INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES
ADDITIONAL FACILITY

CORONA MATERIALS, LLC

Claimant

-against-

DOMINICAN REPUBLIC

Respondent

CLAIMANT’S REQUEST FOR ARBITRATION

DATED: 10 JUNE 2014

K&L GATES LLP

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I. INTRODUCTION


2. In accordance with Article 3(3) of the Rules, Corona Materials submits five additional signed copies of this Request and has wired the $25,000 registration fee prescribed by Regulation 16 of ICSID’s Administrative and Financial Regulations.

II. PARTIES TO THE DISPUTE

A. Claimant Corona Materials, LLC

3. Corona Materials is a limited liability company that was formed under the laws of the U.S. State of Florida in November of 2005. A true and correct copy of Corona Materials’ corporate registration with the U.S. State of Florida is attached hereto as Exhibit 1.

4. Corona Materials is a juridical person and pursuant to Article 3(1)(e) of the Rules, it has taken all necessary internal actions to authorize this Request. A true and correct copy of the confirmation authorizing this Request is attached hereto as Exhibit 2.

5. Corona Materials’ registered address is:
   Corona Materials, LLC
   301 East Pine Street
   Suite 1400
   Orlando, Florida 32801
   United States of America

6. Corona Materials’ business purpose is to extract, ship and distribute construction aggregate materials.
7. All communications to Corona Materials should be directed to its counsel, whose contact details are:

Ian Meredith  
Ania Farren  
K&L Gates LLP  
One New Change  
London EC4M 9AF  
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8. A true and correct copy of an authorization from Corona Materials empowering K&L Gates LLP to act on its behalf in this matter is attached hereto as Exhibit 2.

B. Respondent Dominican Republic

9. The DR is a sovereign nation and a signatory to the Dominican Republic-Central American-United States Free Trade Agreement ("CAFTA").

10. The DR may be contacted at the following addresses:

Ambassador Aníbal de Castro  
Hon. Francisco Domínguez Brito  
Embassy of the Dominican Republic  
Attorney General  
1725 22nd Street, NW  
Jimenez Moya Avenue  
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Courthouse, Centro do los Heroes  
Tel: +1 202 332 6280  
Santo Domingo  
Fax: +1 202 265 8057  
Dominican Republic  
legal@us.serex.gov.do

11. Corona Materials is unaware of any counsel the DR may have appointed to represent it in this dispute.

III. CORONA MATERIALS’ RIGHT TO ARBITRATE ITS CLAIMS

12. Article 10.16 of the CAFTA contains an arbitration agreement that permits Corona Materials to arbitrate its claims against the DR.

13. Article 10.17 of the CAFTA contains the parties’ consent to resolve disputes between them by arbitration.

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1 The CAFTA entered into force in the DR on 1 March 2007.
A. Article 10.16 and the Submission of Claims to Arbitration

14. Article 10.16 of the CAFTA sets forth the parties’ arbitration agreement and the steps aggrieved investors must take to submit disputes with the host nation to arbitration under the Rules.

15. Article 10.16.1(a) of the CAFTA provides that investors may directly assert claims against host states on the basis that the host state violated protections set forth in Section A of Chapter 10 of the CAFTA.

16. Corona Materials discusses its specific claims against the DR in greater detail in Section V below.

17. Article 10.16.2 of the CAFTA provides that investors must deliver written notice of their intent to submit claims to arbitration at least ninety days before commencing any arbitration.

18. Attached hereto as Exhibit 3 is a true and correct copy of a letter dated 15 March 2012 that Corona Materials sent to the DR which discusses Corona Materials’ claims against the DR and the monetary damages, exclusive of costs and attorneys fees, that Corona Materials sought as of the date of that letter.

19. That letter constitutes Corona Materials’ notice of intent as required by Article 10.16.2 of the CAFTA.

20. Article 10.16.3(b) of the CAFTA provides that investors may commence an arbitration under the Rules once six months have elapsed from the time of the events that gave rise to the investor’s claims.

21. As Exhibit 3 demonstrates, more than six months have elapsed since the DR took the actions that have given rise to Corona Materials’ claims.

22. Corona Materials has therefore fulfilled the conditions necessary to commence this Arbitration.
B. Article 10.17 and the Parties’ Consent to Arbitration

23. Article 10.17.1 of the CAFTA provides that “[e]ach Party consents to the submission of a claim to arbitration under this Section in accordance with this Agreement.”

24. Article 10.17.2(a) provides that the consent given under Article 10.17.1 of the CAFTA also satisfies the Rules’ consent requirements.

25. Accordingly, the DR has consented to arbitrate Corona Materials’ claims against it and the Rules’ consent provisions have been satisfied.

IV. THE EVENTS GIVING RISE TO CORONA MATERIALS’ CLAIMS

26. This dispute arises out of Corona Materials’ efforts to build and operate a construction aggregate mine in the DR from which Corona Materials would export construction aggregate materials to the U.S. State of Florida and elsewhere.

27. Despite repeated assurances and formal approvals from senior DR government officials, including the President, that Corona Materials would be permitted to construct and operate the proposed aggregate mine, the DR ultimately denied Corona Materials a final environmental license for the project for reasons that are empirically false and objectively discriminatory.

28. In short, the DR refused to permit Corona Materials to proceed with its mining project for reasons that are not legitimate and which are unrelated to the merits of that project.

29. The DR’s improper actions violated substantive protections provided to Corona Materials under Section A of Chapter 10 of the CAFTA, including Article 10.3 (National Treatment), Article 10.5 (Minimum Standard of Treatment), and Article 10.7 (Expropriation & Compensation).

30. The DR’s improper actions have caused Corona Materials to suffer losses of no less than $100 million, exclusive of interests and costs.

A. Construction Aggregate Is a Key Component of Infrastructure Projects

31. Construction aggregate is coarse particulate matter - in this case crushed stone - that is used to manufacture composite products such as concrete and asphalt.

32. Construction aggregate is also used as a base material for roads and bridges.
Accordingly, construction aggregate is a critical component of virtually any large infrastructure project.

B. Florida Was Facing a Construction Aggregate Shortage In the Mid-2000s

The U.S. State of Florida was a significant consumer of construction aggregate in the mid-2000s, and its economy utilized approximately 140 million tons of construction aggregate per year during that timeframe.

Due to a variety of factors, however, including declining in-state mining sources, land development issues and lawsuits that restricted further aggregate mining, Florida faced a potential construction aggregate shortage in the mid-2000s.

By 2007, that potential shortage had become so acute that Florida stood to lose as much as $40 billion of economic output, as well as 288,000 jobs, if it could not identify alternate sources of construction aggregate.

Florida’s continued economic growth in the second half of the decade therefore depended upon finding new sources of high-quality construction aggregate that could be delivered at competitive prices.

C. Corona Materials Identifies the Caribbean Basin as a Potential Source of Construction Aggregate

As early as 2005, Corona Materials recognized that Florida was facing a construction aggregate shortage and began looking for aggregate sources within the Caribbean basin that could fulfill Florida’s construction aggregate needs.

Specifically, Corona Materials began searching for high-quality aggregate sites in the Caribbean that were located near deep-water harbors.

Corona Materials’ objective was to identify a site at which it could construct a mine from which it could extract aggregate that it could then transfer directly to Panamax-class ships via conveyor belt.

Once loaded onto ships, Corona Materials would then transport the construction aggregate to customers in Florida and other locations in the Southeast United States.
42. Corona Materials identified four specific criteria necessary to make any construction aggregate mining source in the Caribbean basin viable.

a. First, the mine had to have high-quality, homogenous aggregate material.

b. Second, the mine had to have at least 50 years of aggregate reserves.

c. Third, the mine needed to be located near a deep-water port that could accommodate Panamax-class ships.

d. Fourth, the port needed to have a protected harbor so that the aggregate could be loaded directly onto the ships by conveyor belt.

