

THE TRIBUNAL CONCERNING THE BANK FOR INTERNATIONAL SETTLEMENTS

in an

arbitration between

Dr. Horst Reineccius (Claimant #1) and the Bank for International Settlements

and

First Eagle SoGen, Funds Inc. (Claimant #2) and the Bank for International Settlements

**PROCEDURAL ORDER NO. 1
(ON CONSENT)**

1. By a Notice of Arbitration dated 31 August 2001, Claimant First Eagle SoGen Funds, Inc. ("First Eagle") initiated proceedings against Respondent Bank for International Settlements (the "Bank"), and on 7 September 2001, the Tribunal held a preparatory conference, at which it directed the parties to confer with respect to the scheduling of proceedings and to report on those discussions by, as later extended, 21 September 2001.

2. First Eagle and the Bank have agreed to the preliminary schedule set forth in this Order.

3. On or before 5 November 2001, First Eagle will submit a Statement of Claim (in the nature of a pleading, identifying the legal and factual basis of the claims),

an Application for the Production of Documents (identifying the documents sought and indicating the relevance of such documents), and a Proposed Scheduling Order (encompassing all further proceedings in response to its Notice of Arbitration, including, without limitation, the submission of prehearing memorials of law and fact and of evidence in support of the claims).

4. On or before 7 January 2002, the Bank will submit a Statement of Defense (in the nature of a pleading, identifying the legal and factual basis of the defense), a Response to the Application for the Production of Documents (identifying the documents it will produce voluntarily and setting forth specific objections, if any, to the production of any documents it will not produce voluntarily), and a Response to the Proposed Scheduling Order (indicating the extent to which it concurs in First Eagle's scheduling proposal and setting forth an alternative schedule to the extent it does not concur).

5. During the weeks of 21 or 28 January 2002, as the Tribunal may determine, the Tribunal will convene a meeting, either in person or by telephone, in order to hear the parties on the points in dispute arising from the Application for Production of Documents and Proposed Scheduling Orders and to make such orders and set such further proceedings as it deems appropriate.

6. The Secretariat shall post on its website a notice advising that any prospective claimant that may intend that its claims be subject to proceedings coordinated

with those on claims filed as of the date of this Order shall file a Statement of Claim by 15 November 2001. First Eagle's consent to this provision shall not constitute consent to any form of consolidation or coordination with any claims filed as of the date of this Order or that may be filed prior to 15 November 2001. In the event that a claimant who has not filed a Statement of Claim as of the date of this Order files a Statement of Claim on or before 15 November 2001, the Bank reserves its right to request an extension of time to file its Statement of Defense to First Eagle's claims. First Eagle reserves its right to oppose any such extension of time.

7. The Parties have this date jointly submitted an agreed confidentiality order governing the production of documents in this proceeding. Promptly upon the Tribunal's approval of that confidentiality order, or such other confidentiality order that it may enter, the Bank shall produce to First Eagle the J.P. Morgan report described in the Note to Private Shareholders dated 15 September 2000.

Dated: New York, New York
17 October 2001

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SO ORDERED:

Prof. Michael Reisman, President and on behalf the Tribunal
Dated: 17 October 2001