

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

**Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934**

For Quarterly Period Ended June 30, 2011

Commission File Number 1-7107

LOUISIANA-PACIFIC CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

93-0609074
(IRS Employer
Identification No.)

414 Union Street, Nashville, TN 37219
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (615) 986-5600

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 132,151,000 shares of Common Stock, \$1 par value, outstanding as of July 27, 2011.

Except as otherwise specified and unless the context otherwise requires, references to "LP", the "Company", "we", "us", and "our" refer to Louisiana-Pacific Corporation and its subsidiaries.

ABOUT FORWARD-LOOKING STATEMENTS

Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 provide a “safe harbor” for forward-looking statements to encourage companies to provide prospective information about their businesses and other matters as long as those statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those discussed in the statements. This report contains, and other reports and documents filed by us with the Securities and Exchange Commission may contain, forward-looking statements. These statements are or will be based upon the beliefs and assumptions of, and on information available to, our management.

The following statements are or may constitute forward-looking statements: (1) statements preceded by, followed by or that include words like “may,” “will,” “could,” “should,” “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “potential,” “continue” or “future” or the negative or other variations thereof and (2) other statements regarding matters that are not historical facts, including without limitation, plans for product development, forecasts of future costs and expenditures, possible outcomes of legal proceedings, capacity expansion and other growth initiatives and the adequacy of reserves for loss contingencies.

Factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include, but are not limited to the following:

- changes in general economic conditions;
- changes in the cost and availability of capital;
- changes in the level of home construction activity;
- changes in competitive conditions and prices for our products;
- changes in the relationship between supply of and demand for building products;
- changes in the relationship between supply of and demand for raw materials, including wood fiber and resins, used in manufacturing our products;
- changes in the cost of and availability of energy, primarily natural gas, electricity and diesel fuel;
- changes in other significant operating expenses;
- changes in exchange rates between the U.S. dollar and other currencies, particularly the Canadian dollar, Australian dollar, EURO, Brazilian real and the Chilean peso;
- changes in general and industry specific environmental laws and regulations;
- changes in tax laws, and interpretations thereof;
- changes in circumstances giving rise to environmental liabilities or expenditures;
- the resolution of existing and future product related litigation and other legal proceedings; and
- acts of public authorities, war, civil unrest, natural disasters, fire, floods, earthquakes, inclement weather and other matters beyond our control.

In addition to the foregoing and any risks and uncertainties specifically identified in the text surrounding forward-looking statements, any statements in the reports and other documents filed by us with the Commission that warn of risks or uncertainties associated with future results, events or circumstances identify important factors that could cause actual results, events and circumstances to differ materially from those reflected in the forward-looking statements.

ABOUT THIRD-PARTY INFORMATION

In this report, we rely on and refer to information regarding industry data obtained from market research, publicly available information, industry publications, U.S. government sources and other third parties. Although we believe the information is reliable, we cannot guarantee the accuracy or completeness of the information and have not independently verified it.

Item 1. Financial Statements.

CONSOLIDATED STATEMENTS OF INCOME

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
(AMOUNTS IN MILLIONS EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Net sales	\$ 362.4	\$ 447.5	\$ 694.1	\$ 744.5
Operating costs and expenses:				
Cost of sales	336.3	346.3	631.3	614.3
Depreciation and amortization	20.2	22.4	41.6	42.8
Selling and administrative	27.6	29.4	56.4	59.5
(Gain) loss on sale or impairment of long-lived assets, net	2.5	(0.1)	8.0	1.2
Other operating credits and charges, net	(0.6)	0.6	(1.4)	0.5
Total operating costs and expenses	386.0	398.6	735.9	718.3
Income (loss) from operations	(23.6)	48.9	(41.8)	26.2
Non-operating income (expense):				
Interest expense, net of capitalized interest	(14.4)	(17.7)	(28.4)	(34.5)
Investment income	3.5	4.3	7.5	10.2
Other non-operating items	0.6	(0.1)	2.4	1.4
Total non-operating expense	(10.3)	(13.5)	(18.5)	(22.9)
Income (loss) from continuing operations before taxes and equity in losses of unconsolidated affiliates	(33.9)	35.4	(60.3)	3.3
Provision (benefit) for income taxes	(8.4)	12.7	(15.2)	2.4
Equity in loss (income) of unconsolidated affiliates	7.4	(0.9)	10.7	(0.2)
Income (loss) from continuing operations	(32.9)	23.6	(55.8)	1.1
Loss from discontinued operations before taxes	(4.1)	(2.0)	(4.1)	(2.3)
Benefit for income taxes	(1.6)	(0.8)	(1.6)	(0.9)
Loss from discontinued operations	(2.5)	(1.2)	(2.5)	(1.4)
Net income (loss)	(35.4)	22.4	(58.3)	(0.3)
Less: Net income (loss) attributed to non-controlling interest	0.1	0.1	0.2	(0.1)
Net income (loss) attributed to Louisiana-Pacific Corporation	\$ (35.5)	\$ 22.3	\$ (58.5)	\$ (0.2)
Net income (loss) per share of common stock (basic):				
Income (loss) from continuing operations	\$ (0.25)	\$ 0.18	\$ (0.43)	\$ 0.01
Loss from discontinued operations	(0.02)	(0.01)	(0.02)	(0.01)
Net income (loss) per share	\$ (0.27)	\$ 0.17	\$ (0.45)	\$ —
Net income (loss) per share of common stock (diluted):				
Income (loss) from continuing operations	\$ (0.25)	\$ 0.17	\$ (0.43)	\$ 0.01
Loss from discontinued operations	(0.02)	(0.01)	(0.02)	(0.01)
Net income (loss) per share	\$ (0.27)	\$ 0.16	\$ (0.45)	\$ —
Average shares of stock outstanding - basic	131.4	128.5	131.3	127.2
Average shares of stock outstanding - diluted	131.4	139.8	131.3	138.2
Amounts attributed to LP Corporation common shareholders				
Income (loss) from continuing operations, net of tax	\$ (33.0)	\$ 23.5	\$ (56.0)	\$ 1.2
Loss from discontinued operations, net of tax	(2.5)	(1.2)	(2.5)	(1.4)
	\$ (35.5)	\$ 22.3	\$ (58.5)	\$ (0.2)

The accompanying notes are an integral part of these unaudited financial statements.

CONDENSED CONSOLIDATED BALANCE SHEETS
 LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
 (AMOUNTS IN MILLIONS) (UNAUDITED)

	June 30, 2011	December 31, 2010
ASSETS		
Cash and cash equivalents	\$ 334.0	\$ 389.3
Receivables, net of allowance for doubtful accounts of \$1.4 million at June 30, 2011 and \$1.3 million at December 31, 2010	93.0	66.8
Income tax receivable	14.0	18.7
Inventories	173.9	151.9
Prepaid expenses and other current assets	8.6	5.6
Deferred income taxes	16.4	23.4
Assets held for sale	51.5	57.9
Total current assets	691.4	713.6
Timber and timberlands	44.9	46.8
Property, plant and equipment, at cost	2,124.9	2,112.5
Accumulated depreciation	(1,237.9)	(1,195.4)
Net property, plant and equipment	887.0	917.1
Notes receivable from asset sales	533.5	533.5
Long-term investments	19.6	15.4
Restricted cash	14.7	31.1
Investments in and advances to affiliates	103.4	110.0
Intangible assets, net of amortization	1.8	2.2
Deferred debt costs	9.6	10.1
Other assets	25.9	24.9
Long-term deferred tax asset	4.6	5.9
Total assets	\$ 2,336.4	\$ 2,410.6
LIABILITIES AND EQUITY		
Current portion of long-term debt	\$ 2.9	\$ 0.2
Short-term notes payable	4.5	—
Accounts payable and accrued liabilities	127.3	127.8
Current portion of contingency reserves	7.0	7.0
Total current liabilities	141.7	135.0
Long-term debt, excluding current portion	716.8	714.5
Contingency reserves, excluding current portion	25.1	25.9
Other long-term liabilities	130.6	129.8
Deferred income taxes	151.1	164.8
Redeemable non-controlling interest	—	22.8
Stockholders' equity:		
Common stock	145.0	144.8
Additional paid-in capital	557.8	559.4
Retained earnings	804.6	863.1
Treasury stock	(279.8)	(279.9)
Accumulated comprehensive loss	(56.5)	(69.6)
Total stockholders' equity	1,171.1	1,217.8
Total liabilities and stockholders' equity	\$ 2,336.4	\$ 2,410.6

The accompanying notes are an integral part of these unaudited financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
 LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
 (AMOUNTS IN MILLIONS) (UNAUDITED)

	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income (loss)	\$ (35.4)	\$ 22.4	\$ (58.3)	\$ (0.3)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	20.2	22.4	41.6	42.8
(Gain) loss from unconsolidated affiliates	7.4	(0.9)	10.7	(0.2)
(Gain) loss on sale or impairment of long-lived assets	2.5	(0.1)	8.0	1.2
Other operating credits and charges, net	(1.5)	2.8	(1.5)	2.7
Exchange loss on remeasurement	0.2	(0.3)	2.7	0.2
Cash settlement of contingencies	(0.4)	(1.0)	(0.9)	(3.4)
Pension (payments) expense, net	0.4	1.4	0.4	3.4
Stock-based compensation expense	1.3	2.2	4.8	5.4
Other adjustments, net	7.2	1.6	7.6	3.5
Decrease (increase) in receivables	5.8	(14.3)	(24.7)	(50.7)
Decrease (increase) in income tax receivable	13.4	(9.7)	4.7	37.4
Decrease (increase) in inventories	29.2	19.4	(20.6)	(24.2)
Decrease (increase) in prepaid expenses	(5.3)	(5.8)	(2.9)	(1.6)
Increase (decrease) in accounts payable and accrued liabilities	(4.0)	7.6	(2.3)	8.6
Increase (decrease) in deferred income taxes	(11.6)	20.0	(8.3)	10.8
Net cash provided by (used in) operating activities	29.4	67.7	(39.0)	35.6
CASH FLOWS FROM INVESTING ACTIVITIES:				
Property, plant and equipment additions	(5.6)	(3.5)	(8.0)	(5.4)
Investments and advances to joint ventures	(1.1)	8.2	(3.1)	6.1
Proceeds from sales of assets	0.3	1.2	0.3	1.2
Receipt of proceeds from notes receivable	—	115.1	—	115.1
Decrease in restricted cash under letters of credit/credit facility requirements	8.1	5.3	16.4	5.2
Other investing activities, net	—	(0.4)	—	—
Net cash provided by investing activities	1.7	125.9	5.6	122.2
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayment of long term debt	(0.1)	(113.8)	(0.1)	(113.8)
Short term borrowings	4.5	—	4.5	—
Redemption of non-controlling interest	(24.0)	—	(24.0)	—
Payment of debt issuance fees	(1.0)	—	(1.0)	—
Net cash used in financing activities	(20.6)	(113.8)	(20.6)	(113.8)
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS				
Net increase (decrease) in cash and cash equivalents	12.8	79.7	(55.3)	43.0
Cash and cash equivalents at beginning of period	321.2	357.4	389.3	394.1
Cash and cash equivalents at end of period	\$ 334.0	\$ 437.1	\$ 334.0	\$ 437.1

The accompanying notes are an integral part of these unaudited financial statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES

(AMOUNTS IN MILLIONS) (UNAUDITED)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Comprehensive Loss	Total Stockholders' Equity	Redeemable Non Controlling Interest
	Shares	Amount	Shares	Amount					
Balance, December 31, 2010	144.8	\$ 144.8	12.9	\$ (279.9)	\$ 559.4	\$ 863.1	\$ (69.6)	\$ 1,217.8	\$ 22.8
Net income (loss)	—	—	—	—	—	(58.5)	—	(58.5)	0.2
Issuance of shares for employee stock plans and other purposes and other transactions	—	—	(0.2)	0.1	(0.6)	—	—	(0.5)	—
Compensation expense associated with stock awards	—	—	—	—	4.4	—	—	4.4	—
Warrants exercised	0.2	0.2	—	—	(0.2)	—	—	—	—
Redemption of redeemable non-controlling interest	—	—	—	—	(5.2)	—	5.6	0.4	(24.0)
Other comprehensive income	—	—	—	—	—	—	7.5	7.5	1.0
Balance, June 30, 2011	<u>145.0</u>	<u>\$ 145.0</u>	<u>12.7</u>	<u>\$ (279.8)</u>	<u>\$ 557.8</u>	<u>\$ 804.6</u>	<u>\$ (56.5)</u>	<u>\$ 1,171.1</u>	<u>\$ —</u>

The accompanying notes are an integral part of these unaudited financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
 (AMOUNTS IN MILLIONS) (UNAUDITED)

	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Net income (loss)	\$ (35.4)	\$ 22.4	\$ (58.3)	\$ (0.3)
Other comprehensive income (loss), net of tax				
Foreign currency translation adjustments	4.9	(2.3)	4.3	(4.7)
Unrealized gain (loss) on derivative instruments	0.8	0.2	0.6	0.1
Unrealized gain (loss) on marketable securities	0.4	(1.3)	2.6	4.8
Defined benefit pension plans:				
Amortization of prior service cost	0.7	—	1.0	—
Amortization of net loss	—	0.9	—	1.5
Other comprehensive income (loss), net of tax	6.8	(2.5)	8.5	1.7
Net (income) loss attributable to noncontrolling interest	(0.1)	(0.1)	(0.2)	0.1
Foreign currency translation adjustments attributed to non-controlling interest	(0.6)	—	(1.0)	0.4
Comprehensive income (loss)	\$ (29.3)	\$ 19.8	\$ (51.0)	\$ 1.9

The accompanying notes are an integral part of these unaudited financial statements.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – BASIS FOR PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and, in the opinion of management, include all adjustments (consisting of normal recurring adjustments, except for other operating credits and charges, net referred to in Note 10) necessary to present fairly, in all material respects, the consolidated financial position, results of operations and cash flows of LP and its subsidiaries for the interim periods presented. Results of operations for interim periods are not necessarily indicative of results to be expected for an entire year. For those consolidated subsidiaries in which LP's ownership interest is less than 100%, the outside shareholders' interests are shown as non-controlling interest. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included in LP's Annual Report on Form 10-K for the year ended December 31, 2010.

NOTE 2 – STOCK-BASED COMPENSATION

At June 30, 2011, LP had stock-based employee compensation plans as described below. The total compensation expense related to all of LP's stock-based compensation plans was \$1.3 million for the quarter ended June 30, 2011 as compared to \$2.2 million for the quarter ended June 30, 2010 and \$4.8 million for the six months ended June 30, 2011 as compared to \$5.4 million for the six months ended June 30, 2010.

Stock Compensation Plans

LP grants options and stock settled stock appreciation rights (SSARs) to key employees and directors to purchase LP common stock. On exercise or issuance, LP generally issues these shares from treasury. The options and SSARs are granted at market price at the date of grant. For employees, SSARs become exercisable ratably over a three year period and expire ten years after the date of grant. For directors, these options become exercisable in 10% increments every three months, starting three months after the date of grant, and expire ten years after the date of grant. At June 30, 2011, 4,715,177 shares were available under the current stock award plans for stock-based awards.

The following table sets out the weighted average assumptions used to estimate the fair value of the options and SSARs granted using the Black-Scholes option-pricing model in the first six months of the respective years noted:

	2011	2010
Expected stock price volatility	63.9%	59.5%
Expected dividend yield	—	—
Risk-free interest rate	2.1%	2.4%
Expected life of options	5.16	5.13
Weighted average fair value of options and SSARs granted	\$ 5.62	\$ 3.73

The following table summarizes stock options and SSARs outstanding as of June 30, 2011 as well as activity during the six month period then ended.

Share amounts in thousands	Options and SSARs	Weighted Average Exercise Price	Weighted Average Contractual Term (in years)	Aggregate Intrinsic Value (in millions)
Options / SSARs outstanding at January 1, 2011	7,580	\$ 13.10		
SSARs granted	813	10.12		
Options / SSARs exercised	(18)	4.93		
Options /SSARs cancelled	(47)	14.14		
Options / SSARs outstanding at June 30, 2011	8,328	\$ 12.82	6.8	\$ 12.0
Vested and expected to vest at June 30, 2011	7,912	—	—	\$ 11.4
Options / SSARs exercisable at June 30, 2011	6,136	\$ 14.96	—	\$ 7.5

The aggregate intrinsic value in the table above represents the total pre-tax intrinsic value (the difference between LP's closing stock price on the last trading day of the second quarter of 2011 and the exercise price, multiplied by the number of in-the-money options and SSARs) that would have been received by the holders had all holders exercised their awards on June 30,

2011. This amount changes based on the market value of LP's stock as reported by the New York Stock Exchange.

As of June 30, 2011, there was \$1.5 million of total unrecognized compensation costs related to stock options and SSARs. These costs are expected to be recognized over a weighted-average period of 1.7 years. LP recorded compensation expense related to these awards in the first six months of 2011 of \$2.7 million.

Incentive Share Awards

LP has granted incentive share stock awards (restricted stock units) to certain key employees as allowed under the current stock award plans. The awards entitle the participant to receive a specified number of shares of LP common stock at no cost to the participant. The market value of these grants approximates the fair value. LP recorded compensation expense related to these awards in the first six months of 2011 of \$1.4 million. As of June 30, 2011, there was \$3.4 million of total unrecognized compensation cost related to unvested incentive share awards. This expense will be recognized over a weighted-average period of 1.5 years.

The following table summarizes incentive share awards outstanding as of June 30, 2011 as well as activity during the six months then ended.

	Shares	Weighted Average Contractual Term (in years)	Aggregate Intrinsic Value (in millions)
Incentive share awards outstanding at January 1, 2011	955,936		
Incentive share awards granted	300,816		
Incentive share awards vested	(121,500)		
Incentive share awards cancelled	(32,117)		
Incentive share awards outstanding at June 30, 2011	1,103,135	1.50	\$ 9.0
Vested and expected to vest at June 30, 2011	1,047,978	1.50	\$ 8.6
Incentive share awards exercisable at June 30, 2011	—	—	—

Restricted Stock

LP grants restricted stock to certain senior employees. The shares vest three years from the date of grant. During the vesting period, the participants have voting rights and receive dividends, but the shares may not be sold, assigned, transferred, pledged or otherwise encumbered. Additionally, granted but unvested shares are generally forfeited upon termination of employment. The fair value of the restricted shares on the date of the grant is amortized ratably over the vesting period which is generally three years. As of June 30, 2011, there was \$2.6 million of total unrecognized compensation costs related to restricted stock. This expense will be recognized over the next 1.3 years.

The following table summarizes the restricted stock outstanding as of June 30, 2011 as well as activity during the six months then ended.

	Six Months Ended June 30, 2011	
	Number of Shares	Weighted Average Grant Date Fair Value
Restricted stock awards outstanding at January 1, 2011	783,289	\$ 6.31
Restricted stock awards granted	139,239	10.30
Restrictions lapsing	(171,800)	15.27
Restricted stock awards at June 30, 2011	750,728	\$ 5.00

LP recorded compensation expense related to these awards in the first six months of 2011 of \$0.7 million.

Through 2010, LP annually granted to each director restricted stock or restricted stock units. As of June 30, 2011, LP had 750,728 shares (or restricted stock units) outstanding under this program.

Phantom stock

Beginning in 2011, LP annually grants phantom stock units to its directors. The director does not receive rights of a

shareholder, nor is any stock transferred. The units will be paid out in cash at the end of the five year vesting period. The value of one unit is based on the market value of one share of common stock on the vesting date. The cost of the grants is recognized over the vesting period and is included in stock-based compensation expense. As of June 30, 2011, LP had 39,944 shares outstanding under this program.

NOTE 3 – FAIR VALUE MEASUREMENTS

LP's investments that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy. The fair value hierarchy has three levels based on the reliability of the inputs used to determine fair value. Level 1 refers to fair values determined based on quoted prices in active markets for identical assets. Level 2 refers to fair values estimated using significant other observable inputs and Level 3 includes fair values estimated using significant non-observable inputs.

Dollar amounts in millions	June 30, 2011	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Available for sale securities	\$ 19.6	\$ —	\$ 4.4	\$ 15.2
Trading securities	2.8	2.8	—	—
Total	\$ 22.4	\$ 2.8	\$ 4.4	\$ 15.2

Dollar amounts in millions	December 31, 2010	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Available for sale securities	\$ 15.4	\$ —	\$ 3.8	\$ 11.6
Trading securities	2.6	2.6	—	—
Total	\$ 18.0	\$ 2.6	\$ 3.8	\$ 11.6

Available for sale securities measured at fair value as of June 30, 2011 and December 31, 2010 are recorded in cash and cash equivalents, long-term investments and restricted cash on LP's consolidated balance sheets. Included in available for sale securities are auction rate securities (ARS).

Due to the lack of observable market quotations on a portion of LP's ARS portfolio, LP evaluates the structure of its ARS holdings and current market estimates of fair value, including fair value estimates from issuing banks that rely exclusively on Level 3 inputs. These inputs include those that are based on expected cash flow streams and collateral values, including assessments of counterparty credit quality, default risk underlying the security, discount rates and overall capital market liquidity. The valuation of LP's ARS investment portfolio is subject to uncertainties that are difficult to predict. Factors that may impact LP's valuation include changes to credit ratings of the securities as well as to the underlying assets supporting those securities, rates of default of the underlying assets, underlying collateral value, discount rates, counterparty risk and ongoing strength and quality of market credit and liquidity. Subsequent to June 30, 2011, LP generated \$18.7 million in cash plus accrued interest associated with the sale of these securities with a fair market value as of June 30, 2011 of \$18.5 million (\$35.9 million, par value). This sale will result in a gain of \$14.4 million which LP will record in the third quarter of 2011.

Trading securities consist of rabbi trust financial assets which are recorded in other assets in LP's consolidated balance sheets. The rabbi trust holds the assets of the Louisiana-Pacific Corporation 2004 Executive Deferred Compensation Plan (EDC), a non-qualified deferred compensation plan which allows certain management employees to defer receipt of a portion of their compensation and contribute such amounts to one or more investment funds. The assets of the rabbi trust are invested in mutual funds and are reported at fair value based on active market quotations, which represent Level 1 inputs.

The following table summarizes assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the periods ended June 30, 2010 and June 30, 2011.

Dollar amounts in millions	Available for sale securities
Balance at December 31, 2009	\$ 26.3
Total realized/unrealized gains (losses) included in other comprehensive income	7.8
Balance at June 30, 2010	\$ 34.1
The amount of total losses for the period included in net loss attributable to the fair value of changes in assets still held at June 30, 2010	\$ —
Balance at December 31, 2010	\$ 11.6
Total realized/unrealized gains (losses) included in other comprehensive income	3.6
Balance at June 30, 2011	\$ 15.2
The amount of total losses for the period included in net loss attributable to the fair value of changes in assets still held at June 30, 2011	\$ —

Carrying amounts reported on the balance sheet for cash, cash equivalents, receivables and accounts payable approximate fair value due to the short-term maturity of these investments.

During the quarter ended March 31, 2010, LP recorded an impairment charge of \$1.1 million to reduce the carrying value of the assets held for sale to the estimated selling price less selling cost. The valuation of these assets was determined using level one inputs under the market approach.

During the quarter ended March 31, 2011, LP recorded an impairment charge of \$3.6 million to reduce the carrying value of the assets held for sale to the estimated selling price less selling cost. The valuation of these assets was determined using level one inputs under the market approach. Additionally, LP recorded an impairment charge of \$1.9 million on assets no longer used.

During the quarter ended June 30, 2011, LP recorded an impairment charge of \$2.5 million on assets no longer used.

NOTE 4 – EARNINGS PER SHARE

Basic earnings per share are based on the weighted-average number of shares of common stock outstanding. Diluted earnings per share are based upon the weighted-average number of shares of common stock outstanding plus all potentially dilutive securities that were assumed to be converted into common shares at the beginning of the period under the treasury stock method. This method requires that the effect of potentially dilutive common stock equivalents (employee stock options, stock settled stock appreciation rights, incentive shares and warrants) be excluded from the calculation of diluted earnings per share for the periods in which losses from continuing operations are reported because the effect is anti-dilutive. The following table sets forth the computation of basic and diluted earnings per share:

Dollar and share amounts in millions, except per share amounts	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Numerator:				
Loss attributed to LP common shares:				
Income (loss) from continuing operations	\$ (33.0)	\$ 23.5	\$ (56.0)	\$ 1.2
Loss from discontinued operations	(2.5)	(1.2)	(2.5)	(1.4)
Net income (loss)	\$ (35.5)	\$ 22.3	\$ (58.5)	\$ (0.2)
Denominator:				
Basic - weighted average common shares outstanding	131.4	128.5	131.3	127.2
Dilutive effect of stock warrants	—	9.5	—	9.3
Dilutive effect of stock plans	—	1.8	—	1.7
Diluted shares outstanding	131.4	139.8	131.3	138.2
Basic earnings per share:				
Income (loss) from continuing operations	\$ (0.25)	\$ 0.18	\$ (0.43)	\$ 0.01
Loss from discontinued operations	(0.02)	(0.01)	(0.02)	(0.01)
Net income (loss) per share	\$ (0.27)	\$ 0.17	\$ (0.45)	\$ —
Diluted earnings per share:				
Income (loss) from continuing operations	\$ (0.25)	\$ 0.17	\$ (0.43)	\$ 0.01
Loss from discontinued operations	(0.02)	(0.01)	(0.02)	(0.01)
Net income (loss) per share	\$ (0.27)	\$ 0.16	\$ (0.45)	\$ —

For the quarter and six month period ended June 30, 2011, stock options, stock warrants and SSARs relating to approximately 9.0 million and 9.2 million shares of LP common stock were considered anti-dilutive for purposes of LP's earnings per share calculation due to LP's loss position from continuing operations. For the quarter and six month period ended June 30, 2010, stock options, stock warrants and SSARs relating to approximately 5.6 million and 5.4 million shares of LP common stock were considered anti-dilutive or not in-the-money for purpose of LP's earnings per share calculation

NOTE 5 – RECEIVABLES

Receivables consist of the following:

Dollar amounts in millions	June 30, 2011	December 31, 2010
Trade receivables	\$ 83.5	\$ 56.2
Interest receivables	1.1	1.1
Other receivables	9.8	10.8
Allowance of doubtful accounts	(1.4)	(1.3)
Total	\$ 93.0	\$ 66.8

Other receivables at June 30, 2011 and December 31, 2010 primarily consist of short-term notes receivable, settlements, Canadian sales tax receivables and other items.

