IN THE INTERNATIONAL CENTRE
FOR THE SETTLEMENT OF INVESTMENT DISPUTES
AND IN THE MATTER OF AN ARBITRATION
BETWEEN

EUROGAS INC.,
BELMONT RESOURCES INC.,
Claimants,

V.
SLOVAK REPUBLIC,
Respondent.

ICSID Case No. ARB/14/14
Pages 1 - 177

First Session and Hearing
on Provisional Measures

Paris, France
Tuesday, 17 March 2014

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- Professor Brigitte Stern (Arbitrator)
- Professor Emmanuel Gaillard (Arbitrator)

For the Claimants:
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- Dr. Mercédeh Azeredo da Silveira
- Mr. Emmanuel Foy
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For the Respondent:
- Mr. Stephen P. Anway
- Mr. David W. Alexander
- Mr. Rostislav Pekar
- Mr. Alexis Martinez
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Party Representatives:
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- Mr. Wolfgang Rauball (EuroGas Inc., Chairman & CEO)
- Mr. Vojtech Agyagos (Belmont Resources Inc., President and Director)

For the Respondent:
- Ms. Andrea Holiková
- Mr. Radovan Hronský
- Mr. Julián Kupka

ALSO PRESENT:
Acting Secretary of the Tribunal:
- Ms. Geraldine Fischer

Hearing held at the ICC Hearing Centre,
112 avenue Kléber, 75016 Paris, France, on the 17th day of March 2015, at 3:01 p.m.
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PROCEEDINGS

THE PRESIDENT: Welcome to this first session in ICSID case ARB 14/14 EuroGas Inc. and Belmont Resources Inc. versus the Slovak Republic. The Tribunal, you have Prof. Emmanuel Gaillard on my right; Prof. Brigitte Stern on my left; myself, Pierre Mayer. The secretary of the Arbitral Tribunal is Lindsay Gastrell, but she could not come today, and so we have Ms. Geraldine Rebecca Fischer, who is sitting here behind us. You know there is an assistant to the Tribunal you have accepted in principle, Ms. Marie Nioche; she couldn't be present today. And the court reporter is Ms. Yvonne Vanvi.

Now that we have introduced ourselves, maybe, Maitre Gharavi, can you introduce your team?

DR. GHARAVI: Yes, thank you very much. Good afternoon. On my left members of our firm, starting with Ms. da Silveira, and Emmanuel Foy. Behind me are in turn Mr. Speciale, and next to Emmanuel Foy, we have the President of the majority shareholder of Belmont, Mr. Agyagos, and next to him, the CEO of EuroGas, Mr. Rauball. Thank you.

THE PRESIDENT: Thank you. The Respondent's side. Mr. Anway.
MR. ANWAY: Thank you, Mr. Chairman. To my left, we have David Alexander from Squire Patton Boggs. To his right, Alexis Martinez from Squire Patton Boggs. Then we have Andrea Holiková from the Slovak Ministry of Finance. To her right, we have Eva Cibulkova from our Bratislava office at Squire Patton Boggs. To her right, we have Rostislav Pekar from Squire Patton Boggs. To his right, we have Radovan Hronský from the Slovak Ministry of Finance, and to his right we have Julián Kupka from the Slovak Ministry of Finance.

THE PRESIDENT: Thank you. So we are here for two things: The first session which will be a discussion of various points in the draft Procedural Order Number 1, and hearing oral arguments, oral arguments on the requests for provisional measures on both sides.

You, the parties, agreed on a schedule, One hour and 30 minutes for the first session. Then there will be a break of 10 minutes, and then we will hear both parties for the rest of the time, which should lead us to 7:30, which is normally the end of the hearing.

For the first session, I suggest that we start with a few points which have to be completed.
The Tribunal has to agree, for instance, on some suggestion by the parties, and then we examine the points on which the parties disagree.

So, everyone has a copy of the draft, last version? I have seen -- maybe I have forgotten one or two. The first point to finalize is Article 8.5. I had not noticed that the fees for the assistant, as mentioned here, was only US$125, and I have often seen that the fee is more comfortable at 250. We would ask the parties if they would agree that instead of $125 per hour, it be 250.

DR. GHARAVI: This is fine for the Claimant.

MR. ANWAY: This is agreeable for the Respondent as well.

THE PRESIDENT: Thank you. Then we have point 11. 11.1. Both parties would accept Paris, France shall be the place of the proceedings. The Tribunal agrees, so that will be in the official order.

Third point. 14.1.2.1. It's the method of filing of parties' pleadings. 14.1.1.1, or rather 1.1.2, is for the Tribunal's secretary. 14.1.2 is for the other party and the members of
the Tribunal, and 14.1.2.1 gives us the choice between A4 or A5. Either can be provided as the members of the Tribunal and the assistant to the Tribunal prefer.

I do not know if you have a preference, Brigitte. That is individual, right?

PROF. STERN: I am complicated, so I prefer the submission in A4, the witness statement and expert report in A5, and documents now and legal authority, I only request on CD, not in paper, because I think it is getting too aggressive for the forest.

THE PRESIDENT: That is already provided, the last point, but not including legal authorities.

PROF. STERN: No, but I would also say exhibits. I print my exhibits when I need them.

THE PRESIDENT: Okay.

PROF. GAILLARD: I prefer A4, as far as I am concerned, but I have the same concern about the forest, and I can print my own exhibits, if any, to consult them electronically. So that goes for the memorials, for the witness statements, reports, but the attachments can be only electronic, as far as I am concerned.
THE PRESIDENT: Okay. And as for me, I have concerns for forests, but, as you know, I will come back to that point very soon. I will not have the same material resources that I have now, so I prefer to have everything, except legal authorities, in A4.

PROF. STERN: Let's say, to simplify, I take all, I mean, the size of document and legal authority, I take everything in A4. So we have the three the same. It is easier, it is easier. No problem.

THE PRESIDENT: Last point. 14.2 the addresses of the Tribunal members are as follows. I suppose you have no problem with yours?

PROF. GAILLARD: No, mine is okay.

THE PRESIDENT: Brigitte, also we know. But mine -- it gives me the opportunity, but maybe you already know, to say that I am leaving Dechert on the 1st of April. So I think we can immediately put here the new address, which will be 20 rue des Pyramids, 75001. As to the telephone number, unfortunately, I don't have one yet. I don't even have a desk -- it will be in 6 weeks -- but I will manage. So I will complete that. I will let you know. I already have an e-mail address, but it is
not to be mentioned here, so I will not mention it. That is, I think, all for the points which do not in fact raise any difficulty. Now we have, I think 4, or they can be grouped in 4 points of disagreements. And I suggest we take them in the order of the numbers, of the procedural order. I had an idea as to -- so the first point, I think, is item 15 in the draft procedural order, and that goes, I think, but I’ll check, with 21.3. Yes, 21.3 proposes the date for the hearing on jurisdiction in July 2016, but, of course, that depends on the more important or general question of the, I would say, bifurcation, in fact. So I think Respondent should address us first on this issue, then Claimants.

MR. ANWAY: Thank you, Mr. Chairman. The Slovak Republic, as you know, has applied to the Tribunal for an order bifurcating the proceedings into a jurisdictional phase and a merits phase. The reason we have done so, as we explain in our papers, is because we do have very serious jurisdictional objections which are unrelated to the merits of the case and which, if successful, would dispose of the entire case. And so we think the principle of economy applies here and, indeed,
would mandate bifurcation, and we would note this
is consistent with Rule 41 of the ICSID Arbitration
Rules, which contemplates deciding jurisdiction as
a preliminary question.

Now, as you will hear in our presentation

later today, Mr. Alexander will describe to you the
jurisdictional objections we have already
identified, and there are 4 distinct categories of
them thus far. And you will hear that the
jurisdictional objections are so serious, so
obviously problematic to this claim, that we submit
today you do not even have \textit{prima facie} jurisdiction
to decide the Claimants' application for
provisional measures.

We would respectfully request that you
reserve judgment on the bifurcation issue until you
have heard Mr. Alexander's presentation. You will
have a good feel for what those jurisdictional
objections are after that presentation if you don't
already from our papers. And, of course,
bifurcation, when there are serious jurisdictional
objections, has been our experience in investment
treaty arbitration and ICSID arbitrations
specifically.

Moreover, we would note, as we do in our
papers, that there is an incredibly high risk in this arbitration that -- and we will discuss this in some detail -- given the Claimants' history of being adjudicated to have engaged in fraud, to have conspired to conceal assets and the fact that they cannot afford to bring this claim on their own, which is why there is a third-party funder, given those facts, the Slovak Republic is at an incredibly high risk of not recovering its costs in these proceedings.

Now, it is for that reason, of course, that we have asked the Tribunal to issue an award for security on costs, but if that request is denied today, if you decide against the Slovak Republic on that application, then the need for bifurcation is even greater. The Slovak Republic should not have to spend significant time and money to defend itself against the merits of the claim when the Tribunal's jurisdiction is so obviously lacking. Bifurcation would, of course, reduce the amount of costs and time that the Slovak Republic has to incur defending against this claim and, of course, if there is no security for costs, if our request is rejected, then the need for keeping the costs low, the need for bifurcation is even
greater.

Now, finally, let me make a reference to the newly submitted medical records that Claimants put in front of you, albeit without seeking leave to do so. Now, at the outset we state for the record we do not believe that health issues should impact the bifurcation issue. The individuals for whom we have received medical records are not the Claimants in these proceedings. The Claimants are corporate entities. And we have not been told that the testimony of these two individuals would be crucial to the merits of the claim.

And, finally, even if the health of these individuals was relevant to bifurcation, which we do not accept, and even if these individuals were the Claimants in the arbitration, which they are not, the records submitted by the Claimants days ago do not show that these health concerns should dramatically change the way these proceedings should be conducted, and they certainly do not serve as a justification for driving up the costs that the Slovak Republic must incur to defend against it.

Now, I want to be clear that we are very sensitive to the health issues of everyone in this
room. But we don't believe that the Claimants should be able to make untested assertions about health of certain individuals and automatically impact the way the proceeding is conducted. There is no statement in those records from a doctor that these health risks are such that these individuals may not be able to attend these hearing or to participate in these hearings. They are descriptions of medical ailments without any conclusion about what they mean for this arbitration or the ability of these individuals to participate in it.

For example, we would note that Claimants, in their cover e-mail to the Tribunal of 9 March, stated that Mr. Rauball had been receiving -- quote-unquote -- "cancer treatment." We are, of course, very sensitive to that. We are not doctors and not in a position to agree or disagree, but the medical records that were submitted do not support that assertion. We invite you to look at those medical records. In fact, the medical records show that Mr. Rauball has a condition known as keratosis, which is a very common skin condition. I am told by my colleagues that many people over the age of 60 have this condition, one of whom, I
have been authorized to say, sits immediately to my right. And we understand that keratosis is not itself cancerous. We acknowledge it could become cancerous, but that it itself is not, and we understand that Mr. Rauball has been consulting -- quote -- "The Center for Aesthetic Medicine."

So we acknowledge that it may become a cancerous condition, but we have nothing in front of us, and the Tribunal has nothing in front of it, to suggest that it has.

Again, we are not in a position to assess the medical conditions of these individuals, but that is precisely the point. There is no doctor stating that health conditions of either of these individuals will impact their ability to attend or participate in the hearings.

In any event, as I mentioned, we believe this issue is irrelevant to bifurcation. Our jurisdictional objections are serious, they are unrelated to the merits, and they are dispositive of the merits of the claim. Mr. Alexander will explain what those jurisdictional objections are later today, and we are confident you will understand the need for bifurcation after hearing that presentation.
I would like to make one final note on this issue. We have noted the Claimants' purported concern that bifurcation would delay the proceedings unduly. We believe that the vast majority of evidence and arguments about our bifurcational objections are already in the record. So while we may have a few additional exhibits or authorities to put into the record in the jurisdictional phase, we are quite comfortable with the current state of the record. Candidly, we are not sure how much more Claimants intend to put into the record on jurisdiction. As you know, we raise these jurisdictional objections clearly and extensively in our papers. We have received very little response from them by Claimants. Some of our arguments have not been responded to at all. So we simply do not know what additional evidence and argument the Claimants intend to put into the record. Nevertheless, if the Tribunal is persuaded by concerns relating to timing, we note the Tribunal has considerable discretion to fashion an appropriate expedited schedule on jurisdiction if it chooses to do so.

If, for example, it concludes that our schedule is too protracted, we are happy to have
jurisdiction done on a more expedited basis. We believe that the record is already nearly fully developed on these issues, so we would be happy to work with the Tribunal and opposing counsel on a more expedited schedule than the one we proposed, if the Tribunal believes that is appropriate.

Thank you.

THE PRESIDENT: Thank you. Just a question first on your proposed procedural timetable. It starts with memorial on the merits by Claimants. Can you expand a little?

MR. ANWAY: Yes. The thinking behind that proposal -- and it is something that we have encountered in many other ICSID cases -- is that to properly assert the jurisdictional objections, it is helpful to know exactly what the claim is before those jurisdictional objections are asserted. And that is the case with respect to some of our jurisdictional objections in particular. But, as I mentioned, if the Tribunal believes that this bifurcated proceeding can be done on a more expedited basis, we would consider filing our jurisdictional objections first.

THE PRESIDENT: Thank you. So we understand that you prefer that we decide on this
issue of bifurcation after having heard Mr. Alexander on the merits of the jurisdictional objections?

MR. ANWAY: That is right.

THE PRESIDENT: I think we are ready to do that, but that raises the issue to keep the symmetry.

Maitre Gharavi, can your response be focused on the same points that have already been addressed, and then you keep for later your arguments on the merits of the jurisdictional objections, or you want to present them already before they make their own arguments?

DR. GHARAVI: What would you prefer?

THE PRESIDENT: I would prefer that you keep to the same issues that have been addressed by -- if --

DR. GHARAVI: They talked on every issue, but they didn't develop it, but I will be brief. I think that is what you want.

THE PRESIDENT: No, no, no, not at all. It was just to have the questions of principle first on each side successively, and then questions of the merits, or non-merits, of these jurisdictional objections.
DR. GHARAVI: Okay.

THE PRESIDENT: Successively.

DR. GHARAVI: That is fine. That is fine, President Mayer.

Just an initial reaction to what my learned colleague has said. Respondent claims that its objections are very serious, they are manifest, even to warrant a *prima facie* dismissal of our provisional measures, and bifurcation is warranted including to -- because the objections have no relations to the merits, and also they would save costs, okay.

Assuming that were the case, they would not -- there is a provision for that, there is a 41.5 -- Article 41.5 motion for manifest lack of jurisdiction or the merits. This has not been done. Instead, an army of lawyer motions are presented with a calendar that would stretch for 2 years.

So the application is at odds with the motions and the timing of Respondent itself. That is my first comment. The second comment is that this is a straightforward dispute and I will not get into it now, but when we discuss the provisional measures.
Our Statement of Claim is ready, it contains all the material witnesses, it contains two expert testimony, quantum, everything is ready, and we will assist the Tribunal and Respondent better if both parties conclude on the merits, including to assess the jurisdictional objections.

It is a material point that we are ready to go and we think we can hear the whole case, including on jurisdiction, and close this arbitration within one year. The second issue is an issue of the jurisdictional objection. Without going into detail, I will address this during the provisional measures. But it is wrong that bifurcation is warranted, because even if we take the best case scenario of Respondent, EuroGas would have to leave these proceedings -- the best case scenario.

What happens to Belmont? Belmont is, since 2001, the official majority shareholder of Rozmin, has 57 percent. Certainly there was at some point a contemplated sale of its shares to EuroGas, with Belmont keeping some beneficial ownership, but that contemplated sale did not go through; it just did not go through.

So you have a legal shareholder that has
always been majority shareholder, Belmont, the
contemplated sale has not gone through and if we
were to push Respondent's best case scenario that
EuroGas in 2001 was dissolved and could not enter
into the transaction, then that contemplated
transaction of a sale of a share that did not
materialize could not even have occurred.

So I think Respondent cannot have it both
ways, and the reality is that Belmont is the
majority shareholder. The only jurisdictional
objection raised against Belmont, the majority
shareholder, is that the dispute should have been
brought under the previous treaty, and that now it
is too late basically. And that defense we will
examine, it doesn't work, because we have a letter
of Respondent itself during the cooling-off period
that says, "Your dispute is not ripe yet." So here
again they cannot have it both ways. Moreover, the
argument is linked to the merits.

So to cut a long story short, the best
case scenario of Respondent would not warrant
bifurcation, because Belmont will always stay in
the proceedings, and even if the objection is
entertained regarding Belmont, it is manifestly
linked to the merits.
The final point is the health concerns of my clients. It is in the interest of everyone that they be heard, including Respondent, on the jurisdiction and merits as soon as possible. Why? Because they are 70 -- still young, right -- but in a bad health. Now you can debate what extent they are in bad health, but nobody can deny that all of them -- the two of them are CEOs and the President of the companies, they were -- they participated in the performance, including in the F-organization, the contemplated sale, that is Respondent's own case, and they both have had heart attacks. I mean this is clear. Mr. Agyagos had recent heart attacks; he has a pacemaker. They are not in good health. You call them. They are either in hospital or they cannot travel. They had strokes. One had another surgery. They are in bad health, and we are ready to proceed on the merits on jurisdiction, and it is in the interest of everyone, including Respondent, that the claim proceeds simultaneously on jurisdiction and merits. So for all these reasons we submit that bifurcation is not warranted.

THE PRESIDENT: Thank you. Yes.

MR. ANWAY: Thank you, Mr. Chairman. It
is not the case that our best case scenario is only EuroGas leaves the proceeding. As you will see, there are two jurisdictional objections with respect to each Claimant.

THE PRESIDENT: We have seen?

MR. ANWAY: Yes, you have seen it, and, with respect to Belmont, there is a jurisdictional objection that the 57 percent interest that it claims to hold was in fact transferred to EuroGas. That is one jurisdictional objection. And if that is true, then both Claimants, under our jurisdictional objections, would be dismissed, the entire case would be disposed of.

There is a second jurisdictional objection with regard to Belmont only.

THE PRESIDENT: It seems to me that the first one was not mature, in your last memorial.

MR. ANWAY: Mr. Alexander will describe that in context later today. The second argument does pertain to the -- what I would call the 3-year reach-back period under the Canadian BIT, which only took effect in March of 2009.

As you know, the license at issue in this case was revoked in 2005. Again, if that jurisdictional objection is upheld, then Belmont is
also removed from the case, together with EuroGas, in connection with our other jurisdictional objection. So it is not the case that under the best case scenario Belmont stays and EuroGas is dismissed. Under the jurisdictional objections we have raised, the entire case would be disposed of.

Let me also make a remark with respect to Mr. Gharavi's point that the statement of claim is ready to go. In our contemplated schedule here, we do contemplate the Claimants filing their Statement of Claim first and the case being bifurcated from that point going forward. That in fact was the exact procedure we have used in a number of other cases and it has been very efficient. It allows the Respondent to see exactly the claim to which it is raising the jurisdictional objections, and thereafter the case is bifurcated into a jurisdiction and merits phase.

