visits at Destination

PLIB regrading visits that result from lumber and/or items being put "on hold" at destinations other than the mill/facility site, such as a reload yard, retail facility, etc. will be billed at the standard daily rate plus travel expenses.

5.4. Reinspections

PLIB inspections that result from an official reinspection request by a buyer or consumer will be billed at the standard daily rate plus travel expenses according to the reinspection provisions found in the applicable grading rules.

5.5. Special Service Fees

Some programs may require special services that require more in-depth work by PLIB, both on-site and in the office. These include kiln certifications, MSR grade certifications and other special services. For some services, PLIB has established a special fee schedule. For other special services, particularly those requiring engineering or analysis of data, PLIB staff will provide an estimate to the member for review and approval prior to conducting any special services.

**Adopted:
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December 5, 2019**