

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, 1997
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.)

111 S. W. Fifth Avenue, Portland, Oregon 97204-3699
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (503) 221-0800

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 X . No .

Indicate the number of shares outstanding of each of the issuer's classes of common stock: 109,291,169 shares of Common Stock, \$1 par value, outstanding as of August 1, 1997.

FORWARD LOOKING STATEMENTS

Statements in this report, to the extent they are not based on historical events, constitute forward looking statements. Forward looking statements include, without limitation, statements regarding the outlook for future operations, forecasts of future costs and expenditures, evaluation of market conditions, the outcome of legal proceedings, the adequacy of reserves, or plans for product development. Investors are cautioned that forward looking statements are subject to an inherent risk that actual results may vary materially from those described herein. Factors that may result in such variance, in addition to those accompanying the forward looking statements, include changes in interest rates, commodity prices, and other economic conditions; actions by competitors; changing weather conditions and other natural phenomena; actions by government authorities; uncertainties associated with legal proceedings; technological developments; future decisions by management in response to changing conditions; and misjudgments in the course of preparing forward looking statements.

PART I
FINANCIAL INFORMATION

Item 1. Financial Statements.

CONSOLIDATED SUMMARY STATEMENTS OF INCOME
LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
(DOLLAR AMOUNTS IN MILLIONS EXCEPT PER SHARE) (UNAUDITED)

	QUARTER ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1997	1996	1997	1996
Net sales	\$ 633.3	\$ 658.3	\$1,187.9	\$1,242.4
Costs and expenses:				
Cost of sales	555.1	540.9	1,065.2	1,051.7
Depreciation, amortization and depletion	46.1	51.9	87.0	95.0
Settlement and other unusual items, net	--	--	(121.9)	--
Selling and administrative	40.3	30.5	79.0	65.7
Interest expense	7.0	3.4	15.8	4.3
Interest income	(.5)	(2.9)	(.8)	(3.8)
Total costs and expenses	648.0	623.8	1,124.3	1,212.9
Income (loss) before taxes and minority interest	(14.7)	34.5	63.6	29.5
Provision (benefit) for income taxes	(3.4)	13.0	34.2	11.1
Minority interest in net income (loss) of consolidated subsidiaries	(1.2)	.5	(2.5)	1.0
Net income (loss)	\$ (10.1)	\$ 21.0	\$ 31.9	\$ 17.4
Net income (loss) per share	\$ (.10)	\$.19	\$.29	\$.16
Cash dividends per share	\$.14	\$.14	\$.28	\$.28

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

	JUNE 30, 1997	DEC. 31, 1996
	-----	-----
Cash and cash equivalents	\$ 6.9	\$ 27.8
Accounts receivable, net	121.4	102.5
Inventories	249.4	264.3
Prepaid expenses	19.1	12.0
Income tax refunds receivable	13.5	99.5
Deferred income taxes	73.1	73.1
	-----	-----
Total current assets	483.4	579.2
	-----	-----
Timber and timberlands	663.3	648.6
Property, plant and equipment	2,549.9	2,486.0
Less reserves for depreciation	(1,271.5)	(1,207.5)
	-----	-----
Net property, plant and equipment	1,278.4	1,278.5
Other assets	102.6	82.4
	-----	-----
Total assets	\$2,527.7	\$2,588.7
	=====	=====
Current portion of long-term debt	\$ 19.7	\$ 18.7
Short-term notes payable	22.0	35.4
Accounts payable and accrued liabilities	184.5	190.6
Current portion of contingency reserves	80.0	100.0
	-----	-----
Total current liabilities	306.2	344.7
	-----	-----
Long-term debt, excluding current portion	469.6	458.6
Deferred income taxes	193.2	163.2
Contingency reserves, net of current portion	78.5	159.8
Other long-term liabilities and minority interest	31.2	34.8
Stockholders' equity:		
Common stock	117.0	117.0
Additional paid-in capital	473.3	472.7
Retained earnings	1,141.6	1,140.0
Treasury stock	(171.1)	(183.3)
Loans to Employee Stock Ownership Trusts	(49.7)	(61.6)
Other	(62.1)	(57.2)
	-----	-----
Total stockholders' equity	1,449.0	1,427.6
	-----	-----
Total liabilities and equity	\$2,527.7	\$2,588.7
	=====	=====

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

SIX MONTHS ENDED JUNE 30,	1997	1996
	-----	-----
Cash flows from operating activities:		
Net income	\$ 31.9	\$ 17.4
Depreciation, amortization and depletion	87.0	95.0
Cash settlements of contingencies	(105.3)	(123.4)
Other adjustments, net	15.6	1.0
Decrease (increase) in certain working capital components and deferred taxes	111.6	97.7
	-----	-----
Net cash provided by operating activities	140.8	87.7
	-----	-----
Cash flows from investing activities:		
Capital spending, including acquisitions	(137.4)	(174.7)
Other investing activities, net	10.2	7.2
	-----	-----
Net cash used in investing activities	(127.2)	(167.5)
	-----	-----
Cash flows from financing activities:		
New borrowings	125.0	120.0
Repayment of long-term debt, including net decrease in credit line	(115.3)	(26.8)
Increase (decrease) in short-term notes payable	(13.4)	(10.5)
Cash dividends	(30.3)	(30.0)
Other financing activities, net	(.5)	5.9
	-----	-----
Net cash provided by (used in) financing activities	(34.5)	58.6
	-----	-----
Net increase (decrease) in cash and cash equivalents	(20.9)	(21.2)
Cash and cash equivalents at beginning of year	27.8	75.4
	-----	-----
Cash and cash equivalents at end of period	\$ 6.9	\$ 54.2
	=====	=====

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
 LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
 (DOLLAR AMOUNTS IN MILLIONS EXCEPT PER SHARE) (UNAUDITED)

	SIX MONTHS ENDED JUNE 30, 1997	
	SHARES	AMOUNT
	-----	-----
Common Stock	116,937,022	\$ 117.0
	=====	=====
Additional Paid-in-Capital:		
Beginning balance		\$ 472.7
Net transactions		.6

Ending balance		\$ 473.3
		=====
Retained Earnings:		
Beginning balance		\$1,140.0
Net income		31.9
Cash dividends, \$.28 per share		(30.3)

Ending balance		\$1,141.6
		=====
Treasury stock:		
Beginning balance	8,170,799	\$(183.3)
Shares reissued for employee stock plans and acquisition	(518,468)	12.2
	-----	-----
Ending balance	7,652,331	\$(171.1)
	=====	=====
Loans to Employee Stock Ownership Trusts:		
Beginning balance		\$ (61.6)
Less accrued contribution		11.9

Ending balance		\$ (49.7)
		=====
Other Equity Adjustments:		
Beginning balance		\$ (57.2)
Currency translation adjustment and amortization of deferred compensation		(4.9)

Ending balance		\$ (62.1)
		=====

NOTES TO FINANCIAL STATEMENTS
LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES

1. The interim period information included herein reflects all adjustments which are, in the opinion of the management of L-P, necessary for a fair statement of the results of the respective interim periods. Such adjustments are of a normal recurring nature. Results of operations for interim periods are not necessarily indicative of results to be expected for an entire year. It is suggested that these summary financial statements be read in conjunction with the financial statements and the notes thereto included in L-P's 1996 Annual Financial Report to Stockholders. Interim financial statements are by necessity somewhat tentative; judgments are used to estimate quarterly amounts for items that are normally determinable only on an annual basis.

2. Earnings per share is based on the weighted average number of shares of common stock outstanding during the periods (108,250,000 in 1997 and 107,410,000 in 1996). The effect of common stock equivalents is not material.

3. The effective income tax rate is based on estimates of annual amounts of taxable income, foreign sales corporation income and other factors. These estimates are updated quarterly.

4. Determination of interim LIFO inventories requires estimates of year-end inventory quantities and costs. These estimates are revised quarterly and the estimated annual change in the LIFO inventory reserve is expensed over the remainder of the year.

5. Reference is made to "Legal Proceedings" for a description of certain environmental litigation and other litigation and its potential impact on L-P and for a description of settlements of certain class action proceedings.

6. Reference is made to "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further discussion and disclosures regarding items included in the financial statement caption "settlement and other unusual items, net."

7. In June 1997, the Financial Accounting Standards Board adopted Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" (SFAS 130). SFAS 130 will be effective for L-P in 1998. Based on an initial review of SFAS 130, L-P does not expect that it will have a significant impact on the Company's financial statements and related disclosures.

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

RESULTS OF OPERATIONS

General

Continued oversupply in oriented strand board (OSB) markets which has resulted in depressed sales prices throughout the first six months of 1997 is the primary cause of lower sales and lower earnings before unusual items compared to 1996. Overall net income before unusual items fell to a net loss of \$42 million (\$.39 per share) for the first six months of 1997 from net income of \$17 million (\$.16 per share) in 1996. L-P lost \$10 million (\$.10 per share) in the second quarter of 1997 compared to net income of \$21 million (\$.19 per share) in 1996. Sales declined approximately 4 percent for the second quarter and six month periods as compared with the prior year's periods. During the first quarter of 1997, the Company recorded a net gain of \$122 million (\$74 million after taxes, or \$.68 per share) relating to a \$135 million settlement received in April from the U.S. Government of claims related to the long-term timber supply contract in Alaska, net of adjustments to Ketchikan Pulp Company pulp mill closure-related accruals.

L-P operates in two segments: building products and pulp. Building products is the most significant segment, accounting for more than 90 percent of sales in the first six months of 1997 and 1996. The results of operations are discussed separately for each segment below. Key segment information, production volumes and industry product price trends are presented in the following tables labeled "Sales and Operating Profit by Major Product Group", "Summary of Production Volumes" and "Industry Product Price Trends."