NOTE 6 – INVENTORIES

Inventories are valued at the lower of cost or market. Inventory cost includes materials, labor and operating overhead. The major types of inventories are as follows (work in process is not material):

Dollar amounts in millions	June 30, 2011	December 31, 2010
Logs	\$ 26.7	\$ 22.4
Other raw materials	20.2	21.4
Finished products	118.3	100.3
Supplies	9.4	8.5
LIFO reserve	(0.7)	(0.7)
Total	\$ 173.9	\$ 151.9

NOTE 7 – ASSETS HELD FOR SALE

Over the last several years, LP has adopted and implemented plans to sell selected assets in order to improve its operating results. LP is required to classify assets held for sale which are not part of a discontinued business separately on the face of the financial statements outside of “Property, plant and equipment”. As of June 30, 2011 and December 31, 2010, LP included three OSB mills and various non-operating sites in its held for sale category. See Note 3 for discussion of impairments recorded on these assets. The current book values of assets held for sale by category is as follows:

Dollars in millions	June 30, 2011	December 31, 2010
Property, plant and equipment, at cost:		
Land, land improvements and logging roads, net of road amortization	\$ 13.3	\$ 13.4
Buildings	22.2	24.5
Machinery and equipment	187.9	197.7
	223.4	235.6
Accumulated depreciation	(171.9)	(177.7)
Net property, plant and equipment	\$ 51.5	\$ 57.9

NOTE 8 – INCOME TAXES

Accounting standards require that LP account for income taxes using the asset and liability approach, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. This method also requires the recognition of future tax benefits, such as net operating loss carry forwards and other tax credits. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. Valuation allowances are recorded as necessary to reduce deferred tax assets to the amount thereof that is more likely than not to be realized. The likelihood of realizing deferred tax assets is evaluated by, among other things, estimating future taxable income to which the deferred tax assets may be applied and assessing the impact of tax planning strategies.

For interim periods, accounting standards require that income tax expense be determined by applying the estimated annual effective income tax rate to year-to-date results unless this method does not result in a reliable estimate of year-to-date income tax expense. Each quarter the income tax accrual is adjusted to the latest estimate and the difference from the previously accrued year-to-date balance is adjusted to the current quarter.

For the first six months of 2011, the primary differences between the U.S. statutory rate of 35% and the effective rate applicable to LP’s continuing operations relate to state income taxes, the effect of foreign tax rates and increases in valuation allowances attributed to net operating loss carry forwards in various jurisdictions. For the first six months of 2010, the primary differences between the U.S. statutory rate of 35% and the effective rate applicable to LP’s continuing operations relate to state income taxes, the effect of foreign tax rates and a discrete adjustment for state income taxes.

The income tax components and associated effective income tax rates for the quarter and six months periods ended June 30, 2011 and 2010 are as follows:

Dollars in millions	Quarter Ended June 30,			
	2011		2010	
	Tax Benefit	Tax Rate	Tax Provision (Benefit)	Tax Rate
Continuing operations	\$ (8.4)	20%	\$ 12.7	35%
Discontinued operations	(1.6)	39%	(0.8)	39%
	<u>\$ (10.0)</u>	<u>22%</u>	<u>\$ 11.9</u>	<u>35%</u>

Dollars in millions	Six Months Ended June 30,			
	2011		2010	
	Tax Benefit	Tax Rate	Tax Provision (Benefit)	Tax Rate
Continuing operations	\$ (15.2)	21%	\$ 2.4	69%
Discontinued operations	(1.6)	39%	(0.9)	39%
	<u>\$ (16.8)</u>	<u>22%</u>	<u>\$ 1.5</u>	<u>115%</u>

LP and its domestic subsidiaries are subject to U.S. federal income tax as well as income taxes of multiple state jurisdictions. LP's foreign subsidiaries are subject to income tax in Canada, Chile and Brazil. During 2011, the U.S. Internal Revenue Service initiated an audit of tax years 2007 through 2009. All U.S. federal audits of prior years have been completed. LP remains subject to state and local tax examinations for the tax years 2005 through 2010. LP's Canadian income tax returns have been audited and effectively settled through 2004. Quebec provincial audits have been effectively settled through 2007. No Canadian federal or provincial audits are currently in progress.

If LP were to determine that it would not be able to realize a portion of an existing net deferred tax asset for which there is currently no valuation allowance, an adjustment to the net deferred tax asset would be charged to earnings in the period in which such determination was made. Conversely, if it were to make a determination that it is more likely than not that an existing deferred tax asset for which there is currently a valuation allowance would be realized, the related valuation allowance would be reduced and a benefit to earnings would be recorded in the period in which such determination was made.

NOTE 9 – LONG-TERM DEBT

LP's long-term debt consists of the following:

Dollars in millions	June 30, 2011	December 31, 2010
<i>Debentures:</i>		
Senior secured notes, maturing 2017	\$ 186.4	\$ 183.5
<i>Bank credit facilities:</i>		
Chilean term credit facility, maturing 2019, denominated in UF	44.2	42.3
<i>Limited recourse notes payable:</i>		
Senior notes, payable 2012	7.9	7.9
Senior notes, payable 2013 - 2018	112.0	112.0
<i>Other financing</i>		
Non-recourse notes, payable 2018	368.7	368.7
Other	0.5	0.3
Total	<u>719.7</u>	<u>714.7</u>
Less: current portion	(2.9)	(0.2)
Net long-term portion	<u>\$ 716.8</u>	<u>\$ 714.5</u>

LP issued \$47.9 million of senior notes in 1997 in a private placement to institutional investors. The \$7.9 million remaining notes are secured by \$9.9 million in notes receivable from Sierra Pacific Industries and mature in 2012. In the event of a default by Sierra Pacific Industries, LP is fully liable for the notes payable with the underlying timberlands as security for the notes receivable.

LP issued \$348.6 million of senior debt in 1998 in a private placement to institutional investors. The remaining \$112.0 million

of these notes mature in principal amounts of \$90.0 million in 2013 and \$22.0 million in 2018. The remaining notes are secured by \$113.7 million of notes receivable from Green Diamond Resource Company (Green Diamond). Pursuant to the terms of the notes payable, in the event of a default by Green Diamond, LP would be liable to pay only 10% of the indebtedness represented by the notes payable with the underlying timberlands as security for the notes receivable.

LP issued \$368.7 million of senior debt in 2003 in a private placement to unrelated third parties. The notes mature in 2018. The notes are supported by a bank letter of credit. LP's reimbursement obligations under the letter of credit are secured by \$410 million in notes receivable from assets sales. In general, the creditors under this arrangement have no recourse to LP's assets, other than the notes receivable. However, under certain circumstances, LP may be liable for certain liabilities (including liabilities associated with the marketing or remarketing of the notes payable and reimbursement obligations, which are fully cash collateralized under the letter of credit supporting the notes payable) in an amount not to exceed 10% of the aggregate principal amount of the notes receivable. LP's maximum exposure in this regard was approximately \$41 million as of June 30, 2011 and December 31, 2010.

In December 2009, LP entered into a term loan agreement with a Chilean bank. This loan is denominated in UF (inflation adjusted Chilean pesos) and is partially secured by property, plant and equipment in Chile. The loan will be repaid in 16 equal semi-annual payments beginning in June 2012 and ending December 2019. As of June 30, 2011, no principal payments have been made on this loan. Any increases or decreases in the loan balance shown are related to the change in the underlying foreign currency exchange rates or required inflation adjustments.

LP estimates the senior secured notes maturing in 2017 to have a fair value of \$255.9 million as of June 30, 2011 and \$263 million at December 31, 2010 based upon market quotations.

Additional descriptions of LP's indebtedness are included in consolidated financial statements and the notes thereto included in LP's Annual Report on Form 10-K for the year ended December 31, 2010.

NOTE 10 – OTHER OPERATING CREDITS AND CHARGES, NET

The major components of "Other operating credits and charges, net" in the Consolidated Statements of Income for the quarter and six month periods ended June 30, 2011 and 2010 are reflected in the table below and are described in the paragraphs following the table:

Dollar amounts in millions	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Reversal of severance	\$ —	\$ —	\$ —	\$ 0.1
Construction related legal reserves	—	(0.6)	—	(0.6)
Addition to environmental reserves	(0.9)	—	(0.9)	—
Timber related reserves	1.5	—	1.5	—
Settlement of legal claim	—	—	0.8	—
	<u>\$ 0.6</u>	<u>\$ (0.6)</u>	<u>\$ 1.4</u>	<u>\$ (0.5)</u>

During the second quarter of 2011, LP recorded a gain of \$1.5 million related to reductions in reforestation liabilities associated with LP's Canadian timber obligations and an increase of \$0.9 million in environmental reserves associated with a facility currently held for sale.

During the first quarter of 2011, LP recorded a gain of \$0.8 million related to an action against a previous claim inspector associated with LP's hardboard class action for various states.

During the second quarter of 2010, LP recorded a loss of \$0.6 million associated with an assessment in connection with its indefinitely curtailed OSB mills.

NOTE 11 – TRANSACTIONS WITH AFFILIATES

LP has equity investments in AbitibiBowater-LP (a manufacturer of I-joist) and Canfor-LP (a manufacturer of OSB). LP sells products and raw materials to AbitibiBowater-LP and purchases products for resale from AbitibiBowater-LP and Canfor-LP. LP eliminates profits on these sales and purchases, to the extent the inventory has not been sold through to third parties, on the basis of its 50% interest. For the quarters ended June 30, 2011 and 2010, LP sold \$1.5 million and \$2.3 million of products to AbitibiBowater-LP and purchased \$9.1 million and \$13.3 million of I-joist from AbitibiBowater-LP. LP also purchased \$21.9

million and \$30.5 million of OSB from Canfor-LP during the quarters ended June 30, 2011 and 2010. For the six month periods ended June 30, 2011 and 2010, LP sold \$2.9 million and \$4.0 million of products to AbitibiBowater-LP and purchased \$16.8 million and \$24.0 million of I-joist from AbitibiBowater-LP. LP also purchased \$46.5 million and \$54.1 million of OSB from Canfor-LP during the six months ended June 30, 2011 and 2010. Included in LP's Consolidated Balance Sheets at June 30, 2011 and December 31, 2010 are \$1.9 million and \$1.6 million in accounts receivable from these affiliates and \$2.1 million and \$2.4 million in accounts payable related to these affiliates.

NOTE 12 – LEGAL AND ENVIRONMENTAL MATTERS

Certain environmental matters and legal proceedings are discussed below.

Environmental Matters

LP maintains a reserve for undiscounted estimated environmental loss contingencies. This reserve is primarily for estimated future costs of remediation of hazardous or toxic substances at numerous sites currently or previously owned by the Company. LP's estimates of its environmental loss contingencies are based on various assumptions and judgments, the specific nature of which varies in light of the particular facts and circumstances surrounding each environmental loss contingency. These estimates typically reflect assumptions and judgments as to the probable nature, magnitude and timing of required investigation, remediation and/or monitoring activities and the probable cost of these activities, and in some cases reflect assumptions and judgments as to the obligation or willingness and ability of third parties to bear a proportionate or allocated share of the cost of these activities. Due to the numerous uncertainties and variables associated with these assumptions and judgments, and the effects of changes in governmental regulation and environmental technologies, both the precision and reliability of the resulting estimates of the related contingencies are subject to substantial uncertainties. LP regularly monitors its estimated exposure to environmental loss contingencies and, as additional information becomes known, may change its estimates significantly. However, no estimate of the range of any such change can be made at this time.

Other Proceedings

LP and its subsidiaries are parties to other legal proceedings. Based on the information currently available, management believes that the resolution of such proceedings will not have a material adverse effect on the financial position, results of operations, cash flows or liquidity of LP.

NOTE 13 – SELECTED SEGMENT DATA

LP operates in three segments: Oriented Strand Board (OSB), Siding, and Engineered Wood Products (EWP). LP's business units have been aggregated into these three segments based upon the similarity of economic characteristics, customers and distribution methods. LP's results of operations are summarized below for each of these segments separately as well as for the "other" category which comprises other products that are not individually significant. Segment information was prepared in accordance with the same accounting principles as those described in Note 1 of the Notes to the financial statements included in LP's Annual Report on Form 10-K for the year ended December 31, 2010.

Dollar amounts in millions	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Net sales:				
OSB	\$ 140.6	\$ 217.8	\$ 272.6	\$ 335.4
Siding	118.6	130.6	224.7	220.4
Engineered Wood Products	53.6	55.9	101.9	104.7
Other	49.9	47.6	95.8	88.9
Intersegment Sales	(0.3)	(4.4)	(0.9)	(4.9)
	<u>\$ 362.4</u>	<u>\$ 447.5</u>	<u>\$ 694.1</u>	<u>\$ 744.5</u>
Operating profit (loss):				
OSB	\$ (22.9)	\$ 47.9	\$ (32.0)	\$ 43.4
Siding	11.3	21.8	24.0	30.3
Engineered Wood Products	(3.2)	(4.4)	(8.7)	(10.9)
Other	2.2	3.7	5.3	3.7
Less intersegment profits	—	(0.5)	—	(0.5)
Other operating credits and charges, net	0.6	(0.6)	1.4	(0.5)
Gain (loss) on sale or impairment of long-lived assets	(2.5)	0.1	(8.0)	(1.2)
General corporate and other expenses, net	(16.5)	(18.2)	(34.5)	(37.9)
Foreign currency gains (losses)	0.6	(0.1)	2.4	1.4
Investment income	3.5	4.3	7.5	10.2
Interest expense, net of capitalized interest	(14.4)	(17.7)	(28.4)	(34.5)
Loss from continuing operations before taxes	(41.3)	36.3	(71.0)	3.5
Provision (benefit) for income taxes	(8.4)	12.7	(15.2)	2.4
Income (loss) from continuing operations	<u>\$ (32.9)</u>	<u>\$ 23.6</u>	<u>\$ (55.8)</u>	<u>\$ 1.1</u>

NOTE 14 – POTENTIAL IMPAIRMENTS

LP continues to review certain operations and investments for potential impairments. LP's management currently believes it has adequate support for the carrying value of each of these operations and investments based upon the anticipated cash flows that result from estimates of future demand, pricing and production costs assuming certain levels of planned capital expenditures. As of June 30, 2011, the undiscounted cash flows for the facilities indefinitely curtailed support the conclusion that no impairment is necessary for those facilities. However, if demand and pricing for the relevant products continues at levels significantly below cycle average demand and pricing, or should LP decide to invest capital in alternative projects, it is possible that impairment charges will be required.

LP also reviews from time to time possible dispositions of various assets in light of current and anticipated economic and industry conditions, its strategic plan and other relevant circumstances. Because a determination to dispose of particular assets can require management to make assumptions regarding the transaction structure of the disposition and to estimate the net sales proceeds, which may be less than previous estimates of undiscounted future net cash flows, LP may be required to record impairment charges in connection with decisions to dispose of assets.

NOTE 15 – CONTINGENCY RESERVES

LP maintains reserves for various contingent liabilities as follows:

Dollar amounts in millions	June 30, 2011	December 31, 2010
Environmental reserves	\$ 14.8	\$ 14.3
Hardboard siding reserves	17.2	17.8
Other reserves	0.1	0.8
Total contingency reserves	32.1	32.9
Current portion of contingency reserves	(7.0)	(7.0)
Long-term portion of contingency reserves	<u>\$ 25.1</u>	<u>\$ 25.9</u>

Hardboard Siding Reserves

LP has established reserves relating to certain liabilities associated with a settlement agreement resulting from a nationwide class action lawsuit involving hardboard siding manufactured or sold by corporations acquired by LP in 1999 and installed prior to May 15, 2000 which was approved by the applicable courts in 2000. This settlement is discussed in greater detail in the Notes to the financial statements included in LP's Annual Report on Form 10-K for the year ended December 31, 2010. LP believes that the reserve balance for this settlement at June 30, 2011 will be adequate to cover future payments to claimants and related administrative costs.

The activity in the portion of LP's loss contingency reserves relating to hardboard siding contingencies for the first six months of 2011 and 2010 are summarized in the following table.

Dollar amounts in millions	June 30, 2011	June 30, 2010
Beginning balance, December 31,	\$ 17.8	\$ 24.2
Payments made for claims	(0.4)	(2.0)
Payments made for administrative costs	(0.2)	(0.8)
Ending balance	\$ 17.2	\$ 21.4

NOTE 16 – DEFINED BENEFIT PENSION PLANS

The following table sets forth the net periodic pension cost for LP's defined benefit pension plans during the quarter ended June 30, 2011 and 2010. The net periodic pension cost included the following components:

Dollar amounts in millions	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Service cost	\$ 0.8	\$ 0.7	\$ 1.6	\$ 1.7
Interest cost	4.0	4.4	8.0	9.8
Expected return on plan assets	(4.5)	(4.7)	(9.0)	(10.7)
Amortization of prior service cost	0.1	0.1	0.2	0.2
Amortization of net loss	1.1	1.2	2.2	2.8
Net periodic pension cost	\$ 1.5	\$ 1.7	\$ 3.0	\$ 3.8

During the six months ended June 30, 2011 and 2010, LP recognized \$3.0 million and \$3.8 million of pension expense for all of LP's defined benefit pension plans.

During the six months ended June 30, 2011, LP made no significant pension contributions for LP's defined benefit plans. LP presently anticipates making approximately \$10 to \$12 million of pension contributions for the plans during the remainder of 2011.

NOTE 17 – GUARANTEES AND INDEMNIFICATIONS

LP is a party to contracts in which LP agrees to indemnify third parties for certain liabilities that arise out of or relate to the subject matter of the contract. In some cases, this indemnity extends to liabilities arising out of the negligence of the indemnified parties, but usually excludes any liabilities caused by gross negligence or willful misconduct of the indemnified parties. LP cannot estimate the potential amount of future payments under these agreements until events arise that would trigger the liability. See Note 21 of the Notes to the financial statements included in LP's Annual Report on Form 10-K for the year ended December 31, 2010 for further discussion of LP's guarantees and indemnifications.

During the first quarter of 2011, LP provided a guarantee on behalf of one of its joint ventures to the joint venture bank lender of \$1.5 million.

Additionally, LP provides warranties on the sale of most of its products and records an accrual for estimated future claims. Such accruals are based upon historical experience and management's estimate of the level of future claims. The activity in warranty reserves for the second quarter and first six months of 2011 and 2010 are summarized in the following table:

Dollar amounts in millions	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Beginning balance	\$ 28.3	\$ 31.9	\$ 29.5	\$ 32.9
Accrued to expense	3.8	2.0	4.9	3.1
Payments made	(1.5)	(3.3)	(3.8)	(5.4)
Total warranty reserves	30.6	30.6	30.6	30.6
Current portion of warranty reserves	(10.0)	(10.0)	(10.0)	(10.0)
Long-term portion of warranty reserves	\$ 20.6	\$ 20.6	\$ 20.6	\$ 20.6

During the second quarter of 2011, LP increased the warranty reserves related to discontinued composite decking products by \$3.8 million. The additional reserves reflect revised estimates of future claim payments based upon an increase in decking warranty claims related to a specific operation and specific time period. LP continues to monitor warranty and other claims associated with these products and believes as of June 30, 2011 that the reserves associated with these matters are adequate.

The current portion of the warranty reserve is included in the caption "Accounts payable and accrued liabilities" and the long-term portion is included in the caption "Other long-term liabilities" on LP's Condensed Consolidated Balance Sheets.

NOTE 18 - NON-CONTROLLING INTEREST

On June 14, 2011, LP purchased the remaining 25% ownership of LP Brazil from Massisa for a payment of \$24.0 million. This amount was paid through general cash reserves as well as an increase in LP's short term notes payable of \$4.5 million.

NOTE 19 - DISCONTINUED OPERATIONS

Over the last several years, LP has adopted and implemented plans to sell selected businesses and assets in order to improve its operating results. For all periods presented, these operations include residual losses of mills divested in past years and associated warranty and other liabilities associated with these operations.

Included in the operating losses of discontinued operations for the second quarter of 2011 is an increase in warranty reserves of \$3.8 million associated with previously discontinued composite decking products based upon expected increases in warranty claim activity.

Included in the operating losses of discontinued operations for the second quarter of 2010 is a settlement with a customer associated with a previously discontinued product of \$1.9 million.

NOTE 20 - RECENT AND PROSPECTIVE ACCOUNTING PRONOUNCEMENTS

In June 2011, the Financial Accounting Standards Board ("FASB") amended Accounting Standards Codification ("ASC") 220, "Presentation of Comprehensive Income." This amendment will require companies to present the components of net income and other comprehensive income either as one continuous statement or as two consecutive statements. It eliminates the option to present components of other comprehensive income as part of the statement of changes in stockholders' equity. The amended guidance, which must be applied retroactively, is effective for interim and annual periods beginning after December 15, 2011, with earlier adoption permitted. This Accounting Standards Update ("ASU") impacts presentation only and will have no effect on LP's financial condition, results of operations or cash flows.

In May 2011, the FASB amended ASC 820, "Fair Value Measurement." This amendment is intended to result in convergence between U.S. GAAP and International Financial Reporting Standards ("IFRS") requirements for measurement of and disclosures about fair value. This guidance clarifies the application of existing fair value measurements and disclosures, and changes certain principles or requirements for fair value measurements and disclosures. The amendment is effective for interim and annual periods beginning after December 15, 2011. Based upon initial assessment, LP does not believe the adoption of this amendment will have a material impact on its consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

GENERAL

Our products are used primarily in new home construction, repair and remodeling, and manufactured housing. We also market and sell our products in light industrial and commercial construction and we have a modest export business. Our manufacturing facilities are primarily located in the U.S. and Canada, but we also operate two facilities in Chile and a Brazilian facility (the remaining 25% ownership interest of which was acquired during the second quarter of 2011).

To serve our markets, we operate in three segments: Oriented Strand Board (OSB), Siding, and Engineered Wood Products (EWP).

Demand for our products correlates to a significant degree to the level of residential construction activity in North America, which historically has been characterized by significant cyclical activity. For the second quarter of 2011, the U.S. Department of Census reported that actual single and multi-family housing starts were 4% lower than for the second quarter of 2010. For the first six months of 2011, the U.S. Department of Census reported that actual single and multi-family housing starts were 5% lower than for the first six months of 2010. We believe the reduced level of building as compared to the first six months of 2010 is related to certain housing initiatives by the U.S. government in 2010 which were not in place in 2011. Building activity is unlikely to improve to "normal" levels until the number of homes available for sale is reduced, foreclosure activity subsides, employment grows and housing prices stabilize further.

OSB is sold as a commodity for which sales prices fluctuate daily based on market factors over which we have little or no control. We cannot predict whether the prices of our products will remain at current levels or increase or decrease in the future. For the second quarter of 2011 and first six months of 2011, OSB prices, as reported by Random Lengths, were 42% and 27% lower than the same periods in 2010.

For additional factors affecting our results, refer to the Management Discussion and Analysis overview contained in our Annual Report on Form 10-K for the year ended December 31, 2010 and to "About Forward-Looking Statements" and "Risk Factors" in this report.

CRITICAL ACCOUNTING POLICIES AND SIGNIFICANT ESTIMATES

Presented in Note 1 of the Notes to the financial statements included in LP's Annual Report on Form 10-K for the year ended December 31, 2010 is a discussion of our significant accounting policies and significant accounting estimates and judgments. Throughout the preparation of the financial statements, we employ significant judgments in the application of accounting principles and methods. These judgments are primarily related to the assumptions used to arrive at various estimates. For the second quarter of 2011, these significant accounting estimates and judgments include:

Legal Contingencies. Our estimates of loss contingencies for legal proceedings are based on various judgments and assumptions regarding the potential resolution or disposition of the underlying claims and associated costs. In making judgments and assumptions regarding legal contingencies for ongoing class action settlements, we consider, among other things, discernible trends in the rate of claims asserted and related damage estimates and information obtained through consultation with statisticians and economists, including statistical analysis of potential outcomes based on experience to date and the experience of third parties who have been subject to product-related claims judged to be comparable. Due to the numerous variables associated with these judgments and assumptions, both the precision and reliability of the resulting estimates of the related loss contingencies are subject to substantial uncertainties. We regularly monitor our estimated exposure to these contingencies and, as additional information becomes known, may change our estimates significantly.

Environmental Contingencies. Our estimates of loss contingencies for environmental matters are based on various judgments and assumptions. These estimates typically reflect judgments and assumptions relating to the probable nature, magnitude and timing of required investigation, remediation and/or monitoring activities and the probable cost of these activities, and in some cases reflect judgments and assumptions relating to the obligation or willingness and ability of third parties to bear a proportionate or allocated share of the cost of these activities, including third parties who purchased assets from us subject to environmental liabilities. We consider the ability of third parties to pay their apportioned cost when developing our estimates. In making these judgments and assumptions related to the development of our loss contingencies, we consider, among other things, the activity to date at particular sites, information obtained through consultation with applicable regulatory authorities and third-party consultants and contractors and our historical experience at other sites that are judged to be comparable. Due to the numerous variables associated with these judgments and assumptions, and the effects of changes in governmental regulation and environmental technologies, both the precision and reliability of the resulting estimates of the related contingencies are subject to substantial uncertainties. We regularly monitor our estimated exposure to environmental loss contingencies and, as additional information becomes known, may change our estimates significantly. At June 30, 2011, we

excluded from our estimates approximately \$1.3 million of potential environmental liabilities that we estimate will be allocated to third parties pursuant to existing and anticipated future cost sharing arrangements.

