

GAL 7

March 18, 2008

VIA EMAIL

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Dear Sirs,

Re: Vito G. Gallo v. Government of Canada

Further to the Arbitral Tribunal's correspondence "A4" dated March 10th, 2008, the Claimant responds as follows:

- (a). The Claimant confirms that it agrees with the text of the Adams Mine Lake Act 2004 submitted by Canada during the hearing held in Toronto on May 7th, 2008.
- (b). N/A
- (c). The parties could not agree on the charts to be submitted. We have limited our chart to the Arbitral Tribunal's request for a list of the NAFTA Arbitrations filed against Canada with respect to the place of arbitration. We have attached a chart entitled "Summary of NAFTA Chapter 11 Decisions on Place of Arbitration with Canada as Respondent." The Respondent has listed all decisions of Canada, the United States and Mexico, even though the issue in this case is whether Ontario is a suitable place of arbitration in the light of Canada's failure to give an undertaking not to rely on Section 5 of the *Adams Mine Lake Act* in any court proceeding.

- (d). We have limited our chart to the Arbitral Tribunal's request for a list of appeals lodged by Canada before Canadian Courts. We include a chart entitled "Set Aside Proceedings by Canada before Canadian Courts." There is only one such case and it is the *Attorney General of Canada. v S.D. Myers Inc.*, 2004 FC 38.
- (e). N/A.
- (f). With respect to the joint schedule included in the Respondent's submission, it includes service of the Statement of Claim on June 23rd, 2008 and production of key documents in the possession of the Claimant at that time.

Both disputing parties agree that the production of key documents is without prejudice to either disputing party later producing and relying upon relevant and material documents in the production phase or with its Memorials, and that neither disputing party will object to production of a document solely on the basis that it was not annexed to the Claim or Defence.

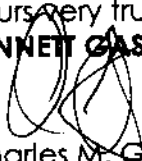
Please also note that by agreeing to this schedule *per se*, we are not consenting to the publication of the documents that will be produced on June 23rd, 2008. Of course, the issue of confidentiality of the documents produced in the proceeding is a matter now before the Tribunal.

We understand that the parties are in agreement that the arbitrators' hourly rate is to be \$550.00.

All of which is respectfully submitted.

Yours very truly,

BENNETT GASTLE Professional Corporation


Charles M. Gastle
CMG/ra

C: Murdoch Martyn
Meg Kinnear

JOINT SCHEDULE

Date	Action
January 14, 2008	Organizational conference call with the Arbitral Tribunal
February 29, 2008	Disputing parties file written submissions on procedural issues
March 7, 2008	Procedural Hearing in Toronto, Canada
June 23 rd , 2008	Gallo - Statement of Claim plus production of key documents in the possession of the Claimant
September 15 th , 2008	Canada - Statement of Defence plus production of key documents in the possession of the Respondent
October 15 th , 2008	Requests to Produce Documents
December 1 st , 2008	Production of Documents & Objections to Production, if any
January 12 th , 2009	Replies to Objections to Production, if any
February 6 th , 2009	Order on Production of Documents, if necessary
February 27 th , 2009	Production of Remaining Documents, if any
June 29 th , 2009	Gallo – Memorial with Witness Statement(s) and Expert Report(s)
October 30 th , 2009	Canada – Counter-Memorial with Witness Statement(s) and Expert Report(s)
November 16 th , 2009	Applications re non-disputing party submissions
November 30 th , 2009	Claimant's and Respondent's submission re non-disputing party submissions
February 15 th , 2010	Gallo – Reply with Reply to Witness Statement(s) & Expert Reply Report(s) (this time period was extended by 15 days due to the Christmas holidays)
May 10 th , 2010	Canada – Rejoinder with Reply to Witness Statement(s) & Expert Reply Report(s)

Date	Action
June 9 th , 2010	Filing of NAFTA 1128 submissions
TBD	Replies to NAFTA 1128 submissions, if any
TBD	Oral Hearing