Building Products Segment

	Quarter Ended June 30			Six Months Ended June 30		
	1997	1996	% Chg	1997	1996	% Chg
----- ----- (Dollar amounts in millions) -----						
Sales:						
Structural panels	\$215.9	\$280.2	-23%	\$ 406.5	\$ 514.2	-21%
Lumber	187.6	164.2	+14%	342.9	302.6	+13%
Industrial panel products	46.5	51.3	-9%	90.6	97.9	-7%
Other building products	148.5	121.7	+22%	270.6	236.3	+15%
	-----	-----		-----	-----	
Total building products	\$598.5	\$617.4	-3%	\$1,110.6	\$1,151.0	-4%
	=====	=====		=====	=====	
Operating profit	\$ 18.9	\$ 72.3	-74%	\$ 16.8	\$ 102.3	-84%
	=====	=====		=====	=====	

The decrease in structural panel (OSB and plywood) sales in 1997 has been primarily attributable to a 19 percent decline in average selling prices in the first six months of 1997 compared to 1996 (18 percent decline in the second quarter). While plywood prices have increased slightly in 1997, OSB prices continue to suffer from industry-wide excess production capacity, and have fallen 34 percent from 1996 levels. Structural panel volumes decreased by 5 percent for the six month period (decreased 8 percent for the second quarter) due to weather-related production outages, unsteady raw material supply and permanent closures of one plywood facility and four small capacity OSB facilities. Increased production at new OSB plants helped to offset the volume decreases.

Average lumber sales prices have increased approximately 10 percent for the second quarter and first six months of 1997. Volume for the first six months of

1997 increased 6 percent while second quarter volumes did not change significantly. Lumber markets have been strong throughout 1997, benefiting from a strong U.S. economy, relatively low interest rates and strong housing starts.

Industrial panel products, which consist of particleboard, medium-density fiberboard (MDF) and hardboard have experienced average selling price decreases of slightly more than 5 percent in 1997. The price decrease has been primarily caused by particleboard due to increased industry capacity relative to demand. The volume of industrial panel products sold has declined slightly more than 2 percent in 1997.

The increase in other building products sales is primarily due to the acquisition of Associated Chemists, Inc. (coatings and chemicals), GreenStone Industries, Inc. (cellulose insulation) and the assets of Tecton Laminates (engineered I-Joists and LVL) subsequent to the first six months of 1996.

The decrease in building products segment operating profits for the quarter and six month periods in 1997 compared to 1996 is primarily attributable to the decrease in OSB prices and structural panel volumes. Industrial panel profits have also decreased due to lower particleboard prices. Partially offsetting these decreases, the profitability of L-P's lumber operations improved for both the second quarter and first six months of 1997 over 1996 due to higher selling prices and increased volume (six months only). The performance in engineered I-Joists and LVL also improved significantly for the second quarter and six month periods. Overall, log costs did not change significantly in 1997 compared to 1996.

L-P's building products are primarily sold as commodities and therefore sales prices fluctuate based on market factors over which L-P has no control. L-P cannot predict whether prices of its building products will remain at current levels, or will increase or decrease in the future because supply and demand are influenced by many factors, only one of which is the cost and availability of raw materials. Therefore, L-P is not able to determine to what extent, if any, it will be able to pass any future increases in the price of raw materials on to customers through product price increases. Subsequent to the end of the second quarter, prices for OSB have increased modestly (see following table labeled "Industry Product Price Trends"). While this increase may continue through the rest of the building season, continued capacity additions may add to the current excess of industry capacity and cause prices to drop back to lower levels until demand increases or additional structural panel capacity is permanently shut down.

Pulp Segment

	Quarter Ended June 30			Six Months Ended June 30		
	1997	1996	% Chg	1997	1996	% Chg
	(Dollar amounts in millions)					
Pulp sales	\$ 34.8	\$ 40.9	-15%	\$ 77.3	\$ 91.4	-15%
Operating profit	\$ (6.0)	\$(30.5)	+80%	\$(17.6)	\$(52.4)	+66%

During the second quarter, pulp sales fell 17 percent from 1997 compared to 1996, while prices increased slightly. The volume decrease is due to the permanent shut-down of the Ketchikan Pulp Company mill at the end of the first quarter of 1997 and decreased sales from the Samoa, California facility due to inventory liquidations in 1996. For the six month period, volume was up 9 percent in 1997 while prices were down 22 percent. Pulp prices were high during the first quarter of 1996 and fell later in the year. The Chetwynd B.C. mill was

temporarily shut down for part of the first quarter in 1996. Decreased pulp sales have caused export sales to decrease as L-P sells the substantial majority of pulp to export customers.

Pulp segment losses have moderated in 1997 despite flat to lower pricing due to cost cutting measures implemented at the Samoa and Chetwynd facilities and prior inventory write-downs at the Ketchikan facility. Raw material cost decreases of 10 percent to 25 percent have also contributed to reduced operating losses.

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Settlement Payment and Other Unusual Items

In the first quarter of 1997, L-P's Ketchikan Pulp Company subsidiary recorded a net gain of \$122 million (\$74 million after taxes, or \$.68 per share) to reflect the initial proceeds received under a settlement agreement with the U.S. Government over claims related to the long-term timber supply contract in Alaska of \$135 million. The amount was paid to L-P in April of 1997 prior to the release of first quarter financial information and therefore the gain was recorded in the first quarter and reflected as a receivable in the March 31, 1997 balance sheet. Adjustments to pulp mill closure-related accruals were netted against this gain.

General Corporate Expense, Net

The increase in general corporate expense is primarily due to asset sale gains and other credits offsetting 1996 six month expenses of nearly \$19 million (approximately \$10 million for the second quarter). The remaining increase is primarily due to increased training costs, increased costs associated with non-operating facilities, and a general increase in overhead costs.

Net Interest Income (Expense)

Interest expense has increased significantly in 1997 due to higher borrowing levels and higher interest rates on variable rate debt. Higher borrowing levels were attributable to losses sustained in late 1996 and the first six months of 1997 as well as high capital expenditures in the latter part of 1996. Interest cost capitalized has decreased in 1997 due to lower average balances of construction in progress.

Legal and Environmental Matters

Refer to the "Legal Proceedings" section of this Form 10-Q for a discussion of certain environmental litigation and other litigation and its potential impact on L-P.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Cash provided by operations has increased in 1997 due to the \$135 million settlement received from the U.S. Government (see discussion above under "Settlement Payment and Other Unusual Items"), income tax refunds received, and lower cash settlements of contingencies. Excluding the settlement and refunds, operating cash flow decreased significantly in 1997 over 1996 primarily due to the increased net loss (prior to unusual items). Cash used for investing activities has decreased in 1997 as many major construction projects underway in the first half of 1996 were completed prior to 1997. L-P is budgeting non-

acquisition capital expenditures, including timber and logging road additions, for the full year 1997 of approximately \$180 million. Financing activities resulted in a net use of cash in 1997 and a source of cash in 1996. The primary difference was debt repayments, net of borrowings, which were approximately \$4 million in 1997. In 1996, borrowings, net of repayments, were approximately \$83 million.

L-P's cash levels have decreased and borrowings have increased slightly as discussed above. The ratio of long-term debt to total capital is 25 percent (excluding contingency reserves) at June 30, 1997. L-P has \$40 million available on its revolving credit facility at June 30, 1997 and expects to receive \$50 million during the third quarter from a sale of timberland. The company also believes that because of its conservative financial structure and policies, it has substantial financial flexibility to generate additional funds should the need arise.

SALES AND OPERATING PROFIT BY MAJOR PRODUCT GROUP
 LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
 (DOLLAR AMOUNTS IN MILLIONS) (UNAUDITED)

	QUARTER ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1997	1996	1997	1996
Sales:				
Structural panel products	\$ 215.9	\$ 280.2	\$ 406.5	\$ 514.2
Lumber	187.6	164.2	342.9	302.6
Industrial panel products	46.5	51.3	90.6	97.9
Other building products	148.5	121.7	270.6	236.3
	-----	-----	-----	-----
Total building products	598.5	617.4	1,110.6	1,151.0
Pulp	34.8	40.9	77.3	91.4
	-----	-----	-----	-----
Total sales	\$ 633.3	\$ 658.3	\$1,187.9	\$1,242.4
	=====	=====	=====	=====
Export sales	\$ 54.4	\$ 58.3	\$ 127.6	\$ 137.8
	=====	=====	=====	=====
Profit (loss):				
Building products	\$ 18.9	\$ 72.3	\$ 16.8	\$ 102.3
Pulp	(6.0)	(30.5)	(17.6)	(52.4)
Settlement payment and other unusual items, net	--	--	121.9	--
General corporate expense, net	(21.1)	(6.8)	(42.5)	(19.9)
Interest income (expense), net	(6.5)	(.5)	(15.0)	(.5)
	-----	-----	-----	-----
Income (loss) before taxes and minority interest	\$ (14.7)	\$ 34.5	\$ 63.6	\$ 29.5
	=====	=====	=====	=====

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
SUMMARY OF PRODUCTION VOLUMES

	QUARTER ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	1997	1996	1997	1996
Oriented strand board panels, million square ft 3/8" basis	965	931	1,821	1,666
Oriented strand board siding, million square ft 3/8" basis	75	102	150	196
Softwood plywood, million square ft 3/8" basis	312	423	593	832
Lumber, million board feet	319	326	621	609
Medium density fiberboard, million square ft 3/4" basis	55	55	105	102
Particleboard, million square ft 3/4" basis	89	89	169	170
Hardboard, million square ft 1/8" basis	57	57	111	111
Engineered I-Joists, million lineal feet	22	13	38	23
Laminated Veneer Lumber, thousand cubic ft	1,800	1,000	3,100	1,900
Pulp, thousand short tons*	88	121	201	208

* Includes production of the Ketchikan Pulp Company mill in 1996 and first quarter 1997.