Impairment of Long-Lived Assets. We review the long-lived assets held and used by us (primarily property, plant and equipment and timber and timberlands) for impairment when events or changes in circumstances indicate that the carrying amount of assets may not be recoverable. We consider the necessity of undertaking such a review at least quarterly, and also when certain events or changes in circumstances occur. Events and changes in circumstances that may necessitate such a review include, but are not limited to: a significant decrease in the market price of a long-lived asset or group of long-lived assets; a significant adverse change in the extent or manner in which a long-lived asset or group of long-lived assets is being used or in its physical condition; a significant adverse change in legal factors or in the business climate that could affect the value of a long-lived asset or group of long-lived assets, including an adverse action or assessment by a regulator; an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of a long-lived asset or group of long-lived assets; current-period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset or group of long-lived assets; and current expectation that, more likely than not, a long-lived asset or group of long-lived assets will be sold or otherwise disposed of significantly before the end of its previously estimated useful life. Identifying these events and changes in circumstances, and assessing their impact on the appropriate valuation of the affected assets under accounting principles generally accepted in the U.S., requires us to make judgments, assumptions and estimates.

In general, for assets held and used in our operations, impairments are recognized when the carrying amount of the long-lived asset or groups of long-lived assets is not recoverable and exceeds the fair value of the asset or group of assets. The carrying amount of a long-lived asset or groups of long-lived assets is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the assets or group of assets. The key assumptions in estimating these cash flows relate to future production volumes, pricing of commodity or specialty products and future estimates of expenses to be incurred as reflected in our long-range internal planning models. Our assumptions regarding pricing are based upon the average pricing over the commodity cycle (generally five years) due to the inherent volatility of commodity product pricing, and reflect our assessment of information gathered from industry research firms, research reports published by investment analysts and other published forecasts. Our assumptions regarding expenses reflect our expectation that we will continue to reduce production costs to offset inflationary impacts.

When impairment is indicated for assets held and used in our operations, the book values of the affected assets are written down to their estimated fair value, which is generally based upon discounted future cash flows associated with the affected assets. When impairment is indicated for assets to be disposed of, the book values of the affected assets are written down to their estimated fair value, less estimated selling costs. Consequently, a determination to dispose of particular assets can require us to estimate the net sales proceeds expected to be realized upon such disposition, which may be less than the estimated undiscounted future net cash flows associated with such assets prior to such determination, and thus require an impairment charge. In situations where we have experience in selling assets of a similar nature, we may estimate net sales proceeds on the basis of that experience. In other situations, we hire independent appraisers to estimate net sales proceeds.

Due to the numerous variables associated with our judgments and assumptions relating to the valuation of assets in these circumstances, and the effects of changes in circumstances affecting these valuations, both the precision and reliability of the resulting estimates of the related impairment charges are subject to substantial uncertainties and, as additional information becomes known, we may change our estimates significantly.

Income Taxes. The determination of the provision for income taxes, and the resulting current and deferred tax assets and liabilities, involves significant management judgment, and is based upon information and estimates available to management at the time of such determination. The final income tax liability to any taxing jurisdiction with respect to any calendar year will ultimately be determined long after our financial statements have been published for that year. We maintain reserves for known estimated tax exposures in federal, state and international jurisdictions; however, actual results may differ materially from our estimates.

Judgment is also applied in determining whether deferred tax assets will be realized in full or in part. When we consider it to be more likely than not that all or some portion of a deferred tax asset will not be realized, a valuation allowance is established for the amount of the deferred tax asset that is estimated not to be realizable. As of June 30, 2011, we had established valuation allowances against certain deferred tax assets, primarily related to state and foreign carryovers of net operating losses, credits and capital losses. We have not established valuation allowances against other deferred tax assets based upon tax strategies implemented or deferred tax liabilities which we anticipate to reverse within the carry forward period. Accordingly, changes in facts or circumstances affecting the likelihood of realizing a deferred tax asset could result in the need to record additional valuation allowances.

Auction Rate Securities: Our auction-rate securities represent interests in collateralized debt obligations, a portion of which are

supported by pools of residential and commercial mortgages, bank trust preferred notes and other securities. Historically, liquidity for these auction-rate securities was typically provided by an auction process that reset the applicable interest rate at pre-determined intervals, usually every 7, 28, 35 or 90 days. As of June 30, 2011, auction-rate securities that we hold had experienced multiple failed auctions as the amount of securities for sale exceeded the amount of purchase orders. Consequently, we have classified \$19.6 million (\$61.5 million, par value) of auction-rate securities as long-term available-for-sale securities.

Our estimates of the valuation of our current holdings of auction rate securities are based upon our evaluation of the structure of our auction rate securities and current market estimates of fair value, including fair value estimates from the issuing banks and indicative pricing from other parties. We review several factors to determine whether a loss is other-than-temporary. These factors include but are not limited to: (i) the length of time a security is in an unrealized loss position, (ii) the extent to which fair value is less than cost, (iii) the financial condition and near term prospects of the issuer, and (iv) our intent and ability to hold the security for a period of time sufficient to allow for any anticipated recovery in fair value. Due to the numerous variables associated with these judgments, both the precision and reliability of the resulting estimates of the related valuation allowance are subject to substantial uncertainties. We regularly monitor our estimated exposure to these investments and, as additional information becomes known, may change our estimates significantly.

Pension Plans. Most of our U.S. employees and many of our Canadian employees participate in defined benefit pension plans sponsored by LP. We account for the consequences of our sponsorship of these plans in accordance with accounting principles generally accepted in the U.S., which require us to make actuarial assumptions that are used to calculate the related assets, liabilities and expenses recorded in our financial statements. While we believe we have a reasonable basis for these assumptions, which include assumptions regarding long-term rates of return on plan assets, life expectancies, rates of increase in salary levels, rates at which future values should be discounted to determine present values and other matters, the amounts of our pension related assets, liabilities and expenses recorded in our financial statements would differ if we used other assumptions.

Workers' Compensation. We are self insured for most of our U.S. employees' workers compensation claims. We account for these plans in accordance with accounting principles generally accepted in the U.S., which require us to make actuarial assumptions that are used to calculate the related assets, liabilities and expenses recorded in our financial statements. While we believe we have a reasonable basis for these assumptions, which include assumptions regarding rates at which future values should be discounted to determine present values, expected future health care costs and other matters, the amounts of our liabilities and related expenses recorded in our financial statements would differ if we used other assumptions.

Warranty Obligations. Customers are provided with a limited warranty against certain defects associated with our products for periods of up to fifty years. We estimate the costs to be incurred under these warranties and record a liability in the amount of such costs at the time product revenue is recognized. Factors that affect our warranty liability include the historical and anticipated rates of warranty claims and the cost of resolving such. We periodically assess the adequacy of our recorded warranty liability for each product and adjust the amounts as necessary. While we believe we have a reasonable basis for these assumptions, actual warranty costs in the future could differ from our estimates.

NON-GAAP FINANCIAL MEASURES

In evaluating our business, we utilize several non-GAAP financial measures. A non-GAAP financial measure is generally defined by the SEC as one that purports to measure historical or future financial performance, financial position or cash flows, but excludes or includes amounts that would not be so excluded or included under applicable GAAP guidance. In this report on Form 10-Q, we disclose earnings (loss) from continuing operations before interest expense, taxes, depreciation and amortization ("EBITDA from continuing operations") which is a non-GAAP financial measure. Additionally, we disclose adjusted EBITDA from continuing operations which further adjusts EBITDA from continuing operations to exclude stock based compensation expense, (gain) loss on sales or impairment of long lived assets, other operating charges and credits, other than temporary investment impairment, (gain) loss on early debt extinguishment and investment income. Neither EBITDA from continuing operations nor adjusted EBITDA from continuing operations is a substitute for the GAAP measures of net income or operating cash flows or for any other GAAP measures of operating performance or liquidity.

We have included EBITDA from continuing operations and adjusted EBITDA from continuing operations in this report on Form 10-Q because we use them as important supplemental measures of our performance and believe that they are frequently used by securities analysts, investors and other interested persons in the evaluation of companies in our industry, some of which present EBITDA when reporting their results. We use EBITDA from continuing operations and adjusted EBITDA from continuing operations to evaluate our performance as compared to other companies in our industry that have different financing and capital structures and/or tax rates. It should be noted that companies calculate EBITDA and adjusted EBITDA differently and, therefore, our EBITDA and adjusted EBITDA measures may not be comparable to EBITDA and adjusted EBITDA reported by other companies. Our EBITDA and adjusted EBITDA measures have material limitations as performance measures because they exclude interest expense, income tax (benefit) expense and depreciation and amortization which are necessary to

operate our business or which we otherwise incurred or experienced in connection with the operation of our business.

The following table represents significant items by operating segment and reconciles income (loss) from continuing operations to Adjusted EBITDA from continuing operations:

(Dollar amounts in millions)
Three Months Ended June 30, 2011

	OSB	Siding	EWP	Other	Corporate	Total
Sales	\$ 140.6	\$ 118.6	\$ 53.6	\$ 49.9	\$ (0.3)	\$ 362.4
Depreciation and amortization	9.4	3.9	3.1	3.3	0.5	20.2
Cost of sales and selling and administrative	148.6	103.4	53.7	42.5	15.7	363.9
Loss on sale or impairment of long lived assets	—	—	—	—	2.5	2.5
Other operating credits and charges, net	—	—	—	—	(0.6)	(0.6)
Total operating costs	158.0	107.3	56.8	45.8	18.1	386.0
Income (loss) from operations	(17.4)	11.3	(3.2)	4.1	(18.4)	(23.6)
Total non-operating income (expense)					(10.3)	(10.3)
Income (loss) before income taxes and equity in earnings of unconsolidated affiliates	(17.4)	11.3	(3.2)	4.1	(28.7)	(33.9)
Benefit for income taxes					(8.4)	(8.4)
Equity in loss of unconsolidated affiliates	5.5	—	—	1.9	—	7.4
Income (loss) from continuing operations	(22.9)	11.3	(3.2)	2.2	(20.3)	(32.9)
Reconciliation of income (loss) from continuing operations to adjusted EBITDA from continuing operations						
Income (loss) from continuing operations	(22.9)	11.3	(3.2)	2.2	(20.3)	(32.9)
Income tax benefit	—	—	—	—	(8.4)	(8.4)
Interest expense, net of capitalized interest	—	—	—	—	14.4	14.4
Depreciation and amortization	9.4	3.9	3.1	3.3	0.5	20.2
EBITDA from continuing operations	(13.5)	15.2	(0.1)	5.5	(13.8)	(6.7)
Stock based compensation expense	0.2	0.1	0.1	—	1.0	1.4
Loss on sale or impairment of long lived assets					2.5	2.5
Investment income					(3.5)	(3.5)
Other operating credits and charges, net					(0.6)	(0.6)
Adjusted EBITDA from continuing operations	\$ (13.3)	\$ 15.3	\$ —	\$ 5.5	\$ (14.4)	\$ (6.9)

Three Months Ended June 30, 2010
(Dollar amounts in millions)

	OSB	Siding	EWP	Other	Corporate	Total
Sales	\$ 217.8	\$ 130.6	\$ 55.9	\$ 47.6	\$ (4.4)	\$ 447.5
Depreciation and amortization	9.9	5.4	3.7	2.8	0.6	22.4
Cost of sales and selling and administrative	162.7	103.4	56.6	39.3	13.7	375.7
Gain on sale or impairment of long lived assets	—	—	—	—	(0.1)	(0.1)
Other operating credits and charges, net	—	—	—	—	0.6	0.6
Total operating costs	172.6	108.8	60.3	42.1	14.8	398.6
Income (loss) from operations	45.2	21.8	(4.4)	5.5	(19.2)	48.9
Total non-operating income (expense)					(13.5)	(13.5)
Income (loss) before income taxes and equity in earnings of unconsolidated affiliates	45.2	21.8	(4.4)	5.5	(32.7)	35.4
Provision for income taxes					12.7	12.7
Equity in (income) loss of unconsolidated affiliates	(2.7)	—	—	1.8	—	(0.9)
Income (loss) from continuing operations	47.9	21.8	(4.4)	3.7	(45.4)	23.6
Reconciliation of income (loss) from continuing operations to adjusted EBITDA from continuing operations						
Income (loss) from continuing operations	47.9	21.8	(4.4)	3.7	(45.4)	23.6
Provision for income taxes	—	—	—	—	12.7	12.7
Interest expense, net of capitalized interest	—	—	—	—	17.7	17.7
Depreciation and amortization	9.9	5.4	3.7	2.8	0.6	22.4
EBITDA from continuing operations	57.8	27.2	(0.7)	6.5	(14.4)	76.4
Stock based compensation expense	0.2	0.2	0.1	—	1.6	2.1
Gain on sale or impairment of long lived assets					(0.1)	(0.1)
Investment income					(4.3)	(4.3)
Other operating credits and charges, net					0.6	0.6
Adjusted EBITDA from continuing operations	\$ 58.0	\$ 27.4	\$ (0.6)	\$ 6.5	\$ (16.6)	\$ 74.7

Six Months Ended June 30, 2011
(Dollar amounts in millions)

	OSB	Siding	EWP	Other	Corporate	Total
Sales	\$ 272.6	\$ 224.7	\$ 101.9	\$ 95.8	\$ (0.9)	\$ 694.1
Depreciation and amortization	18.7	8.2	7.3	6.4	1.0	41.6
Cost of sales and selling and administrative	278.6	192.5	103.0	81.0	32.6	687.7
Loss on sale or impairment of long lived assets	—	—	—	—	8.0	8.0
Other operating credits and charges, net	—	—	—	—	(1.4)	(1.4)
Total operating costs	297.3	200.7	110.3	87.4	40.2	735.9
Income (loss) from operations	(24.7)	24.0	(8.4)	8.4	(41.1)	(41.8)
Total non-operating income (expense)					(18.5)	(18.5)
Income (loss) before income taxes and equity in earnings of unconsolidated affiliates	(24.7)	24.0	(8.4)	8.4	(59.6)	(60.3)
Benefit for income taxes					(15.2)	(15.2)
Equity in (income) loss of unconsolidated affiliates	7.3	—	0.3	3.1	—	10.7
Income (loss) from continuing operations	(32.0)	24.0	(8.7)	5.3	(44.4)	(55.8)
Reconciliation of income (loss) from continuing operations to adjusted EBITDA from continuing operations						
Income (loss) from continuing operations	(32.0)	24.0	(8.7)	5.3	(44.4)	(55.8)
Income tax benefit	—	—	—	—	(15.2)	(15.2)
Interest expense, net of capitalized interest	—	—	—	—	28.4	28.4
Depreciation and amortization	18.7	8.2	7.3	6.4	1.0	41.6
EBITDA from continuing operations	(13.3)	32.2	(1.4)	11.7	(30.2)	(1.0)
Stock based compensation expense	0.4	0.2	0.2	—	4.0	4.8
Loss on sale or impairment of long lived assets					8.0	8.0
Investment income					(7.5)	(7.5)
Other operating credits and charges, net					(1.4)	(1.4)
Adjusted EBITDA from continuing operations	\$ (12.9)	\$ 32.4	\$ (1.2)	\$ 11.7	\$ (27.1)	\$ 2.9

Six Months Ended June 30, 2010
(Dollar amounts in millions)

	OSB	Siding	EWP	Other	Corporate	Total
Sales	\$ 335.4	\$ 220.4	\$ 104.7	\$ 88.9	\$ (4.9)	\$ 744.5
Depreciation and amortization	18.5	10.5	7.1	5.5	1.2	42.8
Cost of sales and selling and administrative	276.7	179.6	108.3	76.8	32.4	673.8
Loss on sale or impairment of long lived assets	—	—	—	—	1.2	1.2
Other operating credits and charges, net	—	—	—	—	0.5	0.5
Total operating costs	295.2	190.1	115.4	82.3	35.3	718.3
Income (loss) from operations	40.2	30.3	(10.7)	6.6	(40.2)	26.2
Total non-operating income (expense)					(22.9)	(22.9)
Income (loss) before income taxes and equity in earnings of unconsolidated affiliates	40.2	30.3	(10.7)	6.6	(63.1)	3.3
Provision for income taxes					2.4	2.4
Equity in (income) loss of unconsolidated affiliates	(3.2)	—	0.3	2.7	—	(0.2)
Income (loss) from continuing operations	43.4	30.3	(11.0)	3.9	(65.5)	1.1
Reconciliation of income (loss) from continuing operations to adjusted EBITDA from continuing operations						
Income (loss) from continuing operations	43.4	30.3	(11.0)	3.9	(65.5)	1.1
Provision for income taxes	—	—	—	—	2.4	2.4
Interest expense, net of capitalized interest	—	—	—	—	34.5	34.5
Depreciation and amortization	18.5	10.5	7.1	5.5	1.2	42.8
EBITDA from continuing operations	61.9	40.8	(3.9)	9.4	(27.4)	80.8
Stock based compensation expense	0.5	0.3	0.3	—	4.2	5.3
Loss on sale or impairment of long lived assets					1.2	1.2
Investment income					(10.2)	(10.2)
Other operating credits and charges, net					0.5	0.5
Adjusted EBITDA from continuing operations	\$ 62.4	\$ 41.1	\$ (3.6)	\$ 9.4	\$ (31.7)	\$ 77.6

RESULTS OF OPERATIONS

(Dollar amounts in millions, except per share amounts)

Our net loss attributable to LP for the second quarter of 2011 was \$35.5 million, or \$0.27 per diluted share, on sales of \$362.4 million, compared to a net income attributable to LP for the second quarter of 2010 of \$22.3 million, or \$0.16 per diluted share, on sales of \$447.5 million. For the second quarter of 2011, loss from continuing operations was \$32.9 million, or \$0.25 per diluted share, compared to income from continuing operations of \$23.6 million, or \$0.17 per diluted share, for the second quarter of 2010.

Our net loss attributable to LP for the first six months of 2011 was \$58.5 million, or \$0.45 per diluted share, on sales of \$694.1 million, compared to net loss attributable to LP for the first six months quarter of 2010 of \$0.2 million, or \$0.00 per diluted share, on sales of \$744.5 million. For the first six months of 2011, loss from continuing operations was \$55.8 million, or \$0.43 per diluted share, compared to income from continuing operations of \$1.1 million, or \$0.01 per diluted share, for the first six months of 2010.

Our results of operations for each of our segments are discussed below as well as for the “other” category, which comprises products that are not individually significant.

OSB

Our OSB segment manufactures and distributes commodity and value-added OSB structural panels.

Segment sales, operating losses, and adjusted EBITDA from continuing operations for this segment are as follows:

	Quarter Ended June 30,			Six Months Ended June 30,		
	2011	2010	Change	2011	2010	Change
Net sales	\$ 140.6	\$ 217.8	(35)%	\$ 272.6	\$ 335.4	(19)%
Operating losses	(22.9)	47.9	(148)%	(32.0)	43.4	(174)%
Adjusted EBITDA from continuing operations	(13.3)	58.0	(123)%	(12.9)	62.4	(121)%

Percent changes in average sales prices and unit shipments for the quarter and six months ended June 30, 2011 compared to the quarter and six months ended June 30, 2010 are as follows:

	Quarter Ended June 30, 2011 versus 2010		Six Months Ended June 30, 2011 versus 2010	
	Average Net Selling Price	Unit Shipments	Average Net Selling Price	Unit Shipments
OSB	(36)%	(4)%	(25)%	5%

For both the quarter and six months ended June 30, 2011, OSB prices decreased as compared to the corresponding periods in 2010. The decrease in OSB prices was likely due to weakening of the relationship between supply and demand based upon currently operating facilities across the industry as housing starts decreased during the quarter and the six month period ended June 30, 2011. The decrease in selling price unfavorably impacted operating losses and adjusted EBITDA from continuing operations by approximately \$71 million for the quarter and \$83 million for the six month period ended as compared to the corresponding periods of 2010. To balance supply and demand, we continue to have two of our ten OSB mills curtailed.

Compared to the second quarter and first six months of 2010, the primary factor for increased operating losses was the decrease in commodity OSB sales prices.

SIDING

Our siding segment produces and markets wood-based siding and related accessories, together with commodity OSB products from one mill.

Segment sales, operating profits and adjusted EBITDA from continuing operations for this segment are as follows:

	Quarter Ended June 30,			Six Months ended June 30,		
	2011	2010	Change	2011	2010	Change
Net sales	\$ 118.6	\$ 130.6	(9)%	\$ 224.7	\$ 220.4	2 %
Operating profits	11.3	21.8	(48)%	24.0	30.3	(21)%
Adjusted EBITDA from continuing operations	15.3	27.4	(44)%	32.4	41.1	(21)%

Sales in this segment by product line are as follows:

	Quarter Ended June 30,			Six Months Ended June 30,		
	2011	2010	Change	2011	2010	Change
SmartSide Siding	\$ 93.5	\$ 100.7	(7)%	\$ 174.1	\$ 167.2	4 %
Commodity OSB	6.5	13.7	(53)%	14.1	21.8	(35)%
Canoxel siding and other hardboard related products	18.6	16.2	15 %	36.5	31.4	16 %
Total	\$ 118.6	\$ 130.6	(9)%	\$ 224.7	\$ 220.4	2 %

Percent changes in average sales prices and unit shipments for the quarter and six month period ended June 30, 2011 compared to the quarter and six month period ended June 30, 2010 are as follows:

	Quarter Ended June 30, 2011 versus 2010		Six Months Ended June 30, 2011 versus 2010	
	Average Net Selling Price	Unit Shipments	Average Net Selling Price	Unit Shipments
SmartSide Siding	2 %	(8)%	1 %	3 %
Commodity OSB	(38)%	(24)%	(24)%	(15)%
Canexel siding	22 %	(6)%	20 %	(4)%

For the second quarter of 2011 compared to the corresponding period in 2010, sales volumes decreased in our SmartSide siding line due to a sales price increase which was implemented at the beginning of the second quarter (announced during the first quarter of 2011) which pulled forward demand as well as customers reducing inventory due to continued weakened demand primarily in the retail markets. Sales for the six month period ended June 30, 2011 as compared to the same period in 2010, we continued to increase in sales volumes due to continued market penetration in several key market areas. Sales prices in our SmartSide siding product line for both the quarter and six month periods June 30, 2011 as compared to the corresponding periods of 2010 increased due to the previously announced sales price increase which were offset by changes in product mix.

For both the second quarter and first six months of 2011 compared to the same periods in the prior year, sales volumes declined in our Canexel siding lines due to weakening in the Canadian housing market. In our Canexel product line, sales prices increased in the second quarter and first six months of 2011 as compared to the corresponding periods of last year due to the impact of the strengthening Canadian dollar as a majority of these sales are made in Canada, alignment to a richer product mix as well as a price increase which was implemented in August of 2010.

For both the second quarter and first six months of 2011 as compared to the same periods in the prior year, sales prices and volumes declined in our commodity OSB products as discussed in the OSB segment above. The decrease in selling price unfavorably impacted operating losses and adjusted EBITDA from continuing operations by approximately \$4.0 million for the quarter and \$4.5 million for the six month period as compared to the corresponding periods of 2010.

Overall, the decline in operating results for our siding segment for the second quarter and six months ended June 30, 2011 compared to the same periods of 2010 was primarily due to reduced OSB pricing and raw material pricing increases that were partially offset by sales price increase in both our SmartSide as well as Canexel product lines.

ENGINEERED WOOD PRODUCTS

Our engineered wood products (EWP) segment manufactures and distributes laminated veneer lumber (LVL), I-Joists, laminated strand lumber (LSL) and other related products. This segment also includes the sale of I-Joist and LVL products produced by the AbitibiBowater-LP or under a sales arrangement.

Segment sales, operating losses and adjusted EBITDA from continuing operations for this segment are as follows:

	Quarter Ended June 30,			Six months ended June 30,		
	2011	2010	Change	2011	2010	Change
Net sales	\$ 53.6	\$ 55.9	(4)%	\$ 101.9	\$ 104.7	(3)%
Operating losses	(3.2)	(4.4)	27 %	(8.7)	(10.9)	20 %
Adjusted EBITDA from continuing operations	—	(0.6)	100 %	(1.2)	(3.6)	67 %

Sales in this segment by product line are as follows:

	Quarter Ended June 30,			Six Months Ended June 30,		
	2011	2010	Change	2011	2010	Change
LVL/LSL	\$ 29.0	\$ 27.5	5 %	\$ 52.1	49.5	5 %
I-Joist	16.6	22.3	(26)%	29.6	40.9	(28)%
Related products	8.0	6.1	31 %	20.2	14.3	41 %
Total	\$ 53.6	\$ 55.9	(4)%	\$ 101.9	\$ 104.7	(3)%

Percent changes in average sales prices and unit shipments for the quarter and six month periods ended June 30, 2011 compared

to the quarter and six months ended June 30, 2010 are as follows:

	Quarter Ended June 30, 2011 versus 2010		Six Months Ended June 30, 2011 versus 2010	
	Average Net Selling Price	Unit Shipments	Average Net Selling Price	Unit Shipments
LVL/LSL	2%	(1)%	5%	(5)%
I-Joist	3%	(29)%	6%	(32)%

During the second quarter and first six months of 2011 compared to the corresponding periods of 2010, we saw decreases in sales volumes in both LVL/LSL and I-Joist due to decreased housing demand, while net average selling prices increased in both I-Joist and LVL/LSL. Our focus in the EWP segment continues to be on reductions in conversion costs, better geographic manufacturing and distribution, and maintaining key customer relationships. Included in this segment is a plywood operation, which primarily produces plywood as a by-product from the LVL production process.