43. After considering various locations, Corona Materials determined that the Joama group of mining concessions located near Sanchez in the Dominican Republic could satisfy all four requirements.

**D. Senior DR Officials Convince Corona Materials to Invest In the DR**

44. After learning about Corona Materials’ interest in the Joama concessions, DR government officials began courting Corona Materials to induce it to invest in the DR.

45. For instance, in 2006, the DR’s Director of Mining, Ing. Octavio Lopez (“Mining Director”), travelled to the United States and met with Corona Materials officials in Orlando, Florida to discuss investing in the DR.

46. During that meeting and subsequent meetings, the Mining Director presented three exploration concessions - the Joama, Joban and Perla concessions - that were available in the Sanchez area and represented that any investment in those concessions would be secure.

47. Later, the DR Secretary of State for the Export and Investment Center, which was the DR agency responsible for promoting foreign direct investment into the DR, travelled to the United States and discussed the potential benefits of investing in the DR with Corona Materials.

48. On subsequent occasions, Corona Materials representatives met in the DR with the DR Secretary of Industry and Commerce, the Sub-Secretary of Environmental
Management and the Secretary of the Environment, all of whom expressed unified support for Corona Materials’ proposed mining project.

49. Based on that universal support and its discussions with DR officials, Corona Materials chose to invest in the DR.

E. Corona Materials Purchases Exploration Concessions and Conducts Feasibility Studies Which Determine that the Project Is Achievable

50. On 12 April 2006, Corona Materials, acting through its subsidiaries, purchased three exploration concessions ("Exploration Concessions") in the Sanchez area of the DR.

51. Those Exploration Concessions gave Corona Materials the right to explore the mining of minerals in the relevant concession areas.

52. After it purchased the Exploration Concessions, Corona Materials commissioned feasibility studies which examined, amongst other things, whether the proposed project was legally and politically viable, economically feasible, and practically achievable.

53. Each of the feasibility studies determined that Corona Materials’ proposed aggregate mining operation was both realistic and realizable.

54. Corona Materials therefore decided to purchase an exploitation concession for the Joama area ("Joama Exploitation Concession").

55. Purchasing the Joama Exploitation Concession was one of the final steps necessary to begin constructing the mine and extracting aggregate that could be shipped to the United States.

F. The Joama Exploitation Concession Is Approved by the DR President and Other Senior DR Officials

56. In May of 2007, Corona Materials submitted an application to the DR Mining Office to purchase the Joama Exploitation Concession.

57. On 1 June 2009, the DR President, Dr. Leonel Fernandez Reyna, along with the Director of Mining and the Secretary of Industry and Commerce, approved Corona Materials’ application to purchase the Joama Exploitation Concession.
58. That approval was enshrined in Resolution XII-09. A true and correct copy of Resolution XII-09 is attached hereto as Exhibit 4.

59. Following the official approval of Corona Materials’ application to purchase the Joama Exploitation Concession, the only remaining approval needed to begin operations was a final license from the DR environmental authorities.

60. Despite having received preliminary approval from the Ministry of the Environment and previous statements of support for the project from the Sub-Secretary of Environmental Management and the Secretary of the Environment, obtaining the final necessary environmental approvals proved to be impossible for reasons unrelated to the merits of the project.

G. The DR Prohibits the Export of Aggregate and Passes a Discriminatory Export Tax Directed at Corona Materials

61. In September of 2007, approximately four months after it submitted its application to purchase the Joama Exploitation Concession, Corona Materials applied to the DR Environmental Ministry for an environmental license that would have permitted it to begin mining operations in the Joama Exploitation Concession once the concession was granted.

62. On 6 May 2008, the DR Environmental Ministry gave preliminary approval for the project by issuing terms of reference that made no mention of any environmental issues.

63. Corona Materials therefore justifiably presumed that final environmental approval was imminent.

64. While awaiting that final approval, however, instrumentalities of the DR passed governmental resolutions that directly targeted and discriminated against Corona Materials as a foreign investor in the DR and which deprived Corona Materials of the value of its mining project.

1. Resolution 17-2008 Prevents the Export of Construction Aggregate

65. For instance, on 18 November 2008, while Corona Materials’ environmental licensing application was pending, the DR Secretary of the Environment passed a resolution -
Resolution 17-2008 - which cancelled the administrative procedure for obtaining permits to export aggregate.

66. By cancelling the process for obtaining permits to export aggregate, the Secretary of the Environment unilaterally terminated Corona Materials' ability to pursue its mining project.

67. Resolution 17-2008 specifically targeted Corona Materials, because to the best of Corona Materials' knowledge, no other party was considering exporting construction aggregate out of the DR at that time.

2. Resolution 21-2009 Imposes a Discriminatory Tax on Aggregate Exports

68. Approximately six months after passing Resolution 17-2008, the Secretary of the Environment passed a second resolution which demonstrated the DR’s desire to discriminate against Corona Materials as a foreign investor.

69. Specifically, on 25 May 2009, the Environmental Secretary passed Resolution 21-2009, which reinstated the aggregate export permitting procedure Corona Materials had to follow to pursue its aggregate mining project, but which also imposed a tax of $2.00 per cubic meter on any aggregate exports.

70. The $2.00 tax per cubic meter of aggregate imposed by Resolution 21-2009 was discriminatory because the tax on domestic DR sales of mined construction aggregate was only $0.30 per cubic meter at that time.

71. The tax also severely impacted the financial viability of Corona Materials’ project because aggregate sales are a low margin / high volume business, and a tax of $2.00 per cubic meter would have severely impacted Corona Materials’ profit margins.

72. Notably, that tax was specifically aimed at Corona Materials because Corona Materials was the only party contemplating aggregate exports at the time that Resolution 21-2009 was passed.

73. Consequently, by May of 2009, certain sectors of the DR government had begun to single out Corona Materials for unfair, inequitable and discriminatory treatment that
was substantially different than the treatment offered to domestic aggregate producers.

74. As is discussed in greater detail below, that conduct ultimately culminated in DR environmental officials denying Corona Materials final permission to proceed with its mining operations altogether.

H. The DR Denies Environmental Approval for the Joama Exploitation Concession

75. On 18 August 2010, over a year after the DR President and other senior DR officials approved Corona Materials' purchase of the Joama Exploitation Concession, and almost two years after Corona Materials received preliminary environmental approval, the DR Environmental Ministry ruled that Corona Materials' proposed project was not environmentally feasible.

76. In short, the Environmental Ministry denied environmental approval for Corona Materials' project, which effectively terminated the project.

77. The reasons the Environmental Ministry gave for its conclusion, however, were objectively unreasonable and devoid of factual or legal justification.

a. For instance, even though the DR Environmental Ministry had given preliminary approval for the project without any mention of water impact issues, it now claimed that Corona Materials' project was not viable because it was situated within 30 meters of bodies of water.

b. In reality, however, the nearest body of water to the project was 700 meters away.

c. Moreover, Corona Materials knew that domestically-owned mines were located less than 30 meters from water sources such as rivers, which suggests that the Environmental Ministry was more concerned with Corona Materials' status as a foreign investor than any actual environmental issues.

78. Consequently, it was apparent that the decision to deny environmental approval was unjustified and was motivated by discriminatory intent.
I. Corona Materials Asks the Environmental Ministry to Reconsider Its Conclusion

79. As the Environmental Ministry’s conclusions about Corona Materials’ project were unjustified and predicated on objectively incorrect facts, Corona Materials chose to challenge that conclusion.