INDUSTRY PRODUCT PRICE TRENDS
LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES

	OSB ----- N. CENTRAL 7/16" BASIS 24/16 SPAN RATING -----	PLYWOOD ----- SOUTHERN PINE 2" BASIS CDX 3 PLY -----	LUMBER ----- FRAMING LUMBER COMPOSITE PRICES -----	PARTICLEBOARD ----- INLAND INDUSTRIAL 3/4" BASIS -----
Annual Average				
1992	217	248	287	200
1993	236	282	394	258
1994	265	302	405	295
1995	245	303	337	290
1996	184	258	398	276
1996 Second Quarter Average				
	203	246	393	277
1997 First Quarter Average				
	134	266	438	265
1997 Second Quarter Average				
	126	256	443	265
Weekly Average				
July 3	123	257	433	265
July 11	130	255	431	265
July 18	135	258	430	265

PART II
OTHER INFORMATION

Item 1. Legal Proceedings.

The following sets forth the current status of certain legal proceedings:

Environmental Proceedings

In March 1995, L-P's subsidiary Ketchikan Pulp Company (KPC) entered into agreements with the federal government to resolve the issues related to water and air compliance problems experienced at KPC's pulp mill during the late 1980s and early 1990s. In addition to civil and criminal penalties that have been paid, KPC also agreed to undertake further expenditures, which are primarily capital in nature, including certain remedial and pollution control related measures, with an estimated cost of up to approximately \$20 million. With the recent closure of the pulp mill, KPC is currently seeking the EPA's and court's guidance regarding the necessity of these expenditures. KPC has also agreed to undertake a study of whether a clean-up of Ward Cove, the body of water adjacent to the pulp mill, is needed. If the study determines that such clean-up is needed, KPC may be required to spend up to \$6 million on the clean-up, including the cost of the study, as part of the overall \$20 million of expenditures. At this time, the company cannot estimate what portion, if any, of the clean-up expenditures will be required. KPC is also negotiating with the state and EPA to conduct investigative and clean-up activities at the pulp mill following shut-down. The USFS has named KPC as a potentially responsible party for costs related to the capping of a landfill near Thorne Bay, Alaska, and KPC has agreed to a consent order obligating it to cap the landfill, the total costs of which may range up to \$8 million. Total anticipated costs for these activities are unknown at this time, but KPC has recorded its initial estimated amount.

The State of Texas has issued a notice of violation to L-P seeking a penalty of up to \$135,000 relating to alleged failure to timely conduct required air emissions testing at L-P's Silsbee, Texas, plant.

L-P has been negotiating with the California North Coast Air Management Board concerning a possible resolution of alleged violations relating to air quality at L-P's Samoa, California, pulp mill. Although no formal enforcement action has been commenced, the parties are discussing a resolution involving payment of a penalty, plus certain capital expenditures.

Certain of L-P's plant sites have or are suspected of having substances in the ground or in the groundwater that are considered pollutants. Appropriate corrective action or plans for corrective action are underway. Where the pollutants were caused by previous owners of the property, L-P is vigorously pursuing those parties through legal channels and is vigorously pursuing insurance coverage under all applicable policies.

Although L-P's policy is to comply with all applicable environmental laws and regulations, the company has in the past been required to pay fines for non-compliance and sometimes litigation has resulted from contested environmental actions. Also, L-P is involved in other environmental actions and proceedings which could result in fines or penalties. Management believes that any fines, penalties or other losses resulting from the matters discussed above in excess of the reserve for environmental loss contingencies will not have a material adverse effect on the business, financial position or results of operations of L-P. See "Colorado Criminal Proceedings" for further discussion of an environmental action against the company.

Colorado Criminal Proceedings

L-P began an internal investigation at L-P's Montrose (Olathe), Colorado, oriented strand board (OSB) plant of various matters, including certain environmental matters, in the summer of 1992 and reported its initial finding of irregularities to governmental authorities in September 1992. Shortly thereafter, a federal grand jury commenced an investigation of L-P concerning alleged environmental violations at that plant, which was subsequently expanded to include the taking of evidence and testimony relating to alleged fraud in connection with the submission of unrepresentative OSB Inner-Seal(R) product samples to the APA-The Engineered Wood Association (APA), an industry product certification agency, by L-P's Montrose plant and certain of its other OSB plants. L-P then commenced an independent investigation, which was concluded in 1995, under the direction of former federal judge Charles B. Renfrew concerning irregularities in sampling and quality assurance in its OSB operations. In June 1995, the grand jury returned an indictment in the U.S. District Court in Denver, Colorado, against L-P, a former manager of the Montrose mill, and a former superintendent at the mill. L-P is now facing 23 felony counts related to environmental matters at the Montrose mill, including alleged conspiracy, tampering with opacity monitoring equipment, and making false statements under the Clean Air Act. The indictment also charges L-P with 25 felony counts of fraud relating to alleged use of the APA trademark on OSB Inner-Seal structural panel products produced by the Montrose mill as a result of L-P's allegedly improper sampling practices in connection with the APA quality assurance program.

In December 1995, L-P received a notice of suspension from the EPA stating that, because of criminal proceedings pending against L-P in Colorado, agencies of the federal government would be prohibited from purchasing from L-P's Northern Division. L-P is negotiating to have the EPA suspension lifted or modified based on positive environmental programs actively underway. While negotiations are continuing, the EPA has approved a preliminary agreement limiting the prohibition to L-P's Montrose, Colorado, facility for an interim period in recognition of L-P's environmental compliance efforts. Under recently revised regulations of the United States Department of Agriculture, the EPA suspension will also have the effect of prohibiting L-P's Montrose facility from purchasing timber directly, but not indirectly, from the United States Forest Service.

L-P maintains a reserve for its estimate of the cost of the Montrose criminal proceedings, although as with any estimate, there is uncertainty concerning the actual costs to be incurred. At the present time, L-P cannot predict whether or to what extent the circumstances described above will result in further civil litigation or investigation by government authorities, or the potential financial impact of any such current or future proceedings, in which case the resolution of the above matters could have a materially adverse impact on L-P.

OSB Inner-Seal(R) Siding Matters

L-P has been named as a defendant in numerous class action and non-class action proceedings, brought on behalf of various persons or purported classes of persons (including nationwide classes in the United States and Canada) who own or have purchased or used OSB siding manufactured by L-P, because of alleged unfair business practices, breach of warranty, misrepresentation, conspiracy to defraud, and other theories related to alleged defects, deterioration, or failure of OSB Inner-Seal siding products.

The United States District Court for the District of Oregon has given final approval to a settlement between L-P and a nationwide class composed of all persons who own, who have owned, or who subsequently acquire property on which L-P's OSB siding was installed prior to January 1, 1996, excluding persons who timely opted out of the settlement and persons who are members of the settlement class in the Florida litigation described below. Under the settlement agreement, an eligible claimant whose claim is filed prior to January 1, 2003 (or earlier in certain cases), and is approved by an independent claims administrator will

be entitled to receive from the settlement fund established under the agreement a payment equal to the replacement cost (to be determined by a third-party construction cost estimator and currently estimated to be in the range \$2.20 to \$6.40 per square foot depending on the type of product and geographic location) of damaged siding, reduced by a specific adjustment (of up to 65 percent) based on the age of the siding. Class members who have previously submitted or resolved claims under any other warranty or claims program of L-P may be entitled to receive the difference between the amount which would be payable under the settlement agreement and the amount previously paid. Independent adjusters will determine the extent of damage to OSB siding at each claimant's property in accordance with a specified protocol. There will be no adjustment to settlement payments for improper maintenance or installation.

A claimant who is dissatisfied with the amount to be paid under the settlement may elect to pursue claims against L-P in a binding arbitration seeking compensatory damages without regard to the amount of payment calculated under the settlement protocol. A claimant who elects to pursue an arbitration claim must prove his entitlement to damages under any available legal theory, and L-P may assert any available defense, including defenses that otherwise had been waived under the settlement agreement. If the arbitrator reduces the damage award otherwise payable to the claimant because of a finding of improper installation, the claimant will be entitled to pursue a claim against the contractor/builder to the extent the award was reduced.

L-P is required to pay \$275 million into the settlement fund in seven annual installments beginning in mid-1996: \$100 million (paid in June 1996), \$55 million, \$40 million, \$30 million, \$20 million, \$15 million, and \$15 million. If at any time after the fourth year of the settlement period the amount of approved claims (paid and pending) equals or exceeds \$275 million, then the settlement agreement will terminate as to all claims in excess of \$275 million unless L-P timely elects to provide additional funding within 12 months equal to the lesser of (i) the excess of unfunded claims over \$275 million or (ii) \$50 million and, if necessary to satisfy unfunded claims, a second payment within 24 months equal to the lesser of (i) the remaining unfunded amount or (ii) \$50 million. If the total payments to the settlement fund are insufficient to satisfy in full all approved claims filed prior to January 1, 2003, then L-P may elect to satisfy the unfunded claims by making additional payments into the settlement fund at the end of each of the next two 12-month periods or until all claims are paid in full, with each additional payment being in an amount equal to the greater of (i) 50 percent of the aggregate sum of all remaining unfunded approved claims or (ii) 100 percent of the aggregate amount of unfunded approved claims, up to a maximum of \$50 million. If L-P fails to make any such additional payment, all class members whose claims remain unsatisfied from the settlement fund may pursue any available legal remedies against L-P without regard to the release of claims provided in the settlement agreement.

If L-P makes all payments required under the settlement agreement, including all additional payments as specified above, class members will be deemed to have released L-P from all claims for damaged OSB siding, except for claims arising under their existing 25-year limited warranty after termination of the settlement agreement. The settlement agreement does not cover consequential damages resulting from damage to OSB siding or damage to utility grade OSB siding (sold without any express warranty), either of which could create additional claims. In the event all claims filed prior to January 1, 2003, that are approved have been paid without exhausting the settlement fund, any amounts remaining in the settlement fund revert to L-P. In addition to payments to the settlement fund, L-P will be required to pay fees of class counsel in the amount of \$26.25 million, as well as expenses of administering the settlement fund and inspecting properties for damage and certain other costs. As of August 11, 1997, approximately \$40.9 million remained of the \$155 million paid into the fund to date, after accruing interest on undisbursed funds and deducting class notification costs, prior claims costs (including payments advanced to homeowners in urgent circumstances) and payment of claims under the settlement. By that date, approximately 109,000 claims forms had been requested and mailed and approximately 53,700 claims had been submitted; approximately

15,700 class settlement checks had been mailed totaling approximately \$98.6 million.

