



Meg Kinnear
Secretary-General
International Centre for the Settlement of Investment
Disputes
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Washington, D.C. 20433
United States of America

By Email and Post

June 28, 2012

**Commerce Group Corp and San Sebastian Gold Mines Inc v. Republic of El Salvador
(ICSID Case No. ARB/09/17) - Annulment Proceedings**

Dear Ms Kinnear,

I refer to Mr Parada's letter of 26 June on behalf of the Respondent.

The issues raised in Mr Parada's letter are completely irrelevant to the issue of the extension of the stay of proceedings or to Claimants' right to instruct the lawyer of their choice. Regrettably, Mr Parada seems to be employing a tactic he has already adopted in the case brought by Pacific Rim against El Salvador where he also liberally accused opposing counsel of wrongdoing (<http://www.globalarbitrationreview.com/news/article/30599/counsel-clash-el-salvador-claim/>).

However, to avoid any doubt on these issues, I note that:

1. Mr Parada's argument that Freshfields is precluded from representing the Claimants in this case as a result of Freshfields' representation of the Republic of Guatemala in entirely separate claims, simply because the claims are brought under the same free trade agreement, is untenable.

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2. In the DR CAFTA claim in which Freshfields is defending the Republic of Guatemala (*TECO v Republic of Guatemala*), Guatemala has raised no objection in connection with the waiver provisions of the DR CAFTA Treaty.

3. I understand that Freshfields enquired whether the Republic of El Salvador was represented by counsel after a story regarding the claim appeared in GAR in July 2009. However, Freshfields did not tender an offer to represent the Republic of El Salvador in this case as the Republic of El Salvador indicated that it was represented by counsel. This was before the Claimants approached Freshfields with respect to this case.

Claimants respectfully request that the ad hoc panel ignore the irrelevant issues that Mr Parada has raised to distract from the only relevant issue here: whether Claimants, whose means of financing this claim have been destroyed by Respondent's actions, may be granted a modest additional 60 days to finalise active discussions with potential financiers that may enable it to exercise its rights under the ICSID Convention.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Nigel Blackaby', with a long, sweeping flourish extending from the end.

Nigel Blackaby