80. On 5 October 2010, Corona Materials submitted a letter to the Environmental Ministry which requested that it reconsider its conclusion that Corona Materials’ project was not environmentally feasible.

81. In support of Corona Materials’ request, the regional governor for the area encompassing the Joama Concession submitted a letter supporting Corona Materials’ environmental application.

82. Despite that fact, Corona Materials never received a response to its request.

J. The Sub-Secretary of Environmental Management Agrees to Reconsider the Denial But Fails to Do So

83. Eventually, after repeated requests were ignored, Corona Materials was able to schedule a meeting with the Sub-Secretary of Environmental Management in January of 2011 to discuss Corona Materials’ request that the Environmental Ministry reconsider its denial of Corona Materials’ application.

84. A meeting was held in mid-January of 2011 that was attended by the Sub-Secretary of Environmental Management and various department heads in which the Sub-Secretary of Environmental Management promised to reconsider Corona Materials’ application.

85. By February of 2011, however, it appeared that no action had been taken in response to that meeting.

86. Accordingly, on 16 February 2011, Corona Materials submitted a letter to the Sub-Secretary of Environmental Management, requesting, amongst other things, an environmental license to begin operations in the Joama Exploitation Concession.

87. To date, the DR Environmental Ministry has not responded to that letter, despite statements that the Environmental Ministry would reconsider its position.
K. Corona Materials’ June 2012 Meeting with DR Officials


89. During that meeting, those representatives again agreed to reconsider Corona Materials’ environmental application.

90. To date, however, the DR has taken no action in furtherance of that promise.

V. CORONA MATERIALS’ CLAIMS AGAINST THE DR UNDER THE CAFTA

91. As the preceding section demonstrates, the DR’s conduct has discriminated against Corona Materials as a foreign investor in violation of the substantive protections provided to Corona Materials under Section A of Chapter 10 of the CAFTA.

A. Corona Materials’ Claims Satisfy the CAFTA’s Jurisdictional Requirements

92. Article 10.1 of the CAFTA sets forth the jurisdictional requirements for asserting violations of the substantive protections offered by Section A of Chapter 10 of the CAFTA.

93. First, the decisions of the DR Environmental Ministry about which Corona Materials complains constitute measures adopted by the DR, which is a contracting party within the meaning of Article 10.1 of the CAFTA.

94. Second, Corona Materials was at all relevant times and continues to be a corporate citizen of the State of Florida within the United States and is therefore an investor of another contracting party to the CAFTA within the meaning of Article 10.1(a).

95. Third, Corona Materials’ investment in the Joama Exploitation Concession project constitutes a covered investment within the meaning of Article 10.1(b) of the CAFTA because it was an “enterprise” within the meaning of subsection (a), as well as a “license[, authorization[, permit[]],” or “similar right[] conferred pursuant to domestic law” within the meaning of subsection (g) of the investment definition found in Article 10.28 of the CAFTA.
Fourth, the actions about which Corona Materials complains took place after the CAFTA came into force in the DR on 1 March 2007 within the meaning of Article 10.1.2 of the CAFTA.

B. The DR Failed to Accord Corona Materials National Treatment

The DR violated Article 10.3 of the CAFTA by failing to accord National Treatment to Corona Materials’ investment.

98. Article 10.3.1 of the CAFTA requires a host country to accord foreign investors “treatment no less favourable than it accords, in like circumstances, to its own investors with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of investments in its territory.”

99. Article 10.3.2 of the CAFTA extends those same protections to covered investments.

100. As is discussed in greater detail above, the DR adopted discriminatory measures designed to unfairly and disproportionately tax parties seeking to export aggregate out of the DR, which were directly aimed at Corona Materials as a foreign investor.

101. As is also discussed in greater detail above, the DR applied environmental regulations to Corona Materials differently than the DR applied those same regulations to domestically owned mining operations.

102. The DR’s conduct therefore violated the protections accorded to Corona Materials and its investment under Article 10.3 of the CAFTA.

C. The DR Failed to Accord Corona Materials’ Investment Minimum Standards of Treatment

The DR also violated Article 10.5 of the CAFTA by failing to provide Corona Materials’ investment with Minimum Standards of Treatment required by customary international law.

104. Article 10.5.1 of the CAFTA provides that host states must accord covered investments minimum standards of treatment required by customary international law, “including fair and equitable treatment and full protection and security.”
105. Article 10.5.2 clarifies that “the customary international law minimum standard of treatment of aliens” is “the minimum standard of treatment to be afforded to covered investments.”

a. Article 10.5.2(a) further clarifies that the fair and equitable treatment standard imposed by Article 10.5 in relevant part “includes the obligation not to deny justice in . . . civil or administrative adjudicatory proceedings in accordance with the principle of due process embodied in principal legal systems of the world.”

b. Article 10.5.2(b) states that the full protection and security requirement imposed by Article 10.5 “requires each Party to provide the level of police protection required under customary international law.”

106. As Corona Materials describes in greater detail above, the DR failed to accord Corona Materials' investment fair and equitable treatment, as well as full protection and security, by repeatedly discriminating against Corona Materials as a foreign investor, denying Corona Materials due process in the environmental licensing process and by then failing to follow minimum due process standards in the reconsideration process.

107. The DR also engaged in arbitrary and discriminatory conduct that unfairly targeted Corona Materials' investment by passing regulations that prevented the exportation of aggregate out of the DR, and then passing regulations that permitted exportation on economic terms that disproportionately impaired Corona Materials in relation to domestic mining operations.

108. The DR’s conduct therefore violated Article 10.5 of the CAFTA.

D. The DR Expropriated Corona Materials' Investment Without Providing Adequate Compensation

109. The DR’s conduct also resulted in an illegal expropriation of Corona Materials' investment in the DR for which the DR has not paid any compensation whatsoever.

110. Article 10.7.1 of the CAFTA provides that host states may not directly or indirectly expropriate covered investments unless done:

a. “for a public purpose;”
b. "in a non-discriminatory manner;"

c. "on payment of prompt, adequate, and effective compensation . . . ;" and

d. "in accordance with due process of law . . . ."

111. In relevant part, Article 10.7.2(a)-(b) of the CAFTA states that compensation "shall be paid without delay," and must reflect the fair market value of the investment immediately before it was expropriated.

112. The DR's improper refusal to grant environmental approvals to which Corona Materials is entitled has resulted in an illegal expropriation of Corona Materials' investment, because that refusal:

a. was not given for a public purpose, but was instead driven by ulterior and inequitable motives;

b. was discriminatory, as similarly situated locally-owned mining operations were given environmental approvals, despite their non-compliance with local environmental regulations;

c. absolutely no compensation - prompt, adequate or otherwise - has been paid to Corona Materials to make it whole for its loss; and

d. was not able to be challenged through any meaningful or effective procedure.

113. Consequently, the DR is liable to Corona Materials in damages for violating the substantive protections set forth in Article 10.7 of the CAFTA.

E. Corona Materials Is Entitled to Damages of No Less than $100 Million for Its Claims

114. The harm that the DR's actions have caused is substantial, and Corona Materials is entitled to damages of no less than $100 million, exclusive of costs and interest, to compensate it for its losses.

115. As Section IV above demonstrates, Corona Materials chose to invest in the DR in no small part because DR officials made numerous representations to Corona Materials that its project would proceed with the support of the DR government.
116. Based on those representations, Corona Materials invested substantial time and money assessing the mining site, procuring licenses and permits to develop it, and creating a detailed business plan.

117. Corona Materials invested significant time developing markets and buyers for its product, as well as time and money identifying investors and financiers.