Approximately 1,400 opt out notices were timely submitted, including about 1,200 individual property owners (a number of whose claims have subsequently been resolved) and about 200 developers/owners of commercial properties; this has resulted in additional claims being filed by those who opted out, predominantly by owners/developers of commercial properties, most of which have been settled.

A settlement of the Florida class action has been approved by the Circuit Court for Lake County, Florida. Under the settlement, L-P has established a claims procedure pursuant to which members of the settlement class may report problems with L-P's OSB siding and have their properties inspected by an independent adjuster, who will measure the amount of damage and also determine the extent to which improper design, construction, installation, finishing, painting, and maintenance may have contributed to any damage. The maximum payment for damaged siding will be \$3.40 per square foot for lap siding and \$2.82 per square foot for panel siding, subject to reduction of up to 75 percent for damage resulting from improper design, construction, installation, finishing, painting, or maintenance, and also subject to reduction for age of siding more than three years old. L-P has agreed that the deduction from the payment to a member of the Florida class will be not greater than the deduction computed for a similar claimant under the national settlement agreement described above. Class members will be entitled to make claims for up to five years after October 4, 1995. As of August 11, 1997, approximately 29,000 claims forms had been requested, and approximately 17,000 claims had been paid at an aggregate cost of approximately \$40.9 million, including adjustments to conform to the national settlement.

Other OSB Matters

Three separate purported class actions on behalf of owners and purchasers of properties in which L-P's OSB panels are used for flooring, sheathing, or underlayment have been consolidated in the United States District Court for the Northern District of California under the caption *Agius v. Louisiana-Pacific Corporation*. The actions seek damages and equitable relief for alleged fraud, misrepresentation, breach of warranty, negligence, and improper trade practices related to alleged improprieties in testing, APA certification, and marketing of OSB structural panels, and alleged premature deterioration of such panels. A separate state court action entitled *Carney v. Louisiana-Pacific Corporation* is pending in the Superior Court of the State of California for the City and County of San Francisco, seeking relief under California consumer protection statutes based on similar allegations.

At the present time, L-P cannot predict the potential financial impact of the above actions. However, the resolution of the above matters could have a materially adverse impact on L-P.

Executive Employment Matter

In January 1996, an action entitled *International Paper Company v. Mark A. Suwyn and Louisiana-Pacific Corporation* was instituted in the United States District Court for the Southern District of New York claiming that Mr. Suwyn's employment as chief executive officer of L-P violated the terms of a previous employment agreement with the plaintiff. Following trial, the court returned a decision in favor of Mr. Suwyn and L-P.

Other

L-P and its subsidiaries are parties to other legal proceedings. Management believes that the outcome of such proceedings will not have a material

adverse effect on the business, financial position or results of operations of L-P.

Item 4. Submission of Matters to a Vote of Security-Holders

The Registrant held its annual meeting of stockholders on May 5, 1997. The following summarizes the matters voted upon at the meeting and the results of the voting:

Directors elected for a term of office expiring in 2000:

Name of Director	Shares Voted For	Shares Individually Withheld
Archie W. Dunham	85,399,107	8,003,137
Bonnie Guiton Hill	85,288,124	8,114,120
Mark A. Suwyn	85,385,241	8,017,003

Description of Proposal	Shares For	Shares Against	Shares Abstained	Broker Non-Votes
Approval of 1997 Incentive Stock Award Plan	77,710,657	14,780,342	911,245	0
Approval of Performance Goals for Annual Cash Incentive Awards	81,668,763	10,794,722	938,759	0

Item 6. Exhibits and Reports on Form 8-K.

- (a) The exhibits filed as part of this report or incorporated by reference herein are listed in the accompanying exhibit index.
- (b) Reports on Form 8-K. No reports on Form 8-K were filed during the quarter ended June 30, 1997.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LOUISIANA-PACIFIC CORPORATION

By /s/ WILLIAM L. HEBERT
William L. Hebert
Vice President - Treasurer
and Controller
(Principal Financial Officer)

DATED: August 14, 1997

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION OF EXHIBIT
3	Bylaws as amended July 29, 1997
10	1997 Incentive Stock Award Plan
27	Financial Data Schedule

EXHIBIT 3

BYLAWS OF
LOUISIANA-PACIFIC CORPORATION

ARTICLE I. STOCKHOLDERS' MEETINGS

Section 1. Annual Meeting. The annual meeting of the stockholders shall be held on the first Friday in the month of May in each year at 10:30 a.m. or at such other time or date in April or May of each year as shall be fixed by the Board of Directors, for the election of directors and the transaction of such other business as may properly come before the meeting. If the date fixed for the annual meeting shall be a legal holiday in the place of the meeting, the meeting shall be held on the next succeeding business day.

Section 2. Special Meetings. Special meetings of the stockholders for any proper purposes, unless otherwise provided by the law of Delaware, may be called by the Chairman or pursuant to resolution of the Board of Directors and shall be called by the Chairman at the request in writing of a majority of the directors. Business transacted at a special meeting of stockholders shall be confined to the purpose or purposes of the meeting as stated in the notice of the meeting.

Section 3. Place of Meetings. Meetings of the stockholders may be held at such places, within or without the State of Delaware, as the Board of Directors or the officer calling the same shall specify in the notice of such meeting.

Section 4. Notice of Meeting. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall, unless otherwise prescribed by statute, be given not less than ten nor more than sixty days before the date of the meeting, either personally or by mail, by or at the direction of the Chairman, the President, the Secretary, or other persons calling the meeting, to each stockholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the Corporation. When a meeting is adjourned to another time or place, notice of the adjourned meeting need not be given provided that the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, the adjournment is for no more than thirty days, and after the adjournment no new record date is fixed for the adjourned meeting. Notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting if all the conditions of the proviso in the preceding sentence are not met. At an adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting.

Section 5. Quorum. A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders except as otherwise provided by statute or in the Certificate of Incorporation. If less than a majority of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The stockholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

Section 6. Organization. At each meeting of the stockholders the Chairman, or in his absence or inability to act, the President, or in the absence or inability to act of the Chairman and the President, a Vice President, or in the absence of all the foregoing, any person chosen by a majority of those stockholders present shall act as chairman of the meeting. The Secretary, or, in his absence or inability to act, the Assistant Secretary or any person appointed by the chairman of the meeting, shall act as secretary of the meeting and keep the minutes thereof.

Section 7. Conduct of Business. The Board of Directors shall have authority to determine from time to time the procedures governing, and the rules

of conduct applicable to, annual and special meetings of the stockholders. Except as otherwise determined by the Board of Directors prior to the meeting, the chairman of any stockholders meeting shall determine the order of business and shall have authority in his discretion to adjourn such meeting and to determine the procedures governing such meeting and to regulate the conduct thereat, including, without limitation, imposing restrictions on the persons (other than stockholders of the Corporation or their duly appointed proxies) who may attend any such stockholders meeting, determining whether any stockholder or any proxy may be excluded from any stockholders meeting based upon any determination by the chairman in his sole discretion that any such person has unduly disrupted or is likely to disrupt the proceedings thereat and specifying the circumstances in which any person may make a statement or ask questions at any stockholders meetings.

Section 8. Voting. Except as otherwise provided by statute, the Certificate of Incorporation, or any certificate duly filed pursuant to Section 151 of the Delaware General Corporation Law, each stockholder shall be entitled to one vote on each matter submitted to a vote at a meeting of stockholders for each share of capital stock held of record by him on the date fixed by the Board of Directors as the record date for the determination of the stockholders who shall be entitled to notice of and to vote at such meeting; or if such record date shall not have been so fixed, then at the close of business on the day next preceding the day on which notice thereof shall be given. Except as otherwise provided by statute, these Bylaws, or the Certificate of Incorporation, any corporate action to be taken by vote of the stockholders shall be authorized by a majority of the total votes, or when stockholders are required to vote by class by a majority of the votes of the appropriate class, cast at a meeting of stockholders by the holders of shares present in person or represented by proxy and entitled to vote on such action. Unless required by statute, or determined by the chairman of the meeting to be advisable, the vote on any question need not be by written ballot and may be by such other means as the chairman deems advisable under the circumstances. On a vote by written ballot, each ballot shall be signed by the stockholder voting, or by his proxy, if there be such proxy, and shall state the number of shares voted.

Section 9. Proxies. Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for him by a proxy signed by such stockholder or his attorney-in-fact. No proxy shall be valid after the expiration of three years from the date thereof, unless otherwise provided in the proxy.

Section 10. List of Stockholders. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 11. Inspectors. The Board of Directors may, in advance of any meeting of stockholders, appoint one or more inspectors to act at such meeting or any adjournment thereof. If the inspectors shall not be so appointed or if any of them shall fail to appear or act, the chairman of the meeting may appoint inspectors. The inspectors shall determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes or ballots, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes or ballots, determine the result, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the chairman of the meeting or any stockholder entitled to vote thereat, the inspectors

shall make a report in writing of any challenge, request or matter determined by them and shall execute a certificate of any fact found by them. No director or candidate for the office of director shall act as inspector of an election of directors.

Inspectors need not be stockholders.

Section 12. Denial of Action by Consent of Stockholders. No action required to be taken or which may be taken at any annual or special meeting of the stockholders of the Corporation may be taken without a meeting, and the power of stockholders to consent in writing, without a meeting, to the taking of any action is specifically denied.