But it is not acceptable to the Slovak Republic to have to engage in a full merits based analysis with witnesses, expert reports, briefing, and so forth, for a quantum analysis with expert witness statements, and so forth, when the jurisdictional objections here are so serious and the jurisdiction of this tribunal is so obviously
lacking. And again that is something we will discuss later today.

DR. GHARAVI: Yes. On the position of Belmont, we have not seen that case put forward to us, that Belmont doesn't have an interest. And the reality is -- I think this at least is a common point that since 2001 up to today, Belmont has always remained the beneficial -- the legal shareholder. Respondent has an allegation that we transferred the shareholding. There was a contemplated transfer. It did not materialize. The condition precedent did not materialize, and that is no longer effective.

What happened to the argument that EuroGas did not have a capacity to sell in 2001? If we were to follow that, that contemplated sale could not have occurred. So if we were going to debate, we have to debate the whole thing, because otherwise we are just going to talk unilaterally without any response.

The second thing, of course, I appreciate that Respondent -- it is better for it to have the Statement of Claim filed and for it to examine, to have the best of the roles and then to bifurcate. But that is not correct. As regards the rightness

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argument, it has not been again rebutted.

There is a letter on the record from Belmont in 2002 saying that the dispute is not ripe yet. So the Respondent is estopped now to say that it is too late. Moreover, there are Supreme Court decisions that have been handed out after 2013, of non-compliance, which constitutes a further violation of international law.

In any event, again it's really related to the merits, and that is, I am afraid, something that cannot be in good faith entertained. But I think we are going to address that in detail, aren't we, during the provisional measures.

MR. ANWAY: Mr. Chairman, if I could just make one follow-up remark. There was a factual misstatement that I think is very important, and this was stated in the Claimants' papers before the statement, was that Belmont, under our theory, would not have legal capacity to sell the 57 percent to EuroGas at the time we suggest, the theory I assume being that EuroGas had already been dissolved under our theory, and therefore did not have legal capacity to take the 57 percent.

Just so the record is clear, the agreement in which EuroGas agrees to purchase the
57 percent interest from Belmont was on March 27, 2001. EuroGas was not dissolved under Utah law until 11 July 2001. So in fact it happened after that agreement was signed. So this argument that there was no legal capacity to purchase the 57 percent simply does not work. I just wanted to clarify that.

DR. GHARAVI: My apologies, but in the contemplated sale there were contemplated conditions precedent that applied throughout the years, correct? And a company dissolved, according to you, cannot carry out those transactions. So again let us just look at everything with precision.

THE PRESIDENT: Probably we will hear more on these aspects.

PROF. STERN: Just a factual point. In Exhibit R-75, in the Form 10-K, it is said that this agreement was on 17 April 2001. I think you said March. But that's really --

MR. ANWAY: The result would still be the same, but we will double-check the month, yes.

PROF. STERN: It is in Exhibit R-75, which is the form presented to the SEC.

MR. ANWAY: Yes. And I will also state,
just for the Tribunal, that several of the
documents that were at issue several days ago, that
we tried to put into the record which were
responsive to new arguments that were just raised
in the Claimants' Rejoinder, to which we did not
have an opportunity to respond, are pertinent to
this issue.

THE PRESIDENT: All right. So we move to
the next point of disagreement, which is item 19.2:
"Claimants request the insertion of the
following provision, to which Respondent objects.
A Party may request the production of a witness
within the control of the other Party and who has
not produced any witness statement."

15:34
So, Respondent?

MR. ANWAY: Thank you.

THE PRESIDENT: Briefly, I suppose.

MR. ANWAY: Briefly. We simply don't
believe the provision is necessary. The ICSID
Arbitration Rule 34(2)(a) already provides the
Tribunal may, if it deems necessary, at any stage
of the proceeding, call upon the parties to produce
documents, witnesses and experts.

We are happy to have that rule restated
in the procedural order, if the Claimants were
simply trying to reflect that rule, as we understand they are. Is that agreeable?

DR. GHARAVI: That was not understanding of your position. Our position was that you didn't want the application of that. We do not want to reinstate what is obvious. We were just concerned not to waive that provision, that's it. So I think we are in agreement that the provision applies, the 19.2.

MR. ANWAY: I will tell you the reason that we had objected to the Claimants' language was simply the use of the word "control." The use of the word "control" in a sovereign context can be somewhat complicated. If, for example, the Slovak police can go and detain someone and force them to testify, they were within the control of the Slovak Republic. It is a word that is not used in the ICSID Arbitration Rules, it is not used in the IBA Rules. So we would simply restate what is in the ICSID Arbitration Rules, and we think that is why ICSID Arbitration Rules did not use that term.

DR. GHARAVI: We are happy with the ICSID Rules.

THE PRESIDENT: Okay.

Third point, item 21.6 and 25. 21.6,
which is not the general provision. "Hearings shall be closed" was the initial drafting. And then the proposed drafting by the Respondent is:

It is open to the public in conformity with paragraphs 25.2 and 25.3. So in fact we go to 25. I am wondering who should address this issue first. I think we know your position -- you will have the opportunity, of course, but maybe Respondent can express himself.

PROF. STERN: Claimant.

THE PRESIDENT: Sorry. Yes.

DR. GHARAVI: Claimant. We do not want to repeat our position, but what we can offer is try to facilitate a reasonable solution, and that could be that -- I don't know what Respondent intends by a hearing in public. We have no objection if others who are not parties attend, as long as this is not disruptive and there is no video posted online.

So EuroGas would be happy to agree on the physical presence of third parties, maybe in another room, so that it is not disruptive, with a video link to this room, or a limited number of people admitted from the public in the room, without this being disruptive. But no videos
posted online of the arbitration.

And as regards documents, we have no objection that all documents be made public, as long as they don't relate to EuroGas, and everything that is related to EuroGas would have to be just redacted. That is the only effort that we can do to find a compromise, otherwise our position is stated. It is up to the Tribunal to decide.

PROF. STERN: You say every document related to EuroGas. I mean it's most of the documents, I mean at least half of the documents of the case normally. No?

DR. GHARAVI: Yes. It is difficult to implement, I agree with you, yes.

THE PRESIDENT: What is your reaction?

MR. ANWAY: Our position on this proceeding being public flows from Annex B to the Canadian-Slovak Bilateral Investment Treaty. It is an agreement between two countries that, with respect to everyone in this room, we cannot override. These two countries have agreed to that provision. Now, the question is whether the United States Bilateral Investment Treaty, or one of the questions is whether that conflicts with that provision.
THE PRESIDENT: Maybe after the proposal has not been accepted -- we know or everybody knows the ground for the wording that you propose for Article 25. It is Annex B to the agreement between Canada and the Slovak Republic, and there have been arguments exchanged. I suggest that Dr. Gharavi --

PROF. GAILLARD: Is it clear that you have not accepted the proposal?

MR. ANWAY: This was the first time we had heard that proposal. The prior proposal we understood from the Claimants was that they rejected any aspect of the hearing being open. I think the details of what would be public and what not is something the parties should probably discuss outside the presence of the Tribunal and see whether we can reach agreement. This is the first time I have heard that.

THE PRESIDENT: But if we hear you and decide, there is no object for any compromise. So do you think it would take long for you to -- us leaving the room?

MR. ANWAY: I think I personally would have to talk to our client first about what our client is comfortable with and, candidly, I don't know how long that would take. But we could, of
course, do whatever the Tribunal wishes.

THE PRESIDENT: Okay. So let's hear the arguments and then -- we will not decide immediately anyway, so you may have an agreement before we decide. So --

DR. GHARAVI: I don't know if you want us to repeat everything we said. I think there is nothing that we can -- Prof. Gaillard doesn't want --

PROF. GAILLARD: You can assume that we've read the papers, that's on both sides.

DR. GHARAVI: All we can say is that we are willing to make this work as long as it's not disruptive and does not create problems with EuroGas, with Belmont, with Respondent.

I am not suggesting that Respondent would do that, would use these documents to harass or to hurt my clients' interests. That's the only concerns we have. Otherwise, we are open to any flexible solution.

THE PRESIDENT: Supposing you don't come to an agreement, then you have your arguments and there are the counter-arguments. We have read them, so --

DR. GHARAVI: Okay. Yes, yes, and I
think to bounce back on what Prof. Stern has said regarding the documents, maybe procedurally, to put in place what Respondent wants to use publicly a document, then it would have to say in what form, what document, and then maybe we have no objection, and if we have, then we submit it on a case-by-case to you. I am just thinking out loud to find a reasonable solution.

THE PRESIDENT: So I think you don't wish to add anything, and then I don't think it's necessary on the other side either. We have read your arguments. We won't decide immediately, so if you come to an agreement, tell us before we decide.

And the last point is item 26:
"Respondent requests the insertion of the following provision, to which Claimants object. Applicability of Confidentiality Rules to Third-party funders.

26.1. Any third-party funder shall not be granted access to any confidential information by a Party or their counsel."

Dr. Gharavi?

DR. GHARAVI: Here again, what is constant with Respondent is that it's inconsistent. He wants to have it both ways. He makes a motion
for this arbitration to becoming public, everybody sees everything; at the hearing everyone sees the documents. But the third-party funders, they cannot see anything. So that's the first point.

The second point is that there is no support. There is no support for Claimants not being able to share in a confidential manner the information that is on file with its witnesses, with its bankers, with any person that supports its claims, including third-party funders. So for these reasons we object, yes.

PROF. STERN: But I wonder then, I mean, supposing we would agree that you can share confidential information, wouldn't there then be a need to say who is the funder, and for the funder to make a confidential -- I mean, to sign a confidential agreement?

DR. GHARAVI: Why would that be necessary? It is necessary in one of the cases, for example, which I am sure you are aware, where there are state secrets involved, and the special undertakings of the third-party funder needs to be isolated. But why a special exception or requirement for a third-party funder, whereas he is another member of a large team of bankers or
witnesses, or assistants, or interns, assisting
Claimants in putting their case forward?

THE PRESIDENT: So you would object to
disclosing the identity of the third-party funder?

DR. GHARAVI: Yes, yes, I see -- I do not
see any support for that.

MR. ANWAY: Mr. Chairman, I think
Claimant may have misunderstood our position. The
suggestion was that we are being inconsistent, that
we want the hearing to be public to everyone except
the third-party funder. That is not the position
we have taken. The position we have taken is the
public information is available to everyone,
including the third-party funder.

But annex B of the Canadian BIT refers
specifically to ensure the protection of
confidential information. So the public doesn't
get the confidential information just like the
third-party funder does. In other words,
confidential information is not available to third
parties, one of which is a third-party funder.

Canada, the United States and Slovakia
did not agree for any kind of special treatment
with respect to third parties, including in respect
of confidentiality, and only their express
agreement on that issue, I think, could change the confidentiality regime that is found in Annex B to the Canadian BIT. So the position is not inconsistent.

DR. GHARAVI: Annex B, Prof. Mayer, Annex B of the BIT paragraph 5, provides -- the Canadian-Slovak BIT says: "A party may disclose to other persons in connection with the arbitral proceedings such unredacted documents as it considers necessary for the preparation of its case, but it shall ensure that those persons protect the confidential information in such documents."

I mean this is undertaking to ensure confidentiality. There is no requirement of disclosure or undertaking by that third party.

MR. ANWAY: And Article B.1.5 from which Mr. Gharavi just quoted says: "Necessary for the preparation of its case."

The question would be: Why would disclosure to a third-party funder of confidential information be necessary for the preparation of the case? We have been provided no reason whatsoever that that is true.

DR. GHARAVI: A banker -- doesn't the
banker wish to see whether your claims is viable claims? Third-party funders assist in helping investors who got expropriated to seek justice, and they want to see the documents, the arguments that are exchanged. So, of course, they assist in the preparation of the claim in that regard.

PROF. STERN: So how would you suggest to enforce Article 2: The Tribunal shall establish procedure for the protection of confidential information? How should we do that?

DR. GHARAVI: We undertake to share with everyone that assists us in the preparation of our case, documents unredacted, in a way that protects confidentiality. I mean, it concerns also interns, you know, secretaries, all those that are remotely related to this case.

Why a special provision for third-party funders? There is no support for a special provision.

THE PRESIDENT: Just, I think, Dr. Gharavi, that you mentioned -- I don't remember exactly where I have read that, that 25.7, 8 and 9 were not in the proposal by Respondent for the Procedural Order Number 1, were not in conformity with the -- with Annex B to the agreement between.
the two States.

DR. GHARAVI: Yes.

THE PRESIDENT: Do you maintain that? I tell you why I ask. It's because there is a capital P in the Annex B for the corresponding provisions. So it seems to apply only to the States which, I think -- it seems to me, but we are ready to hear otherwise.

DR. GHARAVI: Do you need an answer now?

THE PRESIDENT: No, no, you can think about it.

DR. GHARAVI: We will take a look at it, yes.

THE PRESIDENT: All right. Are there other points on which parties would disagree concerning Procedural Order Number 1? Yes, another one?

DR. GHARAVI: No, no, we are fine.

THE PRESIDENT: Okay. Then I think it's time for the 10 minutes break.

(Recess taken - 3:50 p.m.)

(Proceedings resumed - 4:09 p.m.)

MR. ANWAY: Mr. Chairman, I had the ability to consult with my colleagues over the break and have two matters to report, if I could.
THE PRESIDENT: Yes.

MR. ANWAY: The first is with respect to Prof. Stern's question about the date of the agreement between EuroGas and Belmont... [Sound cut out]. The date we used, which was March 27th, is the date that is on the face of the agreement itself, which we have annexed as R-15. You are correct that the 10-K lists a different date, which is April 17th. We don't know the reason why. We put that document in the record because we found it on the Internet. The Claimants have not provided you the signed copy of that contract. So we cannot explain that discrepancy. We will note that the face of the document states that it's effective March 27th. And so it may be that the contract was signed on April 17th and it became effective retroactive to March 27th. But we don't know. That is simply speculation on our part. So that was one matter.

The second matter is, as I raised with our client, the new position we heard today with respect to whether the proceedings should be closed or not. Again, this was something we had not heard before. And our client's position -- and it's one with which we, as counsel, agree -- is that it is
not feasible to somehow make this proceeding open with respect to Belmont, but closed with respect to EuroGas. These matters -- I am sorry.

PROF. GAILLARD: That is what we understood the offer to be.

MR. ANWAY: Okay. Maybe we misunderstood.

PROF. GAILLARD: I hate to interrupt, but as far as we are concerned, that's not the way we understood. Maybe you want to clarify the offer first. I don't know.

DR. GHARAVI: We have no objection to the whole hearing being opened as regards EuroGas and Belmont, because it's impossible to redact the hearing.

MR. ANWAY: Exactly. With respect to documents in the case?

DR. GHARAVI: Documents. We want the documents that are related to EuroGas per se to be kept confidential, in case there is a doubt as to whether it relates to both or leave would be sought from the Tribunal. Maybe we will have an objection, maybe we won't.

MR. ANWAY: This is what our client is very concerned about, because, as you know, many
documents relate to both parties. As you know, the decision to bring this case in a consolidated proceeding was the Claimants' and the Claimants' alone. If they wanted to keep EuroGas in a confidential proceeding, they could have brought the claim separately. I feel like we need to respond to one other argument, if I may.

THE PRESIDENT: Maybe just before that. Maybe what you mean is that you didn't want documents that concern the issue of the status of EuroGas, let's say, 1 and 2, or -- I don't remember the other language you used. But for the merits, when both parties -- supposing there is jurisdiction on both, okay, then in each memorial you will have EuroGas and Belmont. With, that you would not have a problem?

DR. GHARAVI: This we will not have a problem. We don't want documents, exhibits or even parts of the brief relating exclusively essentially to EuroGas, and what we have in mind is precisely the status. But we cannot give -- say, that's the only exception we have. But that's precisely what we have in mind.

MR. ANWAY: This strikes us as completely unworkable. I mean, as you will see in the
presentation today, the process of going through the documents and redacting the pieces that relate to EuroGas and not to Belmont would be an extremely tedious task, one that would cost very significant money.

DR. GHARAVI: Why? For example, EuroGas, the standing of EuroGas, why would it cost a lot to isolate those documents?

MR. ANWAY: You will see in the presentation today just how intertwined these two companies are and just how intertwined the relationship they have is in the case we have before us. And maybe we should defer this issue too until after we have the presentation on the provisional measures, but this is, in our view, something that is simply not workable.

There was one other argument that the Claimant made which we have not had a chance to respond to, and we appreciate the Tribunal has had an opportunity to read what has been submitted to you. We have not had a chance in writing to respond to this, so if I could, Mr. Chairman, just respond to it briefly.

It's this argument that the most favored nations provision or the most favored provision in
the Canadian BIT somehow allows EuroGas to seize
upon the ICSID Arbitration Rules which contain a
 provision about whether the hearing should be open
or not, and I do want to respond to that, because
we have not had the chance to respond to it in
writing yet.

This argument is effectively the
Claimants' argument under Article 13 of the
Canadian BIT, the Claimants' claim that the
provision in the ICSID Arbitration Rules are more
favorable on confidentiality. That is obviously
not correct. The treaty between Canada and
Slovakia supersedes anything in the arbitration
rules and the corresponding section in the ICSID
Convention.

Indeed, Article 44 of the Convention
states -- and I quote: "Any arbitration proceeding
shall be conducted in accordance with the
provisions of this section except as the parties
agree otherwise, in accordance with the arbitration
rules and effect on the date on which the parties
consented to arbitration."

And here the parties to the treaty,
Canada and Slovakia, have agreed otherwise that the
hearings are open. In any event, the Arbitration
Rules, as opposed to the Convention, is not an "international agreement to which both Contracting Parties are bound," because -- that's the language from Article XIII of the Treaty, because they are the procedural rules adopted by the administrative counsel of the Centre, not an international agreement to which Canada and Slovakia are party, and Article 13 therefore does not apply.

We would also note that there is no conflicting provision in the U.S. BIT. The U.S. BIT is simply silent on confidentiality. The Tribunal, of course, is tasked with giving meaning to both treaties, and the only way to do that, given that there is no conflict between the U.S. BIT and the Canadian BIT on confidentiality, is to apply the confidentiality provision and the Canadian provision in the Canadian treaty.

And, as we noted, if EuroGas wanted to keep this arbitration confidential, it could have simply filed its own arbitration under the U.S.-Slovak BIT. It chose not to do so, with knowledge of what the Canadian BIT says, and it is bound by the consequences that flow from that.

THE PRESIDENT: I don't know if you want to --
DR. GHAHARI: No. I think there may be a confusion. If you read our writings, we are saying Belmont can rely also on provisions that ensure confidentiality, that it deals more favorable in other provisions, not EuroGas.

MR. ANWAY: If I said EuroGas in that context, I misspoke. I was referring to Belmont.

DR. GHAHARI: Okay, I understand.

MR. ANWAY: And the point of the submission I just made is that most favored clause does not apply in this context, because it is not an international agreement that would supersede the treaty in that instance. And it's not even clear by the way why confidentiality versus non-confidentiality would be more advantageous, or a more favorable provision in the ICSID Arbitration Rules, as to one that doesn't have a confidentiality rule.

