
**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. 3

25 JUNE 2008

CONSIDERING:

- (A) That Procedural Order No. 1 of 18 April 2008 sets the framework for the production of documents, which shall 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 its objections to the requests 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 its reply to the objections raised by Canada;
- (E) Claimant's letters of 21 and 22 May as well as of 4, 10 and 12 June 2008;
- (F) Respondent's letters of 21 and 22 May as well as of 4, 6, 11 and 12 June 2008;
- (G) The Comments made by the Parties during the telephone conference held on 26 April 2008 regarding the issues of confidentiality and document disclosure;

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- (H) Procedural Order No. 2 of today's date, which sets forth the rules for the protection of the confidential information produced in this arbitration;

The Tribunal hereby decides as follows:

1. Tribunal's comments on each request

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

2. Impact of confidentiality matters

In light of the Parties's disagreement on confidentiality matters and the potential impact of Procedural Order No. 2 on the Respondent's objections to a number of requests made by the Claimant and the Claimant's replies to such objections, the Tribunal has stayed the affected requests so as to provide the Parties with the opportunity to submit revised objections and replies taking into account the rules on confidentiality laid out in Procedural Order No. 2.

As anticipated in the Tribunal's letter of 17 June 2008:

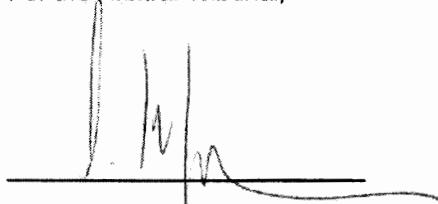
- (i) The Respondent may submit revised objections to the stayed requests on or before **2 July 2008**;
- (ii) The Claimant may reply to said revised objections on or before **9 July 2008**;
- (iii) On or around **16 July 2008**, the Tribunal will issue a procedural order on any outstanding issue and, as the case may be, order the production of documents by the Respondent;
- (iv) The Tribunal will then determine the time limit within which the production of documents shall be effected.

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

- The Claimant's requests No. 1(vii), 2(vi), 3(i), 3(ii), 3(vi), 3(ix), 4(vii), 5(xiv), 6(x), 7(ii), 7(iii), 7(iv), 7(vi), 7(vii), 7(viii), 7(xiii) and 7(xiv) are denied;
- The Claimant's requests No. 1(iii), 1(iv), 3(viii) and 4(vi) are granted, except for those documents that have already been produced. The Respondent shall produce the relevant documents no later than **27 June 2008** at 6:00 p.m. (CET).

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- The Claimant's requests No. 1(i), 1(ii), 1(v), 1(vi), 2(i), 2(iii), 2(iv), 2(v), 3(iii), 3(iv), 3(v), 4(i), 4(ii), 4(iv), 4(v), 5(i), 5(ii), 5(iii), 5(iv), 5(v), 5(vi), 5(vii), 5(viii), 5(ix), 5(x), 5(xii), 5(xiii), 5(xv), 6(i), 6(ii), 6(iii), 6(iv), 6(v), 6(vi), 6(viii), 6(ix), 6(xi), 7(xi) and 7(xii) are stayed until determination of the confidentiality issue. Whenever documents have already been produced in respect of these requests, such production is not affected by the stay hereby ordered.
 - The Claimant's requests No. 2(ii), 3(vii), 4(iii), 5(xi), 6(vii), 7(i), 7(v), 7(ix) and 7(x) are no longer applicable as the relevant documents have been produced.

For the Arbitral Tribunal,



Gabrielle Kaufmann-Kohler
Tribunal Chair