Section 13. Nominations for Director. Nominations for election to the Board of Directors may be made by the Board of Directors or by any stockholder of record entitled to vote for the election of directors. Any stockholder entitled to vote for the election of directors may nominate at a meeting persons for election as directors only if written notice of such stockholder's intent to make such nomination is given, either by personal delivery or by certified mail, postage prepaid, addressed to the Chairman at the Corporation's executive offices not later than (i) with respect to an election to be held at an annual meeting of stockholders, 60 days prior to the date of such meeting (provided that if such annual meeting of stockholders is held on a date other than the first Friday in May, such written notice must be given within 10 days after the first public disclosure of the date of the annual meeting, including, without limitation, disclosure of the meeting date set forth in any document or exhibit thereto filed by the Corporation with the Securities and Exchange Commission), and (ii) with respect to an election to be held at a special meeting of stockholders for the election of directors, the close of business on the seventh day following the date on which notice of such meeting is first given to stockholders. Each such notice shall set forth: (a) the name and address, as they appear on the Corporation's stock ledger, of the stockholder who intends to make the nomination and the name and address of each person to be nominated; (b) a representation that such stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear at the meeting in person or by proxy to nominate the person or persons specified in the notice as directors; (c) a description of all arrangements or understandings between such stockholder and each proposed nominee and any other person or person (naming such person or persons) pursuant to which the nomination or nominations are to be made by such stockholder; (d) such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission were such nominee to be nominated by the Board of Directors; and (e) the consent of each proposed nominee to serve as a director of the Corporation if so elected. The chairman of any meeting of stockholders to elect directors may refuse to permit the nomination of any person to be made without compliance with the foregoing procedure.

Section 14. Notice of Stockholder Business. At any annual meeting of the stockholders held after May 6, 1988, only such business shall be conducted as shall have been brought before the meeting (a) by or at the direction of the Board of Directors or (b) by any stockholder of record of the Corporation who complies with the notice procedures set forth in this Section 14. For business to be properly brought before an annual meeting by any such stockholder, the stockholder must give written notice thereof to the Chairman, either by personal delivery or by certified mail, postage prepaid, addressed to the Chairman at the Corporation's executive offices not less than 60 nor more than 90 days in advance of such meeting (provided that if such annual meeting of stockholders is held on a date other than the first Friday in May, such written notice must be given within 10 days after the first public disclosure of the date of the annual meeting, including, without limitation, disclosure of the meeting date set forth in any document or exhibit thereto filed by the Corporation with the Securities and Exchange Commission). Each such notice shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address as they appear on the Corporation's stock ledger, of the stockholder proposing such business, (c) a representation that such stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear at the meeting in person or by proxy to propose such business, and

(d) any material interest of such stockholder in the proposed business. The chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that any such business was not properly brought before the meeting and in accordance with the provisions of this Section 14, and if he should so determine, he shall so declare to the meeting and such business not properly brought before the meeting shall not be transacted.

ARTICLE II. BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors.

Section 2. Number, Classification, Election and Qualification. The number of directors of the Corporation shall be nine, but, by vote of a majority of the entire Board of Directors or amendment of these Bylaws, the number thereof may be increased or decreased to such greater or lesser number (not less than three) as may be so provided. At the first election of directors by the stockholders, the directors shall be divided into three classes; the term of office of those of the first class to expire at the first annual meeting thereafter; of the second class at the second annual meeting thereafter; and of the third class at the third annual meeting thereafter. At each annual election held after such classification and election, directors shall be elected to succeed those whose terms expire, each such newly elected director to hold office for a term of three years and until his successor is elected or until his death, resignation, retirement or removal. Except as otherwise provided by statute or these Bylaws, directors shall be elected at the annual meeting of the stockholders, and the persons receiving a plurality of the votes cast at such election shall be elected, provided that a quorum is present at the meeting. Directors need not be stockholders.

Section 3. Place of Meetings. Meetings of the Board of Directors may be held at such place, within or without the State of Delaware, as the Board of Directors may from time to time determine or as shall be specified in the notice or waiver of notice of such meeting.

Section 4. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of stockholders for the purpose of electing officers and the transaction of other business. The Board of Directors may provide by resolution the time and place, either within or without the State of Delaware, for holding of additional regular meetings without other notice than such resolution.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman, President or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Delaware, as the place for holding any special meeting of the Board of Directors called by them.

Section 6. Notice. Notice of any special meeting shall be given personally or by telephone to each director at least twenty-four hours before the time at which the meeting is to be held or shall be mailed to each director, postage prepaid, at his residence or business address at least three days before the day on which the meeting is to be held; provided that, in the case of any special meeting to be held by conference telephone or similar communications equipment, notice of such meeting may be given personally or by telephone to each director not less than six hours before the time at which the meeting is to be held. Except as otherwise specifically provided in these Bylaws, neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice of the meeting.

Section 7. Quorum and Manner of Acting. A majority of the entire Board of Directors shall be present in person at any meeting of the Board of Directors in order to constitute a quorum for the transaction of business at such meeting, except that one-third of the entire Board of Directors present in person at a meeting shall constitute a quorum if the Chairman is present at the meeting. Except as otherwise

specifically required by statute or the Certificate of Incorporation, the vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting of the Board of Directors, a majority of the directors present or, if no director be present, the Secretary may adjourn such meeting to another time and place. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. Except as provided in Article III of these Bylaws, the directors shall act only as a board of directors and the individual directors shall have no power as such.

Section 8. Organization. At each meeting of the Board of Directors, the Chairman (or, in his absence or inability to act, the President, or in his absence or inability to act, another director chosen by a majority of the directors present) shall act as chairman of the meeting. The Secretary (or, in his absence or inability to act, any person appointed by the chairman) shall act as secretary of the meeting and keep the minutes thereof.

Section 9. Resignations. Any director of the Corporation may resign at any time by giving written notice of his resignation to the Board of Directors or Chairman or the President or the Secretary. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 10. Vacancies and Newly Created Directorships. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, though less than a quorum, or by a sole remaining director, and any director so chosen shall hold office until the next election of the class for which such director has been chosen and until his successor is elected and qualified, or until his earlier resignation or removal. When one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this section in the filling of other vacancies.

Section 11. Removal of Directors. All or any number of the directors may be removed at any time, but only for cause and only by the affirmative vote of the holders of at least 75 percent of the outstanding Common Stock of the Corporation at a meeting of the stockholders expressly called for that purpose. A vacancy in the Board of Directors caused by any such removal may be filled by such stockholders at such meeting, or if the stockholders shall fail to fill such vacancy, as in these Bylaws provided.

Section 12. Compensation. The Board of Directors shall have authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity, provided, no such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 13. Board and Committee Action Without Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or committee.

Section 14. Board and Committee Telephonic Meetings. A director or a member of a committee designated by the Board of Directors may participate in a meeting of the Board of Directors or such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at the meeting.

Section 15. Mandatory Retirement Age. The date upon which a director shall retire from service as a director of this Corporation shall be the date of the next annual meeting of stockholders following the date the director attains age 70 and no person who has attained the age of 70 shall become a nominee for election as a director of the Corporation. Any director who, on February 1, 1997, has already attained age 70 shall retire at the end of his or her then current term of office.

ARTICLE III. EXECUTIVE AND OTHER COMMITTEES

Section 1. Executive and Other Committees. The Board of Directors may, designate one or more committees, each committee to consist of two or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In addition, in the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the Delaware General Corporation Law to be submitted to stockholders for approval or (ii) adopting, amending or repealing these Bylaws. Each committee shall keep written minutes of its proceedings and shall report such minutes to the Board of Directors when required. All such proceedings shall be subject to revision or alteration by the Board of Directors, provided, however, that third parties shall not be prejudiced by such revision or alteration.

Section 2. General. A majority of any committee may determine its action and establish the time, place and procedure for its meetings, unless the Board of Directors shall otherwise provide. Notice of such meetings shall be given to each member of the committee in the manner provided for in Article II, Section 6 or as the Board of Directors may otherwise provide. The Board of Directors shall have power at any time to fill vacancies in, to change the membership of, or to dissolve any such committee. Nothing herein shall be deemed to prevent the Board of Directors from appointing one or more committees consisting in whole or in part of persons who are not directors of the Corporation; provided, however, that no such committee shall have or may exercise any authority of the Board of Directors.

ARTICLE IV. EXCEPTIONS TO NOTICE REQUIREMENTS

Section 1. Waiver of Notice. Whenever notice is required to be given under these Bylaws, a written waiver thereof, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

Section 2. Unlawful Notice. Whenever notice is required to be given under these Bylaws to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice has been duly given.

ARTICLE V. OFFICERS

Section 1. Number, Election and Qualification. The elected officers of the Corporation shall be a Chairman, a President, one or more Vice Presidents (one or more of whom may be designated Executive Vice President or Senior Vice President), a Secretary, and a Treasurer. Such officers shall be elected from time to time by the Board of Directors, each to hold office until the meeting of the Board of Directors following the next annual meeting of the stockholders and until his successor is elected and qualified, or until his earlier resignation or removal. The Board of Directors may from time to time appoint such other officers (including a Chairman of the Executive Committee, a Controller and one or more Assistant Vice Presidents, Assistant Secretaries, Assistant Treasurers and Assistant Controllers), and such agents, as may be necessary or desirable for the business of the Corporation. Such other officers and agents shall have such duties as may be prescribed by the Board of Directors and shall hold office during the pleasure of the Board of Directors. Any two or more offices may be held by the same person. From and after the distribution by G-P of the stock it presently holds in the Corporation, no person who is serving as an officer or director of G-P shall concurrently serve as an officer of the Corporation.

Section 2. Resignations. Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Board of Directors, the Chairman, the President or the Secretary. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3. Removal. Any officer or agent of the Corporation may be removed either with or without cause, at any time, by the Board of Directors, except that a vote of a majority of the entire Board of Directors shall be necessary for the removal of an elected officer. Such removal shall be without prejudice to the contractual rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 4. Vacancies. A vacancy in any office may be filled for the unexpired portion of the term of the office which shall be vacant, in the manner prescribed in these Bylaws for the regular election or appointment of such office.

