
**Arbitration proceedings pursuant to the Softwood Lumber Agreement between
Canada and the United States of America, entered into on 12 September 2006 (the
SLA) and the LCIA Arbitration Rules (the LCIA Rules)**

LCIA Arbitration 81010

In the matter between:

THE UNITED STATES OF AMERICA

AND

CANADA

PROCEDURAL ORDER NO. 4

23 JULY 2008

CONSIDERING:

- (A) That Procedural Order No. 1 of 18 April 2008 sets the procedure for the production of documents, to be conducted on the basis of a Redfern Schedule as attached to Procedural Order No. 1;
- (B) That on 21 April 2008 the United States filed a request for production of documents under § 3.1(a) of Procedural Order No. 1;
- (C) That on 12 May 2008, Canada filed objections to the request for production of documents made by the United States. Canada did not submit any request for production of documents;
- (D) That on 20 May 2008, the United States filed a reply to the objections raised by Canada;
- (E) Claimant's communications of 21 and 22 May as well as of 4, 10 and 12 June 2008;
- (F) Respondent's communications of 21 and 22 May as well as of 4, 6, 11 and 12 June 2008;

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- (G) The comments made by the Parties during the telephone conference held on 26 April 2008 regarding the issues of confidentiality and document disclosure;
 - (H) Procedural Order No. 2 of 25 June 2008, which sets forth the rules for the protection of the confidential information produced in this arbitration;
 - (I) Procedural Order No. 3 of 25 June 2008 which, among other matters, stayed several requests made by the Claimant until the issues of confidentiality raised by the Respondent be addressed;
 - (J) Respondent's communications of 27 June as well as of 2, 4, 16 and 17 July 2008;
 - (K) Claimant's communications of 1, 3, 9, 16 and 18 July 2008;

The Tribunal hereby decides as follows:

1. Tribunal's determinations on each request

The Tribunal's comments on each specific request are set forth in the attached Redfern Schedule.

In the revised Redfern Schedule, the Parties have not addressed requests 1(i), 1(ii), 1(v), 2(i), 2(iii), 2(iv), 3(iii), 3(iv), 3(v), 4(ii), 4(iv), and 4(v) although they had been stayed. As a result, the Tribunal understands that the Claimant does not pursue these requests, except for the documents that have already been produced or that are also covered by other requests decided in the present Order.

2. Verification of Summaries and Redacted Documents

The Parties shall endeavour to jointly propose, by 31 July 2008 at 6 p.m. (CET), the name of an independent advisor in charge of verifying the accuracy and completeness of any summaries or redacted documents produced pursuant to the present Order.

Should the Parties be unable to reach an agreement on this point, the Tribunal will appoint an independent advisor of its choice after consultation with the Parties.

3. Designation of Government Officials

Pursuant to paragraphs 3.2(g) and 3.4 of Procedural Order No. 2 of 25 June 2008, a Party may designate officials of its government who are directly involved in the handling of the present arbitration proceedings to sign a Confidentiality

Undertaking in the meaning given in Procedural Order No. 2 with the approval of the Tribunal, after hearing the other Party's comments.

By letter of 9 July 2008, the United States designated 23 individuals from five government agencies.

By letter of 16 July 2008, Canada opposed the designation of said officials, to the exception of two officials from the Office of the United States Trade Representative and two officials from the United States Department of State.

After reviewing the arguments raised by Canada to oppose the designation of 19 out of the 23 officials designated by the United States, the Tribunal is of the opinion that the confidentiality protection that Canada seeks to safeguard would not be jeopardised by the approval of the designations made by the United States. Indeed, Canada has not sufficiently established a risk of disclosure of confidential documents that could not be prevented by the signing, by each one of the designated officials, of a Confidentiality Undertaking in the form contemplated by Procedural Order No. 2.

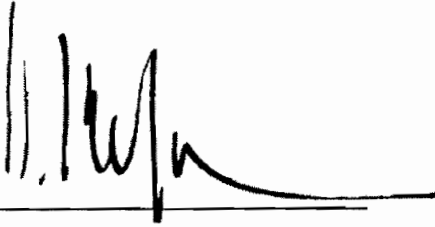
Therefore, the Tribunal approves the designations made by the United States and hereby invites the designated officials to sign the Confidentiality Undertaking and the Claimant to submit an original of such Undertaking to the Respondent, with a copy to the Tribunal.

On the basis of the preceding considerations, the Tribunal decides that:

1. The Tribunal takes note that the Claimant does not pursue requests No. 1(i), 1(ii), 1(v), 2(i), 2(iii), 2(iv), 3(iii), 3(iv), 3(v), 4(ii), 4(iv) and 4(v), except for those documents that the Respondent has agreed to produce or has already produced or that are also covered by other requests granted by the present Order.
2. The Claimant's requests No. 1(vi), 2(v), 5(i), 5(ii), 5(iii), 5(iv), 5(v), 5(vi), 5(vii), 5(viii), 5(xii), 5(xiii), 5(xv), 6(i), 6(ii), 6(iii), 6(vi), 6(viii), 6(ix), 6(xi), 7(xi) and 7(xii) are granted, to the extent and with the conditions specified in the attached Redfern Schedule. Unless otherwise provided in the Redfern Schedule, the Respondent shall produce the relevant documents as soon as practicable and in any event by **22 September 2008**.
3. The Parties are invited to jointly propose, by **31 July 2008 at 6 p.m. (CET)**, the name of an independent advisor in charge of verifying the accuracy and completeness of any summaries or redacted documents produced pursuant to the present Order. If the Parties are unable to reach an agreement, the Tribunal will appoint an independent advisor of its choice after consultation with the Parties.

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4. The Claimant's requests No. 5(i), 5(ix), 5(x), 6(i), 6(iv) and 6(v) are denied to the extent specified in the attached Redfern Schedule.
 5. The designations made by the Claimant in its letter of 9 July 2008 are approved. Each designated official shall sign a Confidential Undertaking in the form attached as Appendix 1 to Procedural Order No. 2. The Claimant shall communicate to the Respondent an original of each signed Confidentiality Undertaking with a copy to the Tribunal by no later than **Thursday 31 July 2008 at 6 p.m. (CET)**.

For the Arbitral Tribunal,

A handwritten signature in black ink, appearing to read 'G. Kaufmann-Kohler', written over a horizontal line.

Gabrielle Kaufmann-Kohler
Tribunal Chair