

INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES

Finley Resources Inc., MWS Management Inc., and Prize Permanent Holdings, LLC

v.

United Mexican States

(ICSID Case No. ARB/21/25)

PROCEDURAL ORDER NO. 14

Members of the Tribunal

Mr. Manuel Conthe Gutiérrez, President of the Tribunal

Dr. Franz Stirnimann Fuentes, Arbitrator

Prof. Alain Pellet, Arbitrator

Secretary of the Tribunal

Ms. Anneliese Fleckenstein

Date: March 18, 2025

Introduction

- i. Pursuant to section 14(2) of Procedural Order No. 1 the Parties agreed that “*if the Tribunal concludes that the Respondent is liable, the stage of quantum shall initiate. The procedural calendar for the damages stage, if needed, will be discussed by the parties and established by the Tribunal at the end of the jurisdiction and liability stage.*”
- ii. On November 4, 2024, the Tribunal issued its Decision on Jurisdiction and Liability. A revised version of the Decision was issued on January 8, 2025. In its Decision the Tribunal held:

A. ON JURISDICTION

1. The Tribunal declares that it has jurisdiction to decide the following claims:

a) that Mexico breached Article 14.6 on MST of the USMCA as a result of the lack of due process and denial of justice resulting from delays by the Mexican courts in deciding the lawsuits related to the 803 and 804 Contracts.

b) that Mexico breached Article 1105 on MST and FET of the NAFTA as a result of the TUCMA Judgment which decided the contractual lawsuit related to the 821 Contract.

c) that Mexico breached Article 1105 on MST and FET of the NAFTA as a result of the TFJA Judgment, dated October 4, 2018, which upheld the administrative rescission by PEP of the 821 Contract.

d) that Mexico breached Articles 1105 on MST and FET of the NAFTA and Article 1102 on National Treatment of the NAFTA as a result of acts related to the 821 Contract which PEP or PEMEX carried out after March 25, 2018.

2. The Tribunal declares that it does not have jurisdiction on any of the other claims made by the Claimants in this arbitration.

B. ON LIABILITY

1. The Tribunal dismisses the claims that Mexico breached Article 14.6 on MST of the USMCA as a result of the alleged lack of due process and denial of justice resulting from delays by the Mexican courts in deciding the Claimants’ lawsuits related to the 803 and 804 Contracts.

2. The Tribunal dismisses the claim that Mexico breached Article 1105 on MST of the NAFTA as a result of the TUCMA Judgment which decided the contractual lawsuit related to the 821 Contract.

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3. *The Tribunal declares that Mexico breached Article 1105 on MST and FET of the NAFTA as a result of the October 4, 2018, judgment of the TFJA which upheld the administrative rescission by PEP of the 821 Contract.*

4. *The Tribunal declares that Mexico breached Articles 1105 on MST and FET of the NAFTA and Article 1102 on National Treatment of the NAFTA as a result of the following acts by PEP related to the 821 Contract:*

a) *The decision adopted on May 16, 2018, during a meeting of PEP's management in Villahermosa (Tabasco) (the 'Villahermosa Meeting'), to call the Dorama Bond.*

b) *The issuance on November 10, 2021, of the unilateral finiquito of the 821 Contract Bond.*

c) *The continuation, after April 9, 2018 (i.e., the date of the Acta Circunstanciada settling the dispute between PEP and Integradora and Zapata), of PEP's legal defense against the Claimants in the nullity proceedings decided by the TFJA Judgment on October 4, 2018.*

d) *Any other acts by PEP or Pemex which took place after March 25, 2018 and were carried out in preparation, or as a consequence, of the unilateral finiquito of the 821 Contract, like the calling of the Dorama Bond.*

- iii. In its Revised Decision on Jurisdiction and Liability, issued on January 8, 2025, both in English and Spanish, the Tribunal indicated that, absent an agreement from the Parties within 30 days of its issuance, the Tribunal would provide the Parties with a draft Procedural Order for the *quantum* phase.
- iv. Given that since that date the Parties did not communicate any agreements to the Tribunal, on February 14, 2025, the Tribunal sent to the Parties a draft of this Order, inviting them to confer with each other, with a view to agree, to all the extent possible, on the text of this Order.
- v. On March 14, 2025, the Tribunal held a case management meeting with the Parties, during which the Parties exposed to the Tribunal their differing views on several issues, including the sequence of pleadings, the need for and timing of a specific document production phase and, more generally, the procedural calendar for the *quantum* phase of the arbitration. Those differences between the Parties could not be bridged.
- vi. Thus, having heard and considered the Parties' agreements and differences of view, the Tribunal has decided on the various matters and issued the present

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- 1. This Procedural Order sets out the Procedural Calendar and procedural rules that shall govern the *quantum* phase of the arbitration.