Section 5. Chairman. The Chairman shall be the chief executive officer of the Corporation, and shall have general direction over the management of its business, properties and affairs. The Chairman shall preside, when present, at all meetings of the stockholders and of the Board of Directors and, in the absence of the Chairman of the Executive Committee, at all meetings of the Executive Committee. He shall have general power to execute bonds, deeds and contracts in the name of the Corporation and to affix the corporate seal; to sign stock certificates; and to remove or suspend such employees or agents as shall not have been elected or appointed by the Board of Directors. In the absence or disability of the Chairman, his duties shall be performed and his powers shall be exercised by the President.

Section 6. President. The President shall be the chief operating officer of the Corporation and, subject to the direction of the Board of Directors and the Chairman, he shall have general direction over the operations of the Corporation. He shall have general power to execute bonds, deeds and contracts in the name of the Corporation and to affix the corporate seal; and to sign stock certificates.

Section 7. Vice Presidents. The several Vice Presidents shall perform all such duties and services as shall be assigned to or required of them from time to time, by the Board of Directors or the President, respectively, and unless their authority be expressly limited shall act in the order of their election in the place of the President, exercising all his powers and performing his duties, during his absence or disability. The Board of Directors however, may from time to time designate the relative positions of the Vice Presidents of the Corporation and assign to any one or more of them such particular duties as the Board of Directors may think proper.

Section 8. Secretary. The Secretary shall attend to the giving of notice of all meetings of stockholders and of the Board of Directors and shall record all of the proceedings of such meetings in a book to be kept for that purpose. He shall have charge of the corporate seal and have authority to attest any and all instruments or writings to which the same may be affixed. He shall keep and account for all books, documents, papers and records of the Corporation, except those which are hereinafter directed to be in charge of the Treasurer. He shall have authority to sign stock certificates and shall generally perform all the duties usually appertaining to the office of secretary of a corporation. In the absence of the Secretary, an Assistant Secretary or Secretary pro tempore shall perform his duties.

Section 9. Treasurer. The Treasurer shall have the care and custody of all moneys, funds and securities of the Corporation, and shall deposit or cause to be deposited all funds of the Corporation in and with such depositories as shall, from time to time, be designated by the Board of Directors or by such officers of the Corporation as may be authorized by the Board of Directors to make such designation. He shall have power to sign stock certificates; to indorse for deposit or collection, or otherwise, all checks, drafts, notes, bills of exchange or other commercial paper payable to the Corporation, and to give proper receipts or discharges therefor. He shall keep all books of account relating to the business of the Corporation, and shall render a statement of the Corporation's financial condition whenever required so to do by the Board of Directors, the chairman or the President. In the absence of the Treasurer, the Board of Directors shall appoint an Assistant Treasurer to perform his duties.

Section 10. Additional Powers and Duties. In addition to the foregoing enumerated duties and powers, the several officers of the Corporation shall perform such other duties and exercise such further powers as may be provided by these Bylaws or as the Board of Directors may from time to time determine or as may be assigned to them by any competent superior officer.

Section 11. Compensation. The compensation of the officers of the Corporation for their services as such officers shall be fixed from time to time by the Board of Directors. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he is also a director of the Corporation, but any such officer who shall also be a director shall not have any vote in the determination of the amount of compensation paid to him.

ARTICLE VI. INDEMNIFICATION

Section 1. General. The Corporation shall, to the full extent permitted by Section 145 of the Delaware General Corporation Law, as amended from time to time, indemnify all persons whom it may indemnify pursuant thereto against all expenses (including, without limitation, attorneys' fees), judgments, fines (including excise taxes) and amounts paid in settlement (collectively, "Losses") incurred in connection with any action, suit, or proceeding, whether threatened, pending, or completed (collectively, "Proceedings") to which such person was or is a party or is threatened to be made a party by reason of the fact that such person is or was a director, officer, employee, or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise; provided, however, that the Corporation shall indemnify any such person seeking indemnification in connection with a Proceeding initiated by such person only if such Proceeding was authorized by the Board of Directors of the Corporation.

Section 2. Employee Benefit or Welfare Plan Fiduciary Liability. In addition to any indemnification pursuant to Section 1 of this Article, but subject to the express exclusions set forth in Section 3 of this Article, the Corporation shall indemnify any natural person who is or was serving at the direction or request of the Corporation in a fiduciary capacity with respect to an employee benefit or welfare plan covering one or more employees of the Corporation or of an affiliate of the Corporation, or who is or was performing any service or duty on behalf of the Corporation with respect to such a plan, its participants or beneficiaries, against all Losses incurred by such person in connection with any Proceeding arising out of

or in any way connected with such service or performance, to the extent such Losses are insurable under applicable law but are not covered by collectible insurance or indemnified pursuant to Section 1 of this Article. This Section is intended to provide a right to indemnification as permitted by Section 145(f) of the Delaware General Corporation Law.

Section 3. Persons Not to be Indemnified Under Section 2. No indemnification shall be made under Section 2 of this Article to any person (other than an employee of the Corporation or of an affiliate of the Corporation) who was or is acting as a lawyer, accountant, actuary, investment adviser or arbitrator with respect to an employee benefit or welfare plan against any expense, judgment, fine or amount paid in settlement incurred by such person in connection with any action, suit or proceeding arising out of or in any way connected with his actions in such capacity. No indemnification shall be made under Section 2 of this Article to any person determined (in the manner prescribed by Section 145(d) of the Delaware General Corporation Law) to have participated in, or to have had actual knowledge of and have failed to take appropriate action with respect to, any violation of any of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 or amendments thereto or by the common or statutory law of the United States of America or any state or jurisdiction therein, knowing such in either case to have been a violation of such responsibilities, obligations or duties.

Section 4. Advances of Expenses. Except as limited by the other provisions of this Section, the Corporation shall pay promptly (and in any event within 60 days of receipt of the written request of the person who may be entitled to such payment) all expenses (including but not limited to attorneys' fees) incurred in connection with any Proceeding by any person who may be entitled to indemnification under Sections 1 or 2 of this Article in advance of the final disposition of such Proceeding. Notwithstanding the foregoing, any advance payment of expenses on behalf of a director or officer of the Corporation shall be, and if the Board of Directors so elects, any advance payment of expenses on behalf of any other person who may be entitled to indemnification under Sections 1 or 2 of this Article may be, conditioned upon the receipt by the Corporation of an undertaking by or on behalf of such director, officer, or other person to repay the amount advanced in the event that it is ultimately determined that such director, officer, or person is not entitled to indemnification; provided that such advance payment of expenses shall be made without regard to the ability to repay the amounts advanced. Notwithstanding the foregoing, no advance payment of expenses shall be made by the Corporation if a determination is reasonably and promptly made by a majority vote of directors who are not parties to such Proceeding, even though less than a quorum, or if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, that, based upon the facts known to such directors or counsel at the time such determination is made following due inquiry, (a) in the case of a person who may be entitled to indemnification under Section 1, such person did not act in good faith and in a manner that such person reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal proceeding, such person had reasonable cause to believe his conduct was unlawful, or (b) in the case of a person who may be entitled to indemnification under Section 2, such person is not entitled to indemnification under the standard set forth in the second sentence of Section 3. Nothing in this Article VI shall require any such determination to be made as a condition to making any advance payment of expenses, unless the Board of Directors so elects.

Section 5. Mandatory Indemnification in Certain Circumstances. To the extent that a director, officer, employee, or agent has been successful on the merits or otherwise in the defense of any Proceeding referred to Section 1 or Section 2 of this Article, or in the defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 6. Right to Indemnification upon Application; Procedure upon Application. Any indemnification under Sections 1 or 2 shall be made promptly, and in any event within 60 days of receipt of the written request of the person who may be entitled thereto following the conclusion of such person's participation in any

Proceeding or which indemnity is sought, unless with respect to such written request, a determination is reasonably and promptly made by a majority vote of directors who are not parties to the Proceeding, even though less than a quorum, or if there are no such directors, or if such directors so direct, by independent legal counsel that, based upon the facts known to such directors or counsel at the time such determination is made following due inquiry, (a) in the case of a person who may be entitled to indemnification under Section 1, such person did not act in good faith and in a manner that such person reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal proceeding, such person had reasonable cause to believe his conduct was unlawful, or (b) in the case of a person who may be entitled to indemnification under Section 2, such person is not entitled to indemnification under the standard set forth in the second sentence of Section 3.

Section 7. Enforcement of Rights. The right to indemnification or to an advance of expenses as granted by this Article shall be enforceable by any person entitled thereto in any court of competent jurisdiction, if the Board of Directors or independent legal counsel denies the claim, in whole or in part, or if no disposition of such claim is made within 100 days of receipt by the Board of Directors of such person's written request for indemnification or an advance of expenses. Such person's expenses (including but not limited to attorneys' fees) incurred in connection with successfully establishing his right to indemnification or an advance of expenses, in whole or in part, in any such proceedings shall also be indemnified by the Corporation.

Section 8. Bylaws as Contract; Non-Exclusivity. All rights to indemnification and advances or expenses under this Article shall be deemed to be provided by a contract between the Corporation and each person entitled thereto. Any repeal or modification of these Bylaws shall not impair or diminish any rights or obligations existing at the time of such repeal or modification. The rights granted by this Article shall not be deemed exclusive of any other rights to which any person seeking indemnification or an advance of expenses may be entitled under any bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. The rights granted by this Article VI shall extend to the estate, heirs or legal representatives of any person entitled to indemnification or an advance of expenses hereunder who is deceased or incompetent.