For the second quarter and first six months of 2011 compared to the corresponding periods of 2010, the results of operations for EWP were improved due to higher sales price and continued improvements in our LSL facility which offset lower volumes.

OTHER PRODUCTS

Our other products category includes a moulding business, South American operations, export sales and a joint venture that produces and sells cellulose insulation. This category also includes remaining timber and timberlands and other minor products, services and operations closed prior to January 1, 2002.

Segment sales, operating profits and adjusted EBITDA from continuing operations for this category are as follows:

	Quarter Ended June 30,			Six Months Ended June 30,		
	2011	2010	Change	2011	2010	Change
Net sales	\$ 49.9	\$ 47.6	5 %	\$ 95.8	\$ 88.9	8%
Operating profits (losses)	2.2	3.7	(41)%	5.3	3.7	43%
Adjusted EBITDA from continuing operations	5.5	6.5	(15)%	11.7	9.4	24%

Sales in this segment by operation are as follows:

	Quarter Ended June 30,			Six Months Ended June 30,		
	2011	2010	Change	2011	2010	Change
Moulding	\$ 7.4	\$ 7.6	(3)%	\$ 15.2	\$ 16.8	(10)%
Chilean operations	23.4	25.8	(9)%	46.3	44.0	5 %
Brazilian operations	16.1	11.0	46 %	28.4	21.9	30 %
Other	3.0	3.2	(6)%	5.9	6.2	(5)%
Total	\$ 49.9	\$ 47.6	5 %	\$ 95.8	\$ 88.9	8 %

For the second quarter and first six months of 2011 compared to the corresponding periods of 2010, sales in our moulding operation were lower due to initial purchases by a new customer in the first six months of 2010. Sales in our Brazil operations increased as we continued to penetrate local and export markets. Sales in our Chilean market were slightly lower in the second quarter however for the six month period ended June 30, 2011 compared to the same period in the prior year, we continue to see increased penetration. Our U.S. Greenfiber joint venture saw decreased sales as well as increased raw material costs.

Overall, operating results associated with these activities were positively impacted by improvements in our Chilean operation which partially offset reduced operating results in moulding and our U.S. Greenfiber joint venture.

GENERAL CORPORATE AND OTHER EXPENSE, NET

For the second quarter and first six months of 2011 compared to the corresponding periods of 2010, general corporate expenses decreased 9 percent and 9 percent and overall selling and administrative expenses decreased by 6 percent and 5 percent. General corporate and other expenses primarily consist of corporate overhead such as wages and benefits for corporate and sales personnel, professional fees, insurance and other expenses. The decrease in general corporate expenses as well as overall

selling and administrative is primarily related to changes in the management incentive program between periods as well as continued cost containment.

INTEREST EXPENSE AND INVESTMENT INCOME

Components of interest expense, net of investment income, are as follows:

Dollar amounts in millions	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Investment income	\$ 3.4	\$ 5.0	\$ 6.9	\$ 10.4
SERP market adjustments	0.1	(0.7)	0.6	(0.2)
Investment income	3.5	4.3	7.5	10.2
Interest expense	(13.6)	(17.0)	(26.9)	(33.0)
Amortization of debt charges	(0.8)	(0.7)	(1.5)	(1.5)
Interest expense, net of capitalized interest	(14.4)	(17.7)	(28.4)	(34.5)
Foreign currency gains (losses)	0.6	(0.1)	2.4	1.4
Other non-operating expense	0.6	(0.1)	2.4	1.4
Total non-operating income (expense)	\$ (10.3)	\$ (13.5)	\$ (18.5)	\$ (22.9)

INCOME TAXES

For the second quarter and first six months of 2011, we recorded an income tax benefit on continuing operations of 20% and 21% as compared to 35% and 69% in the comparable periods of 2010. The primary difference between the U.S. statutory rate of 35% and the effective rate applied to continuing operations for the first six months of 2011 relates to state income taxes, the effect of foreign tax rates and increases in valuation allowances due to net operating loss carry forwards in various jurisdictions. For the six months of 2010, the primary differences between the U.S. statutory rate of 35% and the effective rate applicable to our continuing operations relate to state income taxes, the effect of foreign tax rates and a discrete adjustment for state income taxes.

DEFINED BENEFIT PENSION PLANS

We maintain several qualified and non-qualified defined benefit pension plans in the U.S. and Canada that cover a substantial portion of our employees. See Note 13 of the Notes to financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2010 for further information on our plans. We estimate that our net periodic pension cost for 2011 will be approximately \$5.7 million. If a curtailment or settlement occurs in 2011, this estimate may change significantly. We estimate that we will contribute approximately \$10 to \$12 million to our defined benefit pension plans in 2011. At December 31, 2010, we had \$115.1 million of net actuarial loss and \$1.0 million of prior service cost included in accumulated other comprehensive loss. Of these amounts, we expect to recognize a net actuarial loss of \$3.5 million as a component of net periodic pension cost in 2011, which will account for approximately 62% of our estimated 2011 net periodic pension cost.

LEGAL AND ENVIRONMENTAL MATTERS

For a discussion of legal and environmental matters involving us and the potential impact thereof on our financial position, results of operations and cash flows, see Items 3, 7 and 8 in our Annual Report on Form 10-K for the year ended December 31, 2010, Note 18 to the Notes to the financial statements contained therein.

HARDBOARD SIDING LITIGATION UPDATE

The following update should be read in conjunction with the discussion of our hardboard siding litigation set forth in Note 18 of the Notes to financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2010.

Cumulative statistics under hardboard settlements are as follows:

	June 30, 2011
Completed claims received	86,900
Claims dismissed	14,500
Claims settled	74,000

The average payment amount for settled claims as of June 30, 2011 was \$1,000. Dismissal of claims is typically the result of claims for product not produced by LP or predecessor companies or claims that lack sufficient information or documentation after repeated efforts to correct those deficiencies.

LIQUIDITY AND CAPITAL RESOURCES

OVERVIEW

Our principal sources of liquidity are existing cash and investment balances, cash generated by our operations and our ability to borrow under credit facilities. We may also from time to time issue and sell equity, debt or hybrid securities or engage in other capital market transactions.

Our principal uses of liquidity are paying the costs and expenses associated with our operations, servicing outstanding indebtedness and making capital expenditures. We may also from time to time prepay or repurchase outstanding indebtedness, repurchase shares of our common stock and acquire assets or businesses that are complementary to our operations. Any such repurchases may be commenced, suspended, discontinued or resumed, and the method or methods of effecting any such repurchases may be changed, at any time or from time to time without prior notice.

We expect to be able to meet the future cash requirements of our existing businesses through cash expected to be generated from operations, existing cash and investment balances, existing credit facilities and other capital resources. The following discussion provides further details of our liquidity and capital resources.

OPERATING ACTIVITIES

During the first six months of 2011, we used \$39.0 million of cash from operating activities compared to cash provided of \$35.6 million in the first six months of 2010. The increase in cash used by operating activities in the first six months of 2011 was primarily related to the receipt of \$46.8 million tax refund in the first six months of 2010.

During the first six months of 2011, our accounts receivable declined due to lower sales volume across all product lines as well as lower OSB pricing. No substantial change in credit terms or number of days outstanding occurred. Inventory increased based on our requirements to increase log inventory due to the inability to harvest logs during the spring break up. Accounts payable decreased slightly.

INVESTING ACTIVITIES

During the first six months of 2011, cash provided from investing activities was approximately \$5.6 million. Capital expenditures in the first six months of 2011 were \$8.0 million. Additionally, we contributed \$3.1 million to our joint ventures for working capital requirements. During the first six months, we reduced our restricted cash under letters of credit or credit facility requirements by \$16.4 million primarily associated with the renegotiation of our Chilean loan. Included in "Accounts payable" is \$0.8 million related to capital expenditures that had not yet been paid as of June 30, 2011.

During the first six months of 2010, cash provided from investing activities was approximately \$122.2 million. Capital expenditures in the first six months of 2010 were \$5.4 million. Additionally, we received \$6.1 million from our joint ventures

and \$1.2 million in the sale of assets. We received \$115.1 million in principal payments on our notes receivable from asset sales. Restricted cash was reduced by \$5.2 million. Included in "Accounts payable" was \$1.5 million related to capital expenditures that had not yet been paid as of June 30, 2010.

Capital expenditures in 2011 are expected not to exceed \$25 million related to projects critical for continuing operations.

FINANCING ACTIVITIES

During the first six months of 2011, we redeemed the non-controlling interest associated with the 25% ownership of our Brazilian OSB operation for \$24.0 million. In connection with this redemption, we borrowed \$4.5 million under a short term Chilean working capital loan. As part of our on-going cost reduction activities, we renegotiated our Chilean loan which required us to pay a financing fee of \$1.0 million allowing us to release our restricted cash associated with letters of credit supporting Chilean borrowings and lower the interest rate on this loan.

During the first six months of 2010, we repaid \$113.8 million of our limited recourse notes payable.

CREDIT AGREEMENTS

We have a credit facility which provides for a committed asset-based borrowing capacity of up to \$100 million, with a \$60 million sublimit for U.S. letters of credit and a \$10 million sublimit for Canadian letters of credit. The credit facility is scheduled to end in September of 2012.

The availability of credit under the credit facility is subject to a borrowing base, which is calculated based upon certain percentages of accounts receivable and inventory and at any given time may limit the amount of borrowings and letters of credit otherwise available under the facility. In addition, the credit facility contains a covenant requiring us to maintain a fixed charge coverage ratio of at least 1.1 to 1.0 at any time that our unused borrowing base capacity after adjustment to exclude certain past due trade payables falls below \$15 million. This covenant effectively precludes us from using all or a portion of the last \$15 million of our unused borrowing base capacity, if, before or immediately after such use, we would not satisfy the minimum fixed charge coverage ratio. At June 30, 2011, we had \$79.6 million of unused borrowing base capacity under the credit facility. The credit facility allows us to pledge, as security for our reimbursement obligations in respect of letters of credit issued under the facility, cash collateral in an amount not less than 105% of the of the stated amount of such letters of credit. The above-described preclusion to our utilization of \$15 million of the capacity otherwise available under the facility does not apply to such cash collateralized letters of credit. At June 30, 2011, we had no borrowings outstanding under the facility. Outstanding under this facility at June 30, 2011 were \$11.6 million in letters of credit which were collateralized by \$12.5 million of cash. Based upon our available cash balances, we do not currently anticipate using this facility except to obtain and maintain letters of credit. Additionally, we expect that our fixed charge coverage ratio may fall below 1.1 to 1.0 from time to time during 2011, and, accordingly we will be subject to the limitation on our ability to fully utilize our adjusted borrowing base capacity as described above during such time. As a result, our ability to obtain and maintain non-cash collateralized letters of credit under this facility may become constrained to an amount that does not exceed the excess of our adjusted borrowing base over \$15 million.

Subject to certain exceptions, obligations under the credit facility are secured by, among other things, a first-priority lien on our present and future receivables, inventory and certain general intangibles, and by a second-priority lien on substantially all of our domestic property, plant and equipment, and are guaranteed by certain of our subsidiaries.

The credit facility contains customary covenants applicable to us and our subsidiaries, other than certain unrestricted subsidiaries, including certain financial covenants as well as restrictions on, among other things, our ability to: incur debt; incur liens; declare or make distributions to our stockholders; make loans and investments; repay debt; enter into mergers, acquisitions and other business combinations; form or acquire subsidiaries; amend or modify our governing documents; enter into hedging arrangements; engage in other businesses other than our business as currently conducted; and enter into transactions with affiliates. The credit facility also contains customary events of default, the occurrence of which could result in the acceleration of our obligation to repay the indebtedness outstanding thereunder.

Obligations under the indenture governing our Senior Secured Notes due 2017 are, in general, secured by a first-priority lien on the collateral that secures obligations under the credit facility on a second-priority basis, and by a second-priority lien on the collateral that secures obligations under the credit facility on a first-priority basis, subject to the terms of an intercreditor agreement, and are guaranteed by the subsidiaries that guarantee obligations under the credit facility.

The indenture contains customary covenants applicable to us and our subsidiaries, other than certain unrestricted subsidiaries, including restrictions on actions and activities that are restricted under the credit facility. The indenture also contains customary

events of defaults, the occurrence of which could result in acceleration of our obligations to repay the indebtedness outstanding thereunder.

OTHER LIQUIDITY MATTERS

As of June 30, 2011, we had \$19.6 million (\$61.5 million, par value) of principal invested in auction rate securities (ARS). The ARS held by us are securities with long-term nominal maturities for which the interest rates were historically reset through a Dutch auction each month. Subsequent to June 30, 2011, we sold \$18.5 million (\$35.9 million, par value) of these securities for cash proceeds of \$18.7 million plus accrued interest.

We review our marketable securities routinely for other-than-temporary impairment. The primary factors LP uses to determine if an impairment charge must be recorded because a decline in value of the security is other than temporary include (i) whether the fair value of the investment is significantly below its cost basis, (ii) the financial condition of the issuer of the security (including its credit rating), (iii) the length of time that the cost of the security has exceeded its fair value and (iv) LP's intent and ability to retain the investment for a period of time sufficient to allow for any anticipated recovery in market value.

If uncertainties in the credit and capital markets continue, these markets deteriorate further or we experience any ratings downgrades on any investments in our portfolio (including on ARS), we may incur additional impairments to our investment portfolio, which could negatively affect our financial condition, results of operations and cash flow.

POTENTIAL IMPAIRMENTS

We continue to review several mills and investments for potential impairments. Management currently believes we have adequate support for the carrying value of each of these assets based upon the anticipated cash flows that result from our estimates of future demand, pricing and production costs assuming certain levels of planned capital expenditures. As of June 30, 2011, the undiscounted cash flows for the facilities indefinitely curtailed support the conclusion that no impairment is necessary for those facilities. However, should the markets for our products continue to remain at levels significantly below cycle average pricing or should we decide to invest capital in alternative projects, it is possible that we will be required to record further impairment charges.

We also review from time to time possible dispositions of various assets in light of current and anticipated economic and industry conditions, our strategic plan and other relevant factors. Because a determination to dispose of particular assets can require management to make assumptions regarding the transaction structure of the disposition and to estimate the net sales proceeds, which may be less than previous estimates of undiscounted future net cash flows, we may be required to record impairment charges in connection with decisions to dispose of assets.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

A portion of our outstanding debt bears interest at variable rates and accordingly is sensitive to changes in interest rates. Interest rate changes would result in gains or losses in the market value of our debt portfolio due to differences in market interest rates and the rates at the inception of the debt agreements. Offsetting the variable rate debt are variable rate notes receivable from asset sales. Based upon the balances of the variable rate notes receivable from asset sales and the variable rate debt at June 30, 2011, a 100 basis point interest change would impact pre-tax net income and cash flows by \$0.4 million annually.

Our international operations have exposure to foreign currency rate risks, primarily due to fluctuations in the Canadian dollar, Brazilian real and the Chilean peso. Although we have in the past entered into foreign exchange contracts associated with certain of our indebtedness and may continue to enter into foreign exchange contracts associated with major equipment purchases to manage a portion of the foreign currency rate risk, we historically have not entered into material currency rate hedges with respect to our exposure from operations, although we may do so in the future.

Some of our products are sold as commodities and therefore sales prices fluctuate daily based on market factors over which we have little or no control. The most significant commodity product we sell is OSB. Based upon an assumed annual production capacity (including our joint venture operation) of 5.0 billion square feet (3/8" basis) or 4.3 billion square feet (7/16" basis), a \$1 change in the annual average price on 7/16" basis would change annual pre-tax profits by approximately \$4.3 million. Because of the decline in the housing market and related indefinitely curtailed facilities in our OSB business, we expect that our near-term volumes will be significantly below our capacity.

We historically have not entered into material commodity futures and swaps, although we may do so in the future.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer and Chief Financial Officer have carried out, as of June 30, 2011, with the participation of LP's management, an evaluation of the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) under the Securities Exchange Act (the "Act"). Based upon this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that LP's disclosure controls and procedures are effective to provide reasonable assurance that material information required to be disclosed by us in reports we file under the Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and that information required to be disclosed by us in the reports we file or submit under the Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There were no changes in our internal control over financial reporting that occurred during our most recently completed fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
SUMMARY OF PRODUCTION VOLUMES ⁽¹⁾

The following table sets forth production volumes for the quarter and six months ended June 30, 2011 and 2010.

	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Oriented strand board, million square feet 3/8" basis ⁽¹⁾	811	846	1,571	1,510
Oriented strand board, million square feet 3/8" basis (produced by wood-based siding mills)	41	54	87	102
Wood-based siding, million square feet 3/8" basis	201	226	422	429
Engineered I-Joist, million lineal feet ⁽¹⁾	16	21	29	43
Laminated veneer lumber (LVL), thousand cubic feet ⁽¹⁾ and laminated strand lumber (LSL), thousand cubic feet	1,727	1,885	3,356	3,389

(1) Includes volumes produced by joint venture operations and sold to LP or through sales arrangements.

INDUSTRY PRODUCT TRENDS

The following table sets forth the average wholesale price of OSB in the United States for the periods specified in dollars per 1,000 square feet.

	OSB N. Central 7/16" Basis
Annual Average	
2005	320
2006	210
2007	146
2008	172
2009	163
2010 1 st Qtr. Avg.	214
2010 2 nd Qtr. Avg.	295
2011 1 st Qtr. Avg.	198
2011 2 nd Qtr. Avg.	172

Source: *Random Lengths*

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

The description of certain legal and environmental matters involving LP set forth in Part I of this report under “Note 15 – Contingency Reserves” is incorporated herein by reference.

Item 1A. Risk Factors.

You should be aware that the occurrence of any of the events described in this Risk Factors section and elsewhere in this report or in any other of our filings with the SEC could have a material adverse effect on our business, financial position, results of operations and cash flows. In evaluating us, you should consider carefully, among other things, the risks described below and the matters described in “About Forward-Looking Statements.”

Cyclical industry conditions and commodity pricing have and may continue to adversely affect our financial condition and results of operations. Our operating results reflect the general cyclical pattern of the building products industry. Demand for our products correlates to a significant degree to the level of residential construction activity in North America, which historically has been characterized by significant cyclicity. This cyclicity is influenced by a number of factors, including the supply of new and existing homes on the market, of which existing homes are currently at above average levels, the level of unemployment, which has been increasing in recent periods, longer-term interest rates, which in recent years have been at relatively low levels, the availability of mortgage financing, which has recently declined, and mortgage foreclosure rates, which are higher than normal. A significant increase in longer-term interest rates, a prolonged decline in the availability of mortgage financing, or the occurrence of other events that reduce levels of residential construction activity could have a material adverse effect on our financial condition, results of operations and cash flows. Our primary product, OSB, and a significant portion of our raw materials are globally traded commodity products. In addition, our products are subject to competition from manufacturers worldwide. Historical prices for our products have been volatile, and we, like other participants in the building products industry, have limited influence over the timing and extent of price changes for our products. Product pricing is significantly affected by the relationship between supply and demand in the building products industry. Product supply is influenced primarily by fluctuations in available manufacturing capacity. Demand is affected by the state of the economy in general and a variety of other factors. The level of new residential construction activity and home repair and remodeling activity primarily affects the demand for our building products. Demand is also subject to fluctuations due to changes in economic conditions, interest rates, population growth, weather conditions and other factors. We are not able to predict with certainty market conditions and selling prices for our products. In this competitive environment with so many variables for which we do not control, we cannot assure you that prices for our products will not decline from current levels. A prolonged and severe weakness in the markets for one or more of our principal products, particularly OSB, could seriously harm our financial condition and results of operations and our ability to satisfy our cash requirements, including the payment of interest and principal on our debt.

We have a high degree of product concentration. OSB accounted for about 46% of our North American sales in the first six months of 2011 and 53% of our sales in the first six months of 2010 and we expect OSB sales to continue to account for a substantial portion of our revenues and profits in the future. Concentration of our business in the OSB market further increases our sensitivity to commodity pricing and price volatility. In this competitive environment with so many variables for which we do not control, we cannot assure you that pricing for OSB or our other products will not decline from current levels.

Intense competition in the building products industry could prevent us from increasing or sustaining our net sales and profitability. The markets for our products are highly competitive. Our competitors range from very large, fully integrated forest and building products firms to smaller firms that may manufacture only one or a few types of products. We also compete less directly with firms that manufacture substitutes for wood building products. Many of our competitors have greater financial and other resources than we do, and certain of the mills operated by our competitors may be lower-cost producers than the mills operated by us.

Our results of operations may be harmed by potential shortages of raw materials and increases in raw material costs. The most significant raw material used in our operations is wood fiber. For the year ended December 31, 2010, we obtained about 73% of our wood fiber requirements in the open market. Wood fiber is subject to commodity pricing, which fluctuates on the basis of market factors over which we have no control. In addition, the cost of various types of wood fiber that we purchase in the market has at times fluctuated greatly because of governmental, economic or industry conditions, and may be affected by increased demand resulting from initiatives to increase the use of biomass materials in the production of heat, power, biobased products and biofuels. In addition to wood fiber, we also use a significant quantity of various resins in our manufacturing processes. Resin product costs are influenced by changes in the prices or availability of raw materials used to produce resins,

primarily petroleum products, as well as demand for and availability of resin products. Selling prices of our products have not always increased in response to raw material cost increases. We are unable to determine to what extent, if any, we will be able to pass any future raw material cost increases through to our customers through product price increases. Our inability to pass increased costs through to our customers could have a material adverse effect on our financial condition, results of operations and cash flows.

Many of the Canadian forestlands also are subject to the constitutionally protected treaty or common-law rights of the aboriginal peoples of Canada. Most of British Columbia is not covered by treaties and, as a result, the claims of British Columbia's aboriginal peoples relating to forest resources are largely unresolved, although many aboriginal groups are actively engaged in treaty discussions with the governments of British Columbia and Canada. Final or interim resolution of claims brought by aboriginal groups are expected to result in additional restrictions on the sale or harvest of timber and may increase operating costs and affect timber supply and prices in Canada. It is possible that, over the long term, such claims could have an adverse effect on our business, financial condition and results of operations. In addition, there is proposed legislation in Quebec which could be enacted as early as 2013 which could materially impact our ability to harvest and therefore the valuation of our associated timber licenses in Quebec.

We depend on our senior management team and other key employees, and significant attrition within our management team could adversely affect our business. Our success depends in part on our ability to attract, retain, and motivate senior management and other key employees. Achieving this objective may be difficult due to cost reduction activities, and the effectiveness of our compensation programs. Competition for qualified personnel can be very intense. We must continue to recruit, retain, and motivate senior management and other key employees sufficient to maintain our current business and support our future projects. Cost-cutting measures that have reduced compensation make us vulnerable to attrition among our current senior management team and other key employees, and may make it difficult for us to hire additional senior managers and other key employees. A loss of any such personnel, or the inability to recruit and retain qualified personnel in the future, could have an adverse effect on our business, financial condition, and results of operations.

Our operations require substantial capital. Capital expenditures for expansion or replacement of existing facilities or equipment or to comply with future changes in environmental laws and regulations may be substantial. Although we maintain our production equipment with regular periodic and scheduled maintenance, we cannot assure you that key pieces of equipment in our various production processes will not need to be repaired or replaced or that we will not incur significant additional costs associated with environmental compliance. The costs of repairing or replacing such equipment and the associated downtime of the affected production line could have a material adverse effect on our financial condition, results of operations and cash flow. If for any reason we are unable to provide for our operating needs, capital expenditures and other cash requirements on economic terms, we could experience a material adverse effect on our business, financial condition, results of operations and cash flows.

Our pension and health care costs are subject to numerous factors which could cause these costs to change. We have defined benefit pension plans covering substantially all U.S. and Canadian employees. We provide retiree health care benefits to certain of our U.S. salaried and certain hourly employees. Our pension costs are dependent upon numerous factors resulting from actual plan experience and assumptions of future experience. Pension plan assets are primarily made up of equity and fixed income investments. Fluctuations in actual equity market returns; changes in general interest rates and changes in the number of retirees may result in increased pension costs in future periods. Likewise, changes in assumptions regarding current discount rates and expected rates of return on plan assets could also increase pension and health care costs. Although we froze our U.S. defined benefit plan in January 2010 in terms of future service credits, we continue to be subject to market risk on pension plan assets as well as discount rates on long-term obligations. Significant changes in any of these factors could adversely affect our cash flows, financial condition and results of operations.

Our pension plans are currently underfunded, and over time we will be required to make cash payments to the plans, reducing the cash available for our business. We record a liability associated with our pension plans equal to the excess of the benefit obligation over the fair value of plan assets. The benefit liability recorded under the provisions of Accounting Standards Codification (ASC) 715, "Compensation – Retirement Benefits," at December 31, 2010 was \$61 million. Although we expect to have no obligation to fund our plans in 2011, we continually reassess the amount and timing of any discretionary contributions and have elected to make such a contribution in 2011. Regardless of whether we make a discretionary contribution in 2011, over the next several years we will make contributions to the plans that are likely to be material. The amount of such contributions will depend upon a number of factors, principally the actual earnings and changes in values of plan assets, changes in interest rates and the impact of possible funding relief legislation currently under consideration in the U.S. Congress.

A portion of our operations are conducted by joint ventures that we cannot operate solely for our benefit. We conduct a portion of our operations through joint ventures. In joint ventures we share ownership and management of a company with one or more

parties who may or may not have the same goals, strategies, priorities or resources as we do. In general, joint ventures are intended to be operated for the benefit of all co-owners, rather than for our exclusive benefit. Operating a business as a joint venture often requires additional organizational formalities as well as time-consuming procedures for sharing information and making decisions. In joint ventures, we are required to pay more attention to our relationship with our co-owners as well as with the joint venture, and if a co-owner changes, our relationship may be adversely affected. In addition, the benefits from a successful joint venture are shared among the co-owners, so that we do not receive all the benefits from our joint ventures.