THE PRESIDENT: I have read already what you said now.

Okay, coming back to this public character or not, it seems to me that the only proposal that you could make would be to accept publicity, except for the issue of jurisdiction concerning EuroGas. That's where you can cut, it
seems to me.

DR. GHARAVI: Yes.

THE PRESIDENT: For you, if that was the proposal, the other side would have to say if they accepted it or not, otherwise, I cannot see how you could cut in between. Okay.

PROF. STERN: I don't see the practicality. That means that each time you refer to a question of jurisdiction concerning EuroGas, all the people, the public has to go out?

DR. GHARAVI: I think we have to --

PROF. STERN: If we speak about documents.

DR. GHARAVI: It is okay at the hearing. If we speak about documents, I am willing to concede that, but I just don't want copies to circulate regarding that particular issue and what is funny about all this is that we don't know why Respondent wants all this. It hasn't told us. If you tell us why you want it, maybe we can accommodate you. But why do you want all this? To do what?

PROF. STERN: Why don't you want it?

DR. GHARAVI: We don't want it because, thereafter, it is to create every sort of problem.
imaginable. So we don't want to give this away. But we have nothing to hide. That's why we say the hearing, everybody can come.

MR. ANWAY: Mr. Gharavi, I will answer that. There is, as members of the Tribunal and as opposing counsel know, an increased effort to transparency in investment treaty arbitration. There was an entire UNCITRAL provision which my colleagues from the Slovak Ministry of Finance attended year after year to increase transparency in investment treaty arbitration, in large part because the government has to answer to its citizens, the taxpayers, who are funding this type of arbitration. And those citizens frequently make public record requests. They have a strong request in knowing how their tax money is being paid, they have a strong interest in knowing the types of allegations that are made against the State and how the State will respond to that.

And it's precisely for that reason that new trend towards increased transparency in investment treaty arbitration, that Canada and Slovakia have put this provision in the treaty which, as you know, is a very recently executed treaty. Two nations have agreed to this. I don't
think it is our burden to explain why they agreed to it, although I think there are very good reasons.

THE PRESIDENT: All right. I think now we enter into the second part of this meeting, which is the hearing on provisional measures. Before we do that and in connection with it, just a few words on what happened yesterday. It took some time for the Tribunal to decide whether to accept or not the new documents, because I was first in a train to a conference in London, then in a conference in London, then in a train back from London. We deliberated, in fact, the three of us, by e-mail, and after that there was still some delay, because of a technical problem. So you were informed rather late, and we're sorry about that, but it's the best we could do.

So our decision was, of course, not to delay again the hearing, to postpone it, not to accept the documents. But once the hearing is over, then these documents will be part of the record, and Claimants will have the opportunity to comment on these documents.

At the same time as you submit the documents, you want to comment more than you did in
your letter.

MR. ANWAY: Yes. We, of course, respect the Tribunal's decision. We will not be talking about those documents today. We have taken them out of our presentation. But we have put them in with the cover letter we did, thinking we would be able to explain them to you today. Since we will not be doing so, it may make sense for us to expound upon why we believe they are relevant to the issues before the Tribunal and, therefore, give you an opportunity to respond with that context.

THE PRESIDENT: And we will discuss maybe later when that will be done, on one side, and then the other side.

So, first, Claimants' oral arguments on provisional measures, 45 minutes. We understand you are going to mention both your requests for provisional measures and the other party's.

DR. GHARAVI: I think it's simpler to do that. If you have any preference, just --

THE PRESIDENT: No, no, no. We agree.

DR. GHARAVI: For convenience.

THE PRESIDENT: Yes. So, please, Dr. Gharavi.

DR. GHARAVI: Prof. Mayer, Prof. Stern
Prof. Gaillard, I propose, if you allow me, to cover 4 points in these oral arguments.

The first point is to remind why we are in arbitration. 2, to remind why we are in provisional measures; 3, why Respondent's objections are odd and do not warrant bifurcation, do not stand at all; and 4, very briefly, the question of application for security for costs.

And you have in front of you our bundle which is composed exclusively, of course, of documents on the record.

Point 1 out of 4: The reason why we are in this arbitration. The reason, members of the Tribunal, is simple. We were expropriated and expropriated big time of the mining rights we held through Rozmin in the Gemerská Poloma deposit once we had confirmed the talc reserves. We submit that this is a slam dunk, a very straightforward case on the merits, and I propose very briefly to walk you through some of the documents.

If you turn to tab 1 of the bundle, which is Exhibit C-28, you have the minutes of an inspection conducted by the head of the District Mining Office in Slovakia. It dates from December 8, 2004, and it is on tab 1. What you
have on the first page is a reminder that there is a valid mining activity permit until the 13th of November 2006.

Then you turn to the second page and you see that from top to down, there are descriptions of the works that are being performed on the ground, work of different nature.

And at the end, the conclusion: "During today's inspection no facts were discovered indicating breach of legal regulations in force."

Then if you turn to tab 2, what do we have? We have the same person, the head of the mining district office, Mr. Baffi, that writes approximately 1 month later, that is January 2005. To say what? That our clients' rights, Rozmin's rights, are going to be assigned to another company. And this, without any advance notice, in flagrant inconsistency with the previous letter, with the 2006 valid permit, and the conclusion reached, that the works and everything, the activity, was in compliance with the law.

Worst, if you turn to tab 3, we later find out that, in fact, in December of that year 2004, the mining rights of our client were put to tender, without any advance notice to us so what do
we have here? We have a textbook taking by way of
gross violations of procedural and substantive
safeguards under international law.

The taking also violated Slovak law. If
you turn to tab 4 and 6, you have Supreme Court
decisions, highest courts of Slovakia, that
confirmed that the taking, revocation of our mining
rights violated Slovak law. And tabs 7 and 8 each
time, notwithstanding the decisions of the Supreme
Court, notwithstanding the inspection report, the
valid permit, the Mining District Office each time
assigned the rights to another company. This
inconsistency and executive disregard of the
Supreme Court's decision constituted further
violations of international law by the Slovak
Republic. The cherry on the case is how much
compensation did we get for the taking. Zero.

So you have it all. You have procedural
violations, you have substantive public violations,
you have violations of international law, you have
violations of local law, and no compensation. So a
slam dunk, very straightforward case, based on the
merit documents on the record, and no defense
possible on the merits. That's why we are here in
the arbitration and that's why Respondent, which
does not have any defense, has to create artistic
defenses, because at the end of the day, it must
otherwise pay a large amount of money for this
gross taking. That takes us to provisional
measures; why we are here, point 2.

The reason why we apply for provisional
measures is that we were taken for a ride, and a
very long and a nasty one. The Respondent took
advantage of the cooling-off period on which it
insisted, on which it prolonged, to create
gradually artificial defenses and to prepare
ultimately timing and the procedure to storm our
offices, to take away all of our documents,
including privileged documents, that it confesses
to have read.

Let me walk you through the timetable,
and it will also serve as a therapy, because we
lived through that period and we found what
happened totally unacceptable.

Tab 9. EuroGas, on October 31st, 2011,
sent a notice of dispute under the US-Slovak
Republic BIT.

Tab 10, you have the Deputy Prime
Minister and Minister of Finance of the Slovak
Republic, their response. The response is
interesting, because it relates also to the
question of jurisdiction, bifurcation, and so on.

What does the Deputy Prime Minister and Minister of
Finance say? They said, "No, hold on. Hold on.
Hold on. Your claim is premature." The same claim
that they are now objecting to on the ground that
it should have been brought later, they are saying
it's premature. As long as there is an
administrative procedure pending, we cannot take a
position on these claims. They used the word
"premature" and Respondent, we submit, is estopped
from thereon to argue that the claims were brought
too late.

In other words, the Prime Minister, the
Deputy Prime Minister, the Minister of Finance's
position was that the dispute was not ripe. So we
waited. What happened later? Seven months later,
the same Deputy Prime Minister and Minister of
Finance had a new idea. Tab 11. He wrote back to
inform EuroGas for the first time, once the
investment was made, once the dispute was pending
before its own courts, once the consent to
jurisdiction was given, "No, no, no, you cannot
bring this claim, we deny you the benefit."

There was an optional denial of benefits
clause that they never triggered, and they decided
to trigger it once they secured the investment,
once the investor had proved the reserves, once the
investor notified that there was a dispute, and
once it gave its consent to the arbitration under
that instrument.

So this is the type of people you are
dealing with, and I ask you to consider this when
construing all of their objections.

Tab 12. Then Belmont came into the
picture, December 23rd, 2014. Belmont notified
Slovakia of the dispute under the BIT between the
two countries.

Tab 13. Slovakia responded. What did
Slovakia say? It didn't say, "Oh, it's too late,
you can't bring the claim." It said, "oh, this
triggers a new cooling-off period. Wait. We may
settle this dispute."

Then we exchanged the extensive
correspondence. They asked us to substantiate our
claim. They said, "This is not serious. You are
asking all this money. Bring us a quantification."

We hired a quantification expert, we
submitted a quantification. They asked us to wait.
They asked us to meet. We met. They asked us to
wait further. They may submit a settlement offer, they may not. They are considering, they will consider, they are considering, they will consider, they will consider, they will consider, and ultimately they did not respond, and came the date which we indicated would be the ultimate date, June 25, 2014, by which we would respond. They knew this date. And we filed.

And what happened is quite extraordinary if you look at tab 15, and especially we can skip -- go to tab 16, please.

This is retaliatory measures of the most errant kind that would make the most, how do you say, non-compliant State shy. Look at this tab 16. Tab 16. I turn to tab 16. There was an order to search and to seize documents. And look on the last page, how it is construed.

They flagged the 2014 June 25 date. Let us read it:

"It follows from the response of the Ministry of Finance of June 19th, 2014 that three notices of dispute were delivered to the Slovak Republic, pursuant to international treaties on the support and protection of investments, in relation to the activity of the company Rozmin in Gemerská
Poloma. The last notice, December 23, 2013, was
given by the American company EuroGas Inc. and the
Canadian company Belmont Resources Inc. Until now,
none of the notices have been followed by the
formal initiation of an arbitration procedure
pursuant to international treaty. However, the
companies EuroGas and Belmont are currently
threatening to submit, on June 25, 2014, the
dispute before ICSID, pursuant to the notice of
dispute of December 23rd, which will initiate the
arbitration procedure. In his press appearances,
Mr. Rauball also mentioned an increase of the
claimed amount of 3.2 billion.

Mr. Rauball, you have to stop talking to
the Press.

"According to the TASR report of
April 13th, 2014, the Claimants claim compensation
for the damage to their investment resulting from
an allegedly illegal procedure" -- which we walked
you through -- "allegedly legal procedure by the
Slovak Republic" -- which, by the way, was
confirmed 3 times by their own Supreme Court. It
is still allegedly -- "in revoking the mining
license over the Gemerská Poloma Mining area, which
had been assigned to the company. The Ministry of
Finance of the Slovak Republic has serious doubts about the good nature of the Claimants regarding these notices of dispute as speculative and fabricated."

"Speculative and fabricated." I walked you through the documents. Their own Supreme Courts have ruled that it is illegal, and they write "speculative and fabricated. "This is demonstrated by the number of notices of dispute" -- this is a demonstration -- "delivered and the time that has passed since the alleged damage to the investment."

And based on this, pure retaliation measures, they seized our -- they stormed our offices, they seized all of the documents. They read it, and they say they intend to use it.

What does that show? That shows that it's a purely -- I mean, it's rare that you have a textbook, a clear evidence of amateur style, I would say -- no offence -- retaliation measures where it's documented on the record by the person issuing the order that it is in retaliation, with indication of the arbitration, the date of the arbitration. Timing and content leaves no doubt that it's a retaliation, a retaliation measure.
And what they did is they tainted irrevocably, I would say, irrevocably these arbitration procedures. Why? Because they have read all of our documents, including privileged documents. Violation of the equality of arms. We don't have their documents, they have all of ours. They have our privileged documents. They have tainted irrevocably this procedure.

And, by the way, counsel was not on the record at the time, but was giving *ad hoc* advice; it appeared later when it appeared on the record. We filed provisional measures. The criminal proceedings were suspended, and a copy of our documents restituted, but declaration was made that they were read and they were going to be used.

Now, we -- that's why we are here. Let's not forget. All of the other crazy motions we will deal with are side issues. This is why we are here. And what we are asking you is to make sure that they do not read, they give it back, and obviously they do not only use the documents, because they have given them back, but also do not use the information that they have read in their strategy, with the understanding that this can only mitigate our damages, because they have already
read everything.

And I am afraid -- again, this is for equality of arms and the right to privileged and confidential information and the integrity of the process. I am afraid that in this situation, you have to be extremely firm when the order is made, and also help us to monitor the situation, to make sure that the objections they raise today or tomorrow were not as a result of illegal use or access to documents, because the problem would not be solved just by your order. You have to closely monitor it.

I ask you to be firm because of these proceedings and because of the underlying policy, because if you are not firm and if you do not condemn this firmly, order restitution and warn Respondent, and do not monitor, then each State will do a cost-and-benefit analysis. They will say, "Okay, I have no defense on the merits. I am going to storm this guy. I am going to intimidate him. I am going to try to find whatever I can."

And then the Tribunal is constituted and I'm going to say, 'I'll suspend the proceedings, I'll even give you a copy back. I will read everything, and I will get an adverse order." It's always better
to get an adverse order than have no defence and go
to the hearing. We filed a defence.

So you are in a sensitive position, and I
beg you to exercise, to be firm by your order
throughout the proceedings.

3: Respondent's objections.

Respondent's objections have to be viewed in light
of the first point I mentioned: Why we are here in
this arbitration and why we are in these
provisional measures. They have nothing on the
merits. They have stormed our offices and they
have access to privileged information.

I would like to start on Respondent's
objections, to say they are very odd. What is
this? Is this an Article 41(1) rule motion, a
jurisdictional objection *per se*? No, it's not. Is
it a 4.1.5(?) motion, a jurisdictional objection,
expedited procedures, so that you hear and decide
during this first session? No, it's not.

It's an objection to say that Respondent
lacks manifest standing to a point that would
prevent it from claiming and requesting provisional
measures. I mean, it is extremely odd and, to the
best of my knowledge, has never been granted. And
it's certainly not the case at hand. And again
it's very inconsistent with the calendar that Respondent has produced, proposed to your process, and an award made in 2017.

So what is Respondent's objection? Prima facie, we do not have standing, not even to request provisional measures.

Let us look at these objections.

Belmont. Belmont -- this is not contested -- has acquired 57(sic) interest in Rozmin as of February 2002. And the second point is not contested: has remained ever since, as of today, the legal shareholder of the company.

So these are two facts -- three, I might say: You are a majority shareholder, 57 percent, who is a party to this proceeding. Second, that has acquired his shares since February 2000 and constantly through this date.

We submit that it has, moreover, full beneficial ownership, not only legal, but full beneficial ownership. Why? Why? Because the transaction that was entered into in 2001 -- March 2001, I believe is the correct date, March 27, 2001 -- contemplated the sale of the shares of Belmont to EuroGas, with EuroGas keeping some minority beneficial ownership, subject to
condition precedents, mainly payment of certain
amounts being made by EuroGas throughout the
upcoming years. These payments were never made.
This is why the shares were never transferred. And that agreement, therefore, is
today void. Claimant has now not only legal
beneficial ownership and beneficial ownership, but
the agreement has never even been implemented.
Again, Respondent has to remain consistent; the
same thing with dispute is right, it's not right.
Here if we follow even Respondent, and EuroGas was
dissolved in 2001, then that means that it could
have never implemented the completion, the
fulfillment of the conditions precedent in its
contemplated share transaction with Belmont.

So again we submit that if you take
Respondent's best case scenario, including full
victory on EuroGas, then Belmont will remain as the
majority shareholder in these proceedings. That's
why bifurcation will only cause delays and costs to
both parties.

Now, regarding the other argument raised
by Belmont, we have discussed it, it's the fact
that the dispute is not ripe. You have the
Exhibit 10. You have what is called an estoppel.
Respondent itself is saying, "Wait on. Wait, no, the dispute is not too late, but it is premature."

So again it cannot have it both ways. It cannot say, "Wait, don't initiate the arbitration in this procedure, it's premature," and then once we initiate it, say, "No, it's too late, you should have --" It just defies common sense.

And in fact if you look at tab 17, Respondent continues to contradict itself on this point, because it says that we do not have an expropriation claim, because we didn't insist further on implementing the Supreme Court's decision in 2013, and later, because the Supreme Court decision revoked, said the revocation of our rights were illegal. But the mining office didn't comply with it and assigned our rights to another party. They are saying you should have insisted in 2013, and '14, and so on. So again that shows that their own position is not consistent.

Moreover, our alternative position, we remind you, is that the Supreme Court's decision of January 31st, 2013, that was not complied with, constitutes the further breach of international law by other organs, and that is a separate cause of
action. So again that jurisdictional objection does not work and, in any event, is related to the merits; it's because when the dispute arose, which requires a consideration of the merits.

Now, with respect to EuroGas, what do we have with respect to EuroGas? We have an objection. EuroGas, which is the minority shareholder. What do we have? We have a denial of benefits clause. But this I think -- you are familiar with the principle of good faith. It's an optional denial of benefits clause, it's raised not at the outset of the investment, not during the investment, but once the investment is made, a dispute pending before the local courts, and once consent is given in a second response to a notice of dispute letter. So I think we do not need to spend much time on it. It just only reinforces the lack of good faith of Respondent.

The other allegation made by Respondent against EuroGas is fraud, pattern of fraud, but these are unproven. They relate to proceedings that bear no relationship to this dispute and most of those cases have amicably settled.

So what we are left with is the allegation against EuroGas minority shareholder
that it is different, it has no standing, because it is different than the 1985 EuroGas company that was dissolved in 2001 and then went to bankruptcy.

In this regard, let's assume for one moment that Respondent has an interest, has a standing to raise, in the BIT arbitration, this question of Utah law, and you, as members of the Tribunal, would have jurisdiction to rule on this question, on this complex question of Utah law.

Then I am afraid that the jurisdictional objection would not stand, let alone on a -- by way of an objection brought to object to our *prima facie* standing to request provisional measures, which again is a completely odd motion, which has caused so many submissions and part of the time allocated to this first session.

Now, the company incorporated in 1995 was dissolved in 2001, and according to Respondent, from that moment it could not have brought actions, it could not have traded, it could have not done anything, let alone the F-type reorganization. And I think then they say it was moreover then bankrupt, and then that F reorganization type was not valid under Utah law. That's the argument made by Respondent. And then a suggestion that there
may have been some fraud, because the asset
belonged to the bankruptcy in between the lines, to
read that. I would like to address these
arguments.

First, the fact that a company is
dissolved under Utah law, we submit, doesn't
prevent it to, under Utah law, to continue its
corporate existence, to wind up, including
liquidation of business and affairs.

Actually what happened is that in 1985,
there were bankruptcy proceedings relating to this
company. During these bankruptcy proceedings, I
would like to address the fact that at the time the
assets of Rozmin were litigious, the shareholders
of EuroGas had no interest whatsoever in this
asset. Why? Because you know creditors, they want
cash; they don't want a claim pending before local
courts that would be subject to legal fees,
uncertainty, arbitration, and so on.