ARTICLE VII. STOCK AND TRANSFER OF STOCK

Section 1. Stock Certificates. Every holder of stock in this Corporation shall be entitled to have a certificate, in such form as shall be approved by the Board of Directors, certifying the number of shares of stock of this Corporation owned by him signed by or in the name of this Corporation by the Chairman, or the President or a Vice President, and by the Secretary or an Assistant Secretary, or the Treasurer or an Assistant Treasurer. Any of or all the signatures on the certificate may be facsimiles. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may nevertheless be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

Section 2. Transfer of Shares. Transfers of Shares of stock of the Corporation shall be made on the stock records of the Corporation only upon authorization by the registered holder thereof, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary or with a transfer agent, and on surrender of the certificate or certificates for such shares properly indorsed or accompanied by a duly executed stock transfer power and the payment of all taxes thereon. Except as otherwise provided by law, the Corporation shall be entitled to recognize the exclusive right of a person in whose name any share or shares stand on the record of stockholders as the owner of such share or shares for all purposes, including, without limitation, the rights to receive dividends or other distributions, and to vote as such owner, and the Corporation may hold any such stockholder of record liable for calls and assessments and the Corporation shall not be bound to recognize any equitable or legal claim to or interest in any such share or shares on the part

of any other person whether or not it shall have express or other notice thereof. Whenever any transfer of shares shall be made for collateral security, and not absolutely, such fact shall be stated in the entry of the transfer if, when the certificates are presented for transfer, both the transferor and transferee request the Corporation to do so.

Section 3. Regulations, Transfer Agents and Registrars. The Board of Directors may make such additional rules and regulations, not inconsistent with these Bylaws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock of the Corporation. It may appoint and change from time to time one or more transfer agents and one or more registrars and may require all certificates for shares of stock to bear the signatures of any of them.

Section 4. Replacement of Certificates. In the event of the loss, theft, mutilation or destruction of any certificate for shares of stock of the Corporation, a duplicate thereof may be issued and delivered to the owner thereof, provided he makes a sufficient affidavit setting forth the material facts surrounding the loss, theft, mutilation or destruction of the original certificates and gives a bond to the Corporation, in such sum limited or unlimited, and in such form and with such surety as the Board of Directors may authorize indemnifying the Corporation, its officers and, if applicable, its transfer agents and registrars, against any losses, costs and damages suffered or incurred by reason of such loss, theft, mutilation or destruction of the original certificate and replacement thereof.

Section 5. Fixing of Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

ARTICLE VIII. FISCAL YEAR

The fiscal year of the Corporation shall be the calendar year.

ARTICLE IX. SEAL

The Board of Directors shall provide a corporate seal, which shall be in such form as the Board of Directors shall determine.

ARTICLE X. AMENDMENTS

These Bylaws may be amended or repealed, or new Bylaws may be adopted, at any annual or special meeting of the stockholders, by the affirmative vote of the holders of at least 75 percent of the outstanding Common Stock of the Corporation; provided, however, that the notice of such meeting shall have been given as provided in these Bylaws, which notice shall mention that amendment or repeal of these Bylaws, or the adoption of new Bylaws, is one of the purposes of such meeting. These Bylaws may also be amended or repealed or new Bylaws may be adopted, by the Board of Directors by the vote of two-thirds of the entire Board of Directors.

EXHIBIT 10

LOUISIANA-PACIFIC CORPORATION
1997 INCENTIVE STOCK AWARD PLAN

ARTICLE 1. ESTABLISHMENT AND PURPOSE

1.1 Establishment. LOUISIANA-PACIFIC CORPORATION ("Corporation"), hereby establishes the Louisiana-Pacific Corporation 1997 Incentive Stock Award Plan (the "Plan"), effective as of March 1, 1997, subject to stockholder approval as provided in Article .

1.2 Purpose. The purpose of the Plan is to promote the long-term interests of Corporation and its stockholders by enabling Corporation to attract, retain, and reward key employees of Corporation and its subsidiaries and to strengthen the mutuality of interests between such employees and Corporation's stockholders. The Plan is designed to serve this purpose by offering stock options and other equity-based incentive awards and encourage key employees to acquire an ownership in Corporation.

ARTICLE 2. DEFINITIONS

2.1 Defined Terms. The following definitions are applicable to the Plan:

"AWARD" means an award or grant made to a Participant pursuant to the Plan.

"AWARD AGREEMENT" means an agreement as described in Section of the Plan.

"BOARD" means the Board of Directors 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 Compensation Committee of the Board.

"COMMON STOCK" means the common stock, \$1 par value, of Corporation or any security of Corporation issued in substitution, exchange, or lieu thereof.

"CORPORATION" means Louisiana-Pacific Corporation, a Delaware corporation, or any successor corporation thereto.

"EXCHANGE ACT" means the Securities Exchange Act of 1934.

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

"PARTICIPANT" means an employee of Corporation or a Subsidiary who is granted an Award under the Plan.

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"PLAN" means this Louisiana-Pacific Corporation 1997 Incentive Stock Award Plan, as set forth herein and as it may be hereafter amended and from time to time.

"SHARE" means a share of Common Stock.

"SUBSIDIARY" means any corporation in which Corporation directly or indirectly controls 50 percent or more of the total combined voting power of all classes of stock having voting power.

"VEST" or "VESTED" means:

(a) In the case of an Award that requires exercise, to be or to become immediately and fully exercisable and free of all restrictions;

(b) In the case of an Award that is subject to forfeiture, to be or to become nonforfeitable, freely transferable, and free of all restrictions;

(c) In the case of an Award that is required to be earned by attaining specified performance goals, to be or to become earned and nonforfeitable, freely transferable, and free of all restrictions; or

(d) In the case of any other Award as to which payment is not dependent solely upon the exercise of a right, election, exercise, or option, to be or to become immediately payable and free of all restrictions.

ARTICLE 3. ADMINISTRATION

3.1 General. The Plan will be administered by the Committee. The Committee will have full power and authority to administer the Plan in its sole discretion. A majority of the members of the Committee will constitute a quorum and action approved by a majority will be the act of the Committee.

3.2 Authority of the Committee. Subject to the terms of the Plan, the Committee:

(a) Will select the Participants, determine the types of Awards to be granted to Participants, determine the shares or share units subject to Awards, and determine the terms and conditions of individual Award Agreements;

(b) Has the authority to interpret the Plan, to establish, amend, and revoke any rules and regulations relating to the Plan, to make all other determinations necessary or advisable for the administration of the Plan; and

(c) May correct any deficit, supply any omission, or reconcile any inconsistency in the Plan or in any Award Agreement in the manner and to the extent the Committee deems desirable to carry out the purposes of the Plan.

Decisions of the Committee, or any delegate as permitted by the Plan, will be final, conclusive, and binding on all Participants.

3.3 Liability of Committee Members. No member of the Committee will be liable for any action or determination made in good faith with respect to the Plan, any Award, or any Participant.

ARTICLE 4. DURATION OF THE PLAN AND SHARES SUBJECT TO THE PLAN

4.1 Duration of the Plan. The Plan is effective March 1, 1997, subject to approval by Corporation's stockholders as provided in Article . The Plan will remain in effect until Awards have been granted covering all the available Shares and

all outstanding Awards have been exercised, settled, or terminated in accordance with the terms of the applicable Award Agreement, or the Plan is otherwise terminated by the Board. Termination of the Plan will not affect outstanding Awards.

4.2 Other Stock Plans. The Plan is separate from the following existing plans (the "Prior Plans"):

Louisiana-Pacific Corporation 1991 Employee Stock Option Plan;
Louisiana-Pacific Corporation 1984 Employee Stock Option Plan; and
Louisiana-Pacific Corporation Key Employee Restricted Stock Plan.

The Plan will neither affect the operation of the Prior Plans nor be affected by the Prior Plans, except that no further stock options or restricted stock awards will be granted under any of the Prior Plans after the date the Plan is approved by Corporation's stockholders as described in Article .

4.3 General Limitation on Awards. Subject to adjustment pursuant to Article of the Plan, the maximum number of Shares for which Awards may be granted under the Plan may not exceed 5,000,000 Shares.

4.4 Cancellation or Expiration of Awards. If an Award under the Plan is canceled or expires for any reason prior to having been fully vested or exercised by a Participant or is settled in cash in lieu of Shares or is exchanged for other Awards, all Shares covered by such Awards will again become available for additional Awards under the Plan.

ARTICLE 5. ELIGIBILITY

Officers and other key employees of Corporation and its Subsidiaries (including employees who may also be directors of Corporation or a Subsidiary) who, in the Committee's judgment, are or will be contributors to the long-term success of Corporation will be eligible to receive Awards under the Plan.

ARTICLE 6. AWARDS

6.1 Types of Awards. Awards under the Plan may consist of: stock options (either incentive stock options, within the meaning of Section 422 of the Code, or nonstatutory stock options), stock appreciation rights, performance shares, restricted stock grants, and other stock-based awards (as described in Article of the Plan). Awards of performance shares and restricted stock may provide the Participant with dividends or dividend equivalents and voting rights prior to vesting.

6.2 Award Agreements. Each Award will be evidenced by a written Award Agreement between Corporation and the Participant. Award Agreements may, subject to the provisions of the Plan, contain any provision approved by the Committee. Any Award Agreement may make provision for any matter that is within the discretion of the Committee or may retain the Committee's discretion to approve or authorize any action with respect to the Award during the term of the Award Agreement.

6.3 Nonuniform Determinations. The Committee's determinations under the Plan or under one or more Award Agreements, including without limitation, (a) the selection of Participants to receive Awards, (b) the type, form, amount, and timing of Awards, (c) the terms of specific Award Agreements, and (d) elections and determinations made by the Committee with respect to exercise or payments of Awards, need not be uniform and may be made by the Committee selectively among Participants and Awards, whether or not Participants are similarly situated.

6.4 Provisions Governing All Awards. All Awards will be subject to the following provisions:

(a) Transferability. Except as otherwise provided in this Section , each Award (but not Shares issued following Vesting or exercise of an Award) will not be transferable other than by will or the laws of descent and distribution and Awards requiring exercise will be exercisable during the lifetime of the Participant only by the

Participant or, in the event the Participant becomes legally incompetent, by the Participant's guardian or legal representative. Notwithstanding the foregoing, the Committee, in its discretion, may include in any Award Agreement a provision that the Award is transferable, without payment of consideration, to immediate family members of the Participant or to a trust for the benefit of or a partnership composed solely of such family members.