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2. The Procedural Rules established in Procedural Orders Nos. 1 through 3 shall continue to apply to the *quantum* phase of the proceeding.
3. This phase of the arbitration is concerned with the *quantum* of the Claimants' damage, if any. Thus, the Parties' submissions and evidence shall relate to factual and legal matters directly related to, and specifically relevant for, the determination of such *quantum*.

Number and Sequence of Pleadings

Arbitration Rules 20(1)(c), 20(1)(e), 29 and 31

4. As indicated in the Procedural Calendar attached to this Order, there will be two rounds of sequential pleadings.

Witness statements pertaining to *quantum* and *Quantum* Expert Reports

Convention Article 43(a); Arbitration Rule 24

5. The Parties shall file their fact witness statements, and *quantum* expert reports, if any, together with the Parties' damages pleadings.
6. The witness statements and expert reports shall be signed and dated by the witnesses or experts; include all the information contemplated in Articles 4(5) and 5(2) of the IBA Rules on the Taking of Evidence in International Arbitration (2010), respectively; and be submitted in a searchable electronic file format and have consecutive numbering on pages, headings and paragraphs.
7. In order to facilitate and speed up the Tribunal's work, the Parties will provide the Tribunal, shortly after they are submitted, a version in Word of any of their pleadings and courtesy translations (including witness statements and *quantum* expert reports.).

Organization of the Hearing

Arbitration Rule 13

8. After consulting in writing with the Parties, the Tribunal will issue a new procedural order based on Procedural Order No. 9, with any necessary adaptations for this *quantum* phase.
9. Were the Tribunal to find it strictly necessary (for example, if pending questions cannot be easily resolved by exchange of emails), a pre-hearing organizational meeting might be convened and held by video conference between the Tribunal and the Parties in order to resolve any outstanding procedural, administrative, and logistical matters in preparation for the Hearing.

Hearing

USMCA Article 14.D.8.2; Arbitration Rules 20(1)(e) and 32

10. The Hearing on *quantum* shall consist of (i) oral arguments by the Parties on damages; and (ii) the examination of the witness and expert testimony proffered by the Parties.
11. The Hearing shall be held in-person on February 16-18, 2026, in Washington, DC or in any other place agreed by the Parties and approved by the Tribunal.

Post-Hearing Memorials and Statements of Costs

Convention Article 44; Arbitration Rule 28(2)

12. At the conclusion of the Hearing, or shortly thereafter, after consulting with the parties, the Tribunal shall determine the date on which the Parties shall file their post-hearing briefs and their statements of costs. No new evidence or legal authorities may be submitted together with the post-hearing briefs.

Adjustments of the Procedural Calendar

13. The Tribunal reserves the power conferred to it by Rule 19 of the Arbitration Rules to adjust, after consulting with the Parties, the Procedural Calendar as circumstances may require. With a view not to delay the rendering of the Award, the Tribunal will strive to keep the dates of the Hearing unchanged and only authorize a change in exceptional circumstances.

On behalf of the Tribunal

[Signed]

Mr. Manuel Conthe Gutiérrez
President of the Tribunal
Date: March 18, 2025

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Procedural Calendar

<i>Description</i>	<i>By</i>	<i>Date</i>
Statement of Claim for Damages	Claimants	June 9, 2025
Statement of Defense	Respondent	September 9, 2025
Reply	Claimants	October 20, 2025
Rejoinder	Respondent	December 11, 2025
Hearing	All	February 16-18, 2026
Award	Tribunal	TBD ¹

¹ As the Award will have to be issued simultaneously in English and Spanish, but will be initially drafted in English, the Tribunal cannot guarantee a deadline for its issuance. However, the Tribunal will make its best efforts to ensure that the English version of the Award is internally finalized some 4 months after the end of the Hearing.