And moreover, if you look at tab 18, and
19, especially 18 and 19, you have the
Securities Exchange Commission disclosures. I just
want to rebut any allegations of bad faith on our
part, to say that these assets, including the fact
that they were litigious, were disclosed in a
public filing. So anybody who is remotely intelligent and wants to hide an asset does not make this disclosure in a Securities Exchange Commission filing.

Moreover, that asset was expressly disclosed and discussed within the context of the bankruptcy proceedings, but did not interest anyone. You have it at tab 20. A trustee of a creditor company filed an application before the bankruptcy court, and, attached to it, the Securities Exchange Commission disclosure of that asset.

And tab 21 is a proof that the trustee of the bankruptcy acknowledged receipt of that motion and its enclosures.

Now, coming to the second point, F-type reorganization. Is that possible or not? If you look at tab 23, you have Respondent's position, if I am not misconstruing, that says an F-type reorganization under Utah law is not possible once the company is dissolved, let alone once it is bankrupt.

I mean, I appreciate Respondent's position, but I am afraid Respondent is wrong. The F-type reorganization was entered into, pursuant to
legal advice and drafting by a Utah lawyer.

Second, if you look at tab 22, you would see two instances of a Utah judge approving, recognizing the validity of an F-type reorganization between two companies, including with two that have been dissolved. These are different cases where this was recognized by a Utah judge. So that, I am afraid -- maybe Ohio or Cleveland will also in one day accept F-type reorganization. But in any event, Respondent, assuming it had standing and knew the jurisdiction, you cannot be more Catholic than the Pope, especially in a motion -- *prima facie* odd motion to dismiss our provisional measures, based on Respondent's failure to like, or difference in opinion as regards a F-type reorganization.

And there is no evidence submitted by Respondent today that this type of reorganization was invalidated by any courts, let alone a Utah court. So as a matter of Utah law, we are, EuroGas, a mere continuation of the company incorporated in 1985; we have the same structure, the same shareholders, the same liabilities and the same assets of the company.

To sum it up, the assets have been
disclosed, including in the bankruptcy. So there
is no fraud. No bad faith. The type-F
reorganization has been entered into upon advice by
a Utah lawyer and has been recognized, as we have
proven in two instances, by a Utah judge. And
three, the companies have the same management, the
same corporate structure, the same shareholder
base, the same assets and the same liabilities.
This has been accepted by the other majority
shareholder; it has been accepted by Rozmin, it has
been accepted by the parent company, the Australian
compny of Rozmin. It just displeases Respondent
who has, at the very best, assuming it has
standing, a form as opposed to substance argument
to serve you.

And finally, and in any event, assuming
Respondent were to prevail in a subsequent motion
during the course of the proceedings, the majority
shareholder will accompany you all the way. So it
does not warrant bifurcation and its position will
actually be reinforced by these very same arguments
of Respondent.

So I do not need to repeat why we are
those against bifurcation and we propose that we
exchange calendars on this issue. I think this can
be a -- the dispute is straightforward. There are not that many documents on the merits. On jurisdiction, Respondent says it has pleaded its case, it doesn't have much more to offer, and we can conclude this arbitration with a 3-or 4-day hearing at the end of this year. Our Statement of Claim can be submitted within 10 to 15 days, even earlier, if you want, and a 3-4-day hearing on all issues will, we submit, be sufficient.

Now on the last issue, security for costs. Security for costs, we all know that it is in extreme exceptional circumstances that it is warranted. I thought I had one of these extreme cases with Saba Fakes v. Turkey, but Prof. Gaillard thought otherwise. It was a crazy case. It was a claimant who was fronting for the Uzan family, claiming $19 million. He had no asset, no track record of being an investor. And I think even in that case it was denied. I think there is only one case where it has been granted and that case, it was because it's isolated, it's highly criticized. It's RCM, yes, and it was a bit illogical case that has no bearing on this one, because it was a serial killer, and it was a serial repeat claimant bringing claims that were all
dismissed, and that left Respondent without the possibility of recovering costs.

Now, are exceptional circumstances gathered? The motion -- we submit of course not. Respondent -- It reminds me of a wine expression, a pertinent expression that says, "We drank all the alcohol, but they are the ones that are drunk." We have been expropriated. They have not even given us, assuming the expropriation was correct, a single dime of compensation after we have de-risked the bloc, which you will see is worth hundreds of millions of dollars.

They have harassed us for the provisional measures. They have harassed us, obtained all of our documents, caused us to file these, and now they want security for costs. I mean, that is quite extraordinary, and they have nothing to support their position except third-party funding. And I think third-party funding is misunderstood by most.

Third-party funding acts just like a bank, and in fact it improves the situation of the Claimants, because otherwise the Claimants would have had access to the additional resources or would have lent money, and in case of defeat, would
have had to reimburse that. Whereas this is not the case for third-party funding. So I think a reality check is necessary to understand how a third party functions, and in any event, it does not alone justify a measure for security for costs.

That closes our submission and we thank you for your attention.

THE PRESIDENT: Thank you very much. I think a break of 10 minutes is to be taken now.

PROF. STERN: Maybe just one question.

In the famous Joint Unanimous Consent Resolution of 2008, so this resolution is between a Utah corporation dissolved in 2001 and the Utah corporation formed in 2005, and it is said made retroactively effective to November 15, 2005. So this is provided for in Utah law? Because this is very seldom.

DR. GHARAVI: I believe that it is. In any event, it has no -- we appreciate the question. We believe it is. It is there, assuming that is not possible, what relevance does it have, this has to be assessed. But in any event, the ----

PROF. STERN: Is there any rule on which you base your belief?

DR. GHARAVI: Again, this has been
drafted upon advice by a Utah lawyer. We take that advice as being conformed with the law, unless we've proven otherwise, either by a judge or by some other persuasive means of evidence.

THE PRESIDENT: So we take -- do you have a question?

PROF. GAILLARD: No.

THE PRESIDENT: Ten minutes break, until 5:11, by my watch.

(Recess taken - 5:03 p.m.)

(Proceedings resumed - 5:14 p.m.)

MR. ANWAY: Thank you, Mr. Chairman and distinguished members of the Tribunal. You will come to hear about how we would talk about the timing of the parties' comments on the 3 documents we attempted to enter into the record two days ago. We would ask that the transcript from this hearing be made available prior to us offering our initial comments. We'd like the Tribunal to compare many of the remarks that Dr. Gharavi said during this hearing with what you see in those documents. And in our correspondence commenting on those 3 documents, we will compare again many of the statements made with those submissions.

Now, there are of course two applications
for provisional measures at issue. One is the
Claimants' request in connection with the Slovak
criminal investigation... (short interruption by
the reporter.)

The first application is, of course, the
Claimants' application with respect to the Slovak
criminal investigation. I want to be clear from
the outset, because Dr. Gharavi did not mention
this in his remarks, that the criminal
investigation was not started by the Slovak
Republic *sua sponte*. It was not started on its own
accord. The criminal investigation was started by
a private individual who used to work with Mr.
Rauball in EuroGas. That private individual claims
to have knowledge that this arbitration is brought
on a fraud and he filed of his own accord -- the
government was not involved in this; he filed a
criminal complaint with the Slovak criminal
authorities.

Now, it probably is not surprising to
anyone in this room, but the Slovak criminal
authorities are not familiar with investment treaty
arbitration. They simply received a criminal
complaint from a private individual, claiming to
have knowledge that an action had been brought
against the State based on a fraud. And the Slovak
criminal authorities did what they do in the normal
course. They investigated.

Now, we heard some statements this
morning, some of which again we will compare to the
3 documents we attempted to put in the record a few
days ago, others of which I simply have no idea
what the record support for it is, and I would ask
the Claimants to identify today the source of these
statements. The first is that the Slovak
authorities -- quote-unquote -- "stormed our
offices." That's at, I believe, page 77 of the
record, lines 15 to 16, it was said twice.

In fact, the seizure of documents was not
at EuroGas's offices at all. It was to a private
individual that used to serve as an accountant for
the company. The person is no longer even an
employee, the records were sitting in the basement
of a private residence. It was further stated that
we say -- quote-unquote -- "we intend to use it."
That's page 51, lines 21 to 22.

I'd like the record citation where we
said we were going to use it to the contrary and,
as I'll explain later, we have represented to the
Tribunal we have not read the documents and indeed,
except under limited circumstances in which they might put this investigation at issue, we will not read them, and I will come to that at the end of my presentation.

Now, as I mentioned, the Slovak criminal authorities, upon reading this criminal complaint, were not familiar with investment treaty arbitration, and proceeded to investigate in the normal course. Since then, and out of deference to this tribunal, the criminal proceedings have been suspended, the documents have been returned. Mr. Gharavi said copies were returned. That's not true. Again, another factual misstatement. The originals were returned. And the criminal proceeding will not proceed while this arbitration is ongoing and, as I will describe, members of the Tribunal, this effectively renders the Claimants' application moot.

Now, the second request for provisional measures is, of course, from the Slovak Republic, for an order requiring Claimants to post security for the Slovak Republic's costs in this proceeding. Over the next 45 minutes, you will hear how there has never been a case that has cried out for an order for security for costs as much as this one.
As we will describe, a United States court has found that EuroGas and Mr. Rauball have provided false testimony under oath about matters that, contrary to what Claimants say, are similar to and related to the matters in this arbitration, that they have conspired to conceal assets -- that is a finding from a U.S. court -- and that they have reneged on payment obligations, even when the court has been the one that ordered them to pay. And in fact, the Claimants misrepresentations have continued in front of this tribunal.

On this slide you see the name of the Claimant: EuroGas Inc. As Mr. Alexander will describe, the Claimants represented that the Claimant in this arbitration, EuroGas Inc., was a Utah corporation incorporated in 1985. We are going to show you the slide later where Claimants state that this is a company -- the Claimant in this arbitration that was incorporated in 1985, and it acquired the investment in the late 1990s.

Upon receiving the Claimants' papers with that representation, we did our own research of Utah corporate records and we found out that was not true. That was not true. In fact, what we found was there are, or were, two EuroGas
companies, and the two EuroGas companies are completely distinct from each other.

The first was in fact the 1985 company. That's the one you see on the left, and the second is the EuroGas company that was incorporated in 2005. We refer to these as EuroGas I and EuroGas II. We had to give them those names because Claimant never told us any of this. We had to figure this out on our own.

What is so important about it is the investment here in Rozmin was held by EuroGas I and, as we will show, only EuroGas I, and it acquired that alleged investment in the late 1990s. And, as you already know, that corporation was dissolved in 2001, it ceased to have legal existence in 2003, that's the two-year period in which it could have sought reinstatement, but did not. And even though the corporation did not have a legal existence in terms of being able to transact business, purchase things, sell things, and so forth, its assets, if they had not been otherwise liquidated, can still be put in -- the entity can still be put into bankruptcy.

So not only was there the company being dissolved in 2001, it's ceasing to exist in 2003,
it was then put into bankruptcy and it lost control over all of its assets. And Mr. Alexander will go into detail with respect to both the company being dissolved, ceasing to legally exist, and bankruptcy.

This is a serious misrepresentation that was made to the Tribunal and to the Slovak Republic, perhaps not surprising, given the misrepresentations that the U.S. court found EuroGas and Mr. Rauball made, and it has very serious consequences.

Moreover, the Claimants effectively have no substantial business activities ongoing. You did not hear Claimants dispute that today. And it's undisputed that they have no money to fund this litigation, which is, of course, why there is a third-party funder.

As you listen to Mr. Alexander today, I would invite you to ask yourselves, members of the Tribunal, if the Slovak Republic receives an order for costs, is there any reasonable chance based on Claimants' history of being adjudicated to have engaged in fraud, concealed assets, non-payment of obligations and their complete lack of funds, is there any reasonable chance that the Slovak
Republic will actually recover its costs as ordered by the Tribunal? We submit the only answer to that question is no.

Now, let me turn to the organization of our presentation today. After this introduction, Mr. Alexander will describe that the Tribunal does not have *prima facie* jurisdiction to even grant Claimants' application. In view of that, I will then describe how the Tribunal and why the Tribunal should order Claimants to post security for costs, and, finally, I will conclude with a more detailed analysis of what is left of Claimants' application for provisional measures, which I said is effectively moot now.

So we turn first to the topic of *prima facie* jurisdiction, and as the Tribunal is aware and as this slide shows, *prima facie* jurisdiction is a requirement for granting Claimants' requested interim measures. Claimants have not disputed that. But, as Mr. Alexander will describe and as I foreshadowed this morning, the jurisdictional objections in this case are so serious, so obviously problematic, that you should not even feel the basic comfort that you have the jurisdiction to order what the Claimants ask.
What are those jurisdictional objections?

Well, based on what we've been able to find thus far, there are four categories of them, and I say categories because they could be individualized further. But two categories for them, two for each Claimant.

Dr. Gharavi said today that it is -- quote-unquote -- "not contested that Belmont is the 57 percent shareholder, and that in our best case scenario on jurisdiction, EuroGas would be dismissed and Belmont would remain." I stress again, that is fundamentally not true. As you can see, there are two jurisdictional objections with respect to EuroGas II, which is a claimant in this proceeding, and, two, with respect to Belmont. Any of these categories of jurisdictional objections would dismiss the entire case, if taken together; one from EuroGas II or one from Belmont. It would entirely dispose of the case.

The first is, as I have already described, EuroGas II is not the entity that owned the alleged investment and it has no standing to bring this claim. The second is that the Slovak Republic denied the benefit of the U.S. BIT to EuroGas II, because it does not and has never
conducted substantial business activities in the US and it is undisputed that it is controlled by nationals of a third party.

I want to pause here. We heard today that it was bad faith to deny the benefits of the treaty. I want to be clear about two things. As the members of the Tribunal know, there are often various issues with denial of benefits. One is whether it applies retroactively verus prospectively; another is whether it applies to the arbitration right itself. That is, whether you can benefits not only of substantive rights, but also of procedural rights. The ECT is fairly clear that it can only be the denial of substantive rights, because it refers to different chapters. But under United States bilateral investment treaties, and there have been a variety of cases on these issues, including Pac Rim, including Ulysseas v. Ecuador. In those cases, they were dealing with the exact same provision that is at issue in this United States bilateral investment treaty, and it is drafted broadly enough to apply to both substantive rights and procedural rights.

When the Slovak Republic denied the benefits to the treaty, it applied the benefits
including the right to arbitration itself. And we move now to the question of whether it's retroactive or not retroactive, even if you analyzed it and concluded it was only prospectively denied. Because the denial happened before the arbitration was filed, it would still operate to deny the benefits, even under a prospective theory which we do not necessarily adopt. That's the denial of benefits.

With respect to Belmont, the Claimants have publicly represented, as early as 2002 and as late as 2009, that Belmont transferred its 57 percent interest to EuroGas I, and therefore, Belmont is not an investor under the Canadian BIT and has no standing to bring the claim. Dr. Gharavi stated that it is not contested Belmont is still the owner of the 57 percent shareholding. That, too, is simply false.

And, fourth, in any event, the Canadian BIT only applies to disputes that arose after 14 March 2009 -- this is the 3-year reach-back provision in the Canadian BIT -- and therefore the Tribunal does not have jurisdiction ratione temporis over Belmont's claims, because it's bringing the claims under the Canadian BIT.
With that background, Mr. Chairman, I ask your leave to pass the floor to Mr. Alexander, who will address the four *prima facie* categories of jurisdiction.

MR. ALEXANDER: Members of the Tribunal, Dr. Gharavi, the proceedings before the Tribunal today have their genesis more than 10 years ago at a time when the first EuroGas entity, which we have called EuroGas I, was in severe financial crisis, a crisis which soon led to its bankruptcy and its related inability to develop and exploit the mining concession at issue in this proceeding. But before its own bankruptcy occurred, EuroGas and its principals, as Mr. Anway explained, including Mr. Rauball, were parties to several lawsuits in a Texas bankruptcy proceeding. That bankruptcy dealt with a debtor by the name of McKenzie, with whom EuroGas and Mr. Rauball had been affiliated. Because these proceedings and the judgments entered there ultimately led to the bankruptcy of EuroGas I, it is important background to an understanding of what has transpired with respect to EuroGas and its principals and, most importantly, its ongoing efforts to conceal assets beyond the reach of creditors.
In the McKenzie bankruptcy, a bankruptcy charged with responsibility to maintain assets and protect those assets for the benefit of creditors filed a number of lawsuits against EuroGas and its principals, including Mr. Rauball. That led to a judgment of joint and several liability of $115 million against Mr. Rauball, his brother, and then EuroGas itself.

Now, what is significant there, particularly for these proceedings, were the movement of assets beyond the creditors' reach, and the manipulation of bankruptcy activities is front and center in this proceeding. What is important about those findings in particular is that there was a judgment on very specific activities.

The court found, as a matter of fact and law, that there was a conspiracy and that the co-conspirators were judged to have conspired to hide assets from creditors and the bankruptcy estate. They were judged to have given false testimony in sworn affidavits and before the United States District Court itself.

That document is in your bundle, at tab 5, it's a stunning document. Those findings are, of course, both serious and worthy of caution. We
respectfully submit that the Tribunal should view
the representations of EuroGas and Mr. Rauball with
particular caution, especially those
representations which relate to the movement of
assets beyond the reach of creditors.

Equally important, because EuroGas and
Mr. Rauball were found to have acted with willful,
careless and reckless indifference to the rights of
creditors and the bankruptcy estate, punitive
damages were also awarded by the United States
Bankruptcy Court. These are very serious judicial
findings, and I do not say this lightly, but
regrettably this pattern of asset manipulation to
achieve concealment and false representation has
continued, as we will show, both in the subsequent
bankruptcy of EuroGas itself and more recently
before this Tribunal.

That began with EuroGas's initial
representation in its Request for Arbitration, that
it was -- quote -- "legally constituted under the
laws of the United States on October 7th, 1985."

We submit that false representation was
made because Claimant now asserts that the
Tribunal's jurisdiction as to EuroGas actually
rests upon it. In fact, the corporation identified
by EuroGas as the 1985 company, EuroGas I, was dissolved as a matter of law on July 11, 2011, and we discovered these facts not from the Claimant or any disclosures made to the court, but through a detailed review of corporate records in Utah and in a detailed review of bankruptcy files.

It's undisputed that their status as a Utah corporation expired on July 11, 2001. It's also undisputed that the company did not seek reinstatement within the two-year statutory period, at which point under settled Utah law it became devoid of legal existence as a matter of Utah law. Without legal existence, its directors and officers simply had no power to act on its behalf and, therefore, the so-called transfer document, the special resolution between the old company and the new company that was entered into some five years after these directors and officers, were without legal authority to act on behalf of the company. As a result, it is a legal nullity. It's undisputed that EuroGas never filed for reinstatement.

I want to pause here to note that we are dealing with two separate and independent legal regimes. There is the sovereign law of Utah which
deals with the status of corporations and the legal
effect of dissolution, and in the event of
dissolution proceedings, Utah law determines when
an entity ceases to exist, and of particular
importance here, the question of when the authority
of the directors and officers ceases to exist.