(b) Employment Rights. Neither the adoption of the Plan nor the granting of any Award will confer on any person the right to continued employment with Corporation or any Subsidiary, nor will it interfere in any way with the right of Corporation or a Subsidiary to terminate such person's employment at any time for any reason, with or without cause.

(c) Effect of Change in Control. The Committee may, in its discretion, include in any Award Agreement a provision that upon the effective date of a change in control of Corporation (as that term may be defined in the Award Agreement), all or a specified portion of the Award (i) will become fully Vested, (ii) will terminate, or (iii) may be converted into shares of an acquiror. In any such change in control provision, the Committee may provide whether or to what extent such acceleration in the Vesting of an Award will be conditioned to avoid resulting in an "excess parachute payment" within the meaning of Section 280G(b) of the Code.

ARTICLE 7. STOCK OPTIONS

The option price for each stock option may not be less than 100 percent of the Fair Market Value of the Common Stock on the date of grant. Stock options will be exercisable for such period as specified by the Committee in the applicable Award Agreement, but in no event may options be exercisable for a period of more than ten years after their date of grant. The option price of each Share as to which a stock option is exercised must be paid in full at the time of exercise. The Committee may, in its discretion, provide in any Award Agreement for a stock option that payment of the option price may be made in cash, by tender of Shares owned by the Participant valued at Fair Market Value as of the date of exercise, subject to such guidelines for the tender of Shares as the Committee may establish, in such other consideration as the Committee deems appropriate, or a combination of cash, shares of Common Stock, and such other consideration. The number of Shares subject to options and stock appreciation rights granted under the Plan to any individual Participant during any one-year period may not exceed 300,000 Shares.

In the case of an Option designated as an incentive stock option, the terms of the option and the Award Agreement must conform with the statutory and regulatory requirements specified pursuant to Section 422 of the Code, as in effect on the date such incentive stock option is granted.

The Committee may, in its discretion, include in an Award Agreement for any option a provision that in the event previously acquired Shares are surrendered by a Participant in payment of all or a portion of either (a) the option exercise price or (b) the Participant's federal, state, or local tax withholding obligation with respect to such exercise, the Participant will automatically be granted a replacement or reload option (with an option price equal to the Fair Market Value of a Share on the date of such exercise) for a number of Shares equal to all or a portion of the number of Shares surrendered. Such replacement option will be subject to such terms and conditions as the Committee determines.

ARTICLE 8. STOCK APPRECIATION RIGHTS

Stock appreciation rights may be granted in tandem with a stock option, in addition to a stock option, or may be freestanding and unrelated to a stock option. Stock appreciation rights granted in tandem or in addition to a stock option may be granted either at the same time as the stock option or at a later time. No stock appreciation right may be exercisable earlier than six months after grant, except in the event of the Participant's death or disability. A stock appreciation right will

entitle the Participant to receive from Corporation an amount equal to the increase in the Fair Market Value of a Share on the exercise of the stock appreciation right over the grant price. The Committee may determine in its discretion whether the stock appreciation right may be settled in cash, shares, or a combination of cash and shares.

ARTICLE 9. PERFORMANCE SHARES

9.1 General. Performance shares may be granted in the form of actual Shares or Share units having a value equal to Shares. An Award of performance shares will be granted to a Participant subject to such terms and conditions set forth in the Award Agreement as the Committee deems appropriate, including, without limitation, the condition that the performance shares or a portion thereof will Vest only in the event specified performance goals are met within a specified performance period, as set forth in the Award Agreement. An Award Agreement for a performance share Award may also, in addition to specifying performance goals, condition Vesting of such Award on continued employment for a period specified in the Award Agreement. In the event that a stock certificate is issued in respect of performance shares, the certificate will be registered in the name of the Participant but will be held by Corporation until the time the performance shares become Vested. The performance conditions and the length of the performance period will be determined by the Committee. The Committee may, in its discretion, reduce or eliminate the Vesting of performance shares if, in the Committee's judgment, it determines that the Vesting of the performance share Award is not appropriate given actual performance over the applicable performance period. The maximum number of Shares issuable to any individual Participant with respect to performance share Awards in any one-year period may not exceed 100,000 Shares. The Committee, in its sole discretion, may provide in an Award Agreement whether performance shares granted in the form of share units will be paid in cash, shares, or a combination of cash and shares.

9.2 Performance Goals for Executive Officers. The performance goals for performance share awards granted to executive officers of Corporation may relate to corporate performance, business unit performance, or a combination of both.

Corporate performance goals will be based on financial performance goals related to the performance of Corporation as a whole and may include one or more measures related to earnings, profitability, efficiency, or return to stockholders such as earnings per share, operating profit, stock price, costs of production, or other measures.

Business unit performance goals will be based on a combination of financial goals and strategic goals related to the performance of an identified business unit for which a Participant has responsibility. Strategic goals for a business unit may include one or a combination of objective factors relating to success in implementing strategic plans or initiatives, introductory products, constructing facilities, or other identifiable objectives. Financial goals for a business unit may include the degree to which the business unit achieves one or more objective measures related to its revenues, earnings, profitability, efficiency, operating profit, costs of production, or other measures.

Any corporate or business unit goals may be expressed as absolute amounts or as ratios or percentages. Success may be measured against various standards, including budget targets, improvement over prior periods, and performance relative to other companies, business units, or industry groups.

ARTICLE 10. RESTRICTED STOCK

Restricted stock may be granted in the form of actual Shares or Share units having a value equal to Shares. A restricted stock Award will be subject to such terms and conditions set forth in the Award Agreement as the Committee deems appropriate, including, without limitation, restrictions on the sale, assignment, transfer, or other disposition of such restricted stock and provisions that such restricted stock or stock units be forfeited upon termination of the Participant's employment for specified reasons within a specified period of time or upon other conditions, as set forth in the Award Agreement. The Award Agreement for a restricted

stock Award may also, in addition to conditioning Vesting of the Award on continued employment, further condition Vesting on attainment of performance goals. In the event that a stock certificate is issued in respect of restricted stock, such certificate will be registered in the name of the Participant but will be held by the Corporation until the end of the restricted period. The employment conditions and the length of the period for vesting of restricted stock will be established by the Committee at the time of grant and set forth in the Award Agreement. The Committee, in its sole discretion, may provide in an Award Agreement whether restricted stock granted in the form of Share units will be paid in cash, Shares, or a combination of cash and Shares. The aggregate number of shares or share units that may be subject to restricted stock Awards may not exceed 1,000,000 Shares.

ARTICLE 11. OTHER STOCK-BASED AND COMBINATION AWARDS

The Committee may grant other Awards under the Plan pursuant to which Shares are or may in the future be acquired, or Awards denominated in or measured by Share equivalent units, including Awards valued using measures other than the market value of Shares. For such other stock-based awards that are granted to executive officers of Corporation and that condition Vesting of such Awards, in whole or in part, on attaining performance goals, such Awards will be subject to the same limitations on types of performance goals and the same limitation on the maximum number of Shares issuable to any individual Participant as provided in Article 9 of the Plan. The Committee may also grant Awards under the Plan in tandem or combination with other Awards or in exchange for Awards, or in tandem or combination with, or as alternatives to, grants or rights under any other employee plan of Corporation.

ARTICLE 12. ADJUSTMENTS UPON CHANGES IN CAPITALIZATION

In the event of any change in capitalization affecting the Common Stock of Corporation, such as a stock dividend, stock split, recapitalization, merger, consolidation, split-up, spinoff, combination or exchange of shares, or other form of reorganization, or corporate change, or any distribution with respect to Common Stock other than regular cash dividends, the Committee may make such substitution or adjustment, if any, that it deems to be equitable as to the number and kind of Shares or other securities issued or reserved for issuance pursuant to the Plan, to the limits on Awards to Participants, and to outstanding Awards.

ARTICLE 13. AMENDMENT AND TERMINATION

The Board may amend, suspend, or terminate the Plan or any portion of the Plan at any time, provided no amendment may be made without stockholder approval if such approval is required by applicable law or the requirements of an applicable stock exchange.

ARTICLE 14. MISCELLANEOUS

14.1 Tax Withholding. Corporation will have the right to deduct from any settlement of any Award under the Plan, including the delivery or vesting of Shares, any federal, state, or local taxes of any kind required by law to be withheld with respect to such payments or to take such other action as may be necessary in the opinion of Corporation to satisfy all obligations for the payment of such taxes. The recipient of any payment or distribution under the Plan must make arrangements satisfactory to Corporation for the satisfaction of any such withholding tax obligations. Corporation will not be required to make any such payment or distribution under the Plan until such obligations are satisfied. The Committee, in its discretion, may permit a Participant to satisfy the Participant's federal, state, or local tax, or tax withholding obligations with respect to an Award by having Corporation retain the number of Shares having a Fair Market Value equal to the amount of taxes or withholding taxes.

14.2 Securities Law Restrictions. No Shares will be issued under the Plan unless counsel for Corporation is satisfied that such issuance will be in compliance with applicable federal and state securities laws. Certificates for Shares delivered under the Plan may be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and

other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed, and any applicable federal or state securities law. The Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

14.3 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 Oregon.

ARTICLE 15. STOCKHOLDER APPROVAL

The adoption of the Plan and the grant of Awards under the Plan are expressly subject to the approval of the Plan by the affirmative vote of at least a majority of the stockholders of Corporation present, or represented by proxy, and entitled to vote at Corporation's 1997 annual meeting of stockholders.

This schedule contains summary financial information extracted from Consolidated Summary Financial Statements and Notes included in this Form 10-Q and is qualified in its entirety by reference to such financial statements.

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6-MOS
 DEC-31-1997
 JUN-30-1997

		6,900
		0
	121,400	
		0
	249,400	
	483,400	
		2,549,900
	(1,271,500)	
	2,527,700	
306,200		
		469,600
0		
		0
		117,000
	1,332,000	
2,527,700		
		1,187,900
	1,187,900	
		1,065,200
	1,124,300	
		0
		0
	15,800	
	63,600	
	34,200	
31,900		
		0
		0
		0
	31,900	
		.29
		0