We depend on third parties for transportation services and increases in costs and the availability of transportation could materially and adversely affect our business and operations. Our business depends on the transportation of a large number of products, both domestically and internationally. We rely primarily on third parties for transportation of the products we manufacture and/or distribute as well as for delivery of our raw materials. In particular, a significant portion of the goods we manufacture and raw materials we use are transported by railroad or trucks, which are highly regulated. If any of our third-party transportation providers were to fail to deliver the goods we manufacture or distribute in a timely manner, we may be unable to sell those products at full value or at all. Similarly, if any of these providers were to fail to deliver raw materials to us in a timely manner, we may be unable to manufacture our products in response to customer demand. In addition, if any of these third parties were to cease operations or cease doing business with us, we may be unable to replace them at reasonable cost. Any failure of a third-party transportation provider to deliver raw materials or finished products in a timely manner could harm our reputation, negatively affect our customer relationships and have a material adverse effect on our financial condition and results of operation. In addition, an increase in transportation rates or fuel surcharges could materially and adversely affect our sales and profitability.

We are subject to significant environmental regulation and environmental compliance expenditures and liabilities. Our businesses are subject to many environmental laws and regulations, particularly with respect to discharges of pollutants and other emissions on or into land, water and air, and the disposal and remediation of hazardous substances or other contaminants and the restoration and reforestation of timberlands. Compliance with these laws and regulations is a significant factor in our business. We have incurred and expect to continue to incur significant expenditures to comply with applicable environmental laws and regulations. Moreover, some or all of the environmental laws and regulations to which we are subject could become more stringent in the future. Our failure to comply with applicable environmental laws and regulations and permit requirements could result in civil or criminal fines or penalties or enforcement actions, including regulatory or judicial orders enjoining or curtailing operations or requiring corrective measures, installation of pollution control equipment or remedial actions.

Some environmental laws and regulations impose liability and responsibility on present and former owners, operators or users of facilities and sites for contamination at such facilities and sites without regard to causation or knowledge of contamination. In addition, we occasionally evaluate various alternatives with respect to our facilities, including possible dispositions or closures. Investigations undertaken in connection with these activities may lead to discoveries of contamination that must be remediated, and closures of facilities may trigger compliance requirements that are not applicable to operating facilities. Consequently, we cannot assure you that existing or future circumstances or developments with respect to contamination will not require significant expenditures by us.

We are involved in various environmental matters, product liability and other legal proceedings. The outcome of these matters and proceedings and the magnitude of related costs and liabilities are subject to uncertainties. The conduct of our business involves the use of hazardous substances and the generation of contaminants and pollutants. In addition, the end-users of many of our products are members of the general public. We currently are and from time to time in the future will be involved in a number of environmental matters and legal proceedings, including legal proceedings involving anti-trust, warranty or non-warranty product liability claims, negligence and other claims, including claims for wrongful death, personal injury and property damage alleged to have arisen out of the use by others of our or our predecessors' products or the release by us or our predecessors of hazardous substances. Environmental matters and legal matters and proceedings, including class action settlements relating to certain of our products, have in the past caused and in the future may cause us to incur substantial costs. We have established contingency reserves in our consolidated financial statements with respect to the estimated costs of existing environmental matters and legal proceedings to the extent that our management has determined that such costs are both probable and reasonably estimable as to amount. However, such reserves are based upon various estimates and assumptions relating to future events and circumstances, all of which are subject to inherent uncertainties. We regularly monitor our estimated exposure to environmental and litigation loss contingencies and, as additional information becomes known, may change our estimates significantly. However, no estimate of the range of any such change can be made at this time. We may incur costs in respect of existing and future environmental matters and legal proceedings as to which no contingency reserves have been established. We cannot assure you that we will have sufficient resources available to satisfy the related costs and expenses associated with these matters and proceedings.

The valuation of our investment in auction-rate securities (ARS) is subject to uncertainties that are difficult to predict. With the liquidity issues experienced in global credit and capital markets, the ARS held by us have experienced multiple failed auctions as the amount of securities submitted for sale has exceeded the amount of purchase orders. Given the failed auctions, the values

of our ARS have been adversely affected. Factors that may further impact the valuation of our ARS include changes to credit ratings of the securities as well as to the underlying assets supporting those securities, rates of default of the underlying assets, underlying collateral value, discount rates, counterparty risk and ongoing strength and quality of market credit and liquidity. If uncertainties in the credit and capital markets continue, these markets deteriorate further or we experience additional ratings downgrades on any investments in our portfolio (including our ARS), we may incur additional impairments to our investment portfolio, which could negatively affect our financial condition, results of operations and cash flows.

Settlements of tax exposures may exceed the amounts we have established for known estimated tax exposures. We maintain reserves for known estimated tax exposures in federal, state and international jurisdictions and uncertain tax positions. Significant income tax exposures may include potential challenges to intercompany pricing, the treatment of financing, acquisition and disposition transactions, the use of hybrid entities and other matters. These exposures are settled primarily through the closure of audits with the taxing jurisdictions and, on occasion, through the judicial process, either of which may produce a result inconsistent with past estimates. We believe that we have established appropriate reserves for estimated exposures; however, if actual results differ materially from our estimates we could experience a material adverse effect on our financial condition, results of operations and cash flows.

Fluctuations in foreign currency exchange rates could result in currency exchange losses. A significant portion of our operations are conducted through foreign subsidiaries. The functional currency for our Canadian subsidiary is the U.S. dollar. The financial statements of this foreign subsidiary are remeasured into U.S. dollars using the historical exchange rate for property, plant and equipment, timber and timberlands, equity and certain other non-monetary assets and liabilities and related depreciation and amortization on these assets and liabilities. These transaction gains or losses are recorded in foreign exchange gains (losses) in the income statement. The functional currency of our Chilean subsidiary is the Chilean *peso* and the functional currency in our Brazil subsidiary is the Brazilian *real*. Translation adjustments, which are based upon the exchange rate at the balance sheet date for assets and liabilities and the weighted average rate for the income statement, are recorded in the Accumulated Comprehensive Income (Loss) section of Stockholders' Equity. Therefore, a movement of the Canadian dollar, the Chilean *peso* or the Brazilian *real* relative to the U.S. dollar may have a material adverse effect on our financial condition and results of operations.

Our ability to service our indebtedness, to refinance our indebtedness or to fund our other liquidity needs is subject to various risks. Our ability to make scheduled payments on and to refinance our indebtedness depends on and is subject to our financial and operating performance, which in turn is affected by general and regional economic, financial, competitive, business and other factors, including the availability of financing in the banking and capital markets as well as the other risks described herein. In particular, demand for our products correlates to a significant degree to the level of residential construction activity in North America, which historically has been characterized by significant cyclicality. Over the last several years, housing starts remained below "normal" levels. This reduced level of building was caused, in part, by an increase in the inventory of homes for sale, a more restrictive mortgage market, and slowed economy. There can be no assurance as to when, or if, the housing market will rebound to "normal levels." We have experienced significant losses from operations and significant net cash used in operating activities in recent periods. Accordingly, we cannot assure you that our business will generate sufficient cash flows from operations or that future borrowings will be available to us in an amount sufficient to enable us to service our debt, to refinance our debt or to fund our other liquidity needs. If we are unable to service our debt obligations or to fund our other liquidity needs, we could be forced to curtail our operations, reorganize our capital structure or liquidate some or all of our assets in a manner that could cause the holders of our securities to experience a partial or total loss of their investment in us.

We have not independently verified the results of third-party research or confirmed assumptions or judgments upon which it may be based, and the forecasted and other forward-looking information contained therein is subject to inherent uncertainties. We refer in this report and other documents that we file with the SEC to historical, forecasted and other forward-looking information published by sources such as *RISI*, *Random Lengths* and the U.S. Census Bureau that we believe to be reliable. However, we have not independently verified this information and, with respect to the forecasted and forward-looking information, have not independently confirmed the assumptions and judgments upon which it is based. Forecasted and other forward looking information is necessarily based on assumptions regarding future occurrences, events, conditions and circumstances and subjective judgments relating to various matters, and is subject to inherent uncertainties. Actual results may differ materially from the results expressed or implied by, or based upon, such forecasted and forward-looking information.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. [Removed and Reserved]

None.

Item 5. Other Information

In light of the vote by shareholders on the frequency of the advisory vote on executive compensation at the May 5, 2011 Annual Meeting of Shareholders and the Board's recommended frequency for such vote, the Company will ask shareholders to vote on executive compensation each year.

Item 6. Exhibits

10.13	2004 Executive Deferred Compensation Plan, amended June 14, 2011
10.14	Supplemental Executive Retirement Plan, amended June 14, 2011
10.15	Non-Employee Director Phantom Share Plan, adopted May 15, 2011
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a).
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a).
32.1	Certifications pursuant to § 906 of the Sarbanes-Oxley Act of 2002.
100.INS	XBRL Instance Document*
100.SCH	XBRL Taxonomy Extension Schema Document*
100.CAL	XBRL Taxonomy Extension Calculation Linkbase Document*
100.DEF	XBRL Taxonomy Extension Definition Linkbase Document*
100.LAB	XBRL Taxonomy Extension Label Linkbase Document*
100.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*

* To be filed by amendment

LP hereby agrees to furnish supplementally to the SEC upon its request any schedules and similar documents omitted pursuant to Item 601(b)(2) of Regulation S-K and any instruments omitted pursuant to Item 601 (b)(4)(iii) of Regulation S-K.

**LOUISIANA-PACIFIC CORPORATION
2004 EXECUTIVE DEFERRED COMPENSATION PLAN**

Amended and Restated Effective January 31, 2009

This 2004 Executive Deferred Compensation Plan (the "Plan") was adopted by **Louisiana-Pacific Corporation**, a Delaware corporation ("Corporation"), effective as of August 16, 2004 (the "Effective Date"), was amended and restated as of January 1, 2005, and is further amended and restated as set forth in this document effective as of January 31, 2009, and amended June 14, 2011. Capitalized terms not otherwise defined in the Plan have the meanings set forth in Section 16.

1. PURPOSE OF PLAN

The continued growth and success of Corporation are dependent upon its ability to attract and retain the services of executives and key employees of the highest competence and to provide incentives for their effective service and superior performance. The purpose of the Plan is to advance the interests of Corporation and its shareholders through a deferred compensation program that will attract and retain executives and key employees.

2. NATURE OF PLAN

This Plan is intended to be and will be administered by Corporation as an income tax nonqualified, unfunded plan primarily for the purpose of providing deferred compensation for a "select group of management or highly compensated employees" within the meaning of Sections 201(2), 301(a)(3), and 401(a)(1) of the Employee Retirement Income Security Act of 1974, as amended. This Plan is designed to comply with the requirements of IRC Section 409A, and shall be interpreted and administered consistently with the requirements of IRC Section 409A, including regulations and other guidance issued thereunder.

3. SPONSORING EMPLOYERS

The sponsoring employers ("Employers") of the Plan are Corporation and any subsidiary or affiliate of Corporation that is an employer of a Participant for income tax purposes.

4. ELIGIBILITY AND PARTICIPATION

1. General. All employees of Corporation or any subsidiary or affiliate of Corporation who are (a) within Levels 1 or 2 of the Louisiana-Pacific Corporation Management Incentive Plan ("MIP 1 or MIP 2 level employees") on the Effective Date and (b) participants in the Qualified Plans will automatically be participants in the Plan ("Participants"). For all purposes of this Plan, Corporation's Chief Executive Officer will be considered an MIP 1 level employee. An employee who first becomes an MIP 1 or MIP 2 level employee after the Effective Date will become a Participant as of the later of the date the employee attains that MIP level or the date he or she becomes a participant in the Qualified Plans.

2. Cessation of Participation. If a Participant ceases to be an MIP 1 or MIP 2 level employee or ceases to be a participant in the Qualified Plans:

1. Participant Deferral Contributions and Employer Match Contributions. His or her participation in the Plan will then cease and no further Participant Deferral Contributions as described in Section 5 or Employer Match Contributions as described in Section 6.3 will be made or credited for such former Participant with respect to services performed after the date of such cessation; and

2. Qualified Plan Credits. Such former Participant will be entitled to a Qualified Plan Supplemental Credit and a Qualified Plan Makeup Credit, if any, to the extent provided for in Sections 6.1 and 6.2.

5. **PARTICIPANT CONTRIBUTIONS**

Participants may, but are not required to, make voluntary Participant Deferral Contributions as described in Section 5.1.

1. Participant Deferral Contributions.

1. Base Compensation. Subject to the special rules and limitations set forth in Sections 5.2, 5.3, and 5.4, a Participant may, by delivery to Corporation of a written Participant Deferral Election (in such form and at such time as may be prescribed by or at the direction of the Committee) not later than the day preceding the first day of a Deferral Period, elect to defer a specified portion of the Participant's Base Compensation earned for services performed in Pay Periods beginning in such Deferral Period (even if all or a portion of the Base Compensation will be paid in a subsequent Deferral Period).

EXAMPLE: A Participant Deferral Election to defer a specified portion of a Participant's Base Compensation earned for services performed during Pay Periods beginning in 2006 must be delivered to Corporation no later than December 31, 2005 (or such earlier date as specified by the Committee).

2. Annual Bonus. Subject to the special rules and limitations set forth in Sections 5.2, 5.3, and 5.4, a Participant may, by delivery to Corporation of a written Participant Deferral Election (in such form and at such time as may be prescribed by or at the direction of the Committee) not later than June 30 of an annual Deferral Period, elect to defer a specified portion of the Participant's Annual Bonus earned for services performed during such Deferral Period (even if all or a portion of the Annual Bonus will be paid in a subsequent Deferral Period).

EXAMPLE: A Participant Deferral Election to defer a specified portion of a Participant's Annual Bonus for 2006 that will be payable, if at all, in the first quarter of 2007, must be delivered to Corporation no later than June 30, 2006 (or such earlier date as specified by the Committee).

However, in the event the Committee determines that the Annual Bonus does not meet the requirements for "performance-based compensation" within the meaning of IRC § 409A(a)(4)(B)(iii), a Participant's Deferral Election to defer a specified portion of the Participant's Annual Bonus earned for services performed during a Deferral Period must be made not later than the day preceding the first day of the Deferral Period (or such earlier date as specified by the Committee).

3. Changes to Deferral Elections. A Participant's Participant Deferral Election for a Deferral Period may not be amended or revoked after (a) for deferrals of Base Compensation under Section 5.1.1 or deferrals of Annual Bonus under Section 5.1.2 where the Committee has determined that the Annual Bonus does not meet the requirements of performance-based compensation, the commencement of that Deferral Period, or (b) for all other deferrals of Annual Bonus under Section 5.1.2, July 1 of the annual Deferral Period, (except as expressly provided in Section 10.3.5 with respect to changes to the Participant's Form of Benefit Election included in the Participant Deferral Election).

4. Credit to Deferral Contribution Accounts. The portion of a Participant's Base Compensation or Annual Bonus that the Participant elects to defer will be credited to his or her Participant Deferral Contribution Account described in Section 7.1.1 as a Participant Deferral Contribution on the same day or days as each corresponding non-deferred portion of the Participant's Base Compensation or Annual Bonus is actually payable to the Participant.

5. Form of Benefit Election. Each Participant Deferral Election for a Deferral Period will also include a Form of Benefit Election, as described in Section 10.3, with respect to Participant Deferral Contributions and Employer Contributions, and Earnings attributable to those contributions,

for the Deferral Period.

2. Deferral Contributions for 2004 Deferral Period. Notwithstanding Section 5.1, a person who becomes a Participant on the Effective Date may, by written Participant Deferral Election delivered to Corporation not later than September 15, 2004, elect to defer a specified portion of the Participant's Base Compensation earned for services performed by the Participant during Pay Periods beginning in the period from October 1, 2004, through December 31, 2004, and/or a specified portion of the Participant's Annual Bonus for 2004 (that will be payable, if at all, in the first calendar quarter of 2005).

3. New Participants. A person who first becomes a Participant after the Effective Date and during a Deferral Period, may make a Participant Deferral Election with respect to Base Compensation earned by the Participant for services performed by the Participant during Pay Periods beginning in the portion of the initial Deferral Period after the date of the Participant Deferral Election and/or a specified portion of the Participant's Annual Bonus for such initial Deferral Period only if the new Participant makes the Participant Deferral Election within 30 days after he or she first becomes a Participant. A Participant's Participant Deferral Election made pursuant to this Section 5.3 with respect to deferred compensation for the remainder of the Deferral Period shall be irrevocable when it is received by the Corporation, and a failure to make a Participant Deferral Election shall become irrevocable on the 31st day after he or she first becomes a Participant.

4. Limitation on Participant Deferral Elections. A Participant may elect to defer up to 90% of the Participant's Base Compensation and/or up to 90% of the Participant's Annual Bonus. The specified portion of Base Salary or Annual Bonus to be deferred must be stated as a percentage.

5. Changes in Election Procedure. The Committee may, from time to time, adopt or modify rules and restrictions governing Participant Deferral Elections and minimum or maximum deferral amounts.

6. **EMPLOYER CONTRIBUTIONS**

Corporation will credit Participants with Employer Contributions as described in this Section 6.

1. Qualified Plan Supplemental Credit. Each Participant who remains a Participant on the last day of a Qualified Plan Year and whose Total Compensation for such Qualified Plan Year exceeds the Applicable Compensation Limit for such Qualified Plan Year will be credited with a Qualified Plan Supplemental Credit Employer Contribution, determined and credited to the Participant's QPSC Account as soon as practicable after the last day of such Qualified Plan Year, in an amount equal to the additional amount which would have been contributed or credited for such Qualified Plan Year to the Qualified Plans for the Participant if the amount by which the Participant's Total Compensation exceeds the Applicable Compensation Limit had been included as Qualified Plan Compensation for such Qualified Plan Year.

2. Qualified Plan Makeup Credit. Each Participant who remains employed by an Employer (whether or not such employee remains a Participant) on the last day of a Qualified Plan Year will be credited with a Qualified Plan Makeup Credit Employer Contribution, determined and credited to the Participant's QPMC Account as soon as practicable after the last day of such Qualified Plan Year, in an amount equal to the positive difference, if any, between (a) the amount which would have been contributed or credited for such Qualified Plan Year to the Qualified Plans for the Participant if no Annual Deferral Contribution had been made for the Participant under this Plan for such Qualified Plan Year and (b) the amounts actually contributed or credited to the Qualified Plans for the Participant for such Qualified Plan Year.

3. Employer Matching Contribution. Each Participant Deferral Contribution by a Participant will be matched by an Employer Matching Contribution in an amount equal to 3.5% of such Participant Deferral Contribution. Such Employer Matching Contributions will be credited to a Participant's Employer Match Account as of the same day or days that each corresponding Participant Deferral Contribution is credited to his or her Participant Deferral Contribution Account pursuant to Section 5.1.

4. Limitation on Payment of Employer Contributions. Notwithstanding any other provision of this Section 6, no Employer Contributions credited to any Participant for any Deferral Period, including

Earnings credited with respect to such Employer Contributions, will be payable to the Participant if such Participant accrues a benefit under any supplemental executive retirement plan or agreement maintained by any Employer (a "SERP Arrangement") for such Deferral Period, except to the extent that under the terms of such SERP Arrangement there is an offset for Employer Contributions and Earnings credited to the Participant under this Plan.

5. After January 31, 2009. Notwithstanding any provision in this Plan to the contrary, Employer Matching Contributions shall be suspended effective February 1, 2009. Until the Plan is amended to resume Employer Matching Contributions, the Employers shall make no Employer Matching Contributions with respect to Participant Deferral Contributions that relate to pay dates on and after February 1, 2009.

7. **DEFERRAL ACCOUNTS**

1. Deferral Accounts and Subaccounts.

1. Participant Deferral Account. All Participant Deferral Contributions made by a Participant and all Earnings attributable to such Participant Deferral Contributions under the Plan will be credited to a separate bookkeeping account maintained by Corporation in the name of the Participant (a "Participant Deferral Contribution Account").

2. Employer Contribution Accounts. Employer Contributions will be credited as follows:

(a) All Qualified Plan Supplemental Credit Employer Contributions, Qualified Plan Makeup Credit Employer Contributions, and Employer Matching Contributions for a Participant and all Earnings attributable to such Employer Contributions will be credited (as of the dates specified in Section 6) to separate bookkeeping accounts maintained by Corporation in the name of the Participant (a "QPSC Account," a "QPMC Account," and an "Employer Match Account").

(b) The QPSC, QPMC, and Employer Match Accounts maintained for each Participant will be referred to collectively as the Participant's Employer Contribution Accounts.

3. Deferral Account. Except where the context specifically refers to either a Participant's Participant Deferral Contribution Account or Employer Contribution Accounts, references in this Plan to a Participant's "Deferral Account" mean both the Participant Deferral Contribution Account and the Employer Contribution Accounts.

4. Subaccounts. Each Participant's Deferral Account will have separate subaccounts ("Subaccounts") as described in this Section.

(a) Annual Subaccount. Each Participant will have an Annual Subaccount for each Deferral Period designated for the calendar year corresponding to the Deferral Period (e.g., a 2004 Subaccount, a 2005 Subaccount, etc.) maintained to reflect (i) the Participant Deferral Contributions and Employer Matching Contributions made or credited to the Participant's Deferral Account for such Deferral Period and the Qualified Plan Supplemental Credit and Qualified Plan Makeup Credit Employer Contributions, if any, credited to the Participant's Deferral Account that relate to the Qualified Plan Year that corresponds to the Deferral Period, and (ii) Earnings attributable to such contributions.

(b) Investment Subaccounts. Each Annual Subaccount will be further divided into Subaccounts to reflect the Investment Funds designated by the Participant as provided in Section 7.2.3.

5. Nature of Accounts and Subaccounts. Deferral Accounts and Subaccounts are record-keeping devices utilized for the sole purpose of determining the benefits payable under the Plan and will not constitute a separate fund of assets.

2. Additional Amounts Credited as Growth Factor.

1. General. Each Deferral Account will accrue an additional amount as described in Section 7.2.2 referred to as "Growth Factor" from the date Participant Deferral Contributions and/or Employer Contributions are credited to a Deferral Account until the date of final payment of the entire

balance of a Deferral Account.

2. Growth Factor. For any Measurement Period, the Growth Factor will be the amount of investment income or loss (including unrealized appreciation or depreciation) that would have been realized had an amount equal to the total balance in the Deferral Account as of the first date of the Measurement Period been invested in the Investment Fund or Funds described in Section 7.2.3 specified for that Measurement Period by the Participant.

3. Investment Funds. For purposes of determining Growth Factor, a Participant may specify one or a combination of Investment Funds designated from time to time by, or at the direction of, the Committee. The Investment Funds will be selected and may be changed from time to time by the Committee; provided however that the Committee will limit the selected Investment Funds to the extent it determines to be necessary to meet requirements of applicable law and Treasury Regulations that investment options under the Plan be "comparable" to the investment options which a Participant may elect under the Qualified Plans. Pursuant to forms and procedures to be designated by or at the direction of the Committee (including such limitations with respect to the timing and frequency of modifications as the Committee may determine to be appropriate), a Participant may modify his or her designation of Investment Funds from time to time. A Participant may:

(a) Specify what percentage of future Participant Deferral Contributions and Employer Contributions are to be deemed to be invested in particular Investment Funds; and/or

(b) Provide for reallocation of amounts from one Investment Fund to one or more other Investment Funds.

4. Subaccounts. All amounts in a Deferral Account deemed invested in a particular Investment Fund will be treated as held in a separate Investment Subaccount as described in Section 7.1.4(b) corresponding to that Investment Fund.

5. No Beneficial Interest. Investment Funds are solely for the purpose of computing the amount of Growth Factor to be credited to or charged against a Deferral Account for any Measurement Period. The Employers may, but will have no obligation to, actually maintain investments corresponding to the Investment Funds. In the event the Employers (directly or indirectly through a trust as described in Section 8.2) make actual investments corresponding to Investment Funds, no Participant or Beneficiary will have any rights or beneficial interest in such actual investments other than their rights as unsecured creditors of the Employers with respect to benefits under the Plan.

3. Withholding. Any withholding of taxes or other amounts with respect to Employer Contributions or the accrual of Growth Factor under the Plan that is required by federal, state, or local law will be withheld from the Participant's Base Compensation or otherwise paid by the Participant.

4. Determination of Deferral Accounts and Subaccounts. Each Participant's Deferral Account and Subaccounts as of the last day of each Measurement Period will consist of the balance of the Deferral Account and Subaccounts as of the first day of the Measurement Period, adjusted as follows:

1. Participant Deferral Contributions. Participant Deferral Contributions will be credited as provided in Section 5.1 on the same dates as the corresponding non-deferred compensation is actually payable under the Employer's normal payroll practices.

2. Employer Contributions. Employer Contributions will be credited as of the dates specified in Section 6 for each type of Employer Contribution;

3. Growth Factor. Growth Factor will be credited (or charged) to reflect an amount equivalent to the investment returns (or loss) that would have been realized during the Measurement Period had the balance in each Subaccount as of the first day of the Measurement Period been invested in the actual investments corresponding to the Investment Fund for the Subaccount during such Measurement Period;

4. Distributions. Distributions of Plan benefits to a Participant or Beneficiary during the Measurement Period will be charged on a pro rata basis to reduce each Subaccount as of the date of

such distribution; and

5. Other Adjustments. The Committee may direct such other adjustments (increases or decreases) as the Committee may determine are necessary and appropriate, including but not limited to a reduction caused by the Employer's payment of the Participant's share of any payroll taxes attributable to Earnings.

5. Valuation Dates for Distributions. For purposes of this Section 7, and for purposes of determining the Measurement Period for any period in which a distribution is made to a Participant or a Beneficiary, the date of such distribution will be a special Valuation Date (and will thus constitute the end of that Measurement Period).

