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December 11, 2012

Members of the *ad hoc* Committee
Professor Emmanuel Gaillard
Professor Michael C. Pryles
Professor Christoph Schreuer

Re: Commerce Group Corp. and San Sebastian Gold Mines, Inc. vs.
Republic of El Salvador
(ICSID Case No. ARB/09/17) - Annulment Proceeding

Dear Members of the Committee:

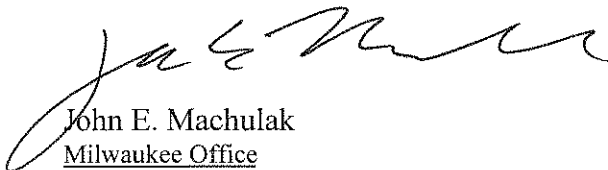
I am writing on behalf of Commerce Group Corp. and San Sebastian Gold Mines, Inc. in response to Mr. Luis Parada's December 4, 2012 letter, and in particular, his request to extend the current due date for El Salvador to file its Rejoinder, which is now December 28, 2012.

To be perfectly candid with the Committee, we did not expect a request for an additional \$150,000 in advance of the annulment hearing. We have no intention of causing this matter to lapse into a discontinuance. However, as of today, I do not believe that we will have the requested payment by December 17, 2012.

We trust the Committee's judgment as to the most reasonable way to proceed. We can assure the Committee that our actions are by no means a strategic ploy to have El Salvador's Rejoinder in our possession months ahead of a hearing date.

Thank you for your kind considerations.

Very truly yours,



John E. Machulak
Milwaukee Office

JEM:emk

cc: Luis Parada, Esq.
Commerce Group Corp.