118. Notably, Corona Materials expected its operations to continue for a minimum of 50 years and therefore anticipated substantial and sustained future profits.

119. The DR’s conduct has therefore caused Corona Materials to suffer losses in excess of $100 million, exclusive of costs and interest.  

VI. THE ARBITRAL TRIBUNAL

120. Article 10.19 of CAFTA-DR provides that “the tribunal shall comprise three arbitrators, one arbitrator appointed by each of the disputing parties and the third, who shall be the presiding arbitrator, appointed by agreement of the disputing parties.”

121. Pursuant to Article 10.16(6) of CAFTA-DR, the Claimant hereby appoints Fernando Mantilla-Serrano.

122. Mr. Mantilla-Serrano’s contact details are as follows:

Fernando Mantilla-Serrano  
Latham & Watkins LLP  
45, rue Saint-Dominique  
Paris 75007  
France

123. Mr. Mantilla-Serrano is a national of Columbia.

124. Mr. Mantilla-Serrano has confirmed that he is free of conflicts and will be independent and impartial.

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2 Pursuant to Article 3(d) of the Rules, Corona Materials reserves its right to submit a more detailed calculation of its losses with its first written memorial.
VII. RELIEF REQUESTED

125. Claimant Corona Materials, LLC therefore requests an award:

a. Finding Respondent Dominican Republic liable for breaching Articles 10.3, 10.5 and 10.7 of the CAFTA;

b. Granting Corona Materials damages of no less than $100 million, exclusive of interest and costs;

c. Awarding Corona Materials its costs, including reasonable attorneys fees; and

d. Conferring such other relief as is just and warranted.

Dated: 10 June 2014

Respectfully submitted,

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Exhibit 1
Detail by Entity Name

Florida Limited Liability Company
CORONA MATERIALS, LLC

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### Annual Reports

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### Document Images

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Exhibit 2
AUTHORITY TO FILE AND PURSUE ARBITRATION

Corona Materials, LLC ("Corona Materials"), a limited liability company organized and existing under the laws of the State of Florida, hereby Authorizes K&L Gates LLP to:

1. File and pursue an arbitration before the International Centre for the Settlement of Investment Disputes under the Dominican Republic-Central American-United States Free Trade Agreement on Corona Materials’ behalf against the Dominican Republic ("Arbitration").

2. Do and perform any and every act required, necessary or proper to be done to file and pursue the Arbitration.

The undersigned, as a Principal of Corona Materials, confirms that Corona Materials has taken all internal steps necessary to authorize the filing of the request in the Arbitration and to approve K&L Gates LLP’s representation of Corona Materials in the Arbitration.

Dated: June 10, 2014

CORONA MATERIALS, LLC

By/Name: John E. Elliott
Title: Managing Director
Exhibit 3
CORONA MATERIALS, LLC
301 East Pine Street
Suite 1400
Orlando, FL 32801
ATTN: Randolph H. Fields
(407) 843-8880

March 15, 2012

VIA COURIER
Yahaira Sosa Machado, Esq.
Director,
Dirección de Comercio Exterior y Administración de Tratados Comerciales Internacionales (DICOEX)
Ministerio de Estado de Industria y Comercio
Av. 27 de febrero N.° 209, Ensanche Naco
Santo Domingo, Dominican Republic

Re: Notice of Violations of Chapter 10 of the Central America–Dominican Republic-United States Free Trade Agreement (“DR-CAFTA”)

Dear Ms. Sosa:

As you know, on March 1, 2007, DR-CAFTA went into effect for the Dominican Republic (the “Republic”). This letter provides official notice by Corona Materials, LLC on behalf of itself and its subsidiary, Walvis Investments, S.A. (collectively “CM” or “Corona”) of the Republic’s violations of Chapter 10 of the DR-CAFTA and constitutes CM’s Notice of Intent pursuant to Article 10.16(2) of DR-CAFTA.

In accordance with Article 10.16(2) of DR-CAFTA, CM’s official name, address and place of incorporation are:

Corona Materials, LLC.
Attn: Randolph H. Fields, Esq.,
Representative
301 East Pine Street, Suite 1400
Orlando Florida 32801
Telephone: 407-843-8880
Since the Republic implemented DR-CAFTA, the Republic has engaged in a course of action that violates the treaty and as a result CM has sustained substantial damages. Some, but not necessarily all of these actions were briefly described in a letter dated February 16, 2011 to (among others) Ing. Ernesto Reyna Alcántara, Vice Minister of Gestion Ambiental, Ministerio de Estado de Medio Ambiente y Recursos Naturales, as well as face-to-face meetings with representatives of the Republic.

The facts underlying CM’s DR-CAFTA claim are as follows:

1. **CORONA MATERIALS:** In accordance with Article 10.16(2) of DR-CAFTA, CM’s official name, address and place of incorporation are:

   Corona Materials, LLC.
   Attn: Randolph H. Fields, Esq.,
   Representative
   301 East Pine Street, Suite 1400
   Orlando Florida 32801
   Telephone: 407-843-8880
   Place of Incorporation: Florida, United States of America
   Date of Legal Organization: November 7, 2005

2. **WALVIS INVESTMENTS:** CM owns 99% of its Dominican Subsidiary Walvis Investments, S.A. (Walvis) which it acquired in April 2006. The remaining 1% is owned by John E Elliott. The official address is:

   Walvis Investments, S.A.
   Attn: John E. Elliott
   President.
   Ave Duarte #22
   Sanchez
   Samana Province
   Dominican Republic
   Telephone: 407-701-0077
   Place of Incorporation: Dominican Republic

3. **THE CORONA MANAGING DIRECTORS:** Randolph H. Fields is a shareholder and senior counsel in the law firm of Gray/Robinson, P.A. Mr. Fields has been voted top attorney in Central Florida and Most Influential Businessman. Mr. Fields’ specialty is securities as it applies to banking, construction, hospitality, tourist attractions and
automotive sectors. He is a principal in new car franchises. He has assisted in raising billions of dollars in the capital markets. He has served as Chairman of the Orlando Metropolitan Planning Board, Chairman of the State of Florida Black Business Investment Board, Chairman of the Orlando Opera Board and Chairman of Rollins College's Hamilton Holt Business School. John E. Elliott is a major shareholder and former COO of Gencor Industries of Orlando a publicly traded company and leader in the manufacture of hot asphalt plants and mining machinery.

4. **CORONA'S OBJECTIVE:** CM’s objective is to distribute construction aggregate materials throughout southeast USA. CM had negotiated terms of wholesale supply contracts with major companies. In addition principal John Elliott planned to offer regular delivery of aggregate materials to over 200 asphalt plants owned by individual Gencor clients under preferential terms. The annual demand was projected at 700,000 metric tons. To meet this demand CM planned to export to the U.S. materials from the Caribbean Basin. Inquiries were made with several countries including the Dominican Republic. CM's operational and logistical requirements were based largely on the ultra modern “Polaris” mine in Vancouver Canada which is situated in a highly sensitive environmental location. There are four critical requirements for the export operation: 1. High quality homogeneous material, 2. Deposit reserves sufficient for fifty years of operation, 3. Deep water (14 meters) seaport to accommodate 70,000 ton panamax class ships situated adjacent to mine, and 4. Protected harbor with calm waters. These requirements considerably reduced CM’s choices. In 2005 and 2006 CM principals met with Ing. Octavio Lopez, Dominican Director of Mining who was most responsive and helpful. After researching the options around the Dominican coast it was determined the only viable location that met all four requirements was the Joama group of concessions, close to Sanchez.