The second legal regime is U.S. bankruptcy law. It's applicable in all 50 of the
United States. Bankruptcy law determines the
process through which assets of the bankrupt are
marshaled, administered and liquidated, and central
to the operation of bankruptcy law is something
known as the so-called automatic stay, which
basically provides that the property of the
bankrupt estate cannot be obtained or controlled by
any persons other than the trustee. Bear that
notion in mind when you think about what happened
on that five-year later secret agreement,
transferring supposed interests from the old
EuroGas company to the new EuroGas company.

On the undisputed documents of record,
both of these legal regimes and the rules that I am
going to explain further are sufficient standing
alone to defeat standing and jurisdiction. Each
one is sufficient standing alone. The bottom line
is that the Claimant does not own the investment under either legal regime. It simply does not.

I want to turn back first to Utah law. The Utah Division of Securities has jurisdiction over corporations, and that division has unsurprisingly held that merger is not consistent with liquidation or winding up and is not authorized by statute. And the answer to Prof. Stern's question: Is there a provision in law that allows retroactivity? The answer is: Absolutely not.

And, equally important, a dissolved corporation has no officers or directors to act on its behalf.

Now, EuroGas carefully avoided any mention of these facts or of the purported transfer of assets in its Request for Arbitration and simply led the Tribunal to believe that EuroGas II, the Claimant, conveniently named the same as EuroGas I, was the same entity and had somehow held the interest. We submit that EuroGas's failure to describe this fairly, particularly given the serious issues raised, was not inadvertent. Utah law provides that having failed to seek reinstatement, EuroGas was dissolved and it has
never been reinstated.
I am going to come back to the two authorities cited by Dr. Gharavi in a short period of time, but one thing to bear in mind at the outset is there has been no suggestion that EuroGas went through such a process. There is no court order in this record respecting the so-called Schedule F proceeding that he described for other authorities. There is no suggestion in this record that that ever happened here.

So *Holland v. Callister*, an important case. The case holds lacking a legal existence, the corporation could not assert a cause of action. That was the asset at issue in that case.

Obviously, consistent with that case, EuroGas could not transfer such an action or other assets, precisely because it had no directors or officers who could act on its behalf five years after it was dissolved.

Of course, the sham document, C-57, that purports to transfer the interest, necessary for the Tribunal's jurisdiction, purports to be executed by the directors of the former corporation. But Utah law is clear. Because that corporation no longer had existed and had not for
six years, it had no directors or other persons who
could act on its behalf. And particularly
important for these proceedings, because the
corporation was dissolved without reinstatement, it
was without legal standing, and that's the holding
of the court in *BioTrust v. Division of
Corporation*.

Similarly, in *Hillcrest*, the court
recognized that if the winding up process -- and
this is key here, this is the death knell of this
Schedule F discussion we are having. *Hillcrest*
says that if the winding up process of a dissolved
corporation will extend beyond the two-year period
-- here it was five years -- for the final
dissolution, the corporation must apply for
reinstatement to continue to act as a legal entity.
That didn't happen here.

In short, an assignment executed by a
dissolved corporation without directors and
officers is a nullity. The holding in *Hillcrest*
quite clearly invalidates the purported assignment
upon which this tribunal's jurisdiction is claimed
to exist.

I think it's worthy to note that this is
not a rule of law unique to Utah. Indeed, the
United States Supreme Court held almost a hundred years ago now that the dissolution of a corporation puts an end to its existence, the result of which may be likened to the death of a natural person. As a result, under Utah law, EuroGas I ceased to legally exist on 11 July 2003, two years after dissolution without reinstatement, and officers and directors had no capacity to act thereafter. The assignment by EuroGas of supposed assets to EuroGas II more than five years later was a legal nullity, but it was part of the effort that began in the events described in the judgment that led to a $115 million award, to keep the assets of EuroGas and its affiliates beyond the reach of creditors.

On the undisputed documents of record and as a matter of the law of Utah concerning dissolution, the Claimant, EuroGas II, has no *prima facie* basis to claim an investment in the Slovak talc interest.

Now, there is a separate and independent reason that the Claimant in this proceeding has no standing -- EuroGas. That analysis requires us to turn to the involuntary bankruptcy proceedings of EuroGas I. Before we do, we note that the judgment for $113 million in EuroGas's involuntary
bankruptcy preceded Rozmin's loss of the mining concession in Slovakia. Those events of bankruptcy and that enormous judgment happened before Rozmin ever lost the mining concession in Slovakia.

Now, the first step of significance in the bankruptcy proceeding was the so-called order of relief issued by the bankruptcy court in Utah, after a trial on the question of whether the involuntary bankruptcy was appropriate. After the dissolution of EuroGas under Utah law, there were several years, several years passed, and then this involuntary proceeding in bankruptcy was brought.

You'll recall that the original McKenzie bankruptcy proceedings had been pending in the United States Bankruptcy Court in Texas. When the $113 million judgment and several other judgments against EuroGas and Mr. Rauball were not satisfied, the Texas bankruptcy trustee brought a separate bankruptcy proceeding which thrust EuroGas involuntarily into bankruptcy.

Now, this is a point totally missed in the papers responsive to what we have filed. There is no response to what I am about to describe to the Tribunal. EuroGas lost the ability to deal with its assets under U.S. bankruptcy law. It no
longer had the capacity. Indeed, U.S. bankruptcy law imposes an automatic stay against any activity with respect to the bankrupt's assets. So a retroactive recitation into the period of the bankruptcy is nonsensical, as a matter of U.S. bankrupt law.

EuroGas and the corporate shell had no assets after its bankruptcy. As the court in Permacel held, the Chapter 7 debtor does not emerge from bankruptcy. Instead, its assets are liquidated, and at the end of the bankruptcy proceedings the company is defunct. Similar holding in U.S. Dismantlement. In becoming a defunct corporation, the corporation cannot own or pursue a cause of action, because a cause of action is an asset, and this is very important: which must be listed on the schedule of assets. Standard procedure in a bankruptcy. The court puts on an order requiring asset schedules to be provided and a statement of financial affairs. In so holding, the court there specifically noted that the intent of the U.S. Congress in denying this charge to a corporation was to prevent trafficking in corporate shells. This is a classic case of that conduct.

Now, EuroGas's Rejoinder criticizes these
authorities, because they are unpublished, and actually suggests, purportedly in reliance upon an Eighth Circuit Court of Appeals rule, that this fact alone renders them without precedential value. I confess to having been a member of the U.S. bar for over 37 years and I have never heard this argument. It can't be reconciled with the current rule of the Federal Rules of Procedure 32.1, which says: "A court may not prohibit or restrict the citation of federal judicial opinions, orders, judgments, or other written dispositions that have been: Designated as 'unpublished'."

Indeed, even a current subsidiary rule of the Eighth Circuit would permit use of an unpublished opinion if the opinion has persuasive value, and obviously it's for the Tribunal to decide that question.

The more important question is the Claimants' inability to cite a single authority for the proposition that is essential to sustain its jurisdiction here, the Tribunal's jurisdiction, that an assignment of an asset executed by a Utah director after its legal existence had ceased can be effective. There is no authority in their submissions that addresses that in any respect,
especially after a bankruptcy in which the asset
was not scheduled.

The primary thrust of Claimants' Rejoinder is to turn frankly U.S. bankruptcy law on its head. The Rejoinder actually claims in what may be one of the more brazen suggestions this Tribunal will hear in this proceeding, that the trustee was aware of the EuroGas ownership of the talc interest through the ownership of Rozmin, but knowingly declined to administer this property and abandoned it in the bankruptcy.

While they represent to the Tribunal today and in their submission that assets were released back to the non-existent legal entity, they told the world in their SEC filing before EuroGas was delisted for failure to comply with securities law, that all of its assets had been sold. And I quote from EuroGas's securities filings: "EuroGas Inc.'s remaining assets were sold at public auction."

I want to ask a simple question. Does EuroGas ever plausibly answer the question of how it could tell the world, and the investing public in particular, that EuroGas's assets had been sold in an involuntary bankruptcy, and then magically
and secretly it has only a few months later
purported to transfer assets by which a new EuroGas
II conveniently steps into the shoes of EuroGas I?
What EuroGas's documentary trail does reveal,
however, is a scheme reminiscent of the concealment
which led to the $113 million judgment against it
in a Texas bankruptcy proceedings. As before, its
scheme involved deceit of the bankruptcy trustee
and the court.

Now, let me explain how that occurred.
First of all, EuroGas cannot dispute that it was
ordered, actually ordered, by the bankruptcy court
to schedule all of its assets.
"Tell us what you've got so that we can
administer the assets." This is a standard
procedure in U.S. bankruptcy law. The purpose, of
course, is to enable the trustee to understand the
value of the assets and to permit the trustee to
administer them. It's undisputed that the United
States Bankruptcy Court issued a court order
requiring EuroGas and its principals to schedule
its assets and turn over its books and records to
the trustee. Incredibly, it's also undisputed that
EuroGas and its principals did not comply with the
court's order, and they did not file a statement of
liabilities or a statement of financial affairs as required by the court's orders.

So we are responding now to arguments first raised in the Claimants' Rejoinder. We sought the Tribunal's leave in recent days to put into the record as R-81 the testimony of EuroGas's chief financial officer in open court in the EuroGas proceedings.

Respecting the Tribunal's directive, we are not going to comment on them at this time, but we do reserve, of course, our right to do so, and the Tribunal's order has made that possible. Suffice it to say that the property in question was never scheduled, despite a court order to do so, and the evidence on record will show that once again EuroGas continued, continued its historic pattern of trying to prevent the proper administration by the bankruptcy trustee under applicable United States law, the very conduct that led to a judgment of conspiracy in the prior bankruptcy.

In the face of documentary evidence showing that EuroGas did not disclose the EuroGas interest in Rozmin on court ordered asset schedules and without any evidence whatsoever that an
abandonment proceeding was noticed or occurred --
this is a specialized bankruptcy mechanism -- in
its Rejoinder they simply suggest that the trustee
knowingly decided not to administer the asset and
abandoned it, abandoned the interest, which
conveniently remained with the 1985 company.

As they wrote in their submission in sum
upon termination of the Chapter 7 proceedings, the
1985 company emerged with its interest in the talc
deposits.

Stop and think about that for a minute.
How convenient. Tell the world in an SEC filing
that you had sold all of your assets, refuse to
tell the truth to the bankruptcy court by refusing
to schedule your assets, and file a statement of
financial affairs as required by court order, and
emerge with the asset upon which the claimant now
asserts that the Tribunal has jurisdiction. It's
really remarkable. The problem with it is that the
law of the United States Bankruptcy Code absolutely
forbids it.

EuroGas's Rejoinder suggests that the
abandonment by the trustee of the interests in the
talc deposit can be inferred. They attach the 10-K
to a bankruptcy motion. Not a schedule of assets,
not a listing of the financial affairs. A 10-K was attached. And that's enough from which they ask the Tribunal to conclude, that you should infer that the trustee abandoned this asset. But the Bankruptcy Code doesn't treat these matters cavalierly. It provides that the scheduled property may be abandoned by court order upon compliance with basic procedural protections, notice in a hearing. Tell us what you want to abandon and why.

But it's undisputed here that the interests in question were never scheduled, precisely because EuroGas and its principals defied the court's order requiring asset schedules to be filed.

This record doesn't have any notice or hearing to abandon property upon which this Tribunal's jurisdiction now supposedly rests, let alone a procedure abandoning property that was not even scheduled. None of that happened here.

The case law under this statute is consistent. Unless property of a bankruptcy estate is administered by the bankruptcy trustee or abandoned in one of the ways outlined in the provision that we described, it remains property of
the bankruptcy estate, even after the bankruptcy is closed.

Now, what is the procedure if new assets are discovered later following the close of a bankruptcy case? The proper procedure is to apply to the bankruptcy court, notice in a hearing to reopen the case pursuant to the bankruptcy rule for the administration of assets. That didn't happen here.

Assets were not disclosed as required by court order. A secret document was used to effectuate a sham transaction for a dissolved Utah corporation, whose directors were patently without legal capacity to act. Respectfully, when we peel away the layers of this onion, this proceeding is a brazen attempt using a secret document, the purported transfer to EuroGas II executed by purported directors who had been without authority to act for many years.

Now, Mr. Gharavi has said this extraordinary transaction was taken on the advice of counsel, and I trust he will, of course, release to us, since he has put it in issue, that advice. We look forward to reading that with interest.

I want to turn now to the second
question. Mr. Anway has already spent some time on this, so I am going to move quickly through this. But the Slovak Republic denied the benefits of the U.S. BIT to EuroGas II, because it does not and has never conducted substantial business activities in the U.S., and it is controlled by nationals of a third party. The latter point, of course, is not in dispute. The question is, was there any substantial business and did the Slovak Republic have the right to exercise the denial of benefits? In the circumstances where there is a denial of benefits prospectively with respect to the procedural right of arbitration, of course that proceeding would typically take place after an investigation, and such an investigation occurred here.

Next slide, please.

And, of course, this is a statement of the treaty itself calling into question: Is there substantial business activity? Now, here the absence of substantial business activities has not been seriously contested by the Claimant. We have listed here the summary of all of the records, citations which show that absence, most significantly the sale of all
their assets in 2006, the consistent failure to produce any revenue from the business, let alone in the United States, the elimination of all of its offices in the United States other than a so-called virtual office, failure to file audited financial statements which ultimately led to its delisting by the SEC; all these events consistent with a complete absence of substantial business in the United States.

I won't take time to -- because I know we are getting close to our limit here, but all of these are summaries of those particular items, with appropriate citations to the record.

I want to turn now to the question of Belmont itself. Mr. Gharavi remarkably asserted, no less than four times in his opening remarks, that it was not contested that Belmont was a shareholder in Rozmin since -- even after the share purchase agreement to EuroGas. That it was not contested, he said. Directing the Tribunal's attention to our initial submission in our application for provisional measures, at paragraph 67, we noted: "Furthermore, Belmont was not a shareholder in Rozmin in 2005 because it had sold its 57% shareholding to EuroGas I in 2001."
And then again in our next submission, we noted: "Equally problematic for jurisdictional purposes, Claimants have not provided evidence that Belmont is a shareholder in Rozmin. On the contrary, Claimants confirm that Belmont sold its 50% shareholding to EuroGas I in 2001. Claimants' assertion that the agreement is ineffective because its conditions were not met has oddly remained nothing more than an assertion."

Respectfully, Mr. Gharavi's representation to the Tribunal that we have not contested this issue is nonsense. We have contested it from the start and we continue to do so today vigorously.

The fact is that both Belmont and EuroGas representatives have said publicly, beginning in 2002, and as recently as 2009, that the interest of Belmont in Rozmin, the 57 percent, was sold in its entirety in 2001 to EuroGas. And, therefore, the jurisdiction of the Tribunal is dependent upon the status of EuroGas as a defunct and dissolved corporation, without active directors to transfer the asset to EuroGas II. It all comes over to EuroGas.

The Tribunal will recall that we offered...
evidence a few days ago. I will again respect the
Tribunal's ruling with respect to that, but we urge
the Tribunal to pay particular attention to the
sworn testimony that will be reflected in those
exhibits on this very question.

Finally, as Mr. Anway has explained, the
Canadian BIT only applies to disputes that arose
after 14 March 2009. It's clear on this record
that this dispute had become concrete well before
that date.

In closing, I want to respond to a couple
of points that Mr. Gharavi made. His entire
submission on these issues of Utah dissolution law
and bankruptcy law was his citation to two
so-called authorities from Utah lower courts.

THE PRESIDENT: Sorry to interrupt. What
is the number of that slide, so that I can find it?

MR. ANWAY: This is slide 50, but it
doesn't pertain to what is being discussed now.

MR. ALEXANDER: No. So I am really
addressing in response a point that Mr. Gharavi
made. I think the Tribunal should take note of the
following. The so-called legal authorities are
non-adversarial proceedings, meaning there was no
litigation process involved. They were ex parte
submissions seeking reinstatement.

As I noted before, there is no evidence in this record that that ever happened with respect to EuroGas. So even if such a process would be recognized under Utah law, there is no suggestion that it in fact happened here and can be used as a basis to sustain the secret transfer from EuroGas I to EuroGas II.

Secondly, there is no suggestion in either of those cases, those non-adversarial cases, that there was any bankruptcy involved. That obviously has a profound impact on the question of whether or not those are permissible. I am referring to tabs 24 and 25 in Mr. Gharavi's bundle. And because there was no indication that bankruptcy was involved in either of those proceedings and because there is no indication in this record that such an order was ever signed as to EuroGas I and 2, I am not exactly clear what the suggestion is that is being made. Perhaps it could have been done, but it wasn't. EuroGas I remains a dissolved corporation without directors and officers at the time of the key event, which occurred five years after that dissolution occurred.
And finally I would call the Tribunal's attention in particular to the BioTrust decision in our authorities. We've submitted it. One of the rulings he relies upon in a non-adversarial proceeding is quite clearly an effort to overrule a Court of Appeal's decision which itself had sustained the very propositions of law we have laid out for you.

Another point worthy of note that was not mentioned by Mr. Gharavi is the BioTrust non-adversarial proceeding which he relies on as legal authority from a lower court. That case was actually dismissed for failure of prosecution, so the order never became final. An interesting proceeding. But I think it's significant that those are the only authorities, the only authorities, in Mr. Gharavi's submission this afternoon, to respond to what has been clearly established law in Utah and under the Bankruptcy Code.

Thank you for your patience and attention.

THE PRESIDENT: Thank you. It's been more than 45 minutes till now. So how you see the rest of your presentation. We are not going to cut
you just because it's 45 minutes, but --

MR. ANWAY: I think we probably have another 5 to 10 minutes. Is that something that would be objectionable to the Claimant?

DR. GHAHRAV: Yes. Because we tried to stick to the calendar. We accept there is some flexibility, but if we knew, we would have brought a lecture on Utah law as well. I mean, 30 minutes on a *prima facie* motion on Utah law, of course we have an objection. We have to stick to the timetable, or at least reasonable, with one or two --

MR. ANWAY: Let me propose -- go ahead please.

THE PRESIDENT: Go on first.

MR. ANWAY: Let me propose, would we be able to use whatever time we took from now to the end of the presentation out of our rebuttal time?

THE PRESIDENT: I mean --

PROF. STERN: Could you do it in three minutes?

MR. ANWAY: Yes.

THE PRESIDENT: The Chairman grants you five.

MR. ANWAY: Thank you, Mr. Chairman. I
am going to speak very briefly then on the
Tribunal's requested order for Claimants to pose
costs for securities, and you will recall this
morning that I had asked you to reserve judgment on
bifurcation until you heard Mr. Alexander's
description of the jurisdictional objections. I
trust you now see why. And of course to just
reflect for a moment on what you've just heard, we
decided to put this timeline up to try to bring
together two worlds. One is what was going on in
the United States, this is the top timeline you
will see here, and these dates are undisputed.

THE PRESIDENT: This is?

