

International Centre for Settlement of Investment Disputes

1818 H Street, N.W., Washington, D.C. 20433 U.S.A.
Telephone: (202) 458-1534 Faxes: (202) 522-2615 / (202) 522-2027
Website: www.worldbank.org/icsid

July 29, 2009

By e-mail

Commerce Group Corp. and
San Sebastian Gold Mines, Inc.
c/o Mr. John E. Machulak
Machulak, Robertson & Sodos, S.C.
1733 North Farwell Avenue
Milwaukee, Wisconsin 53202

Re: Request for Arbitration of Commerce Group Corp. and San Sebastian Gold Mines, Inc.
v. Republic of El Salvador

Dear Sir,

As we continue our review of your request for arbitration dated July 2, 2009, we ask that you provide by August 7, 2009 the following information:

1. A copy of the Investment Law of El Salvador (*Ley de Inversiones*);
2. Confirmation that Commerce Group Corp. (Commerce) and San Sebastian Gold Mines, Inc. (Sanseb) have complied with the requirement of Rule 2(1)(f) of the ICSID Rules of Procedure for the Institution of Conciliation and Arbitration Proceedings;
3. A consent in writing issued by Commerce and Sanseb to the appointment of each individual member of the tribunal, as required by Article 10.19.4(b) of CAFTA;
4. An explanation as to whether Commerce and Sanseb are in compliance with CAFTA Article 10.18.4, with respect to any previous submissions addressing the same alleged breaches to: i) an administrative tribunal of El Salvador; and to ii) a court of El Salvador for adjudication or resolution, particularly in view of paragraphs 22 and 24 of the request for arbitration; and
5. Pursuant to Annex 10-E (1) and (2) of CAFTA, confirmation that Commerce and Sanseb have not initiated a proceeding before a court or administrative tribunal of a Central American Party or the Dominican Republic regarding the breaches of an

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obligation under Section A of Chapter Ten of CAFTA, included in the request for arbitration.

Sincerely yours,

A handwritten signature in black ink, reading "Eloïse Obadia". The signature is written in a cursive style with a long horizontal flourish at the end.

Eloïse M. Obadia
Senior Counsel

cc:

Republic of El Salvador
c/o Mr. Aquiles Parada
Secretario General
Fiscalía General de la República de El Salvador
Final 4^a Calle Oriente y 19 Avenida Sur
Residencial Primavera, Santa Tecla
El Salvador