5. **REPRESENTATIONS & PROMISES DESIGNED TO ATTRACT FOREIGN INVESTMENT IN DOMINICAN REPUBLIC:** In 2006 CM met with Ing. Octavio Lopez, Director of the Dominican Mining Office at their offices in Orlando. He suggested that CM locate our proposed construction aggregate export business in the Dominican Republic. He presented three exploration concessions in the Sanchez area that were available for sale. The CM principals liked the Director’s proposal and his confident representations that the investment would be secure. Sometime later principal Randolph Fields lunched at the prestigious Orlando University Club with special invitee Lic. Eddy Martinez, then Secretary of State for OPI-RD or CEI-RD who was ardently promoting and campaigning to the Central Florida business leaders the merits of investing in the Dominican Republic. Later in Santo Domingo the CM principals met with Francisco Javier Garcia, then Secretary of Industry and Commerce, on two occasions with Ing. Ernesto Reyna, Sub-Secretary of Environmental Management, and with Omar Ramirez, then Secretary of the Environment. All these senior representatives of the Dominican Republic expressed encouragement and vowed support for the
proposed Joama project. This unified support satisfied the CM principals that an investment would be reasonably secure from political and other risks especially those associated with the entitlement and permitting process.

6. PURCHASE OF CONCESSIONS: The Joama, Joban and Perla Exploration Concession Applications were purchased for considerable consideration on 12 April 2006.

7. DUE DILLIGENCE: In 2006 CM conducted its due diligence with respect to the proposed aggregate materials export venture near Sanchez in the Dominican Republic. Various sites were examined and land surveyors were contracted for a period of three months to provide boundary surveys of over 100 contiguous parcels at the western part of the Joama Concession. CM representatives met with all the land owners and determined all would gladly either sell or enter into royalty agreements. The following feasibility studies were conducted at considerable expense by leading Dominican consultants and all determined the project was viable: Legal and Political - Dr. Manuel Tapia; Environmental - Mario Mendez of EMPACA; Economic – Alberto Holguin of Rocas y Minerals; Private Sea Port – Seabulk of Vancouver Canada, Florida Aggregate Study – Lampi Herbert of Tallahassee Florida.

8. JOAMA EXPLOTATION CONCESSION: In May of 2007 CM hired Alberto Holguin of Rocas and Minerales to prepare and submit appropriate documentation to Dominican Mining Office. The concession was approved by the Director of Mining, the Secretary of Industry and Commerce and the Dr. Lionel Fernandez Reyna, President of the Republic. The date of the final Resolution#XII-09 is 1 June 2009. The delay of two years in granting the Resolution was because Francisco Javier Garcia resigned as Secretary of Industry and Commerce to become the Presidential Campaign Manager. The new Secretary was Milanio Paredes to the best of CM’s knowledge did not execute any new mining concessions and the application lay on his desk for eighteen months. Within two weeks of Munchi Fadul being appointed Secretary he signed the Resolution granting the Joama Exploitation Concession.

9. DESCRIPTION OF THE AREA: The area of the mine is located in a desolate rocky mountainous area unsuitable for habitation, agriculture, tourism, or any other use other than mining. It has complex topography and property boundaries. There are no roads into the area and the nearest houses are more than one kilometer distant. The mine was carefully designed to be completely invisible from outside the area. There would be no visual impact. The aggregate material was to be transported to the port via covered conveyor which also would run in tunnels so trucks are not required. The port is a simple design utilizing piers with a low environmental footprint.
10. **ACQUISITION OF SURFACE RIGHTS:** In 2008 and 2009 CM at considerable cost entered into 45 purchase options or royalty or easement contracts totaling more than 863,000 square meters. The professional appraisals returned a low value for the remote and desolate parcels and CM offered a fixed price per tarea approximately three times the appraisals which greatly pleased the owners.

11. **COMMUNITY SUPPORT:** The project which would offer much-needed employment opportunities gained overwhelming community support. Local mayors, preachers, pastors, school directors, neighborhood associations, universally supported the project. Political support was given by the Provincial Governor, Senator, Congressman, Sindicos, etc. The only opposition to the project was minor and came from PRD opposition underwritten by competitive interests.

12. **APPLICATION FOR ENVIRONMENTAL LICENSE:** CM applied for an environmental license with the Secretary of the Environment & Natural Resources on 18 September 2007. The Terms of Reference for the Mine, Conveyor and Private port was issued on 6 May 2008 (when Terms of References are issued without identifying any major issues it is assumed a final approval will likely follow). On 9 October 2008 CM requested the Terms of References be split into two separating the mine from the port. The principal reason being that it appeared that a new highly discriminatory government regulation was being contemplated which would not allow exports of aggregate. On 18 November 2008 the discriminatory dance began in earnest when the Secretary of the Environment signed Resolution #17-2008 cancelling the administrative procedure to obtain permits to export construction aggregates. However on 25 May 2009 the Secretary signed Resolution #21-2009 reinstating the administrative procedure to export aggregates but added a **new punitive and discriminatory tax** (on exports only) of US$2.00 per cubic meter. Oh and by the way the only party that would be adversely affected was CM, the foreign company panning exports. On 24 June 2009 new Terms of Reference were issued but the horsing around continued and CM was only issued Terms for the mine (not the port) and since that time CM has never received the separate Terms of Reference for the port and transport conveyor. These new Terms of Reference limited **CM to local sales only** despite the fact new Resolution #21-2009 had gone into force the previous month. It is noteworthy that the both Lena Beriguette, Director of the Evaluation Committee and Ing. Ernesto Reyna never acknowledged the existence of this new repealing Resolution (21-2009) and it **never appeared in the official website** with all the other resolutions. The application continued to be processed very slowly despite the fact that we promptly responded to all the Departments’ requests. On 14 May 2010 the Department requested further information for the final review - most of this information we had provided twice before and was included in the two previous applications. On 18 August 2010 (almost 2 years after our filing) we received a letter from Environmental that they did not consider the project was environmentally viable. The six reasons given did not provide substantive reason to support their
claim. For instance they stated the project needed to be more than 30 meters from all water bodies and water courses. The closest water is 700 meters away. CM representatives met with Ing. Ernesto Reyna who told Lena the Supervisor of the Evaluation Committee to try and assist CM. When CM met in her office she showed little interest or motivation to assist CM. Furthermore she demonstrated to CM that she had little knowledge of the project and for the fourth time requested copies of letters of no objection from the property owners to conduct exploration activities on their properties. These letters dated back to the summer of 2007, the exploration had long been completed and the letters had been superseded by option and royalty contracts. On 5 October 2010 CM sent a letter requesting a formal reconsideration which was never answered. The Provincial Governor, Sindicos and Development Associations all sent letters of support to Ing. Reyna and requested a meeting to request the license be granted. The meeting was held in mid January 2011 and was attended by Ing. Ernesto Reyna and the various Department heads. Reyna stated the project would be reconsidered and told CM they would start work immediately following the adjournment of the meeting. As the Environmental Ministry telephone system and website appears to have been and possibly still is inoperable ... in mid February CM representatives visited the new “Unico Ventana” to inquire as to the status of the reconsideration ... after speaking to several officials including Antonia Reyna’s assistant ... all stated they had not seen and none had worked on the Joama case file. On the 16 February, 2011 CM hand-delivered a letter to Reyna and the Minister requesting the license, a new Terms of Reference for the port, payment for losses and damages to date or CM would seek a resolution in Arbitration under the DR-CAFTA provisions. To date they have never responded.