MR. ANWAY: This is slide 52. And on the
bottom line you will see what was happening in the
Slovak Republic. Now, the reason that we wanted to
provide you with this timeline is because we think
a comparison, a side-by-side comparison of what was
going on in these two countries is extremely
telling. You have heard the Claimants tell you in
their papers, and again today, that the reason why
they lost the license to the talc mine was because
the Slovak Republic had taken it away and that was
the reason they had to go into bankruptcy, that was
the cause and effect. But in fact it's precisely
the opposite.

The bankruptcy began in 2004. In fact, it says commencement of the bankruptcy proceedings. This in fact is the order for relief from the court. The petition was filed back in May. The testimony we offered to you from the chief financial officer two days ago was in August. But the point here is that this was when the order for relief was granted by the court. But you will notice that the license was taken away after that. It is not the case that taking away the license put the Claimants in such financial trouble that they got put into bankruptcy. They were in bankruptcy before the license was taken away, and if there is any cause and effect here, you can quite clearly see during the entire 3-year period, this is the 3-year statute that provided that the Slovak Republic shall revoke a license or transfer to another third party if there were 3 years of inactivity, 3 years of non-excavation to be more precise, the failure to initiate excavation within a 3-year period, then the Slovak Republic shall revoke the license or transfer it to a third party. The 3-year period where there was no commencement of excavation is this red shaded area
here at the bottom. Is it any surprise that that period coincides with the period where EuroGas has no assets? It did not commence mining excavation because it had no assets during this time period. This is the time period when it was dissolved, when it ultimately lost its legal existence and then when it was put into bankruptcy, And it was only after all of those events happened that the license was taken away, after that 3-year period.

Claimants told you repeatedly today we had no response for the merits. To the contrary, the law provided that if there was not excavation commenced within that 3-year period the license shall be taken away and that is precisely what happened. Now, it is true that there were a number of appeals through the Slovak administrative and judicial system and Dr. Gharavi took you through some of those decisions today. But contrary to what the Claimants say, and this is crucially important, none of those appellate decisions ever ordered the return of a license to Rozmin to proceed under that license. Those appellate courts and administrative bodies found that there were procedural problems with the process by which the license was transferred to a new party. But the
court's findings were limited to that, to the
procedural problems, it concluded there were
procedural irregularities. That is why those
higher judicial bodies remanded to the lower
bodies.

These higher decisions effectively told
the lower state bodies, "You are free to do it
again, to assign the rights to a new party, but you
must do so with the correct procedure." And it is
true that several times they found the correct
procedure was not followed.

But I want to be crystal clear about
this, because Claimant continually misrepresents
this. None of those decisions, not one of them,
ever ordered that Rozmin was entitled to proceed
under the license. And when you hear Claimants
represent to you otherwise, it is simply untrue.

If this case ever reaches the merits
phase, we will walk you through each one of those
decisions and show you that and if, as we suspect,
the Slovak Republic prevails in this action and has
a costs award in its favor, who will pay the costs
award? The company with the history of fraud as
found by a U.S. court of concealing assets and that
has no money? The third-party funder who will
claim that it is not a party to this proceeding and it is not bound by a costs award. And indeed it is for that reason that the RSM tribunal recently imposed security for costs against the claimant funded by a third party. And I will not take you through this in the interest of time.

I will respond to the Request for Provisional Measures from Claimants in one minute. We state that the application has effectively become moot. To show you that, we have put up on this slide, paragraph 68 of the Claimants' Application for Provisional Measures of June 8, 2014, and we walk through each one:

"Order the Slovak Republic to maintain the status quo."

The Slovak Republic has already agreed to do that.

"Order the Slovak Republic to return all of the original documents seized."

The Slovak Republic has already done that.

"Order the Slovak Republic to undertake in writing that the documents and properties seized constitute the full set."

The Slovak Republic has already done
that.

"Order the Slovak Republic to refrain from using in these arbitration proceedings any material or documents seized."

We have already represented to you in writing we have not looked at the documents, that the organization from which we take our instruction, the Slovak Ministry of Finance, has not read those documents, and we commit to you, members of the Tribunal, we will not read those documents, much less try to put them in the arbitration, unless the Claimants make the seizure for the criminal investigation part of this proceeding, by alleging it is a violation of the BIT. We would obviously have to look at it in those instances. But we also commit to you, consistent with what the Tribunal in *Churchill Mining* did, that if we were about to put any documents seized into the record, we will seek your leave to do so first and, as mentioned, if the Claimants do not make it an issue in this arbitration, we will not even read those documents.

Claimants also ask the Slovak Republic to suspend the criminal investigation until the arbitration proceedings have concluded. The Slovak
Republic has already done that. And, finally, Claimants ask for an order that the Slovak Republic refrain from taking any measure of intimidation.

There is no evidence that the Slovak Republic has ever intimidated anyone and, as the tribunal in *Occidental v. Ecuador* found, provisional measures are not meant to protect against potential or hypothetical harm, rather they are meant to protect the requesting party from imminent harm. And that is clearly not the case here.

With that, Mr. Chairman, I close the Slovak Republic's opening submission.

THE PRESIDENT: Thank you, Mr. Anway. We, I think, will take a 10 minutes break. We will ask questions afterwards.

PROF. STERN: Just a very specific question.

THE PRESIDENT: Okay.

PROF. STERN: On the denial of benefits, I am not going to enter into the discussion whether it's retroactive or prospective, but I would like to test something you said. You said, even if we consider it's only prospective, it would apply, but the letter of 31 October 2011 says that EuroGas
consents to submit this investment dispute with the Slovak Republic to international arbitration. So do you really think that if it were prospective, it would still be able to annul this?

MR. ANWAY: We do. We believe the acceptance of the standing offer to arbitrate found in the BIT, it takes place when the Request for Arbitration is filed. That's when there is an exercise of the right. The right is not exercised in the letter to which you referred. The right is exercised when the arbitration is actually commenced, and the arbitration goes forward. That did not occur until after the denial of benefits letter was sent.

PROF. STERN: Okay. Thank you for your answer.

THE PRESIDENT: Thank you. So at 6:25 we will resume.

(RECESS TAKEN - 6:16 p.m.)

(PROCEEDINGS RESUMED - 6:35 p.m.)

THE PRESIDENT: We apologize, we are a little late. We are ready to listen to Dr. Gharavi.

DR. GHARAVI: President Mayor, thank you very much. I will, in this rebuttal, follow the
same order I used during my initial presentation, if you allow me, starting with why we started this arbitration, the merits.

I listened to this one-minute or two-minute rebuttal of our merits analysis, with the timeline used. I'm afraid that it will not come as a surprise that we're not impressed. It's normal because it is not possible to defend this case on merits. My learned colleague has said the argument we were opposed to at the time, that we should have built earlier within a 3-year requirement period, but then what do you do to the fact that we had a license up to end of 2006 and that our rights were revoked almost two years before. What do you do to the Head of the Mining District that comes and says that our works are in progress and that everything is in compliance with the law? What do you do with the abrupt nature of the taking without prior notice? What do you do with the absence of compensation?

Then the Supreme Court decisions, I am afraid, learned colleague, that you have to look at it with more detail, because if you look at tab 5, you will see -- Is it tab 5 of the 2008?

Our opening bundle -- is it tab 5, 2008
decision? Tab 4 then, 2008 decision, the Supreme Court of the Slovak Republic said that the --


DR. GHARAVI: Yes, yes, and concluded that as a result, the taking of our rights was not in compliance with the law. Then further on tab 5, the 2011 Supreme Court decision went a step further, even said that the argument opposed to us on the merits regarding to the fact that we didn't start construction within the 3 years' period was not correct as a matter of Slovak law, and set out the extent of the investment we made.

So I think procedurally, substantively, under international law, local law, Respondent will lose. I mean, that is a fact. I mean, there is no room for any other conclusion.

And we will move on to the second point with the provisional measures. I mean, the provisional measures -- what we heard is that I misrepresented what happened. Maybe. If we play on words, I did. Did I steal your deliberation notes from your office, or from your hearing center, or from Professor Stern's computer? They took it. They took it from our accountant. It was our documents. It was stored there.
Now, who prompted it? Of course, even the Slovak Republic, under these circumstances, has to give it a legal spin. But the document says what it says. It is in retaliation of the June 2014 filing, and without any basis other than we bring a large claim under a treaty. The document says what it says, and the result of the conclusion is that it was a retaliatory unacceptable measure.

Now, Respondent is doing what precisely I said. We do it, cost-benefit analysis, we go there, we give originals, I apologize, we keep copies. That's the same thing. Some of us read it, others don't, and we move on. That's not how it works. First, even if they change their mind, they want to play the game, you have to say what happened is unacceptable; that it violates the integrity of the process, the equality of arms and our rights to preservation of confidential privileged information.

Then now for the first time -- because we have been asking them to not use these documents and not read it, they provisionally said we would not do it until the provisional measures are ruled upon.
So this is new. We are happy to add that, but you have to say that what they did is wrong. They have to ask the restitution of the copies even, otherwise it's too easy, and we don't want anyone near the counsel or the organs with whom counsel is in touch, that all organs of the state not to read it, nor use, let alone communicate the information which were in these documents. And also for the future we ask and maintain our request that the Tribunal assists us in monitoring that no information or documents prevailed, taken from this seizure is used in this arbitration.

And, by the way, we still don't know, but I say this in passing, how they brought up this objection on EuroGas. They had all the time in the world to look at it during the cooling-off period. Of course, they looked at the EuroGas statute in Utah, and so on, but what prompted that, we do not know.

I move on now to the third point, which is the objections. The objections, nothing said in rebuttal on how odd this objection is. Not a 41.1, not a 41.5, but one to stop us to request provisional measures. It's odd. It's odd, and I
might confess that they have done a great job.
And I feel a little bit embarrassed and offended,
because it worked, because most of this first
session we heard was devoted to Utah law, based on
an objection not for you to hear our provisional
measures.
So to some extent it worked. And
congratulations. But it's odd, there is no
precedent for such a motion. And then when we look
at it, it is unfounded, be it at this stage or at a
later stage. Because what we hear is that it's
complicated, it's not as easy as they portrayed it.
We heard a lecture on Utah law, reference to a
variety of sources and the two fields of attack,
namely, fraud, and this relation, and then the
non-validity of the F-type reorganization was not
seriously challenged. In fact, on the question of
disclosure of assets, we talk about fraud,
dissimulation, the fact that we said that we sold
all assets. But look at the SEC filings. We said
that there is this asset, that it is a litigious
asset. We said it, and we said it also during the
motions in the bankruptcy proceedings. There is a
trustee of creditor companies that did it, that
looked at this motion. There is a trustee of the
bankruptcy that looked at it. Nobody gave the slightest concern about this asset and everything went well, and the only person who is concerned today who does not really have an interest to act, -- and I haven't seen any justification of interest to challenge that what happened during the bankruptcy proceedings -- is Respondent. And it's relying on its form-over-substance argument in support of Utah law for the standing of one of the Claimants before an international tribunal, and that is, "Well, you did basically file it and the whole world knew about it, you did file that motion also in the bankruptcy, but in that schedule it may not have been there." I mean that's a form-over-substance argument.

And now on the F-type reorganization, it is interesting. Now they refer to our judgments, the two judgments where they agreed on F-type reorganization as authorities. That's good. They say, okay, it's lower courts' authorities. But they did it. They contradict this to Utah law judges, contradict Respondent's position that a dissolved company cannot enter into an F-type reorganization. And again, everybody is happy with what happened. The creditors are not contesting.
that. The only person based on that form-over-substance argument that we didn't need to -- we didn't have this one ratified by the court, is asking you to dismiss our request for provisional measures.

Now, regarding EuroGas, all the argument is denial of benefits, and I must say that that is quite an audacious argument to say that, "okay, to be estopped, to raise this argument at this stage, the investor would need to file first a Request for Arbitration basically." So there is no cooling-off period, there is no notice, because if we serve notice, then you can revoke it and it's valid. I mean, just pure bad faith and nonsense.

Now, regarding Belmont, that's the most interesting thing for us, because that will determine whether or not bifurcation is warranted. On the dispute being ripe, I have not heard much. And how can you hear anything about the dispute is not ripe? Because you have this document where they said it's not premature, you have all these quotes of Supreme Court decisions. Respondent's own filing is that we lost a chance to claim expropriation because we didn't contest and follow up on the Supreme Court decision. So on the
rightness issue, it has to -- in any event, it relates to the merits, in any event. So that's gone.

What remains is that Belmont, is it a shareholder or not? This is a fact. I mean, we are playing on words. When we say Respondent doesn't contest that Belmont is the shareholder, we're talking about the legal shareholding. This Respondent cannot contest. If Respondent contests it, then I refer you to Exhibit C-74, which is a business register of the Slovak Republic that recognizes that Belmont is the majority shareholder, and has always been the majority shareholder since 2001 of Rozmin. So that's it.

You have to understand the following. I mean -- so legal shareholding, it's not contested for us. If it's contested, then it's not worth anything, because their own document shows -- and this is a fact.

Then the second thing is that yes, we are telling this Tribunal, yes, there was a contemplated sale of Belmont's shares to EuroGas. For a number of years, Belmont was optimist that this transaction, the conditions precedent will fully materialize. They did openly say that such
contemplated sale transaction occurred, yet the conditions precedent never materialized, never materialized. That is a fact.

Then I have heard nothing in rebuttal to the fact that now assuming Respondent knocks out EuroGas, then assuming that contemplated transaction materialized through payments made by EuroGas through the years of 2001 onwards, as it was contemplated, then that has to be re-done, because according to Respondent, they could have not carried out these transactions. And we have not heard anything about that.

Finally, it's an interesting debate. They are the legal shareholders. What is wrong with having a legal shareholder claim, if they are not abusing jurisdiction, if there is not a fraudulent transfer of shares for purposes of jurisdiction?

They are the legal shareholders. My learned colleague talked about a sham for purposes of jurisdiction of EuroGas in 2005. You have to give us a break. In 2005, first, it doesn't affect Belmont, plus don't forget, in 2005, we are not contemplating an arbitration to do this, and also the parent company of Rozmin, the subsidiary of
EuroGas, can bring a claim under the Austrian-Slovak treaty. So that teases of a sham for purposes of jurisdiction does not work, and there is nothing wrong as our alternative, alternative, alternative claim, assuming that transaction with EuroGas was implemented and was valid, that legal shareholder could bring a claim in the absence of a fraudulent scheme or a forum shopping or treaty shopping.

So I'm afraid that it will be a catastrophe, President Mayer, if this Tribunal were to bifurcate these proceedings, because at the end of the day, based on Respondent's best case scenario, the majority -- not the minority -- the majority, the legal and beneficial owner of this claim will be in this arbitration. I mean you will bifurcate, you will lose two years, you will render a decision, and then we will go on for another two years with Belmont, in the best case scenario of Respondent.

Now, security. Again, I fail to understand the exceptional circumstances. Respondent relies on a timeline regarding EuroGas, assuming the revocation came after the bankruptcy. You are a sophisticated tribunal. You know that if
the assets were not taken, you know that if the 
assets were not taken, and given that if the 
reserves were proven, that this was an asset which 
could have been sold for a large amount or which 
could have led to financing being raised.

And now let's move on and go what happens 
to Belmont? We forgot, Respondent forgets Belmont. 
Belmont is here. Belmont is here. It is a company 
in difficulty. We submit that had these assets not 
been taken, they would not have been in such a 
difficulty, and at the end of the day they are here 
and they will prevail on the merits. They have no 
jurisdictional issues and any costs allocation, 
assuming for the sake of argument that EuroGas 
would be dismissed, would be taken into 
consideration when allocating costs at the end of 
the day in relation to the final award and Belmont.

That closes our rebuttal.

THE PRESIDENT: Thank you. We are 
supposed to have a 10-minute break.

MR. ANWAY: I can save us that break.

Unless the Tribunal has any questions, we don't 
believe that anything Dr. Gharavi just said 
requires a response.

THE PRESIDENT: I was not saying the
break, but also the rebuttal.

So the issue of bifurcation or not bifurcation is for us to solve, and we prefer to solve it today. So we are going to recess. Before we do, we would like to know, from each party, how long it would take to file a certain memorial. I think, Dr. Gharavi, that you said that your memorial was almost ready, you could file it within?

DR. GHARAVI: If you give us 15 days, that would be greatly appreciated. If you give us 15 days just to do the finetuning, we would appreciate it. If you want it sooner, it can be available sooner.

THE PRESIDENT: Question to Respondent: How long, if we were to bifurcate?

MR. ANWAY: If you were to bifurcate, we would be prepared to file our objections to jurisdiction likely within four weeks of receiving the Statement of Claim.

THE PRESIDENT: Four weeks. Then four weeks.

MR. ANWAY: Then we'd be happy to file our reply on jurisdiction. So it would be reply on jurisdiction and I don't think we need more than
four weeks for that either.

THE PRESIDENT: Okay. You wanted to ask something else?

PROF. GAILLARD: No. I was just curious to see if the parties, what they had in mind. We started to have some elements in either -- we have not decided anything, but you know in either way, just not the first step, but more generally what wouldn't fall, just so that we have the picture to choose between scenarios which are a little more concrete than it will be first or it will be a waste of two years or -- you know, something more concrete, that's all.

MR. ANWAY: As I say, we are able to speak with some particularity if the proceeding is bifurcated and, as I say, for either of our submissions we will not need more than four weeks, so it can be expedited indeed. The proposal we would suggest, as I mentioned at the beginning, is they file their Statement of Claim first, we do the bifurcation after that. We can do it in an expedited way to avoid delay as much as possible.

We have not considered the scenario in a non-bifurcated situation because it would require extensive consultation with a damages expert, with
other types of experts that may be relevant on the merits, and so on and so forth. That's something that I think we would have to consult within our team, and perhaps even with our quantum experts, about how long that might take.

But this is precisely the point. All of those costs and all of that time will be avoided if there is bifurcation, and if we don't prevail on jurisdiction with respect to both Claimants, it will certainly narrow the issues going forward. So with respect to bifurcation, we can answer that with some particularity. Without bifurcation, it becomes much, much fuzzier.

DR. GHARAVI: Yes, but that's not fair, because then, my learned colleague is an experienced counsel and also Slovakia is an experienced respondent. So I think we all know how much time you need. It's going to be either 2 months, 3 months, 4 months, or a little bit within that timeline. We have to play the game. I mean Respondent wants us to shoot first, to submit the Statement of Claim, to have all of our pleadings in full and then bifurcate. So again the --

THE PRESIDENT: Supposing, so that we have a complete picture for our discussion,
because we have not made any decision yet, supposing we were inclined to bifurcate --

DR. GHARAVI: Yes.

THE PRESIDENT: -- would you like it to happen after you have filed your memorial on the merits, on jurisdiction and on the merits?

DR. GHARAVI: Before.

THE PRESIDENT: Before?

DR. GHARAVI: Before, yes. Before, because then we will have time to do even a better job. But let's go into that hypothesis, because it will be dramatic if you ultimately decide that with Belmont, or EuroGas stay, because then these proceedings will go for 3, 4 years, until you render an award and we think that's unacceptable and to dismiss -- I don't need to repeat, to dismiss this case fully on jurisdiction, to spare it out on the merits, we would need to dismiss Belmont on the ripeness issue and on the fact we rule that it's not the owner. You have to dismiss it. No, so it's not only -- it's the legal owner, but that is not sufficient, because it's not the beneficial owner.