8. **SOURCE OF BENEFITS**

1. Unfunded Plan. This Plan and the benefits payable pursuant to the Plan are unfunded and will be payable only from the general assets of the Employers. The Employers do not represent that a specific portion of their assets will be used to provide the benefits under the Plan. Participants or Beneficiaries will not have any ownership or beneficial interest in any assets of any Employer. Nothing in this Plan will be deemed to create a trust of any kind or create any fiduciary relationship. To the extent that any person acquires a right to receive payments from any Employer under this Plan, such rights will be no greater than the rights of any unsecured general creditor of such Employer.

2. Trust. Notwithstanding the foregoing, the Employers may (but are not required to) deposit moneys under any trust established by Corporation (a "Trust") for the sole purpose of paying benefits under the Plan from those funds and the income on those funds, unless such Trust assets are required to satisfy the obligations of the Employers to their general creditors. Such Trust must meet the requirements of a so-called "Rabbi Trust" under Revenue Procedure 92-64, 1992-2 CB 422.

9. **VESTING AND FORFEITURE**

1. Participant Deferral Accounts. Each Participant is always fully Vested in his or her Participant Deferral Account.

2. Employer Contribution Accounts. A Participant will become fully Vested in his or her Employer Contribution Accounts (the QPSC Account, the QPMC Account, and the Employer Match Account) upon attaining Retirement Age or upon the Participant's death, Disability, or termination of employment with an Employer for any reason within 24 months following a Change in Control. A Participant who terminates employment with an Employer prior to attaining Retirement Age for any other reason will become Vested in such Employer Contributions Accounts as follows:

1. QPSC Account and QPMC Account. A Participant's QPSC Account and QPMC Account will become Vested at the same rate and manner as they would have otherwise vested under the underlying Qualified Plans had the Employer Contributions to such Accounts had been made to the Qualified Plans.

2. Employer Match Account. A Participant's Employer Match Account will become fully Vested upon completion of two Years of Service.

3. Forfeitures. A Participant who terminates employment with an Employer will forfeit that percentage of his or her Employer Contribution Accounts (and each Subaccount) that has not become Vested as of the date of such termination. Amounts forfeited will revert to the Employers to be used as the Employers determine in their sole discretion. No Participant or Beneficiary will have any interest in or claim against any forfeited amounts.

10. **PLAN BENEFITS**

1. During Employment. Except as expressly provided in Section 10.1.1 with respect to an unforeseeable emergency and in Section 10.1.2 with respect to In-Service Distributions, no portion of a Participant's Deferral Account may be distributed to or for the benefit of the Participant before the Participant's separation of service from an Employer.

1. Unforeseeable Emergencies. The Vested portion of a Participant's Deferral Account may be distributed to the Participant before termination of employment in connection with an

unforeseeable emergency (as defined below). Upon a finding that a Participant has suffered an unforeseeable emergency, the Committee may, in its sole discretion, make distributions from the Vested portion of the Participant's Deferral Account to the extent provided in this Section. An unforeseeable emergency is a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's Spouse, or of a Dependent of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. The circumstances that will constitute an unforeseeable emergency will depend upon the facts of each case. Examples of what are not considered to be unforeseeable emergencies include the need to send a Participant's child to college or the desire to purchase a home. Any such distribution approved by the Committee will be limited to the amount necessary to meet the emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship.) Such distributions will be paid in a lump sum and will be charged to the Participant's Deferral Account. A pro rata portion of such distribution will be treated as a distribution out of each Subaccount. The Committee may impose such restrictions or additional requirements with respect to distributions in connection with an unforeseeable emergency as the Committee determines to be necessary or appropriate to comply with Treasury Regulations.

2. In-Service Distributions. A Participant will be permitted to receive an In-Service Distribution from his or her Deferral Account subject to the following restrictions: An election to receive an In-Service Distribution must be made at the same time a Participant makes a Participant Deferral Election for a particular Deferral Period and will relate only to the Annual Subaccount (as described in Section 7.1.4(a)) corresponding to that Deferral Period. Such election must specify a distribution date, which may not be earlier than five years after the first day of the Deferral Period covered by the election. Such an In-Service Distribution election may be modified (subject to the restrictions set forth in Section 10.3.5); provided however that any such modification may not be made less than 12 months prior to the date the In-Service Distribution was originally scheduled. In-Service Distributions will be made in a lump sum and will include the Participant's entire Annual Subaccount covered by such election. If the Participant terminates employment for any reason prior to the specified In-Service Distribution date, distribution of the Participant's Annual Subaccount will be made as provided in Section 10.2 in accordance with the Participant's Form of Benefit Election for the Deferral Period.

2. After Termination of Employment. If a Participant terminates employment with an Employer for any reason, including death, Corporation will pay to the Participant (or the Participant's Beneficiary, in case of death) benefits equal to the Vested balance in the Participant's Deferral Account. Except as provided below, Plan benefits as a result of death or other termination of employment will be paid in the form elected by the Participant as provided in Section 10.3. Notwithstanding a Participant's installment election, if the aggregate balance of the Participant's Deferral Account is \$25,000 or less on the Valuation Date immediately preceding the date of the Participant's termination of employment, the entire benefit will be paid in a lump sum within 15 days after the expiration of six months after the termination date or, in the case of the death of a Participant while still an employee, within 65 days after the date of death. If the 15- or 65-day period for making any payment begins and ends in different taxable years, neither the Participant nor the Participant's Beneficiary shall have the right to designate the taxable year in which the payment will be made.

3. Election of Form of Benefit Payment.

1. Election. Pursuant to forms and procedures prescribed by, or at the direction of, the Committee, each Participant may, as part of each Participant Deferral Election for each Deferral Period, elect the form of payment of the Participant's benefits under the Plan (a "Form of Benefit Election") with respect to the Participant's Annual Subaccount (as described in Section 7.1.4(a))

corresponding to that Deferral Period. For each Deferral Period, a Participant must make a Form of Benefit Election governing the form of payment for the Participant's entire Annual Subaccount corresponding to that Deferral Period.

2. Available Forms of Payment. The available forms of payment of Plan benefits are:

- (a) A lump sum amount equal to the applicable Vested portion of the Annual Subaccount; or
- (b) Annual installments of the Vested portion of the Annual Subaccount amortized over a period designated by the Participant of not more than 15 years. Growth Factor on the unpaid balance will continue to be credited to Subaccounts as provided in Section 7.4.

3. Default Form of Payment. Plan benefits with respect to an Annual Subaccount will be payable in a lump sum if no effective Form of Benefit Election is in effect for that Annual Subaccount at the time the Participant first becomes entitled to receive payment of all or any portion of the Annual Subaccount.

4. Form of Payment to Beneficiary. A Participant who elects payment in installments for an Annual Subaccount may also elect whether, in the event of the Participant's death prior to complete distribution of the Vested portion of the Participant's Annual Subaccount:

(a) The remaining amount of the Participant's Annual Subaccount is to be paid in a lump sum to the Beneficiary (in which case payment will be made within 30 days after the date of death, and if the 30-day period for making payment begins and ends in different taxable years, the Participant's Beneficiary shall not have the right to designate the taxable year in which the payment will be made), or

(b) Installment payments are to be made to the Beneficiary over the elected installment period (or over the remainder of the period).

Installment payments will be made to the Beneficiary over the elected installment period (or the remainder of that period) if no effective election with respect to the form of payment to the Beneficiary is in effect for that Annual Subaccount at the time of the Participant's death.

5. Changes to Form of Benefit Election. A Participant may amend, revoke, or replace a Form of Benefit Election for a particular Annual Subaccount, subject to the following restrictions (unless the Committee expressly waives or modifies one or more of such restrictions based on the Committee's determination that such waiver or modification would not result in constructive receipt or cause the Plan not to meet the requirements of applicable law or Treasury Regulations):

(a) In no event may a Participant change his or her Form of Benefit Election for an Annual Subaccount to accelerate the time or schedule of any distribution under the Plan.

(b) No changes to an existing Form of Benefit Election for an Annual Subaccount may be made after the Participant (or a Beneficiary) has received or become entitled to receive any payment of Plan benefits for the Annual Subaccount covered by that election.

(c) No change to an existing Form of Benefit Election for an Annual Subaccount may take effect until at least 12 months after the date of such amended Form of Benefit Election.

(d) With respect to distributions other than distributions upon the death or Disability of a Participant or distributions under Section 10.1.1, the first date on which a distribution or installment may be made under the amended Form of Benefit Election for an Annual Subaccount may not be earlier than five years after the date the distribution or payment would otherwise have been made.

(e) In no event may a Participant make more than one amendment to a Form of Benefit Election for any particular Annual Subaccount to delay any distribution or payment.

(f) The Committee may modify the foregoing restrictions and/or adopt other restrictions from time to time to provide for efficient administration of the Plan and to cause

the Plan to comply with applicable law and Treasury Regulations.

4. Lump Sum Payments. For lump sum payments, the balance of a Participant's Annual Subaccount (and Subaccounts) will be determined pursuant to Section 7.4 as of the last Valuation Date that is at least five business days prior to the payment date specified in this Section 10.4.

1. Death of Participant. Upon the death of a Participant while the Participant is still an employee, lump sum payments will be made, as elected by the Participant in his or her Form of Benefit Election for an Annual Subaccount, either within 65 days after the date of death or, if later and if elected by the Participant in the Form of Benefit Election, on the first business day of the first calendar year beginning after the date of death. If the 65-day period for making any payment begins and ends in different taxable years, neither the Participant nor the Participant's Beneficiary shall have the right to designate the taxable year in which the payment will be made.

2. Other Termination of Employment. In the event of a termination of employment for any reason other than a Participant's death, lump sum payments will be made, as elected by the Participant in his or her Form of Benefit Election for an Annual Subaccount, either within 15 days after the expiration of six months after the date of the termination of employment or, if later and if elected by the Participant in the Form of Benefit Election, on the first business day of the first calendar year beginning after the date of termination. If the 15-day period for making any payment begins and ends in different taxable years, the Participant shall not have the right to designate the taxable year in which the payment will be made.

3. Limitation. In no event will any lump sum payment that becomes payable in connection with a Participant's termination of employment be payable sooner than the earlier of six months after the termination date or the date of the Participant's death.

5. Installment Payments.

1. Installments. The first installment will be made on the first day of the seventh calendar month beginning after termination of employment (the "Initial Installment Date") and on subsequent anniversaries of such date ("Installment Dates"). The amount of each installment will be equal to the balance of the Annual Subaccount as of the last Valuation Date that is at least five business days prior to the Installment Date divided by the number of remaining installments (including the installment payment being determined).

Example: If a Participant terminated employment on September 20, 2005, and had elected annual installments over five years, and if the Committee has adopted daily Valuation Dates, the first installment would be due April 1, 2006, and would be equal to one-fifth of the balance of the Annual Subaccount on the March 27, 2006, Valuation Date. The second installment would be due April 1, 2007, and would be equal to one-fourth of the balance of the Annual Subaccount on the March 27, 2007, Valuation Date.

2. Limitation. In no event will any installment payments that becomes payable in connection with a Participant's termination of employment be commenced sooner than the earlier of six months after the termination date or the date of the Participant's death.

3. Growth Factor. The Annual Subaccount (and Subaccounts) will continue to accrue Growth Factor as provided in Section 7.4 until the final installment payment is made.

6. Payment to Guardian. If a distribution is payable to a minor or a person declared incompetent or to a person incapable of handling the disposition of property, the Committee may direct payment to the guardian, legal representative, or person having the care and custody of such minor, incompetent, or person. The Committee may require proof of incompetency, minority, incapacity, or guardianship as it may deem appropriate prior to distribution. Such distribution will completely discharge the Committee from all liability with respect to such benefit.

7. Termination of Employment. For purposes of this Plan, termination of employment means "separation from service" as such term is defined and interpreted in Treasury Regulation Section 1.409A-1

(h) or in subsequent regulations or other guidance issued by the Internal Revenue Service.

11. **BENEFICIARY DESIGNATION**

1. **Beneficiary Designation.** Each Participant will have the right, at any time, to designate one or more persons or an entity as Beneficiary (both primary as well as secondary) to whom benefits under this Plan will be paid in the event of a Participant's death prior to complete distribution of the Participant's Deferral Account. Each Beneficiary designation must be in a written form approved by the Committee and will be effective only when filed with the Committee during the Participant's lifetime. Designation by a married Participant of a Beneficiary other than the Participant's spouse will not be effective unless the spouse executes a written consent that acknowledges the effect of the designation and is witnessed by a notary public, or the consent cannot be obtained because the spouse cannot be located.

2. **Amendments.** Except as provided below, any nonspousal designation of Beneficiary may be changed by a Participant without the consent of such Beneficiary by the filing of a new designation with the Committee. The filing of an effective new designation will cancel all designations previously filed.

3. **Change in Marital Status.** If the Participant's marital status changes after the Participant has designated a Beneficiary, the following provisions will apply:

1. **Unmarried at Designation.** If the Participant is married at death but was unmarried when the designation was made, the designation will be void unless the spouse has consented to it in the manner prescribed above.

2. **Married at Designation but Unmarried at Death.** If the Participant is unmarried at death but was married when the designation was made:

(a) The designation will be void if the spouse was named as Beneficiary.

(b) The designation will remain valid if a nonspouse Beneficiary was named.

3. **Different Spouse.** If the Participant was married when the designation was made and is married to a different spouse at death, the designation will be void unless the new spouse has consented to it in the manner prescribed above.

4. **No Beneficiary Designation.** If any Participant fails to designate a Beneficiary in the manner provided in this Section 11, or if the Beneficiary designated by a Participant dies before the Participant or before complete distribution of the Participant's benefits, the Participant's Beneficiary will be the person in the first of the following classes in which there is a survivor:

1. **Spouse.** The Participant's surviving spouse;

2. **Children.** The Participant's children in equal shares, except that if any of the children predeceases the Participant but leaves issue surviving, then such issue will take by right of representation the share the parent would have taken if living; or

3. **Estate.** The Participant's estate.

12. **ADMINISTRATION**

The Plan will be administered by the Committee. The Committee will have the exclusive authority and responsibility for all matters in connection with the operation and administration of the Plan, including without limitation the authority to make, modify, interpret and enforce appropriate rules and regulations for the administration of the Plan and to decide or resolve any and all questions regarding the interpretation of Plan provisions. A majority vote of the Committee members will control any Committee decision. The Committee's powers and duties include, but are not limited to, the following:

(a) Responsibility for the compilation and maintenance of all records necessary in connection with the Plan;

(b) Authorizing the payment of all benefits and expenses of the Plan as they become payable under the Plan; and

(c) Authority to engage such legal, accounting, and other professional services as it may deem proper.

Decisions by the Committee will be final and binding upon all parties affected by the Plan, including

Participants and Beneficiaries of Participants.

The Committee may rely on information and recommendations provided by supervisory management. The Committee may delegate to a subcommittee composed of less than all Committee members or to supervisory management who are not Committee members the responsibility for decisions that it may make or actions that it may take under the terms of the Plan, subject to the Committee's reserved right to review such decisions or actions and modify them when necessary or appropriate under the circumstances. The Committee will not allow any Participant to obtain control over decisions or actions that affect that Participant's Plan benefits.

13. MISCELLANEOUS

1. Nonassignability of Benefits. Except as otherwise provided by applicable law, a Participant's benefits under the Plan, including the right to receive payment of the Deferral Account or any Subaccount, may not be sold, transferred, anticipated, assigned, pledged, hypothecated, seized by legal process, subjected to claims of creditors in any way, or otherwise disposed of.

2. Governing Law. This Plan and any amendments will be construed, administered, and governed in all respects in accordance with applicable federal law and the laws of the State of Delaware.

3. No Right of Continued Employment. Nothing in the Plan will confer upon any person the right to continue in the employ of any Employer or interfere in any way with the right of any Employer to terminate the person's employment at any time.

4. Withholding Taxes. The Employers will withhold any taxes required by law to be withheld in connection with payment of benefits under this Plan. In the event any Employer will be required to withhold taxes with respect to Employer Contributions or the accrual of Growth Factor pursuant to the Plan, the Employer will have the right to require a Participant to reimburse them for any such taxes.

14. CLAIMS PROCEDURE

1. Following Claims Procedure. Any Participant or Death Beneficiary (a "Claimant") may file a claim for benefits under the Plan by following the procedure set forth in this Section.

2. Authorized Representative. A Claimant may appoint an authorized representative to represent the Claimant at any stage of the claims procedure. The appointment is made by a statement in writing naming the person who is to be the Claimant's authorized representative and signed by the Claimant.

3. Filing Initial Claim. A claim must be filed by personally delivering or mailing a written communication making the claim for benefits, prepared by either the Claimant or the Claimant's authorized representative, to the Committee, which is Plan Administrator for the Plan, for action upon the claim.

4. Denial of Initial Claim.

1. Time Period for Denial Notice.

(a) General. The Committee will make a decision on the claim as soon as practicable. If the claim is wholly or partially denied, the Committee will, within a reasonable period of time after receipt of the claim, furnish the Claimant written or electronic notice setting forth, in a manner calculated to be understood by the Claimant, the information set forth below. Any electronic notice must comply with 29 CFR Section 2520.104b-1(c)(1)(i), (iii), and (iv). Except as provided in Section 14.4.1(b), in no event may the response to the initial claim be given more than 90 days after the filing of the claim, unless special circumstances require an extension of time for processing the claim. If an extension is required, written notice of the extension must be furnished to the Claimant prior to the termination of the initial 90-day period. In no event may the extension exceed a period of 90 days from the end of the initial response period. The extension notice must indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render the final decision. The time period for providing notice of the decision on the claim will begin when the claim is filed in accordance with the Plan's procedures, without regard

to whether all the information necessary to make a decision on the claim accompanies the filing.

(b) Disability Claims. In the case of a claim for disability benefits, the Committee must notify the Claimant of a claim denial within a reasonable period of time, but not later than 45 days after receipt of the claim. This period may be extended for up to 30 days, provided that the Committee determines that the extension is necessary due to matters beyond the control of the Committee and notifies the Claimant, before the end of the initial 45-day period, of the circumstances requiring an extension of time and the date by which the Committee expects to make a decision. If, before the end of the first 30-day extension period, the Committee determines that, due to matters beyond the control of the Committee, a decision cannot be made within that extension period, the period for making the determination may be extended for up to an additional 30 days, provided that the Committee notifies the Claimant, before the end of the first 30-day extension period, of the circumstances requiring the extension and the date by which the Committee expects to make a decision. In the case of any extension, the extension notice must specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information, if any, needed to resolve those issues. If the extension is necessary because the Claimant failed to submit the information necessary to resolve the claim, the Claimant will be afforded at least 45 days to provide the specified information, and the period for deciding the claim will be tolled from the date the extension notice is sent to the Claimant until the date the Claimant responds to the request for additional information.

2. Contents of Notice.

(a) General. If the claim is wholly or partially denied, the denial notice must state:

- (i) The specific reason or reasons for the denial;
- (ii) Reference to specific provisions of the Plan on which the denial is based;
- (iii) A description of any additional material or information necessary for the Claimant to complete the claim and an explanation of why such material or information is necessary; and
- (iv) An explanation of the claim review procedure and the time limits applicable to such procedure set forth in this Section 14, including a statement of the Claimant's right to bring a civil action under ERISA Section 502(a) following a denial of the claim on review.

(b) Disability Claims. If a claim for disability benefits is denied, the denial notice must contain the following additional information:

- (i) If an internal rule, guideline, protocol, or other similar criterion was relied on in deciding the claim, the notice must either provide the specific rule, guideline, protocol, or other similar criterion, or state that the rule, guideline, protocol, or other similar criterion was relied on in making the decision and that a copy will be provided free of charge to the Claimant on request.
- (ii) If the claim denial was based on a medical necessity, experimental treatment, or similar exclusion or limit, the notice must contain either an explanation of the scientific or clinical judgment for the decision, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such an explanation will be provided free of charge on request.

5. Appeal of Denied Claim.

1. General. If the claim is denied in whole or in part pursuant to Section 14.4, the Claimant may, within a reasonable period of time, taking into consideration the nature of the benefit that is the subject of the claim and other attendant circumstances, file a request with the Committee for a full

and fair review. Except as provided in Section 14.5.2, in no event may the period for requesting review expire less than 60 days after receipt of written or electronic notification of denial. If the request for review is not made on a timely basis, the Claimant will be deemed to have waived the right to review.

The appeal is made by personally delivering or mailing a written request for review, prepared by either the Claimant or the Claimant's authorized representative, to the Committee. The Claimant or the Claimant's duly authorized representative may, at or after the time of making the appeal, review pertinent documents and submit issues and comments in writing. The Committee's review will take into account all information submitted by the Claimant relating to the claim, whether or not such information was submitted or considered in the initial claim determination. The Claimant will be provided, upon request and free of charge, reasonable access to, and copies of, information relevant to the Claimant's claim.

2. Disability Claims. With respect to a request for review of a denied claim for disability benefits, the following additional requirements will apply:

(a) The Claimant will have at least 180 days after receipt of the notice of denial to request a review of the claim.

(b) The review of the claim will not afford deference to the initial decision on the claim, and will be conducted by an appropriate named fiduciary of the Plan who is neither the individual who made the decision that is the subject of the appeal, nor a subordinate of such an individual.

(c) If the initial claim denial was based in whole or in part on a medical judgment, including determinations with regard to whether a particular treatment, drug, or other item is experimental, investigational, or not medically necessary or appropriate, the appropriate named fiduciary will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. This health care professional may not be an individual who was consulted in connection with the decision that is the subject of the appeal, or a subordinate of such an individual.

(d) The Committee must identify to the Claimant any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the initial decision on the claim, without regard to whether the advice was relied on in making the initial decision.

6. Review of Appeal.

1. Time Period for Decision on Review.

(a) General. The Committee will review the appeal and act on the appeal. Except as provided in Section 14.6.1(b), the decision will be made promptly, and will not ordinarily be made later than 60 days after the receipt by the Committee of the written request for review, unless special circumstances require an extension of time for processing, in which case written notice of the extension will be furnished the Claimant prior to the commencement of the extension, and in which case a decision will be rendered as soon as possible but not later than 120 days after the receipt of the request for review. The extension notice must indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render the final decision. The time period within which the Committee must provide notice of the decision on review will begin when the request for review is filed in accordance with the Plan's procedures, without regard to whether all the information necessary to make the decision on review accompanies the filing. If an extension is necessary due to the Claimant's failure to submit information necessary to resolve the claim, the period for making a decision on review will be tolled from the date the extension notice is sent to the Claimant until the date the Claimant responds to the request for additional information.

(b) Disability Claims. In the case of a claim for disability benefits, the Committee

must notify the Claimant of the decision on review within a reasonable period of time, but not later than 45 days after receipt of the request for review, unless special circumstances (such as the need to hold a hearing) require an extension of time for processing. If an extension is required, the decision will be made and furnished to the Claimant not later than 90 days after receipt of the request for review. The Claimant must be notified in writing of any extension within 45 days after the request for review was filed. The extension notice must indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render the decision on review. If an extension is necessary due to the Claimant's failure to submit information necessary to resolve the claim, the period for making a decision on review will be tolled from the date the extension notice is sent to the Claimant until the date the Claimant responds to the request for additional information.

2. Content and Form of Notice.

(a) General. The decision on review must be in writing or by electronic notification and must include specific reasons for the decision, written in a manner calculated to be understood by the Claimant, and references to the specific provisions of this Plan on which the decision is based. The decision on review must inform the Claimant that he or she is entitled to receive, upon request and free of charge, reasonable access to, and copies of, information relevant to the claim, and that he or she may bring an action under ERISA Section 502(a). A copy of the decision on review must be furnished to the Claimant.

(b) Disability Claims. With respect to claims for disability benefits, the notice of the decision on review must contain the information described in Section 14.4.2(b)(i) and 14.4.2(b)(ii) and must include the following statement: "You and your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U. S. Department of Labor Office and your state insurance regulatory agency."

7. Further Review. Any further review, judicial or otherwise, of the decision on the appeal will be limited to whether, in the particular instance the Committee acted arbitrarily or capriciously in the exercise of its discretion. In no event will any such further review, judicial or otherwise, be on a de novo basis as the Committee has discretionary authority to determine eligibility for benefits and to construe the terms of this Plan.

8. Consistent Application. The Committee will establish administrative processes and safeguards to ensure and verify that claim determinations are made in accordance with the Plan and that Plan provisions have been applied consistently with respect to similarly situated Claimants, as required by applicable law.

15. **AMENDMENTS AND TERMINATION**

Corporation has the power to terminate this Plan at any time or to amend this Plan at any time and in any manner that it may deem advisable; provided however that (a) any such amendment that would materially change the benefits provided under the Plan will be subject to the prior approval of Corporation's Compensation Committee, and (b) no amendment will be effective to decrease or restrict the amount accrued to the date of amendment in any Deferral Account maintained under the Plan. In the event of termination of the Plan, Participant Deferral Contributions and Employer Contributions credited and Earnings accrued pursuant to the Plan prior to the effective date of the termination will continue to be subject to the provisions of the Plan as if the Plan had not been terminated.

16. **DEFINITIONS**

For purposes of this Plan, capitalized terms not otherwise defined in the Plan have the following meanings.

"**Annual Bonus**" means, for each Participant, the amount (if any) payable to the Participant for a

calendar year under Corporation's Annual Cash Incentive Award Plan, as such plan or program is amended or modified from time to time.

"Applicable Compensation Limitation" means the annual compensation limit amount specified in IRC § 401(a)(17), after adjustment as provided in IRC § 401(a)(17)(B).

"Base Compensation" means regular base salary, excluding: Annual Bonuses; Employer Contributions under the Plan; other bonuses; noncash fringe benefits; income or gain from the grant, vesting, or exercise of stock, restricted stock, or stock options; and employer contributions to any employee pension plan, welfare benefit plan, or other employee benefit plan, program, or arrangement. For purposes of the Plan, Base Compensation is determined before deducting from base salary a Participant's elective pre-tax contributions to any 401(k) plan or salary reduction contributions to any cafeteria plan.