13. PUBLIC STATEMENTS ANNOUNCING APPROVALS IN 60-90 DAYS: The Environmental Ministry has repeatedly stated in the national press and at presentations that the time to approve Environmental licenses is 30-60 days and occasionally requires an additional 30 days or a maximum of 90 days. Forty-six months have passed since 18 September 2007 when CM first applied for a License. Furthermore the Republic has failed to respond to virtually all communications sent requesting status of the project including the request on 5 October 2010 to reconsider its decision. The Republic has been unresponsive and shown gross discourtesy cancelling numerous appointments at the last minute after travelling from Florida or Sanchez to its offices. Without doubt the Republic has discriminated against CM as a foreign investor and the Republic’s actions clearly constitute violations of Article 10.5(1) of DR-CAFTA treaty.

14. RESOLUTION #18-2008: On 18 November, 2008 the Republic through its Environmental Ministry signed into effect this resolution cancelling the administrative procedure to procure permit to export, among other items, construction aggregates effectively crippling CM business and investment. Furthermore this was done while the
Terms of Reference for the Mine and Port issued by the same Ministry were still in effect.

15. **SPLITTING THE ORIGINAL TERMS OF REFERENCE**: In anticipation of Resolution #18-2008, CM on 9 October requested the splitting of the Terms of Reference into two separate documents. One for the mine and one for the port and conveyor. Despite the fact that CM would no longer be permitted to export aggregates it took the Republic until 24 June 2009 or **nine months to issue** the new Terms of Reference for the mine only.

16. **RESOLUTION 21-2009**: On 25 May 2010 the Republic through its Environmental Ministry signed into effect this resolution which reversed the previous Resolution #18-2008 which now re-established the permitting procedure to export aggregates. However the Republic **never granted the separate Terms of Reference for the port and conveyor** despite many requests to do so. This resolution was never published in the official website and was not even acknowledged by Ing. Ernesto Reyna who continued to process the license on the condition CM would not export. Although CM's plans to export were again legally permissible, the Republic by **unfairly and arbitrarily denying to grant the Terms of reference** effectively crippled CM's export plans and investment. No other domestic mining company was restricted to export and without doubt the Republic discriminated against CM as a foreign investor and the Republic's actions clearly constitute violations of Article 10.5(1) of DR-CAFTA treaty.

17. **RESOLUTION 21-2009 EXPORT TAX LEVY**: This resolution also stipulated that all aggregate exports would be subject to a **new discriminatory and punitive US$2.00 per cubic meter export tax**. This tax had not been ratified by the Dominican congress or senate and may be considered unconstitutional. Aggregate exports are a high volume low margin enterprise and the excessive amount of the discriminatory tax seriously impacts the projected profit per ton as evidenced by KPMG accounting projections. Also the tax on domestic sales is only US$0.30 cubic meter thus discriminating against exports businesses owned by foreign investors clearly constitute violations of Article 10.5(1) of DR-CAFTA treaty.

18. **STATEMENTS BY THE MINISTER**: It is widely known that the Jaime David, the former Environmental Minister was not supportive of the mining sector. To the best of CM's knowledge **no other foreign major mining operations have been licensed** during his tenure. Furthermore he may have stated that he will not approve licenses for foreign mining operations and according to third parties it has been reported that he publically stated that “he will not permit the export [of] Dominican soil”. Without doubt the
Republic discriminated against CM as a foreign investor and the Republic’s actions clearly constitute violations of Article 10.5(1) of DR-CAFTA treaty.

19. LETTER DENYING LICENSE: On 18 August 2010 the Republic through its Environmental Ministry issued a letter / notice reference # 003771 and DEA 3867-10 signed by Ing. Ernesto Reyna Alcantara, Vice Minister of Gestion Ambiental which set forth six reasons why the Joama project was not environmentally viable referencing Articles: 8, 118, 120, 129 of the Environmental law # 64-00. None of these six reasons provided a substantive, technical, logical or project specific reason to justify denying the license. They were merely parroted quotations from the environmental law #64-00 without reference to specific violations or omission. For example one stated that projects needed to be more than 30 meters from water bodies or rivers. It did not specify that the project was less than the 30 meters minimum when in fact the nearest part of the project is 700 or more away with no possibility of contamination. As other mines in Sanchez are immediately next to a river and blatantly contaminated the water, the Republic discriminated against CM as a foreign investor and ignored violations by domestic owned mines the Republic’s actions clearly constitute violations of Article 10.5(1) of DR-CAFTA treaty.

20. PRIOR KNOWLEDGE OF NON-VIABILITY BY MINISTRY: On 18 August 2010 the Republic through its Environmental Ministry issued a letter / notice reference # 003771 and DEA 3867-10 signed by Ing. Ernesto Reyna Alcantara, Vice Minister of Gestion Ambiental which set forth six reasons why the Joama project was not environmentally viable referencing Articles: 8, 118, 120, 129 of the Environmental law # 64-00. None of these six reasons provided a substantive, technical, logical or project specific reason to justify denying the license. All of the six reasons for denying the license should have been readily identified by the Ministry during their review of the original application for the Terms of Reference for the Port and Mine and the subsequent second application for the Terms of Reference for the Mine only. As a general description of the planned project and its specific location was provided on both those occasions and because the six reasons for denying the license are merely quotations from the environmental law and not specific technical reasons directly related to or referred to in the Environmental License Application, the Ministry should never have issued the two Terms of Reference which are in themselves generally considered by applicants and officials alike as a pre-approval or minimally an acknowledgement by the Ministry that the project has merit and does not present any overshadowing circumstances or conditions that would preclude the ultimate granting of a license such as the six reasons given. For this reason the Dominican State has deliberately misled CM by not informing CM during the time the Terms of Reference were applied for and being reviewed that the Joama project was not viable for the general reasons the project did not comply with Articles: 8, 118, 120, 129 of the Environmental law # 64-00. Instead the Ministry
granted the Terms of Reference causing CM to believe the project was potentially viable, licensable and generally acceptable to the Ministry and wrongly inducing them to invest their assets and time in a project that in reality did not meet their illusive standards from its inception. Without any doubt the Republic through its Environmental Ministry grossly discriminated against CM as a foreign investor and the Republic’s actions clearly constitute violations of Article 10.5(1) of DR-CAFTA treaty.

21. REPRESENTATIONS & PROMISES: Ing. Octavio Lopez - The Director of Mines, Lic. Eddy Martinez - Minister of CEI-RD, Ing. Ernesto Reyna -Vice-Minister of Gestion Ambiental, Omar Ramirez - Ex-Secretary of the Environment, Francisco Javier Garcia – Ex-Secretary of Industry and Commerce all to varying degrees represented that the CM investment would be welcomed in the Republic collectively causing CM to be satisfied that its investment in the Republic would be free from political or administrative adversity. CM is now of the opinion that the Republic has misled and tricked them into making an investment that they knew or should have known was doomed from the start. CM could not have reasonably known or anticipated that the Republic would stall the environmental permitting process for forty six (46) months. The two Dominican environmental consultants hired by CM at great expense were approved and recommended by the Environmental Ministry.

22. COASTAL FRINGE DECREE: In 2009 CM engaged the Dominican law firm of Rios and Associates to apply for Executive Decree to use a small part of the 60 meter coastal fringe being sovereign land. Rios advised CM in 2010 that this approval had been paralyzed for eighteen months.