I'm afraid that we are going to spend four years together. And I suppose, if I may, if
we go fast, if we go and do the -- if we file the
Statement of Claim and the memorial within 15 days,
then Respondent, who already has said, has already
put forward its jurisdictional objection, may need
finetuning in a few weeks. It takes even 3 or
4 months to submit its counter-memorial, assuming
we need a second round. We may not even need a
second round. In any event, everything will be
closed by the end of this year or early next year.

THE PRESIDENT: What about -- if you want

to --

MR. ANWAY: Yes. In a bifurcated
scenario, if Dr. Gharavi would prefer that we file
our jurisdictional objections first, we would be
willing to do so. We would prefer to have their
claim first so we know the exact claim to which we
are raising our jurisdictional objections. But if
he prefers that we file our jurisdictional
objections first, we are prepared to do so and
again we are prepared to do so within the next four
or five weeks.

I have a proposed schedule that I might
offer to the Tribunal along the lines of what we
were just describing, if that would be helpful.

If the Claimant were to file the
Statement of Claim, the Statement of Claim could be filed on March 31st. I think that's roughly the amount of time you asked for. If the Claimant wishes for more time, we are perfectly happy to do that.

The only reason we're trying to speed up the bifurcation is for the Claimant to address their concern about delay. We don't have any desire to speed up the bifurcation process. We are trying to do that as an accommodation to the Claimant.

March 31st for the Statement of Claim.
April 28 for our memorial on jurisdiction.
26 May for the response on jurisdiction.
23 June for the reply on jurisdiction.
And 21 July for the rejoinder on jurisdiction.
That puts us in the middle of summer.
It's hardly significant delay, and you have seen the gravity of the jurisdictional objections at issue.

Now, we can propose a similar schedule where we file our jurisdictional objections first if Claimants would prefer to do that as well. We
are open to the Tribunal and in your hands on that issue. We are trying to be accommodating on this issue, but the one thing that is extremely important to Slovakia is that these jurisdictional objections be bifurcated, because of the costs involved, because particularly if our request for security on costs is denied, that will drive up the costs significantly to be litigating merit issues, to be litigating quantum issues, and to have no type of security guaranteeing that if there is an order for costs in favour of the Slovak Republic at the end of the proceeding, that they are actually able to collect that amount.

PROF. GAILLARD: Just to try to understand what you are saying. If we were minded to bifurcate and if we were minded to tell you "you start," would you just --

MR. ANWAY: We are happy to do.

PROF. GAILLARD: So what you say, if I summarize this, is that for each period you need one month. I mean, you can do the whole thing in a month from now, and then whatever time is discussed with the other side, then you would need a month to answer.

MR. ANWAY: That's correct.
PROF. GAILLARD: So that's what I understood. So it's correct. Then you would suggest, so you start the answer --

MR. ANWAY: We file a reply, they file their rejoinder.

PROF. GAILLARD: They file a rejoinder. So now we have the same question, I guess, for this scenario again, and I guess it would be true also for the other scenarios. We would have to have the Claimants' vision of if they file, whenever you have -- you, Respondent, have filed your full case on jurisdiction, which we understand will have a significant element of Utah law and U.S. Bankruptcy Law, and so on, which would be presumably new for the Claimants. How much time the Claimants would require in that scenario?

MR. ANWAY: Let me just offer --

PROF. GAILLARD: You said one month, one month, but you started to think about it, and they have not.

MR. ANWAY: That's true. Of course, we will give them the time they need to file their memorial. That is only the time that we think --

PROF. GAILLARD: No, that's fair enough.

MR. ANWAY: There is one caveat I should
make here, which is we are not envisioning any type of document production, at least we haven't discussed that in this hearing today relating to jurisdiction. We would ask the Claimants to produce the transactional documents relating to the sale, or the alleged sale, of the 57 percent interest between Belmont and EuroGas back in 2001.

As we talked about earlier today, the document that is in the record is a document we found and put in the record. The signed original document has not been put in the record by the Claimants or any other related transactional documents and that the production of those documents would be necessary to move forward. Save for that, we don't think that a document production phase would be necessary. And, of course, we believe that kind of document would be necessary to sustain jurisdiction on which they have the burden in any event.

DR. GHARAVI: Yes. And how do you contemplate -- may I ask you, how do you contemplate, in the event the Tribunal decides for jurisdiction, to deal with the Belmont ripeness? Don't you think we have to go and discuss the merits? Do you think we have to analyze the law,
the timing of the expropriation, the Supreme Court decisions? How can that be dealt with, without going into the merits and within close -- quick exchanges.

MR. ANWAY: This is precisely the reason we would prefer to have you file the Statement of Claim, so we know the specific claim to which we are raising the jurisdictional objections. But if you decide that you would rather have us file the jurisdictional objections first, we believe there is sufficient detail in your pleadings thus far in the case to enable us to make the jurisdictional objection.

PROF. GAILLARD: So then I have the same question now.

DR. GHARAVI: Subject to seeing what we haven't seen -- I don't know if it's going to come with two legal opinions, no legal opinions, how many court decisions -- we would say 6 weeks to 8 weeks. We are happy to proceed as soon as possible. When I say my clients are sick and they have strokes, and they will not be able to testify, maybe, if this is prolonged, it's true. The guy has a pacemaker. He is not going to be here maybe in 2 or 3 years to testify, even on your
jurisdictional issues, and we are going to have a
fight on the merits regarding Belmont. You want
our Statement of Claim for that. You know that
it's linked to the merits. And if we do a
timetable on the merits, you will see we will
finish, by next year, everything.

THE PRESIDENT: What is it linked to the
merits, can you elaborate a little?

DR. GHARAVI: Belmont, when we say --

Respondent says the dispute should have been
brought earlier than 3 years before the entry into
force of the new Canadian Treaty. That's the
ripeness argument regarding Belmont. So we have to
look at the issue of estoppel. Okay. This we can
look at without going to the merits. But then if
that is not enough to dismiss the objection, then
we have to look at when the dispute arose.

Correct? They themselves are claiming that it
arose -- we failed to implement the Supreme Court
decisions and that it started an expropriation
case. But then at the same time, they say, "we
should have brought it over earlier, because it was
ripe then."

So we are going to go into the merits of
analyzing the Supreme Court decisions, all of them,
to show that that is in any event a separate cause
of action, assuming that they prevail on their
motion that some of the disputes arise earlier and
there was no estoppel. That's why they want our
Statement of Claim. So we are going to have a --
first, we think Belmont will stay. There is no
question about it, and in any event, the objections
are related to the merits.

MR. ANWAY: May I respond to that? The
facts that bear on whether Belmont's claim
predated, was a dispute that predated the 3-year
reach-back period are based on effectively
undisputed facts that there was a decision from a
court on this day, whatever that means. There
doesn't have to be a resolution of what that means,
what that court decision means. There doesn't have
to be a resolution of merit issues to determine the
jurisdictional issue.

When the particular events happened, that
a court decision was handed down on a particular
day and that the lower court transferred the mining
license to a third party again, this time
procedurally proper or not, those are facts. Those
facts don't need to be resolved in terms of what
they mean under public international law to
determine when they occurred.

The point is that nothing needs to be resolved that's in dispute concerning the merits to address that jurisdictional objection, and of course that's only one of three jurisdictional objections we have identified. The other three have nothing to do with the merits of this dispute. So we don't think any issues have to be decided on the merits to address these jurisdictional objections.

DR. Gharavi: Regarding Belmont, there are two issues. One is this, which is absolutely link to the merits and the other is legal beneficial ownership, and it's a hundred percent sure they are legal owner, and we claim that we are also beneficial. So we will state --

Mr. Anway: But that's not an issue that pertains to the merits of the case.

DR. Gharavi: No, but I would say there are two issues.

Prof. Gaillard: Do you accept on the Respondent's side that at least the legal ownership would be clear, or what is the position with respect to the legal ownership?

Mr. Anway: As it related to the merits?
PROF. GAILLARD: No, in terms of is it contested or not?

DR. GHRARAVI: C-74 is the document.

MR. ANWAY: It's my fault, I apologize.

PROF. GAILLARD: What is the position on C-74 on the Respondent's side?

MR. ANWAY: Mr. Chairman, with your leave, I might defer to someone who knows a little bit more about Slovak law than I do, my colleague, Mr. Pekar.

MR. PEKAR: Thank you, Mr. Chairman.

Under Slovak law as it existed until 2012, the registration of ownership was not necessary for the transfer of legal title to happen. In other words, if there was a transaction by which the ownership title in Rozmin passed from Belmont to EuroGas I, the fact that Belmont was always registered as the owner in the Slovak Commercial Registry does not mean that the transfer as such was ineffective. This is not a discussion about legal versus beneficial ownership. I am speaking about legal and beneficial -- well, legal ownership. There may have been something on beneficial ownership, obviously.

So this exhibit only shows that Rozmin
and/or EuroGas I did not care to register the
ownership by EuroGas I in the Slovak Commercial
Registry, but it had absolutely no impact
whatsoever on the validity of the underlying
transaction, the transfer of ownership title to
EuroGas I.

THE PRESIDENT: Thank you. You have the
possibility of answering --

DR. GHIARAVI: It's their own document
that proves that we are the legal owner of the
57 percent shares. So that is a fact.

Now, according to Slovak law, if legal
ownership registered within their own company does
not in practice amount to true legal ownership, I
mean, that's something that they would have to
plead in due course. That has not been pleaded.
This is a reality: 57 percent legal ownership.

That's the legal reality that is registered in your
own courts. So I'm afraid that bifurcating based
on the theory of this gentleman just defies logic.
We are the legal owners.

MR. PEKAR: Mr. Chairman, I would
normally propose that we address this point in our
submissions after this session, because then we can
provide proper analysis under Slovak law and I
understand the difficulty for the Tribunal, because we haven't, neither party has adduced the relevant Slovak law authorities to resolve this point.

As a qualified Czech lawyer -- and this regulation dates back from the times of Czechoslovakia actually, this is frankly something which is taught in the first year of commercial law, that the registration in the business register is not constitutive. It's only something which is there registered, if either the entity that acquired the ownership or the company itself cared to register it. That's all. It has no legal effect other than create some rebuttable presumption of ownership for good faith purposes with respect to third parties, to be exactly concrete. But the underlying ownership issue cannot be resolved just by looking at who is the registered owner.

THE PRESIDENT: Okay. I think that's probably the end of this discussion. So we are going to come back as early as we can.

(Recess taken - 7:13 p.m.)

(Proceedings resumed - 7:55 p.m.)

THE PRESIDENT: We have not made many decisions. We have decided on the third-party
funder. We think that the Claimants should disclose the identity of the third-party funder, and that third-party funder will have the normal obligations of confidentiality.

On the other issues, we will decide later. The problem of bifurcation or no bifurcation is very complex and we would like to take a little more time to think about it, and decide probably within or after a week from now. But since we are here together, we would like to envisage the two scenarios with bifurcation and without bifurcation. That is to some extent linked with the issue of the three new documents. We think that maybe you need a week or less to file your explanations, your arguments.

MR. ANWAY: We could be -- plenty of time, we are happy to do that within that time period.

THE PRESIDENT: Okay. So that would lead us to the 24th of March. And we thought 10 days to react?

DR. GHARAVI: Yes, that's fine.

THE PRESIDENT: Okay. The 3rd of April.

DR. GHARAVI: Yes.

THE PRESIDENT: So let's look at the
scenario with bifurcation. Respondent shoots first on jurisdiction.

MR. ANWAY: This is to be clearly envisioning a scenario where the Claimant has not filed any Statement of Claim.

THE PRESIDENT: That's right. And you requested 4 weeks which -- well, if it started now, that would make things more easy for some issues of the month of August. But since we are not at all sure that there will be bifurcation, we understand that maybe you wouldn't like to start working before knowing. What do you say?

MR. ANWAY: I think that's right.

THE PRESIDENT: So the 4 weeks would start on -- yes, the date for your memorial on jurisdiction will be on the 24th of April.

MR. ANWAY: Mr. Chairman, if I can make one note. We had noted that we did not envision a document production phase in a bifurcated scenario, but that was under the assumption that Claimant disclosed the Belmont to EuroGas transactional documents regarding the sale of the 57 percent interest and any modifications to it thereafter. So we obviously need to have that disclosure in sufficient time if we are talking about a 4-week
period, to be able to properly analyze it and address it in our submission.

THE PRESIDENT: Would you object to that?

DR. GHARAVI: If there is bifurcation, we have no objection to disclosing these or any other documents that may -- we may ourselves wish to even produce more for you to address in advance. So we would have no objection in the event of bifurcation.

THE PRESIDENT: And why not in the other scenario? I mean --

DR. GHARAVI: That would first --

THE PRESIDENT: That is necessary, that is needed for our decision on provisional measures. That's part of the decision on provisional measures, since you put the jurisdictional arguments within your argument on provisional measures.

DR. GHARAVI: We would need to comment back and forth again on this point. I thought you would need that for the jurisdictional objections, the first round.

MR. ANWAY: Our position on this issue is that it is the Claimants' burden, if they are to advance a request for provisional measures, to
satisfy the Tribunal that it has *prima facie* jurisdiction. We have contended today that they have not satisfied that burden. That may be for a variety of reasons, but one of them is it has not put in the documentary evidence to establish the proposition that they are asserting, which was that the 57 percent interest was not transferred. This document that was put into the record, as I noted, was the document of sale transaction in 2001 regarding the --

THE PRESIDENT: We have not read these -- I am talking about the documents that you filed.

MR. ANWAY: Okay. The document that I was stating we needed production of, and I understood you agreed, to produce was the 2001 agreement between Belmont and EuroGas regarding the sale of the 57 percent interest and any documents that modified that arrangement thereafter, which are different than those 3 that we attempted to put in the record 2 days ago. That's I think why I was confused.

THE PRESIDENT: I at least was confused, and I thought that concerned EuroGas, and not Belmont. In fact it's --

MR. ANWAY: It's both.
THE PRESIDENT: It's both?

MR. ANWAY: It's both. The 3 documents we attempted to put in the record we understand will be after this hearing admitted into the record, and we will comment upon those within the next week. But with respect to the separate agreement between EuroGas and Belmont in 2001 regarding the sale of Belmont's 57 percent interest --

THE PRESIDENT: That's for jurisdiction.

MR. ANWAY: That's for jurisdiction.

That's what we need produced, to be able to file our jurisdictional objections and any modifications to that arrangement.

THE PRESIDENT: So in that scenario of bifurcation, and you accept to produce these documents?

DR. GHARAVI: Yes.

THE PRESIDENT: And that should be done as soon as possible.

DR. GHARAVI: Once you decide hopefully not on bifurcation, then we will produce as soon as possible. We have -- we believe to have everything. We certainly have the 2001 agreement, and we should have the rest. If not, we will be in
a position to get them all promptly to you, yes.

THE PRESIDENT: Supposing we decide bifurcation immediately, you will produce?

DR. GHARAVI: Yes, yes, yes, yes, yes, that is fine.

THE PRESIDENT: Okay. Now, 24th of April. How long would you need?

DR. GHARAVI: On the representation that Respondent has put its case forward, it has nothing much more to say. We would need 6, 7, 8 weeks, unless Respondent comes with legal opinions, many, many --

THE PRESIDENT: Sorry.

DR. GHARAVI: That's in the event of bifurcation, yes. If Respondent does not wish to bring in legal opinions --

PROF. GAILLARD: Maybe you should ask squarely what -- do you intend to have legal opinions or is that in the costs or not... (off mic.)

I'm sorry, I was asking the Respondent whether they have in mind to have the -- because we heard the short version today, I guess. But do you have in mind to give legal opinions to support these statements, because that is another game that
if it's just legal or legal argument on these
points of law, it's different.

MR. ANWAY: Would you permit me to
consult with my colleagues on that question? Thank
you, sir. (Short pause.)

We cannot foreclose the possibility that
we may put into evidence a legal opinion on, for
example, Utah law or Slovak law, concerning the
issue you asked about earlier, Prof. Gaillard.

PROF. GAILLARD: That is what I
suspected, at least, that you would consider that.

MR. ANWAY: We cannot foreclose that
possibility --

PROF. GAILLARD: -- saying, given what
your case is, I would suspect that's a possibility,
and that is in fairness for the Claimant. They
should know that when we discuss the calendar.

MR. ANWAY: That's a fair point.

DR. GCHARAVI: If there are legal opinions
on Slovak law especially, and Utah law, then it
does no longer depend on me; it depends on the
identification of the Slovak law. We could address
that. Utah lawyers we have, or they can be
available or not. We are looking into 2 and a half
months, so it's not 6 or 7 weeks, if there are
legal opinions on both issues. So we'd say 2 and a half months to be on the safe side, and I have a further caveat that I want to introduce in regard to timing. It's that while you were away, there were preliminary discussions between my clients on this issue, but the turn this is taking, especially if there is a bifurcation, there may be -- I would say in the event of bifurcation, there is likely to be the need for separate counsel to represent the two Claimants, because their interests may at some point diverge. They have a common front on the merits, but some representations I have been taking in relation to EuroGas, Belmont -- so I am not -- this is the instruction that I was given in between the breaks, it's that that contemplated scenario may concretize.

So you may have a new counsel that appears before you or you may have me, same counsel, but representing either EuroGas or Belmont.

THE PRESIDENT: But that happens whether there is bifurcation or not, because the jurisdictional issue is necessary there.

DR. Gharavi: Yes, it would, but it would happen -- it would not have an impact on the time
frame, because the Statement of Claim at least will be issued. There is a common front on the merits on this issue. So they will have time to contemplate that and address that, without any impact on the timetable in 4 or 5 months, let's say, because a decision will be taken in the coming weeks.

PROF. STERN: In the Statement of Claim, you assert also that we have jurisdiction, so you have also jurisdictional arguments, I guess.

DR. GHARAVI: Yes. No, no, we don't have much on the jurisdiction. We have the *prima facie* jurisdiction. We don't go into details in addressing everything they say. It focuses on quantum, on merits and some aspects of jurisdiction.

But, to answer you, if there are no legal opinions, we need 6 weeks. I say we'd be happy to live with that. If there are legal opinions, then the ball is not in counsel's court or nor in my clients'. It depends on counsel. On the safe side, we would accept 2 and a half months. If another counsel comes in, it's a different story.

MR. ANWAY: Mr. Chairman, if the suggestion is that as soon as an expert report may
be submitted with any submission, all of a sudden we can't talk about schedule, then there'd be no point talking about a non-bifurcated schedule, because there will clearly be expert reports and, indeed, likely several of them. We would have to address quantum issues. There are all sorts of other issues.

THE PRESIDENT: In any case, there will be -- there may not be trifurcation, but there will certainly be bifurcation between liability and quantum. So what we are contemplating now is either bifurcation, already bifurcation on the issue of jurisdiction or no bifurcation on that, leading to liability.

Well, 2 months?

