

**Arbitration under Chapter Eleven of the North American Free Trade Agreement (NAFTA)
and the UNCITRAL Arbitration Rules**

CANFOR CORPORATION

Claimant

v.

UNITED STATES OF AMERICA

Respondent

PROCEDURAL ORDER No. 1

November 3, 2003

PROCEDURAL ORDER No. 1

WHEREAS

1. On July 9, 2002, the Claimant submitted a Notice of arbitration and Statement of claim.
2. As of July 22, 2003, the Arbitral Tribunal was constituted in this arbitration.
3. On October 16, 2003, the Respondent submitted its Objection to the jurisdiction of the Arbitral Tribunal.
4. The Arbitral Tribunal held a first organizational hearing with the Parties on October 28, 2003.
5. At this hearing, the Parties and the Arbitral Tribunal discussed the procedural rules governing this arbitration, which were memorialized in the Terms of Agreement signed at the end of the hearing.

THE ARBITRAL TRIBUNAL DECIDES AS FOLLOWS:

6. Pursuant to paragraph 21 of the Terms of Agreement, the Arbitral Tribunal hereby appoints Ms. Yas Banifatemi as the administrative secretary to the Arbitral Tribunal. Ms. Banifatemi's resume is attached as Annex A.
7. Pursuant to paragraph 23 of the Terms of Agreement, the Arbitral Tribunal fixes the fees of each of the Arbitrators at an hourly rate of US\$500 and the fees of the administrative secretary at an hourly rate of US\$235, subject to future revision, if any. In so deciding, the Arbitral Tribunal has borne in mind its duty to keep the appropriate amount of its compensation at a reasonable level and has taken into account the complexity of the subject-matter of the dispute, the amount in dispute, and the relevant circumstances of the case that the Arbitral Tribunal has had the opportunity to assess at this time.
8. Future directions will be issued regarding the deposit of an advance for the costs of the arbitration.

November 3, 2003

On behalf of the Arbitral Tribunal:



Professor Emmanuel Gaillard
President

ANNEX A

YAS BANIFATEMI

SHEARMAN & STERLING LLP
114, Avenue des Champs-Élysées, 75008 Paris
Phone: (+ 33 (0)1) 53.89.71.62 (direct line); (+ 33 (0)6) 23.15.25.51 (mobile)
Fax: (+ 33 (0)1) 53.89.70.70
Email: ybanifatemi@shearman.com

SELECTED EXPERIENCE	SHEARMAN & STERLING LLP	Since 1997
	Associate in the International Arbitration Practice Group. Dealt with international arbitrations under the auspices of the ICC, ICSID, as well as <i>ad hoc</i> arbitrations. Special experience in the fields of investment law arbitration, oil & gas arbitration, construction arbitration, general commercial arbitration.	
	THE HAGUE ACADEMY OF INTERNATIONAL LAW	2004
	Director of Studies for the Diploma of the Hague Academy in public international law.	
	PANTHÉON-ASSAS UNIVERSITY (PARIS II)	1999-2000
	Teaching Assistant. Teachings in public international law.	
	Teaching Assistant. Teachings in public international law, human rights law, constitutional law (first year to graduate level).	1994-1996
EDUCATION	PANTHÉON-ASSAS UNIVERSITY (PARIS II)	1997
	Ph.D. in International Law. Doctoral dissertation awarded highest honors, as well as a special prize (<i>Mention</i>) at the <i>Concours de Prix de thèses de l'Université Panthéon-Assas</i> Dissertation on <i>The settlement of disputes between foreign States by domestic courts (Le contentieux interétatique devant le juge interne)</i> , supervised by Professor Daniel Bardonnet. Visiting Researcher at Harvard Law School in 1993, awarded the French Ministry of Foreign Affairs' <i>Lavoisier</i> scholarship on the basis of academic excellence.	
	HARVARD LAW SCHOOL	1997
	Master's of Law (LLM)	
	THE HAGUE ACADEMY OF INTERNATIONAL LAW	1992
	Courses in international law. Awarded a scholarship by LGDJ (French legal publishing company).	
	PANTHÉON-ASSAS UNIVERSITY (PARIS II)	1990
	D.E.A. in International Law with honors (<i>Mention bien</i>) Thesis on <i>The mutual influences between International Law and Human Rights Law</i> , supervised by Professor Gérard Cohen-Jonathan. Participated to the VII th René Cassin Moot Court competition before the European Court of Human Rights, 1990: member of the Paris II team (semi-finalist; elected best oralist).	
	INSTITUT DES HAUTES ETUDES INTERNATIONALES (PARIS-II)	1990
	Diplôme de l'I.H.E.I. with honors (<i>Mention Bien</i>) Two-year specialization in international law, European law, human rights law.	

PANTHÉON-ASSAS UNIVERSITY (PARIS II)

1989

Maîtrise in International Law and European Law with honors
(Mention assez bien)

Thesis on *The legal integration achieved by the Court of the European Communities.*

LANGUAGES

English: fluent; **Spanish:** good working knowledge; **French** and **Farsi:** mother tongue

**PROFESSIONAL
QUALIFICATIONS
AND MEMBERSHIPS**

- Paris Bar, 1998
- Member, International Arbitration Institute (IAI)
- Member, French Society of International Law (SFDI)
- Member, American Society of International Law (ASIL)