23. CONDUCT AT ENVIRONMENTAL MINISTRY: The conduct of the staff at Gestion Ambiental towards CM partners has been in serious question. In particular Ing. Lena Beriguette, Director of the Evaluation Department generally presented herself as disinterested, unmotivated and extraordinarily slow in processing our application. If CM did manage to make an appointment to meet with her it was always an effort for her to respond to our serious issues. Her requests and responses were repetitious and clearly indicated she was unwilling or unable to fully comprehend the project and was generally uninterested in delving into the details. An example is: twice in a period of six months she requested copies of a set of obsolete documents which were previously provided in the original application for both the Terms of Reference and the Environmental Study. After travelling from Florida or Samana for an appointment she would often cancel without notice. Many of the staff members were generally rushing around, too busy to be bothered. Often one had to resort to grabbing them by the arm in the hallways. The standard response if you had a problem at the Environmental Management office was “write a letter” to the Sub-Secretary. CM wrote over twelve letters to the Sub-Secretary and never received a reply.
Summary of Key Facts and Dates

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<th>Date</th>
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<tr>
<td>April 12, 2006</td>
<td>CM invested in DR mineral concessions</td>
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<td>2006-2007</td>
<td>CM conducted studies, hired engineers and consultants and began raising financing, acquiring land and seeking customers</td>
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<td>September 18, 2007</td>
<td>CM files Application for Environmental License</td>
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<td>2008-2009</td>
<td>CM acquires surface rights for the project</td>
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<td>May 8, 2008</td>
<td>Favorable terms of reference (in essence, initial approval regarding environmental clearance) issued</td>
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<td>September 16, 2008</td>
<td>CM submits Environmental Application</td>
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<td>November 18, 2008</td>
<td>Secretary of Environment mysteriously orders cessation of aggregate exports</td>
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<td>May 25, 2009</td>
<td>Secretary of Environment imposes punitive discriminatory $2.00 per ton on exports of CM products</td>
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<td>June 1, 2009</td>
<td>Concession approved by DR Director of Mining and President of the Republic</td>
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<tr>
<td>Never</td>
<td>Secretary of Environment never even issued terms of reference for the port – total silence</td>
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<td>May 14, 2010</td>
<td>Environmental Department (after one and one-half years from submission of application) requests additional information it already had received – the slow death warrant</td>
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<td>August 18, 2010</td>
<td>Environmental approval wrongfully denied with no specific reason given – after 2 years</td>
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<td>October 5, 2010</td>
<td>CM asks for reconsideration – no response ever given by DR officials</td>
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<tr>
<td>February 16, 2011</td>
<td>CM demand letter is delivered to government authorities – never a response from DR officials</td>
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Mid-June, 2011

Mr. Reyna states in an open meeting the re-approval of the project should be reconsidered.

March, 2012

Silence from the DR; CM severely damaged.

The Republic’s acts have caused and will cause damage to CM of at least **US$342 million**. If CM is forced to resort to Arbitrate, CM will substantiate to the tribunal the amount of the damages and losses suffered by CM for a minimum period of five years. This information will be obtained from accounting pro formas, projections and valuations previously prepared by KPMG, CM’s Investment Bank in New York.

Notwithstanding our request that the Republic stop its wrongful actions as described both in this document and in a letter on February 16, 2011 the Republic has failed to do so. The Republic’s actions constitute violations of Article 10.5(1) of the DR-CAFTA treaty, which requires “Each Party shall accord to covered investments treatment in accordance with customary international law, including fair and equitable treatment and full protection and security”.

CM has requested to be treated no worse than Dominican Investors have received with respect to similar investments, but the Republic has not agreed to do so. The Republic’s failure to treat CM no worse than Dominican domestic investors constitutes a violation of Article 10.4 of the DR-CAFTA treaty, which states:

> Accords, in like circumstances, to investments in its territory of investors of any other Party or of any non-Party with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of investments.

**CM requests a settlement meeting with persons authorized to cause the Republic to recompense CM for its damages and/or to provide mutually acceptable equitable relief. Please respond to this good faith proposal as soon as possible by contacting Randolph H. Fields, Esq. See Section 1, above. If this cannot be arranged in good faith and soon CM shall seek Arbitration in the District of Columbia, USA as is its right under the treaty.**

For your convenience we are enclosing a Spanish translation but we must insist that this English version governs and controls in case of conflicts.
CM reserves fully its rights to amend or supplement its claims, and this letter is served without prejudice to those rights.

Sincerely,

[Signature]

Randolph H. Fields, Esq.,
CM Representative

c.c. His Excellency Dr. Lionel Fernandez Reyna
President of the Dominican Republic
Palacio Nacional
Santo Domingo
Dominican Republic

Ing. Ernesto Reyna Alcántara,
Minister
Ministerio de Estado de Medio Ambiente y Recursos Naturales
Ave. Cayetano Germosen (Corner of Ave. Luperon)
El Pedregal, Santo Domingo, DN, Dominican Republic

Christopher Riche, Esq.
Executive Director (L/EX)
The Executive Office
Office of the Legal Advisor
Room 5519
United States Department of State
2201 C Street, N.W.
Washington, D.C. 20520-6310
United States of America
Exhibit 4
CONSIDERANDO: Que por instancia de fecha 14 mayo del año 2007, la firma Walvis Investments, S. A., entidad organizada de acuerdo con las leyes dominicanas, provista del Registro Nacional de Contribuyentes (RNC) 130244456, con domicilio para recibir notificaciones en la Ave. López de Vega No 13, Plaza Progreso, Suite 405, Ensanche Naco, de esta ciudad, representada por su Presidente Sr. Alain Stanley French, de nacionalidad británica, mayor de edad, casado, empresario, pasaporte No. 705244743, con domicilio en la calle Cebolla No. 2, Apto. 3-B, Urbanización Los Prados Oriental, Santo Domingo Este, ha solicitado al Estado de conformidad con las disposiciones de la Ley Minera No. 146, del 4 de junio de 1971, publicada en la Gaceta Oficial No. 9231, del 16 del mismo mes y año, una concesión de explotación para la faena denominada “JOAMA”, con un área de setecientos (700) hectáreas mineras, ubicada en los parajes de Los Róbalo, Los Corrales y Majagual, secciones de Majagual y Arroyo Barril, municipios de Sánchez y Samaná, provincia de Santa Bárbara Samaná.

CONSIDERANDO: Que el área solicitada no se encuentra dentro del Sistema Nacional de Areas Protegidas, dispuesto por la Ley No. 202-04 de fecha 30 de julio del 2004.
CONSIDERANDO: Que se ha cumplido la tramitación de ley, incluida la publicación de un extracto de la solicitud en un periódico de circulación nacional, por dos veces, sin que se haya suscitado oposición.

CONSIDERANDO: Que es interés del Estado la exploración del territorio nacional, con el fin de descubrir yacimientos de sustancias minerales para su ulterior explotación económica.

CONSIDERANDO: Que el otorgamiento de dicha concesión se ha estimado favorable a los intereses nacionales.

VISTA: La Ley Minera No. 146 vigente, de fecha 4 de junio de 1971, publicada en la Gaceta Oficial No. 9231, del 16 del mismo mes y año y sus modificaciones, así como el Reglamento de Aplicación No. 207-98, del 3 de junio de 1998.

VISTA: La Ley General Sobre Medio Ambiente y Recursos Naturales No. 64-00 del 18 de agosto del año 2000.


[Signature]

Hacendado del Registro Público de Minería

F-213/2009 T4
VISTA: La aprobación del otorgamiento de la presente concesión dada por el señor Presidente de la República, con sujeción al Art. 153 de la referida Ley Minera No. 146, según oficio No. 15104 de fecha 18 de noviembre del año 2008.