"Beneficiary" means the person or persons designated by a Participant as provided in Section 11 to whom benefits under this Plan will be paid in the event of a Participant's death prior to complete distribution of the Participant's Deferral Account.

"Change in Control" means:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (i) the then outstanding shares of common stock of Corporation (the "Outstanding Corporation Common Stock") or (ii) the combined voting power of the then outstanding voting securities of Corporation entitled to vote generally in the election of directors (the "Outstanding Corporation Voting Securities"); provided, however, that for purposes of this subsection (a), the following acquisitions will not constitute a Change in Control: (i) any acquisition directly from Corporation, (ii) any acquisition by Corporation, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by Corporation or any corporation controlled by Corporation or (iv) any acquisition pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this definition; or

(b) Individuals who, as of the Effective Date, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by Corporation's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board will be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation by Corporation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of Corporation or the acquisition of assets of another entity (a "Business Combination"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns Corporation or all or substantially all of Corporation's assets either directly or through one or more subsidiaries) in

substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities, as the case may be, (ii) no Person (excluding any employee benefit plan (or related trust) of Corporation or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) Approval by the shareholders of Corporation of a complete liquidation or dissolution of Corporation.

"Committee" means a committee of not less than three individuals designated by Corporation's Chief Executive Officer to administer the Plan. Members of the Committee may be Participants in the Plan. The initial members of the Committee on the Effective Date are Curtis M. Stevens, Russell S. Pattee and Andrea L. Vicino.

"Deferral Account" means the record-keeping account maintained as provided in Section 7.1 to reflect a Participant's benefits under the Plan. Unless the context otherwise requires, references to a Participant's Deferral Account include both the Participant's Participant Deferral Contribution Account and Employer Contribution Accounts and all Subaccounts of both such Accounts.

"Deferral Period" means a calendar year or, for 2004, the period beginning October 1, 2004 and ending December 31, 2004. For a Participant who becomes a Participant after the beginning of a calendar year, the initial Deferral Period for such Participant will be the portion of such calendar year beginning on the first day of the first Pay Period beginning at least 30 days after the individual became a Participant.

"Dependent" means the dependents of a Participant within the meaning of IRC § 152(a).

"Disability" A Participant will be deemed to be Disabled for purposes of this Plan under the following conditions:

(a) The Participant's total and permanent disability has existed for a period of five consecutive months; and

(b) The Participant's total and permanent disability, together with the period of its existence, has been substantiated by the Committee on the basis of medical reports and a Social Security disability award. The Committee will have the right to require a medical report or reports from a doctor or doctors of its own selection, but at Corporation's expense.

"Earnings" with respect to a Participant's Deferral Account means the net amount of Growth Factor credited to the Participant's Deferral Account and Subaccounts as described in Section 7.2.

"Employers" mean Corporation and any subsidiary or affiliate of Corporation that is an employer, for income tax purposes, of one or more Participants.

"Employer Contribution" means a contribution by an Employer for a Participant as described in Section 6.

"Employer Contribution Accounts" means the portions of a Participant's Deferral Account

attributable to Employer Contributions credited on behalf of the Participant. References to a Participant's Employer Contribution Accounts include the Participant's QPSC Account, QPMC Account, and Employer Match Account as described in Section 7.1.2.

"Employer Match Account" means an Employer Contribution Account as described in Section 7.1.2 to which Employer Matching Contributions are credited.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Investment Fund" means an investment as described in Section 7.2.3 for the sole purpose of calculating the Growth Factor to be credited to or charged against a Participant's Deferral Account. The Committee will designate the Investment Funds available under the Plan and may add to, subtract from, or otherwise change the designated available Investment Funds from time to time.

"IRC" means the Internal Revenue Code of 1986, as amended. References to a particular Section will include any successor section.

"Measurement Period" means the period between any two successive regular or special Valuation Dates.

"Participant" has the meaning given in Section 4.

"Participant Deferral Contribution" means the portion of a Participant's Base Compensation and/or Annual Bonus that the Participant elects to defer pursuant to a Participant Deferral Election as described in Section 5.1 of the Plan.

"Participant Deferral Contribution Account" means the portion of a Participant's Deferral Account attributable to Participant Deferral Contributions made by the Participant.

"Participant Deferral Election" means a written election by a Participant for a Deferral Period in a form prescribed by or at the direction of the Committee, by which the Participant (a) elects to defer either all or a portion of the Participant's Base Compensation and/or Annual Bonus for the Deferral Period pursuant to Section 5.1 of the Plan and (b) specifies a Form of Benefit Election for the portion of the Participant's Deferral Account attributable to Participant Deferral Contributions and Employer Contributions, and Earnings attributable to such contributions for such Deferral Period.

"Pay Period" means the period of service for an Employer for which Base Compensation is earned and paid under the payroll practices of the Employer.

"QPMC Account" means an Employer Contribution Account as described in Section 7.1.2 to which Qualified Plan Makeup Credit Employer Contributions are credited.

"QPSC Account" means an Employer Contribution Account as described in Section 7.1.2 to which Qualified Plan Supplemental Credit Employer Contributions are credited.

"Qualified Plan Compensation" for a Participant for a Qualified Plan Year means the Participant's "Compensation" for such Qualified Plan Year as defined in the Qualified Plans.

"Qualified Plan Year" means the calendar year.

"Qualified Plans" mean Corporation's Retirement Account Plan and the profit sharing component of Corporation's Salaried 401(k) and Profit Sharing Plan.

"Reporting Person" means a Participant who is subject to the requirements of Section 16(a) of the Exchange Act.

"Retirement Age" means age 65, or such other age as is designated by the Committee.

"Subaccount" means a portion of a Participant's Deferral Account as described in Section 7.1.4.

"Total Compensation" for a Participant for any Qualified Plan Year means the Participant's Qualified Plan Compensation for such year, increased by the amount of the Participant's Annual Deferral Contributions that, but for the Participant's Participant Deferral Election, would have been paid to the Participant and included in the Participant's Qualified Plan Compensation for such Qualified Plan Year.

"Valuation Date" means a date as of which Deferral Accounts and Subaccounts are determined pursuant to Section 7.4. The last date of each calendar month will be a regular Valuation Date. For purposes of Section 7.4, the date of any distribution to a Participant or Beneficiary will be a special Valuation Date (and will mark the end of a Measurement Period as of such special Valuation Date). In addition, the Committee may utilize additional special Valuation Dates (up to a daily valuation basis) to the extent the Committee determines such special Valuation Dates are necessary or useful.

"Vested" means to become no longer subject to forfeiture pursuant to Section 9.2.

"Years of Service" has the meaning provided for such term for vesting purposes under the Qualified Plans.

LOUISIANA-PACIFIC CORPORATION

Supplemental Executive Retirement Plan

Amended and Restated Effective January 1, 2008

1. PURPOSE; EFFECTIVE DATE

The purpose of this Supplemental Executive Retirement Plan (the "Plan") is to provide supplemental retirement and death benefits for certain key employees of Louisiana-Pacific Corporation (the "Corporation") and certain of its subsidiary companies. It is intended that the Plan will aid in retaining and attracting employees of exceptional ability by providing them with these benefits. The Plan became effective as of July 1, 1997, was amended and restated as of January 1, 2000, January 1, 2002, May 1, 2002, September 1, 2004, and January 1, 2005, and is further amended and restated as of January 1, 2008, and amended June 14, 2011, as set forth herein.

2. DEFINITIONS

For the purposes of the Plan, the following terms shall have the meanings indicated, unless the context clearly indicates otherwise:

1. Acquiring Person. An "Acquiring Person" or a "Person" means any individual, entity or group within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

2. Accumulated with Interest. "Accumulated with Interest" means to project Qualified and Other Plan Accounts amounts from one date to a subsequent date assuming an interest rate of seven percent (7%) compounded annually.

3. Actuarial Equivalent. "Actuarial Equivalent" means equality in value of the aggregate amounts expected to be received under different forms and timing of payment, which shall be determined by using the Pension Benefit Guaranty Corporation Lump Sum Interest Rate for Private Sector Payments (as published in appendix C of 29 CFR 4022, or any successor or replacement rate) and the UP84 Mortality Table set back four (4) years for males and females. For purposes of calculating an Actuarial Equivalent for a Participant's benefits, the interest rate assumptions and calculation methodology will be made in the manner described on Appendix A to the Plan, which Appendix may be modified from time to time by the Committee.

4. Beneficiary. "Beneficiary" means the person, persons or entity entitled under Article VI to receive any Plan benefits payable after a Participant's death.

5. Benefit Commencement Date. "Benefit Commencement Date" means the date specified by a Participant in his or her Form and Time of Benefit Election as described in Section 5.7(c) with respect to any Early Retirement, Early Termination, or Change in Control Benefit that may become payable to the Participant.

6. Board. "Board" means the Board of Directors of the Corporation.

7. Change in Control. "Change in Control" means:

(a) The acquisition by an Acquiring Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (i) the then outstanding shares of common stock of Corporation (the "Outstanding Corporation Common Stock") or (ii) the combined voting power of the then outstanding voting securities of Corporation entitled to vote generally in the election of directors (the "Outstanding Corporation Voting Securities"); provided, however, that for purposes of this subsection (a), the following acquisitions will not constitute a Change in Control: (i) any acquisition directly from Corporation, (ii) any acquisition by Corporation, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by Corporation or any corporation controlled by Corporation or (iv) any

acquisition pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this definition; or

(b) Individuals who, as of January 1, 2008, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to January 1, 2008, whose election, or nomination for election by Corporation's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board will be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation by Corporation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of Corporation or the acquisition of assets of another entity (a "Business Combination"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns Corporation or all or substantially all of Corporation's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities, as the case may be, (ii) no Person (excluding any employee benefit plan (or related trust) of Corporation or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) Approval by the shareholders of Corporation of a complete liquidation or dissolution of Corporation.

8. Committee. "Committee" means the Committee appointed by the Corporation to administer the Plan pursuant to Section 7.

9. Compensation. "Compensation" means base pay and annual cash incentive bonuses paid to a Participant during the calendar year, before reduction for amounts deferred under the Louisiana-Pacific Executive Deferred Compensation Plan or any other salary reduction program. Compensation does not include expense reimbursements, any form of noncash compensation or benefits, stock option income, group life insurance premiums, severance pay, or any other payments or benefits other than base pay and annual cash incentive bonuses.

10. Corporation. "Corporation" means Louisiana-Pacific Corporation, a Delaware corporation, or any successor to the business thereof.

11. Deferred Retirement Date. "Deferred Retirement Date" means the first day of the month coincident with or next following the Participant's termination of employment with the Employer if it occurs after the Participant's Normal Retirement Date.

12. Disability. "Disability" means a physical or mental condition which, in the opinion of the Committee, prevents an employee from satisfactorily performing employee's usual duties for Employer. The Committee's decision as to Disability will be based upon medical reports and/or evidence satisfactory to the Committee. In no event shall a Disability be deemed to occur or to continue after a Participant's Normal Retirement Date.

13. Early Retirement Date. "Early Retirement Date" means the date on which the Participant terminates

- employment with the Employer if it occurs on or after the first day of the month coincidental with or next following a Participant's attainment of age fifty-five (55) and completion of five (5) Years of Participation, but prior to his Normal Retirement Date.
14. Employer. "Employer" means the Corporation and any affiliated or subsidiary company of the Corporation which is organized under the laws of any state of the United States.
15. Final Average Compensation. "Final Average Compensation" means the Participant's Compensation during the sixty (60) consecutive complete calendar months of paid employment out of the last one hundred twenty (120) months of employment with the Employer in which the Participant's Compensation is the highest divided by sixty (60). If a Participant's number of complete calendar months of paid employment with the Employer is less than sixty (60), the Participant's Final Average Compensation shall be the monthly average of all such complete calendar months of paid employment.
16. Final Compensation. "Final Compensation" means a Participant's base pay for the twelve (12) months prior to termination of employment with the Employer, plus the average annual cash incentive bonus paid the last three (3) years, divided by twelve (12). If the Participant has not been a Participant in the Employer's annual incentive plan for three (3) full years or been an employee for a full twelve (12) months, then the preceding determination shall be adjusted pro rata.
17. Form and Time of Benefit Election. "Form and Time of Benefit Election" means an election by a Participant pursuant to Section 5.7(c) by which the Participant elects one of the forms of benefit payments described in Section 5.7(a) and specifies a Benefit Commencement Date with respect to any Early Retirement, Early Termination, or Change in Control Benefit that may become payable to the Participant.
18. Involuntarily Terminated. "Involuntarily Terminated" means termination by the Employer of a Participant's employment other than for Cause or Disability or termination of employment by the Participant for Good Reason. For this purpose, (1) "Cause" shall mean (a) the willful and continued failure of the Participant to perform substantially the Participant's duties with the Employer (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Participant by the Chief Executive Officer of the Corporation ("CEO") or the Board which specifically identifies the manner in which the CEO or the Board believes that the Participant has not substantially performed such duties or (b) the willful engaging by the Participant in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Employer and (2) "Good Reason" shall mean any action by the Employer that results in (a) any material diminution in the Participant's employment position (including status, offices, titles and reporting requirements), authority, duties and responsibilities or (b) a relocation of the Participant's employment position to a physical location that is 50 miles or more from the Participant's prior employment location.
19. Normal Retirement Date. "Normal Retirement Date" means the first day of the month coincident with or next following the Participant's attainment of age sixty-two (62).
20. Participant. "Participant" means any individual who is participating or has participated in the Plan as provided in Section 3.
21. Qualified and Other Plan Accounts. "Qualified and Other Plan Accounts" means a Participant's (1) ESOT, ESOT Transfer, Matching, Profit Sharing and Frozen Profit Sharing Accounts under the Louisiana-Pacific Salaried 401(k) and Profit Sharing Plan, (2) accrued benefits attributable to employer contributions under the Louisiana-Pacific Corporation Retirement Account Plan and any other employee pension benefit plan maintained by the Employer, (3) Qualified Plan Supplemental Credit Account under the Louisiana-Pacific Corporation 2004 Executive Deferred Compensation Plan (the "EDCP") (4) Qualified Plan Makeup Credit Account under the EDCP; (5) Employer Matching Contribution Account under the EDCP; and (6) any account plan defined as a "Qualified and Other Account Plan" under the terms of the Plan as in effect prior to September 1, 2004.
22. Retirement. "Retirement" means a Participant's termination of employment with the Employer at the Participant's Early Retirement Date, Normal Retirement Date, or Deferred Retirement Date.
23. Spouse. "Spouse" means a Participant's wife or husband who is lawfully married to the Participant

at the time of the Participant's death.

24. Supplemental Retirement Benefit. "Supplemental Retirement Benefit" means the benefit determined under Section 5 of this Plan.

25. Target Retirement Percentage. "Target Retirement Percentage" means the percentage of Final Average Compensation which will be used as a target from which other forms of retirement benefits are subtracted, as provided in Section 5, to arrive at the amount of the Supplemental Retirement Benefit actually payable to a Participant. This percentage shall equal fifty percent (50%) multiplied by a fraction, the numerator of which is the Participant's Years of Credited Service, not to exceed fifteen (15), and the denominator of which is fifteen (15). The adjusted Target Retirement Percentage shall be rounded to four (4) decimal places.

26. Years of Credited Service. "Years of Credited Service" means the whole number of years of vesting service credited under the provisions of the Louisiana-Pacific Corporation Retirement Account Plan.

27. Years of Participation. "Years of Participation" means the number of twelve (12) month periods the Participant has been a Participant in the Plan as set out in Section 3.1(b) of the Plan. For the individuals who became initial Participants as of July 1, 1997, Years of Participation shall be measured from January 1, 1997.

3. **PARTICIPATION AND VESTING**

1. Eligibility and Participation.

(a) Eligibility. Employees eligible to participate in the Plan shall be those employees of an Employer who are designated as Participants by the Chief Executive Officer of the Corporation and whose participation in the Plan is approved by the Committee; provided, that the participation of an employee who is an executive officer of the Corporation for purposes of Section 16 of the Securities Exchange Act, or is otherwise designated by the Board as an employee whose compensation is subject to the authority of the Compensation Committee of the Board, shall be subject to the specific approval of the Compensation Committee of the Board.

(b) Participation. An employee's participation in the Plan shall be effective upon notification of the employee of his status as a Participant by the Committee. Participation in the Plan shall continue until such time as the Participant terminates employment with the Employer, and as long thereafter as the Participant is eligible to receive benefits under this Plan.

2. Vesting. Each Participant shall be one hundred percent (100%) vested in benefits under this Plan after completing five (5) Years of Participation in the Plan. The preceding notwithstanding, each Participant shall be one hundred percent (100%) vested in benefits under this Plan upon death, Disability or a Change in Control.

3. Cessation of Eligibility. Notwithstanding Section 3.1(b) of this Plan, if a Participant ceases to be designated by the Committee as eligible to participate in the Plan, by reason of a change in employment status or otherwise, participation herein and eligibility to receive benefits hereunder shall be limited to the Participant's interest in such benefits as of the date designated by the Committee.

4. **PRE-TERMINATION SURVIVOR BENEFIT**

If a Participant dies while employed by the Employer, the Employer shall pay a supplemental survivor benefit to the Participant's Spouse. The amount of this benefit shall be an amount equal to one-half (1/2) of the amount that would have been payable to the Participant as a fully vested Normal Retirement Benefit in the form of a life annuity payable monthly (as if the Participant had terminated employment with the Employer immediately before his or her date of death and elected a life annuity form of benefit), payable monthly for the life of the Spouse, calculated using the three percent (3%) reduction per year specified in 5.3 to the Participant's age at death if the Participant died before attaining age 62, with payments commencing to the Spouse within thirty (30) days following the Participant's date of death; provided, that if the Participant would have been entitled to a benefit described in Section 5.7(e) had the Participant terminated employment with the Employer immediately prior to the date of death and such benefit has a greater Actuarial Equivalent value than the benefit under this Section 4.1, then the benefit described in 5.7(c) shall be payable to the Participant's Spouse or Beneficiary as the case may be.

5. **SUPPLEMENTAL RETIREMENT BENEFITS**

1. Normal Retirement Benefit. If a Participant retires on the Normal Retirement Date, the Employer shall pay to the Participant (payable at the time specified in Section 5.7(d)) a Supplemental Retirement Benefit that is the Actuarial Equivalent of a life annuity payable monthly, calculated as if it commenced on the first day of the calendar month following the Participant's date of termination of employment with the Employer, for the Participant's life in an amount equal to the Target Retirement Percentage multiplied by the Participant's Final Average Compensation, less:

- (a) Fifty percent (50%) of the Participant's primary Social Security benefit determined at age 62, and
- (b) An amount equal to the Participant's Qualified and Other Plan Accounts amounts, determined as of the Participant's date of termination and subject to Section 5.8, converted to a monthly life annuity on an Actuarial Equivalent basis times the vesting percentage determined under Section 3.2 of this Plan.

2. Deferred Retirement Benefit. If a Participant retires at a Deferred Retirement Date, the Employer shall pay to the Participant (payable at the time specified in Section 5.7(d)) a Supplemental Retirement Benefit calculated pursuant to Section 5.1, except that 5.1(a) and 5.1(b) shall be measured at the Participant's date of termination.

3. Early Retirement Benefit. If a Participant retires at an Early Retirement Date, the Employer shall pay to the Participant (payable at the time specified in Section 5.7(d)) a Supplemental Retirement Benefit that is the Actuarial Equivalent of a life annuity payable monthly, calculated as if it commenced on the first day of the calendar month following the Participant's 62nd birthday and reduced as provided for in this Section 5.3, for the Participant's life in an amount equal to the Target Retirement Percentage multiplied by the Participant's Final Average Compensation, less:

- (a) Fifty percent (50%) of the Participant's primary Social Security benefit projected to be paid at age 62 assuming no future increases in Compensation, no change in the Social Security Act and no change in the cost of living or the average wage indexes, and
- (b) An amount equal to the Participant's Qualified and Other Plan Accounts amounts, determined as of the Participant's date of termination of employment with the Employer and subject to Section 5.8, converted to a monthly life annuity beginning at age 62 on an Actuarial Equivalent basis but assuming no growth in such amounts to age 62; times the vesting percentage determined under Section 3.2 of this Plan.

If a Participant retires with the approval of the Committee, the above Early Retirement Benefit shall be reduced by three percent (3%) for each year by which the actual benefit commencement date precedes the Participant's 62nd birthday (prorated for partial years on a monthly basis). If a Participant retires without the approval of the Committee, the above Early Retirement Benefit shall be reduced by five percent (5%) for each year by which the actual benefit commencement date precedes the first day of the calendar month following the Participant's 62nd birthday (prorated for partial years on a monthly basis). For Participants who retire without approval of the Committee, this benefit shall be further reduced by a fraction equal to the Participant's actual Years of Credited Service at termination over Years of Credited Service the Participant would have had at age 62.

4. Early Termination Retirement Benefit. If a Participant terminates employment with an Employer prior to Early Retirement, the Employer shall pay to the Participant (payable at the time specified in Section 5.7(d)) a Supplemental Retirement Benefit that is the Actuarial Equivalent of a life annuity payable monthly, calculated as if it commenced on the first day of the calendar month following the Participant's 62nd birthday, for the Participant's life in an amount equal to the product of (a) times (b) times (c) where:

- (a) is an amount equal to the Target Retirement Percentage multiplied by the Participant's Final Average Compensation, less:
 - (i) Fifty percent (50%) of the Participant's primary Social Security benefit projected to be paid at age 62 assuming no future increases in Compensation, no change in the Social Security act and no change in the cost of living or the average wage indexes, and
 - (ii) An amount equal to the Qualified and Other Plan Accounts amounts, determined as of the date of the

Participant's date of termination and subject to Section 5.8, converted to a monthly life annuity beginning at age 62 on an Actuarial Equivalent basis but assuming no growth in such amounts to age 62.

(b) is the vesting percentage determined under Section 3.2 of this Plan; and

(c) is a fraction equal to the Participant's Years of Credited Service at termination over Years of Credited Service the Participant would have had at age 62.

5. Change in Control Benefits. If a Participant is Involuntarily Terminated within thirty-six (36) months of a Change in Control, such Participant shall be granted two (2) extra Years of Credited Service under the Plan, and the greater of Final Compensation or Final Average Compensation shall be used in determining the Participant's Supplemental Retirement Benefit. For such Involuntarily Terminated Participants, the Employer shall pay to the Participant (payable at the time specified in Section 5.7(d)) a Supplemental Retirement Benefit calculated in the same manner as an Early Retirement Benefit pursuant to Section 5.3 as if the Participant retired with the approval of the Committee.

6. Disability Retirement Benefit. If a Participant terminates employment prior to Normal Retirement as a result of Disability, the Employer shall pay to the Participant (payable at the time specified in Section 5.7(d)) a Supplemental Retirement Benefit that is the Actuarial Equivalent of a life annuity payable monthly, calculated as if it commenced 30 days after the Participant's 62nd birthday, for the Participant's life in an amount equal to the amount the Participant would have received at such time under the Normal Retirement provisions of this Article. For purposes of this calculation, Years of Credited Service and Years of Participation shall continue to accrue during the period of Disability and the Participant's Final Average Compensation shall be based only on the amounts earned during the sixty (60) months prior to Disability if this provides the Participant with a greater benefit.

7. Payment of Benefits.

(a) Form of Benefit Payments. The normal form of benefit payment shall be a single lump sum payment equal to the Actuarial Equivalent of a life annuity payable monthly. Any other form of monthly benefit elected by the Participant must be the Actuarial Equivalent of a life annuity payable monthly. The form of benefit payments available to Participants shall be:

(i) Lump Sum Payment

(ii) Life Annuity

(iii) 10-Year Certain and Life Annuity

(iv) 50% Joint and Spouse Survivor Annuity

(v) 100% Joint and Spouse Survivor Annuity

(b) Default Form of Benefit Payment. If there is no effective Form and Time of Benefit Election by a Participant, such Participant's form of benefit payment shall be a single lump sum payment equal to the Actuarial Equivalent of a life annuity payable monthly.

(c) Form and Time of Benefit Election. Except as provided in Section (c)(i) with respect to Participants as of January 1, 2005, at the time of enrollment the Participant shall deliver to the Employer a Form and Time of Benefit Election (in a form satisfactory to Corporation) specifying (i) one of the forms of benefit payments described in Section (a), and (ii) a Benefit Commencement Date (which may not be later than the first day of the first calendar month beginning after the Participant's 62nd birthday) applicable in the event the Participant receives an Early Retirement, Early Termination, or Change in Control Benefit. The Form and Time of Benefit Election must be delivered within 30 days after the employee first becomes designated as a Participant in this Plan (the "eligibility date"), and will apply only to contributions that relate to services performed after the date on which the election is delivered to the Employer. A Form and Time of Benefit Election made under this paragraph will be irrevocable when it is received by the Employer, and a failure to make a Form and Time of Benefit Election will become irrevocable on the 31st day after the eligibility date.

(i) Form and Time of Benefit Election for Participants as of January 1, 2005. Each Participant who was a Participant as of January 1, 2005, shall make a Form and Time of Benefit Election not later than December 31, 2005.

(ii) Changes to Form and Time of Benefit Elections. A Participant may amend, revoke, or replace a Form

and Time of Benefit Election, subject to the following restrictions (unless the Committee expressly waives or modifies one or more of such restrictions based on the Committee's determination that such waiver or modification would not result in constructive receipt or cause the Plan not to meet the requirements of applicable law or Treasury Regulations):

(1) In no event may a Participant change his or her Form and Time of Benefit Election to accelerate the time or schedule of any benefit payment under the Plan (including without limitation any change from any annuity form of benefit payment to a lump sum form of payment);

(2) No change to an existing Form and Time of Benefit Election may take effect until at least 12 months after the date of such amended Form and Time of Benefit Election;

(3) With respect to distributions other than distributions upon the death or Disability of a Participant, the first date on which a distribution or installment may be made under an amended Form and Time of Benefit Election may not be earlier than five years after the date the distribution or payment would otherwise have been made;

(4) No change to an existing Form and Time of Benefit Election relating to a payment to be made at a specified time or pursuant to a fixed schedule may be made less than 12 months before the date the first scheduled distribution or payment would otherwise have been made; and

(5) In no event may a Participant make more than one amendment to a Form and Time of Benefit Election to delay any distribution or payment.