DR. Gharavi: Yes, yes, 2 months is good. It will be more than enough, but if we see 3 or 4 legal opinions, for example, we will make a motion and justify the motion for a reasonable delay.

THE PRESIDENT: So 24th of April brings us to 24th of June. Then one month brings us to the 24th of July. And then there is August. So normally it would be one month, which would bring us to the 24th of August, but we accept that's August, working in the whole month of August may be
too hard.

DR. GHAHARI: Yes, we would say 15th of September, would that be reasonable?

THE PRESIDENT: We have contemplated -- yes, 15th of September. What is it? It's a Tuesday, yes? I think it's okay. 15th of September.

Then for the hearing, we probably do not need more than two days.

MR. ANWAY: I think that's right.

DR. GHAHARI: The scenario, two days. We have discussed and checked our availability and we would have two days available to be chosen between three days, which would be the 16th, 17th and 18th of November. Which do you prefer? 16, 17 or 18?

MR. ANWAY: Will you bear with me while our team checks the calendars?

THE PRESIDENT: Yes.

DR. GHAHARI: I am afraid we have an ICSID hearing on those dates. We have hearings the whole month of November.

THE PRESIDENT: In that case --

MR. ANWAY: You say you have hearings on each one of those days?
DR. GHARAVI: Yes.

MR. ANWAY: I am afraid I do as well.

THE PRESIDENT: Okay.

MR. ANWAY: It's different. It's an UNCITRAL arbitration.

THE PRESIDENT: We are busy in December. So that brings us to January, the beginning of January.

MR. ANWAY: Early January?

THE PRESIDENT: Early January?

That would be possible, the first week.

MR. ANWAY: I think that would be possible, the first week.

THE PRESIDENT: Okay, 4 and 5, 5 and 6, do you have a preference? 6 and 7?

MR. ANWAY: 6 and 7 would be best for us.

THE PRESIDENT: Okay?

DR. GHARAVI: Okay.

MR. ANWAY: Mr. Chairman, if we do adopt that schedule, there is probably not a need to rush to do the submissions so quickly, since --

THE PRESIDENT: We would adjust.

MR. ANWAY: Yes, I think we could fill it in a little bit to make it more comfortable, since there's no point in rushing.
THE PRESIDENT: Maybe you can agree.

MR. ANWAY: We can talk about it.

THE PRESIDENT: We would agree.

DR. GHARAVI: Yes. This is subject also
to the availability of any experts that you may
call.

MR. ANWAY: Yes.

THE PRESIDENT: But that's in case there
is bifurcation. In case there is no bifurcation
and we go on jurisdiction plus liability.

MR. ANWAY: But not quantum.

THE PRESIDENT: But not quantum.

So Claimants said you would need?

DR. GHARAVI: 15 days.

THE PRESIDENT: 15 days. No issue with
starting, because it's already there, it's just
refining.

DR. GHARAVI: Actually we have a quantum
report as well. You don't want it though. We paid
for it... (several speakers at the same time).

THE PRESIDENT: So 31st of March?

DR. GHARAVI: Fine, yes.

THE PRESIDENT: Then Respondents?

MR. ANWAY: Mr. Chairman, would you
permit me to consult with our client and other
colleagues? This is not something we have envisioned before and talked about before. So if I could have a minute.

THE PRESIDENT: Thank you.

(Short pause.)

MR. ANWAY: Mr. Chairman, the consensus is that we would need not less than three months to prepare a kind of memorial on liability and jurisdiction.

THE PRESIDENT: Which would bring us to 30th June. Then there will be a request or requests for document productions probably, or that cannot be excluded?

DR. GHARAVI: They have all of ours. I'm joking!

MR. ANWAY: We can recheck them.

THE PRESIDENT: Do you think --

DR. GHARAVI: I propose we do that simultaneously with our briefs; with the Statement of Claim, we ask for the documents we want. And with the counter-memorial, they respond, instead of blocking a particular time for this. We do not contemplate asking for many documents.

THE PRESIDENT: There's always an advantage to have that phase after the first
exchange of memorials, because we know what is relevant or we have a better idea, at least.

MR. ANWAY: I think we will be comfortable with some document production after the initial exchange of pleadings.

THE PRESIDENT: And we -- let's say one month for the whole thing, which brings us to the end of July. Then we have Claimants.

DR. GHARAVI: We can start working in July already. In August we will take a break, and then we come back in September, I would say. 15th of October, would that be acceptable? Or end of September, would that work?

THE PRESIDENT: Yes.

DR. GHARAVI: But please note that there is document production in between and there is the month of August.

THE PRESIDENT: Yes, yes, yes.

DR. GHARAVI: So we are making an effort.

THE PRESIDENT: We are grateful.

Everybody is grateful. 30th of September.

And then Respondent -- anyway, we have the same problem of hearing, which will be January. So let's have that in mind.

(Short pause.)
MR. ANWAY: Okay. As we indicated, we have hearings, as I understand you do as well, in November, in fact we have 3 of them, so it will be quite difficult for us to do this before the end of the year. We would propose the end of January to file our Rejoinder. We might be able to push it to mid-January, if that makes a difference, but it would be extraordinarily difficult for us in that 2-month period if we are looking at October and November, given all of the hearings we have, to file the Rejoinder at that time.

(Arbitrators conferred.)

DR. GHARAVI: May I suggest something?

THE PRESIDENT: Yes.

DR. GHARAVI: We can make an effort to submit our reply on 15th of September, if it helps you to submit mid-December, so that we can even review it during Christmas and have the whole hearing in January.

THE PRESIDENT: I think it's a fair proposal.

MR. ANWAY: We are in the Tribunal's hands. As I say, we are in the Tribunal's hands. I hesitate to agree to that, because I think it would interfere with much of the preparation we
need to be doing for the hearings that we have
upcoming, but if that is the Tribunal's wish, then
of course we'll respect it.

THE PRESIDENT: I think from 15th of
September until mid-December, that's 3 months:
October, November, December. That's, I think --
even, of course, you have other hearings, we
understand that, but that must not be a reason to
prolong excessively any arbitration. So I think
it's a fair proposal. 15 September, which is a
Thursday, and 15 November(sic), which is a
Thursday(sic).

And we can have -- in the first week of
January for the hearing, there we need, we suppose
-- someone said earlier 4 days, is that --

DR. GHARAVI: We suggested 3 to 4 days.
Yes, I think 4 days would be plenty, especially if
you don't have quantum.

THE PRESIDENT: We will have 4 days in
the first week of January.

MR. ANWAY: Just one point of
clarification, then I'll respond to that. The
point of clarification is, I believe, Mr. Chairman,
you referred to our Rejoinder being due on 15
November?
THE PRESIDENT: December.

MR. ANWAY: December. I just wanted to clarify that for the record.

Second, we view the difference between a jurisdictional hearing and a jurisdiction and merits hearing to be significantly different, and we think, with witness preparation, both witnesses and experts, holidays, of course, with Christmas and the New Year --

THE PRESIDENT: Yes, so forget about the first week of January.

MR. ANWAY: Yes, I think that would be a bit challenging. I think we would be looking at something at the earliest end of January, and more likely --

PROF. GAILLARD: I cannot --

MR. ANWAY: We would be comfortable, of course, having it in February if that makes sense. That does not strike us as unreasonably long, given --

THE PRESIDENT: It would not be unreasonable, but unfortunately the Tribunal in February has no possibility at all. The only possibility we have is the third week of January, the week of the 18th -- 18th.
DR. GHARAVI: I have a hearing on the 18th unfortunately, and I would like to just bounce back on what my learned colleague just said.

I really appreciate the difficulty, but the difficulty is on us, because they would have had our Reply memorial. So we have the Rejoinder to struggle with and prepare. So they have all this time to prepare for a hearing in January. And we are willing to accept that burden of reviewing the Rejoinder within three weeks and preparing for the hearing.

THE PRESIDENT: You mean you insist on the first week of January?

DR. GHARAVI: Yes, especially if it's going to send us back --

THE PRESIDENT: No, I thought you were not available on the --

DR. GHARAVI: Yes, I have a hearing from the 18th to the 21st.

PROF. GAILLARD: What about the second week of January?

DR. GHARAVI: Second week, I am available, yes, the 11th, week of the 11th.

(Short pause.)

MR. ANWAY: Unfortunately, counsel is not
available that second week of January.

THE PRESIDENT: The problem is that that brings us very far.

(Short pause.)

THE PRESIDENT: Well, what I am thinking is it's one consideration for the choice of bifurcation or no bifurcation, because if we have to land in May --

DR. GHARAVI: My point is, what was the problem with January, early January? It's to add two dates to the date of the jurisdictional hearing, because the burden again is on Claimants.

PROF. STERN: Even for us to read ...

(off mic.) I mean, we will have the last writing on 15th of December.

DR. GHARAVI: Yes, but that would be only the Rejoinder, right?

PROF. STERN: But I read everything together.

DR. GHARAVI: You read all. We will do it short for you.

PROF. STERN: Well, that is a change of habit!

DR. GHARAVI: It depends on the opposing counsel. They are not the same opposing counsel.
THE PRESIDENT: I think we are going to discuss among ourselves.

MR. ANWAY: Just to be clear, we are not available the first full week of January. We were available for those two days on jurisdiction, I think you heard me consulting with my colleagues, but for a 3 or 4, or 5 or 6-day hearing, we are not available during that time period.

THE PRESIDENT: What about the third week? What was said? Who wasn't available? The third week of January.

DR. GHARAVI: The third week of --

MR. ANWAY: We were not available. Counsel is not available. You are not available?

THE PRESIDENT: Second week?

DR. GHARAVI: We are both not available.

THE PRESIDENT: In which week of January are you not available?

PROF. GAILLARD: The third week, are you sure you cannot accommodate?

DR. GHARAVI: I am an arbitrator, so unless I resign, I have to --

THE PRESIDENT: It's forbidden.

DR. GHARAVI: It's forbidden, yes. But how many days have you in mind for the hearing?
Four days?

THE PRESIDENT: At least, in fact, because jurisdictional in itself is rather complex.

DR. Gharavi: If we block the 6th and 7th, the 8th would make it on a Friday.

THE PRESIDENT: Which month?

DR. Gharavi: In January. We block the 6th and the 7th, correct? The Friday, you are not available on the Friday?

Mr. Anway: I think it was the 6th and 7th if it was a jurisdictional hearing, but longer than two days we do not have the availability.

DR. Gharavi: On the 8th?

THE PRESIDENT: Who is not available in the second week?

Mr. Anway: I am not. We are not available on the second week. As I understand it, Dr. Gharavi and his team are not available on the third week.

DR. Gharavi: Correct. Not the entire third week, yes.

THE PRESIDENT: Fourth week?

PROF. Stern: I am not available.

THE PRESIDENT: Then February is very bad. And March, and then April.
PROF. STERN: March is bad also, 7th to 11th?

PROF. GAILLARD: I can't.

PROF. STERN: 30 May. 2, 3 June?

(Arbitrators conferred.)

PROF. STERN: 30 May to 3rd June?

THE PRESIDENT: I think we are going to -- I think we are going to discuss a little before coming back.

DR. Gharavi: One option would be -- I am sorry, I apologize if I got it wrong, but we are meeting the 6th and 7th of January, we're doing the jurisdictional objection. If we can do it on a Friday, add Friday, and then a Saturday, then we're done, at least in Paris.

MR. ANWAY: As I understand it, we are not available beyond those two days that we had specified for a jurisdictional only hearing.

THE PRESIDENT: Before we withdraw, let's see where that leads us. Forget about April already. Then in May, except part of the second week?

(Arbitrators conferred.)

THE PRESIDENT: 30th of May till 3rd of June.
MR. ANWAY: That would work for Respondent.

DR. Gharavi: 30th of May, I have a hearing. I don't have the previous ones, but I have a hearing. You know, I am willing, because the case is important, to try to remove my hearing on the third week, because it has a material impact on my clients. So to step down, so we can block the third week.

PROF. GAILLARD: Of January?

DR. Gharavi: Of January, yes.

PROF. GAILLARD: We are back to January.

DR. Gharavi: Yes, because I hear Prof. Mayer say that this may also have an impact on the jurisdictional objection. I don't think it should have an impact, but I just cannot take the risk for my clients because of the situation that I described.

That's fine for the third week. If we could have it -- if we can limit it to 4 days, I would appreciate it, starting on -- it doesn't matter actually, because the hearing was for more than 3 days. So that's fine, Third week.

THE PRESIDENT: Third week starting on the 18th, the whole week. Okay?
MR. ANWAY: We are able to do that.

PROF. GAILLARD: Okay. It is your position, Respondent, that you need the full week? That would be your desire, or you think you prefer 4 days? Is that something you can say?

MR. ANWAY: It's difficult to know without knowing how many witnesses and experts there will be.

PROF. GAILLARD: That is what I suspected.

THE PRESIDENT: It's prudent to reserve the whole week and then we can shorten it.

MR. ANWAY: I think that's right.

DR. GHARAVI: There is no possibility of, in case of non-bifurcation, to splitting that between 6th and 7th, and starting the opening on the 6th or 7th, and doing -- limiting the week of the 18th to the witnesses?

THE PRESIDENT: Sorry, I was distracted.

DR. GHARAVI: I am suggesting whether it would be possible, in the event there is no bifurcation, to use the 6th and 7th for opening statements.

MR. ANWAY: Mr. Chairman, as I stated earlier, when you are talking about a hearing
that's no longer just jurisdictional, but now involves all of the merits, it is a dramatically different hearing, it is dramatically different preparation and leading up to the hearing. There are travel schedules. Not everyone on this side of the room at least lives here. All of that needs to be accounted for. I don't think that first week of January works, if it's more than jurisdictional.

THE PRESIDENT: 18th. All right. Now, your request for -- I don't know if it's one or several documents.

MR. ANWAY: We don't either.

THE PRESIDENT: Okay. Can you describe that now very clearly?

MR. ANWAY: Yes. We understand that there is a contract between Belmont and EuroGas I from 2001. The version of that contract we found on the Internet shows a date on the front of the agreement that says -- and my colleagues will correct me if I am wrong, I believe it's the 27th of March 2001. That agreement is referenced in a 10-K filing that shows that the agreement was signed or took effect on a different date, which I believe was 17 April 2001. This was the question that Prof. Stern asked at the beginning of the
presentations today.

The Claimants had never put that document into the record. The version we have, which is found again on the Internet, and I believe on the SEC website, is unsigned. We don't know if it's the final version. It's certainly not the original and it's certainly not a signed version.

So before we file our jurisdictional objections, whether in a bifurcated or a non-bifurcated situation, we would like production of that document and any related documents to that transaction, as well as any modifications to that transaction that may have occurred later. And the reason is because if that contract effectuated a transfer of the 57 percent interest from Belmont to EuroGas I, that was before EuroGas I was dissolved, and it would mean that Belmont does not have any investment for purposes of this case. So it's a crucially important document that for whatever reason the Claimants have not put into the record thus far. We need that document and any related documents, collateral agreements or otherwise, before we are able to file our jurisdictional objections.

THE PRESIDENT: Is that description clear
enough?

DR. GHARAVI: It is clear. We have not put it forward by the way, because it was not the time and place, and that argument was not as clearly put. We have nothing to hide. The problem I have with my client is he posts everything on the Internet, that's why you find so many information. So we will be happy to produce that.

THE PRESIDENT: Okay. Contrary to what we have said earlier, we would need it rapidly.

DR. GHARAVI: We agreed. We said --

THE PRESIDENT: I know, but -- no, no, I mentioned a date.

DR. GHARAVI: Okay. If I understand the directions correctly, you mentioned if the decision to bifurcate is taken, we would have to produce it immediately.

THE PRESIDENT: Yes, that's what I said. But a change of mind, after discussion between the arbitrators.

DR. GHARAVI: Okay.

THE PRESIDENT: We in fact need it now. Now means, of course, as soon as practicable, which is --

DR. GHARAVI: Okay.
THE PRESIDENT: Within 2 or 3 days.

DR. GHARAVI: Okay. I have no -- if we produce the agreement itself tomorrow and then have time to make sure that we collect everything and we put it exhaustively by the time you take your decision on bifurcation, is that acceptable?

THE PRESIDENT: Before.

DR. GHARAVI: Before that, okay.

THE PRESIDENT: The beginning, the very beginning of next week.

DR. GHARAVI: Monday.

THE PRESIDENT: Monday -- in fact Monday, on Monday.

DR. GHARAVI: We think we have everything, then we hope to be able to satisfy your request. As you see, I haven't consulted with my client. We think we have everything and we believe to be in a position to provide it by then. But then I am afraid we are going into a completely different thing, because submitting it as is without comments from each side -- Respondent would want a comment, Claimant would want a comment. It's something completely new that you have decided, which has implications.

THE PRESIDENT: We are not going to
decide the issue of jurisdiction on the basis of that document, but we would like to have it before deciding on bifurcation.

DR. GHARAVI: I understand, but you are going to take a decision based on a document without any comments, and for us, it's a material decision you are going to take.

I am just pointing -- I mean, the Respondent would want to comment. I'm just telling you that it may raise issues, but we are happy to follow your, of course, directions.

THE PRESIDENT: We can, I think, when we see it, see whether it's useable or not, without any comments from anybody. So we request to have these documents as soon as possible for some of them, and at least not -- at the latest on Monday, next Monday.

DR. GHARAVI: Okay, fine.

THE PRESIDENT: Well, is there anything else? It's more than 7:30.

DR. GHARAVI: Yes. We wanted just to express, without making an incident, just a decision to bifurcate liability and quantum. I mean you have taken it. We haven't discussed it at all, so we don't know the rationale, you don't have
our comments. But that's fine, I just wanted to express that to you. We will live with it. That's fine.

THE PRESIDENT: I mean, it's not a definitive decision. It's what we call -- when we make a comparison, we take that hypothesis.

DR. Gharavi: Okay. Fine.

THE PRESIDENT: Because we have to see what is on the one side and what is on the other side.

DR. Gharavi: No, no, that's fine.

THE PRESIDENT: It's not impossible that we change our mind. It depends on the scenario.

Mr. Anway: We have no further comment. We would just like to thank the Tribunal for its attention today. Thank you.

DR. Gharavi: Thank you for your availability.

THE PRESIDENT: Thank you very much. You will have our decisions, there are 2 or 3 still to make, soon.

DR. Gharavi: Just a reminder that the 15 days by which we submit our memorial is from the date of your decision or -- because it has an impact with -- we are working on quantum, we are
finalizing quantum now. So we continue working. The 15 days, how do you see it? Do we put it 10 days from your decision? Would that be fair? We have dates, we have specific dates. We'll leave it. We'll leave the dates.

THE PRESIDENT: Okay.
And, of course, we thank the court reporter who has had quite a lot to do for quite a long time. And thank you, both sides. Thank you.

(Whereupon, the hearing ended at 8:47 p.m.)
CERTIFICATE OF REPORTER

I, YVONNE VANVI, the Court Reporter before whom the above hearing was taken, do hereby certify that the said hearing was taken by me to the best of my skill and ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Done and signed this 18th day of March 2015, in the city of Paris, France.

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YVONNE VANVI