POR TANTO, ha resuelto emitir la siguiente:

RESOLUCION

ARTICULO PRIMERO: OBJETO Y AREA DE LA CONCESION

Se otorga por este acto a la firma Walvis Investments, S. A., provista del Registro Nacional de Contribuyentes (RNC) 130244456 en lo adelante denominada LA CONCESIONARIA, la concesión para explotar la caliza denominada "JOAMA", con un área de setecientos (700) hectáreas mineras, ubicada en los parajes de Los Róbalos, Los Corrales y Majagual, secciones de Majagual y Arroyo Barril, municipios de Sánchez y Samaná, provincia de Santa Bárbara Samaná, cuyos límites que se demarcan en el plano anexo firmado, se describen a continuación:

El punto de referencia (PR) se localiza en la esquina Suroeste del puente sobre el arroyo Los Róbalos en la carretera Sánchez - Samaná, en las coordenadas UTM 449,452 ME/2,124,456 MN.
El punto de partida (PP) se localiza a una distancia de 170 metros, del punto de referencia, con rumbo magnético N 56° - 29' - 48" Oeste, al lado derecho de la carretera Sánchez-Samaná, antes de llegar al puente sobre el arroyo Los Robalos, en las coordenadas UTM 449,310 ME/2,124,550 MN.

El punto de referencia ha sido relacionado con tres (3) visuales de la manera siguiente:

<table>
<thead>
<tr>
<th>LÍNEAS</th>
<th>RUMBOS FRANCOS</th>
<th>DISTANCIAS (METROS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PR - V1</td>
<td>N 48° - 33' - 06'' Oeste</td>
<td>103</td>
</tr>
<tr>
<td>PR - V2</td>
<td>S 78° - 53' - 35'' Este</td>
<td>166</td>
</tr>
<tr>
<td>PR - V3</td>
<td>S 69° - 07' - 05'' Este</td>
<td>185</td>
</tr>
</tbody>
</table>

Linderos del área solicitada:

<table>
<thead>
<tr>
<th>LÍNEAS</th>
<th>RUMBOS FRANCOS</th>
<th>DISTANCIAS (METROS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PP - A</td>
<td>OESTE</td>
<td>310</td>
</tr>
<tr>
<td>A - B</td>
<td>NORTE</td>
<td>450</td>
</tr>
<tr>
<td>B - C</td>
<td>OESTE</td>
<td>2,000</td>
</tr>
<tr>
<td>C - D</td>
<td>NORTE</td>
<td>2,500</td>
</tr>
<tr>
<td>D - E</td>
<td>ESTE</td>
<td>2,000</td>
</tr>
<tr>
<td>E - F</td>
<td>SUR</td>
<td>1,500</td>
</tr>
<tr>
<td>F - G</td>
<td>ESTE</td>
<td>1,000</td>
</tr>
<tr>
<td>G - H</td>
<td>SUR</td>
<td>2,000</td>
</tr>
<tr>
<td>H - I</td>
<td>OESTE</td>
<td>1,000</td>
</tr>
<tr>
<td>I - A</td>
<td>NORTE</td>
<td>550</td>
</tr>
</tbody>
</table>

Superficie: 700 hectáreas mineras

Registro el día 10 de diciembre de 2009 por Andrés Ramírez.
ARTICULO SEGUNDO: PLAZO DE LA CONCESION Y PROGRAMA DE TRABAJO

La presente concesión se otorga sujeta al plazo establecido en el Art. 49 de la Ley Minera No. 146 y a las condiciones de su vigencia, según artículos 95 y 98 de la citada ley.

Se supedita además, al resultado positivo de la evaluación de impacto ambiental del proyecto, bajo el procedimiento de la Ley 64-00 sobre Medio Ambiente y Recursos Naturales.

ARTICULO TERCERO: INICIO DE TRABAJOS Y ASPECTOS AMBIENTALES

Los trabajos deberán iniciarse dentro del año subsiguiente a esta resolución, incluyendo los que conciernen a la preparación del yacimiento, definidos en el Art. 19 del Reglamento de Aplicación.

Previo a la ejecución de los trabajos susceptibles de impactar el medio ambiente, LA CONCESIONARIA deberá obtener un permiso o licencia ambiental acompañado de un Plan de Manejo y Adecuación Ambiental (PMAA), que contemple la etapa de cierre o reclamación, a los fines de garantizar, en lo mínimo, la estabilidad de los terrenos, medidas preventivas contra la degradación ambiental y contaminación de cualquier tipo, disposición de desechos de toda naturaleza en terrenos apropiados al servicio de LA CONCESIONARIA, drenajes, reposición de la capa vegetal cuando fuere el caso y reforestación de las áreas minadas.
No se permitirá la apertura de frentes mineros sustitutos, si al mismo tiempo no se procede a cerrar la porción minada. (cierres parciales).

**ARTICULO CUARTO: INFORMES**

De conformidad con el Art. 72 de la Ley Minera LA CONCESIONARIA entregará a la Dirección General de Minería, informes semestrales de progreso y anuales de operación, contados los plazos desde la fecha de la presente resolución.

Durante del primer año de la concesión, LA CONCESIONARIA entregará copia de la licencia o permiso ambiental y del PMAA. El informe correspondiente al primer año, contendrá, sin carácter limitativo, una descripción técnica del frente de explotación, señalando coordenadas de ubicación, instalaciones, sistema de explotación y mercado al cual estén dirigidos los productos.

**ARTICULO QUINTO: IMPUESTOS DIRECTOS**

LA CONCESIONARIA pagará el impuesto sobre la renta estipulado en el Código Tributario, establecido por la Ley 11-92, incluyendo modificaciones y adicionalmente, un 5% al Ayuntamiento correspondiente, de acuerdo con el Art. 117, Párrafo II de la Ley 64-00 sobre Medio Ambiente y Recursos Naturales.
Asimismo, pagará semestralmente, por adelantado, durante los meses de junio y diciembre, en una Colecturía de Impuestos Internos, el impuesto de superficie previsto en el Art. 115 de la Ley Minera, en base a la tarifa del Art. 116 de la misma. Los atrasos se pagarán con un diez por ciento (10%) de recargo.

LA CONCESIONARIA pagará además una regalía equivalente al 5% del precio de venta FOB puerto dominicano, si exportare el mineral en estado natural, vale decir sin valor agregado mediante un proceso químico o físico de carácter minero-industrial. Esta regalía se liquidará provisionalmente en la oficina de aduanas correspondiente, dentro de los diez días (10) siguientes a cada embarque y estará sujeta a una liquidación definitiva, dentro de los tres (3) meses después de efectuada la exportación, todo de conformidad con el Art. 119 de la Ley Minera.

Copia de los comprobantes de los pagos respectivos se entregarán a la Dirección General de Minería dentro de los quince (15) días siguientes a cada pago.

ARTICULO SEXTO: OTRAS OBLIGACIONES

Sin carácter limitativo de cualquier otra disposición legal o contractual, si la hubiere, LA CONCESIONARIA queda obligada además a lo siguiente.
1) A no realizar trabajos mineros (calicatas y sondeos) dentro de terrenos catalogados urbanos o de extensión urbana, ni en la proximidad de edificios, carreteras y cualquier otra vía de comunicación, telegráphica o telefónica, monumentos y zonas militares, guardando en lo menos las distancias especificadas en el Art. 13 del Reglamento de Aplicación.

2) A establecer con los propietarios y ocupantes legítimos del suelo, acuerdos sobre indemnizaciones por daños previsibles e inevitables, siguiendo el procedimiento del Art. 181 de la Ley Minera. Copia de los acuerdos suscritos en la materia se depositarán en la Dirección General de Minería, adjuntas al informe correspondiente.

3) A cumplir las leyes y reglamentos sobre trabajo, seguridad social, accidentes de trabajo, sanidad, así como las normas que dispongan la Dirección General de Minería y/o Secretaría de Estado de Medio Ambiente y Recursos Naturales, sobre higiene y seguridad mineras.

4) A llevar libros de contabilidad debidamente formalizados.

5) A tener un domicilio y un representante inscrito en la Dirección General de Minería.

4 de enero del año 2009

Por: [Firma]

Encargado del Registro Público de Minería

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