The Committee may modify the foregoing restrictions and/or adopt other restrictions from time to time to provide for efficient administration of the Plan and to cause the Plan to comply with applicable law and Treasury Regulations.

(d) Time of Payment or Commencement of Benefit Payments.

(i) Normal and Deferred Retirement Benefits. A Participant's Normal Retirement or Deferred Retirement Benefit will be payable or will commence on the first day of the seventh calendar month beginning after the Participant's termination of employment.

(ii) Early Retirement, Early Termination, and Change in Control Benefits. A Participant's Early Retirement, Early Termination, or Change in Control Benefit will be payable or will commence on the later of:

(1) The first day of the seventh calendar month beginning after the Participant's termination of employment; or

(2) The Benefit Commencement Date specified in the Participant's Form and Time of Benefit Election.

(iii) Disability Retirement Benefits. A Participant's Disability Retirement Benefit will be payable or will commence on the first day of the first calendar month beginning after the earlier of (1) the Participant's 62nd birthday or (2) the date the Participant ceases to be Disabled.

(e) Death Prior to Commencement of Benefit Payments. If a Participant terminates employment and dies before the commencement of benefits as provided under Section 5.7(d), any survivor benefit under the form of benefit that was elected by the Participant under Sections 5.7(a)(iii), (a)(iv), or (a)(v) shall be payable to the Participant's Spouse or Beneficiary, as the case may be, at the time benefits otherwise would have commenced to the Participant.

8. Qualified and Other Retirement Plan Accounts Offset. In the event that all or a portion of a Participant's Qualified and Other Retirement Plan Accounts are paid out prior to the applicable benefit calculation date under any provision of Section 5 of the Plan, the value of such Accounts at termination shall be the amount distributed Accumulated with Interest to the date of termination.

9. Withholding; Payroll Taxes. The Employer shall withhold from payments made hereunder any taxes required to be withheld from a Participant's wages for the federal or any state or local government. However, a Beneficiary may elect not to have withholding for federal income tax purposes pursuant to Section 3405 of the Internal Revenue Code, or any successor provision.

10. Payment to Guardian. If a Plan benefit is payable to a minor or a person declared incompetent or to a person incapable of handling the disposition of his property, the Committee may direct payment of such

Plan benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or person. The Committee may require proof of incompetency, minority, incapacity or guardianship as it may deem appropriate prior to distribution of the Plan benefit. Such distribution shall completely discharge the Committee and the Employer from all liability with respect to such benefit.

11. Termination of Employment. For purposes of this Plan, termination of employment means "separation from service" as such term is defined and interpreted in Treasury Regulation Section 1.409A-1(h) or in subsequent regulations or other guidance issued by the Internal Revenue Service.

6. **BENEFICIARY DESIGNATION**

1. Beneficiary Designation. Each Participant shall have the right, at any time, to designate any person or persons as his Beneficiary or Beneficiaries (both primary as well as secondary) to whom benefits under this Plan shall be paid in the event of his death prior to payment to Participant of the benefits due to the Participant under the Plan. Each Beneficiary designation shall be in a written form prescribed by the Committee, and will be effective only when filed with the Committee during the Participant's lifetime.

2. Changing Beneficiary. Subject to Section 6.3, any Beneficiary designation may be changed by a Participant without the consent of the previously named Beneficiary by the filing of a new designation with the Committee. The filing of a new designation shall cancel all designations previously filed. If a Participant's benefits under the Plan are subject to the community property laws of any state, any Beneficiary designation or change in Beneficiary designation shall be valid or effective only as permitted by applicable law.

3. No Beneficiary Designation. In the absence of an effective Beneficiary Designation, or if all designated Beneficiaries predecease the Participant or dies prior to complete distribution of the Participant's benefits, then the Participant's designated Beneficiary shall be deemed to be the person in the first of the following classes in which there is a survivor:

- (a) the surviving Spouse;
- (b) the Participant's children, except that if any of the children predeceases the Participant but leaves issue surviving, then such issue shall take by right of representation the share the parent would have taken if living;
- (c) the Participant's estate.

7. **ADMINISTRATION**

1. Committee; Duties. The Plan shall be administered by a Committee consisting of not less than three (3) persons appointed by the Corporation. Members of the Committee may be Participants in the Plan. The members of the Committee on January 1, 2008 are Curtis M. Stevens, Cynthia Ann Harris and Jeffrey D. Poloway. The Committee shall have the authority to make, amend, interpret and enforce all appropriate rules and regulations for the administration of the Plan and decide or resolve any and all questions, including interpretations of the Plan, as may arise in connection with the Plan. Members of the Committee may be Participants under the Plan; provided, that a member of the Committee who is also a Participant shall not participate in any decision or interpretation of the Committee that relates specifically to the calculation of or right to receive his or her accrued benefit under the Plan. A majority vote of the Committee members entitled to vote shall control any Committee decision.

2. Agents. The Committee may, from time to time, employ other agents and delegate to them such administrative duties as it sees fit, and may from time to time consult with counsel who may be counsel to the Employer.

3. Binding Effect of Decisions. The decision or action of the Committee with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated hereunder shall be final, conclusive and binding upon all persons having any interest in the Plan.

4. Indemnity of Committee. The Employer shall indemnify and hold harmless the members of the Committee against any and all claims, loss, damage, expense or liability arising from any action or failure to act with respect to the Plan, except in the case of gross negligence or willful misconduct.

8. **CLAIMS PROCEDURE**

1. **Claim.** Any person claiming a benefit, requesting an interpretation or ruling under the Plan or requesting information under the Plan shall present the request in writing to the Committee which shall respond in writing within thirty (30) days.
2. **Denial of Claim.** If the claim or request is denied, the written notice of denial shall state:
 - (a) The reason for denial, with specific reference to the Plan provisions on which the denial is based.
 - (b) A description of any additional material or information required and an explanation of why it is necessary.
 - (c) An explanation of the Plan's claim review procedure.
3. **Review of Claim.** Any person whose claim or request is denied or who has not received a response within thirty (30) days may request review by notice given in writing to the Committee. The claim or request shall be reviewed by the Committee who may, but shall not be required to, grant the claimant a hearing. On review, the claimant may have representation, examine pertinent documents, and submit issues and comments in writing.
4. **Final Decision.** The decision on review shall normally be made within sixty (60) days. If an extension of time is required for a hearing or other special circumstances, the claimant shall be notified and the time limit shall be one hundred twenty (120) days. The decision shall be in writing and shall state the reason and the relevant plan provisions. All decisions on review shall be final and bind all parties concerned.
9. **TERMINATION, SUSPENSION OR AMENDMENT**
 1. **Termination, Suspension or Amendment of Plan.** The Corporation may at any time terminate, suspend or amend the Plan in whole or in part; provided, however, that any such termination or suspension, or any amendment that would materially change the benefits provided under the Plan, shall be subject to the prior approval of the Compensation Committee of the Board. Provided, further, that no such action shall be effective to decrease or restrict the accrued benefit of any Participant as of the date of such action.
10. **MISCELLANEOUS**
 1. **Unfunded Plan.** The Plan is intended to be an unfunded plan maintained primarily to provide deferred compensation benefits for a select group of "management or highly-compensated employees" within the meaning of Sections 201, 301 and 401 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and therefore is exempt from the provisions of Parts 2, 3 and 4 of Title I of ERISA. Accordingly, the Plan shall terminate and no further benefits shall accrue hereunder in the event it is determined by a court of competent jurisdiction or by an opinion of counsel that the Plan constitutes an employee pension benefit plan within the meaning of Section 3(2) of ERISA which is not so exempt. In the event of such termination, the amount of each Participant's vested benefits under the Plan shall be distributed to such Participant at such time and in such manner as the Committee, in its sole discretion, determines.
 2. **Unsecured General Creditor.** In the event of Employer's insolvency, Participants and their Beneficiaries, heirs, successors, and assigns shall have no legal or equitable rights, interest or claims in any property or assets of the Employer, nor shall they be Beneficiaries of, or have any rights, claims or interests in any life insurance policies, annuity contracts or the proceeds therefrom owned or which may be acquired by the Employer. In that event, any and all of the Employer's assets and policies shall be, and remain, the general, unpledged, unrestricted assets of the Employer. The Employer's obligation under the Plan shall be that of an unfunded and unsecured promise of the Employer to pay money in the future.
 3. **Trust Fund.** The Employer shall be responsible for the payment of all benefits provided under the Plan. At its discretion, the Employer may establish one or more trusts, with such trustees as the Board may approve, for the purpose of providing for the payment of such benefits. Such trust or trusts may be irrevocable, but the assets thereof shall be subject to the claims of the Employer's creditors. To the extent any benefits provided under the Plan are actually paid from any such trust, the Employer shall have no further obligation with respect thereto, but to the extent not so paid, such benefits shall remain the obligation of, and shall be paid by, the Employer.
 4. **Nonassignability.** Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate or convey in

advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are, expressly declared to be unassignable and nontransferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, nor be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency.

5. Not a Contract of Employment. The terms and conditions of the Plan shall not be deemed to constitute a contract of employment between the Employer and the Participant, and the Participant (or his or her Beneficiary) shall have no rights against the Employer except as may otherwise be specifically provided herein. Moreover, nothing in the Plan shall be deemed to give a Participant the right to be retained in the service of the Employer or to interfere with the right of the Employer to discipline or discharge the Participant at any time.

6. Protective Provisions. A Participant will cooperate with the Employer by furnishing any and all information requested by the Employer, in order to facilitate the payment of benefits hereunder, and by taking such physical examinations as the Employer may deem necessary and taking such other action as may be requested by the Employer.

7. Terms. Whenever any words are used herein in the masculine, they shall be construed as though they were used in the feminine in all cases where they would so apply; and wherever any words are used herein in the singular or in the plural, they shall be construed as though they were used in the plural or the singular, as the case may be, in all cases where they would so apply.

8. Captions. The captions of the articles, sections and paragraphs of the Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.

9. Governing Law; Arbitration. The provisions of the Plan shall be construed and interpreted according to the laws of the State of Delaware. Any dispute or claim that arises out of or that relates to the Plan or to the interpretation, breach, or enforcement of the Plan, shall be resolved by mandatory arbitration in accordance with the then effective arbitration rules of the American Arbitration Association, and any judgment upon the award rendered pursuant to such arbitration may be entered in any court having jurisdiction thereof.

10. Validity. In case any provision of the Plan shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof, but the Plan shall be construed and enforced as if such illegal and invalid provision had never been inserted herein.

11. Notice. Any notice or filing required or permitted to be given to the Committee under the Plan shall be sufficient if in writing and hand delivered, or sent by registered or certified mail, to any member of the Committee or the Secretary of the Employer. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

12. Successors. The provisions of the Plan as it may be amended from time to time shall bind and inure to the benefit of the Employer and its successors and assigns. The term successors as used herein shall include any corporate or other business entity which shall, whether by merger, consolidation, purchase or otherwise acquire all or substantially all of the business and assets of the Employer, and successors of any such corporation or other business entity.

13. Code Section 409A. This Plan is designed to comply with the requirements of Section 409A of the Internal Revenue Code ("Code"), and shall be interpreted and administered consistently with the requirements of Code Section 409A, including regulations and other guidance issued thereunder.

**LOUISIANA-PACIFIC CORPORATION
2011 NON-EMPLOYEE DIRECTOR PHANTOM SHARE PLAN**

Effective May 15, 2011

Establishment And Purpose

Establishment. Louisiana-Pacific Corporation, a Delaware corporation ("Corporation"), establishes the Louisiana-Pacific Corporation 2011 Non-Employee Director Phantom Share Plan (the "Plan") effective as of May 15, 2011.

Purpose. The purpose of the Plan is to promote and advance the interests of Corporation and its stockholders by enabling Corporation to attract and retain well-qualified Non-Employee Directors (as defined below) and to strengthen the mutuality of interests between such Non-Employee Directors and Corporation's stockholders by providing for grants of Phantom Shares, thereby providing a proprietary interest in pursuing the long-term growth, profitability, and financial success of Corporation.

Definitions

Defined Terms. For purposes of the Plan, the following terms have the meanings set forth below:

"**Award**" means an award of Phantom Shares granted to a Non-Employee Director pursuant to the Plan.

"**Board**" means the board of directors of Corporation.

"**Change in Control**" means:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (A) the then outstanding shares of common stock of Corporation (the "Outstanding Corporation Common Stock") or (B) the combined voting power of the then outstanding voting securities of Corporation entitled to vote generally in the election of directors (the "Outstanding Corporation Voting Securities"); provided, however, that for purposes of this subsection (a), the following acquisitions will not constitute a Change in Control: (i) any acquisition directly from Corporation, (ii) any acquisition by Corporation, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by Corporation or any corporation controlled by Corporation or (iv) any acquisition pursuant to a transaction which complies with clauses (i), (ii), and (iii) of subsection (c) of this definition; or

(b) Individuals who, as of the effective date of this Plan (the "Effective Date"), constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by Corporation's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board will be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation by Corporation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of Corporation or the acquisition of assets of another

entity (a "Business Combination"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns Corporation or all or substantially all of Corporation's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities, as the case may be, (ii) no Person (excluding any employee benefit plan (or related trust) of Corporation or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) Approval by the stockholders of Corporation of a complete liquidation or dissolution of Corporation.

"**Code**" means the Internal Revenue Code of 1986, as amended and in effect from time to time, or any successor thereto, together with rules, regulations, and interpretations promulgated thereunder. Where the context so requires, any reference to a particular Code section will be construed to refer to the successor provision to such Code section.

"**Committee**" means the committee of the Board described in Section 3.1.

"**Disability**" means inability to perform the duties of a director of Corporation by reason of a medically determinable (to the reasonable satisfaction of the Committee) physical or mental condition that results in absence from such duties for a period of 90 consecutive days or a total of 120 days during any calendar year.

"**Exchange Act**" means the Securities Exchange Act of 1934 as amended and in effect from time to time, and any successor statute. Where the context requires, any reference to a particular section of the Exchange Act or to any rule promulgated under the Exchange Act will be construed to refer to successor provisions to such section or rule.

"**Extraordinary Distribution**" means a dividend or other distribution payable in cash or other property with respect to Corporation's Stock where the aggregate amount or value of the dividend or distribution exceeds 5% of the aggregate Fair Market Value of all outstanding Stock as of the business day immediately preceding the date the dividend or distribution is declared by the Board.

"**Fair Market Value**" means, on any given date, the closing price per share of Stock as reported for such day by the principal exchange or trading market on which Stock is traded (as determined by the Committee) or, if Stock was not traded on such date, on the next preceding day on which Stock was traded. If Stock is not listed on a stock exchange or if trading activities for Stock are not reported, the Fair Market Value will be determined by the Committee.

"**Grant Date**" means the date an Award is granted to a Non-Employee Director under the Plan, including an "Initial Grant Date" and an "Annual Grant Date". Specifically, for each Non-Employee

Director, the date such person first becomes a Non-Employee Director will be the Initial Grant Date and each following June 1 (while the person continues to be a Non-Employee Director and while a sufficient number of Phantom Shares remain available for Awards pursuant to Section 4 of the Plan) will be an Annual Grant Date.

"**Involuntary Retirement**" means a Termination of Service of a Non-Employee Director's membership on the Board due to:

- (e) Retirement on the mandatory retirement date for directors under Corporation's bylaws; or
- (f) A determination by the Committee that the Non-Employee Director cannot continue as a member of the Board without violating applicable law.

"**Non-Employee Director**" means a member of the Board who is not an employee of Corporation or any subsidiary of Corporation.

"**Phantom Share**" means a measurement unit corresponding to a share of Stock used for purposes of measuring the benefits payable to a Non-Employee Director pursuant to the terms and conditions of, and subject to the Restrictions set forth in, this Plan.

"**Plan**" means this Louisiana-Pacific Corporation 2011 Non-Employee Director Phantom Share Plan, as it may be amended and in effect from time to time.

"**Restriction**" means the provisions of Section 7 of the Plan that govern the forfeiture of an Award of Phantom Shares during the applicable Restriction Period.

"**Restriction Period**" means the period following the Grant Date of an Award as described in Section 7.1 during which the Award is subject to Restrictions.

"**Stock**" means Corporation's common stock, \$1 par value, or any security issued by Corporation in substitution, exchange, or lieu of such common stock.

"**Termination of Service**" means "separation from service" as defined and interpreted in Treasury Regulation Section 1.409A-1(h) or in subsequent regulations or other guidance issued by the Internal Revenue Service.

"**Vest**," "**Vested**," or "**Vesting**" with respect to Phantom Shares governed by an Award means to be or to become nonforfeitable and free of all Restrictions due to expiration of the Restriction Period or the acceleration of vesting by the Committee.

Gender and Number. Except where otherwise indicated by the context, any masculine or feminine terminology used in the Plan also includes the opposite gender; and the definition of any term in the singular also includes the plural, and vice versa.

Administration

Committee. The Plan will be administered by Corporation's Nominating and Corporate Governance Committee or by another committee of the Board expressly designated by the Board to administer the Plan.

Authority of the Committee. The Committee will have full power and authority to administer the Plan in its sole discretion, including the authority to:

- (g) Construe and interpret the Plan; and
- (h) Promulgate, amend, and rescind rules and procedures relating to the implementation

of the Plan.

Decisions of the Committee will be final, conclusive, and binding on all Non-Employee Directors.

1. **Duration Of The Plan And Shares Subject To The Plan**

1. **Duration of the Plan.** The Plan became effective May 15, 2011, and will continue in effect until Awards have been granted covering all available Phantom Shares or until the Plan is otherwise terminated by the Board. Termination of the Plan will not affect outstanding Awards.

2. **Limit on Grants.** The number of Phantom Shares for which Awards may be granted under the Plan may not exceed an aggregate of 200,000 Phantom Shares, subject to adjustment pursuant to Section 9 of the Plan.

3. **Availability of Phantom Shares for Future Awards.** If an Award under the Plan is canceled or expires for any reason prior to having been fully Vested, all Phantom Shares covered by such Award may again be granted pursuant to the Plan. Nothing in the Plan will be construed to require the Board to grant all Phantom Shares reserved under this Section or any other number of Phantom Shares.

2. **Eligibility**

All Non-Employee Directors of Corporation are automatically eligible to receive Awards under the Plan.

3. **Awards**

1. **Initial Grants.** For each person who becomes a Non-Employee Director, the person will receive as of the Initial Grant Date an Award of a number of Phantom Shares (subject to the Restrictions described in Section 7.2) equal to (a) \$40,000 multiplied by a fraction with a numerator equal to the number of days between the Initial Grant Date and the next following June 1 and a denominator equal to 365, divided by (b) the Fair Market Value of a share of Stock as of the Initial Grant Date (rounded to the nearest number of whole shares of Stock).

2. **Annual Grants.** For each person who remains a Non-Employee Director as of each Annual Grant Date, the person will receive as of the Annual Grant Date an Award of a number of Phantom Shares (subject to the Restrictions described in Section 7.2) equal to \$40,000 divided by the Fair Market Value of a share of Stock as of the Annual Grant Date (rounded to the nearest number of whole shares of Stock).

3. **Phantom Share Award Agreement.** Each Award of Phantom Shares under the Plan will be evidenced by a Phantom Share Award Agreement in the form attached to this Plan as Appendix 6.3.

4. **Reduction in Number of Shares Granted.** The Committee may, in its discretion, reduce (below the formula amounts set forth above) the number of Phantom Shares to be granted pursuant to an Award under this Section 6.

4. **Restrictions**

1. **Restriction Period.** For each Award of Phantom Shares, the Restriction Period is the period commencing on the Grant Date for the Award and ending on the first to occur of:

(a) The expiration of five years from the Grant Date;

(b) Termination of Service by reason of:

(i) Death;

(ii) Disability;

(iii) Involuntary Retirement; or

(iv) A Change in Control of Corporation.

2. **Restrictions During Restriction Period.** During the Restriction Period applicable to each Award of

Phantom Shares:

(a) The Non-Employee Director may not sell, assign, pledge, or otherwise transfer or encumber the Award;

(b) In the event the Non-Employee Director ceases to be a director of Corporation prior to the expiration of the Restriction Period for any reason other than death, Disability, Involuntary Retirement, or in connection with a Change in Control of Corporation, the Non-Employee Director will immediately and automatically forfeit all Awards that have not Vested as of the date of such cessation and the Non-Employee Director will cease to have any rights with respect to such Awards.

3. **Rights During Restriction Period.** Non-Employee Directors will not have any rights as a stockholder with respect to the Phantom Shares. Non-Employee Directors holding a Phantom Share Award will be credited with dividend equivalent additional Phantom Shares equal to the amount or value of any cash or other distributions or dividends payable during the Restriction Period with respect to an equal number of shares of Stock.

5. **Settlement of Awards**

1. **Settlement of Phantom Share Award.** Within 20 business days of the date of Vesting of any Phantom Share Award, the Corporation shall deliver to the Non-Employee Director or his or her beneficiary a lump sum payment in cash equal to the Fair Market Value of the Phantom Shares subject to the Award on the date of Vesting.

2. **Tax Withholding.** As of the date the Plan was adopted in its current form, income recognized by Non-Employee Directors with respect to Phantom Shares (upon Vesting) is treated as self-employment income that is not subject to tax withholding. However, Corporation will have the right to withhold from any settlement of Phantom Shares made under the Plan any federal, state, or local taxes of any kind subsequently required by law to be withheld or paid by Corporation on behalf of a Non-Employee Director with respect to such settlement. In the event any such taxes are imposed, each Non-Employee Director will be required to make arrangements satisfactory to Corporation for the satisfaction of any such withholding tax obligation.

6. **Adjustments Upon Changes in Capitalization, Etc.**

1. **Plan Does Not Restrict Corporation.** The existence of the Plan and the Awards granted under the Plan do not affect or restrict in any way the right or power of the Board or the stockholders of Corporation to make or authorize any adjustment, recapitalization, reorganization, or other change in Corporation's capital structure or its business, any merger or consolidation of Corporation, any issue of bonds, debentures, preferred or prior preference stocks ahead of or affecting Corporation's capital stock or the rights of such stock, the dissolution or liquidation of Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding.

2. **Adjustments by the Committee.** In the event of any change in capitalization affecting the Stock of Corporation, such as a stock dividend, stock split, recapitalization, merger, consolidation, split-up, combination or exchange of shares or other form of reorganization, or any Extraordinary Distribution or other change affecting the Stock, the Committee will make proportionate adjustments with respect to the aggregate number of Phantom Shares for which Awards may be granted under the Plan and the number of Phantom Shares covered by each outstanding Award. The Committee may also make similar adjustments in the number of Phantom Shares in the event of a spin-off or other distribution (other than normal cash dividends) of Corporation assets to stockholders that is not specifically addressed above in this Section 9.2.

7. **Amendment and Termination**

The Board may amend, suspend, or terminate the Plan or any portion of the Plan at any time, provided that amendment or termination of the Plan will not adversely affect the rights of Non-Employee Directors under previously granted Awards.

8. **Miscellaneous**

1. **Unfunded Plan.** The Plan will be unfunded and Corporation will not be required to

segregate any assets that may at any time be represented by Awards under the Plan. Any liability of Corporation to any Non-Employee Director with respect to any Award under the Plan will be based solely upon the contractual obligations effected pursuant to the Plan. No such obligation of Corporation will be deemed to be secured by any pledge of, or other encumbrance on, any property of Corporation.

2. **Successorship.** Subject to restrictions on transferability set forth in the Plan, each Phantom Share Award under the Plan will be binding upon and benefit the parties, their successors and assigns.

3. **Interpretation.** The payments and other benefits under this Plan are intended to be exempt from the requirements of Code Section 409A by reason of all payments under this Plan being “short-term deferrals” within the meaning of Treasury Regulation Section 1.409A-1(b)(4). All provisions of this Plan shall be interpreted in a manner consistent with preserving this exemption.

4. **Governing Law.** Except with respect to references to the Code or federal securities laws, the Plan and all actions taken thereunder will be governed by and construed in accordance with the laws of the state of Tennessee.

CERTIFICATION

I, Richard W. Frost, certify that:

1. I have reviewed this report on Form 10-Q of Louisiana-Pacific Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2011

/s/ RICHARD W. FROST

RICHARD W. FROST

Chief Executive Officer

CERTIFICATIONS

I, Curtis M. Stevens, certify that:

1. I have reviewed this report on Form 10-Q of Louisiana-Pacific Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2011

/s/ CURTIS M. STEVENS

Curtis M. Stevens
Chief Financial Officer

LOUISIANA-PACIFIC CORPORATION
411 Union Street, Suite 2000
Nashville, TN 37219-1700
(615) 986-5600

July 29, 2011

Securities and Exchange Commission
Judiciary Plaza
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: Certification Pursuant to § 906 of the Sarbanes-Oxley Act of 2002

Ladies and Gentlemen:

Pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, in connection with the filing of the Form 10-Q of Louisiana-Pacific Corporation (the "Company") for the period ended March 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies, that, to such officer's knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

/s/ RICHARD W. FROST

Name: Richard W. Frost

Title: Chief Executive Officer

/s/ CURTIS M. STEVENS

Name: Curtis M. Stevens

Title: Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Louisiana-Pacific Corporation and will be retained by Louisiana-Pacific Corporation and furnished to the Securities and Exchange Commission or its staff upon request.