(g) Unprocessed western red cedar timber in the contiguous 48 States means trees or portions of trees of that species which have not been processed into—

(1) Lumber of American Lumber Standards Grades of Number 3 dimension or better, or Pacific Lumber Inspection Bureau Export R-List Grades of Number 3 Common or better;

(2) Chips, pulp, and pulp products;

(3) Veneer and plywood;

(4) Poles, posts, or piling cut or treated with preservatives for use as such and not intended to be further processed; or

(5) Shakes and shingles; provided that lumber from private lands manufactured to the standards established in the lumber grading rules of the American Lumber Standards Association or the Pacific Lumber Inspection Bureau and manufactured lumber authorized to be exported under license by the Department of Commerce shall be considered processed.

(h) Person means an individual, partnership, corporation, association, or other legal entity and includes any subsidiary, subcontractor, parent company, or other affiliate. Business entities are considered affiliates for the entire calendar year when one controls or has the power to control the other or when both are controlled directly or indirectly by a third person during any part of the calendar year.

(i) Purchase occurs when a person is awarded a contract to cut National Forest timber or through the approval of a third party agreement by the Forest Service.

(j) Purchaser means a person that has purchased a National Forest timber sale.

§ 223.164 Penalty for falsification.

For false certification of documents relating to export or substitution and/or other violations of export and substitution requirements by the purchaser of timber from National Forest System lands, the Forest Service may cancel the subject contract, debar the

VerDate Mar<15>2010 17:05 Aug 03, 2011 Jkt 223138 PO 00000 Frm 00149 Fmt 8010 Sfmt 8010 Q:\36\36V2.TXT ofr150 PsN: PC150