

Australian Government

Attorney-General's Department

MC16-143958

11 January 2017

Mr Harold E Patricoff Shutts & Bowen LLP 200 South Biscayne Boulevard MIAMI By email: <u>hpatricoff@shutts.com</u>

Dear Mr Patricoff

APR Energy

I refer to your letter dated 30 November 2016, which you advise operates as a notice of dispute under the Australia – United States Free Trade Agreement (AUSFTA) in relation to allegations made by APR Energy.

The Australian Government does not consider that APR Energy has jurisdiction to bring a dispute under AUSFTA, or any other international agreement, in relation to this matter. Furthermore, the Government is confident that, in all respects, it has complied with its obligations under AUSFTA. Any loss incurred by APR Energy is a direct result of APR Energy's failure to exercise due diligence regarding existing requirements of Australian securities law.

Accordingly, the Government respectfully refuses your request to conduct negotiations to resolve this dispute.

Yours sincerely

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John Reid First Assistant Secretary Office of International Law

Telephone:(02) 6141 3554Email:john.reid@ag.gov.au