

December 21, 2012

By email

Commerce Group Corp. and
San Sebastian Gold Mine, Inc.
c/o Mr. John E. Machulak
Machulak, Robertson & Sodos, S.C.
1733 North Farwell Avenue
Milwaukee, Wisconsin 53202
U.S.A.
and
c/o Mr. Nigel Blackaby
Freshfields Bruckhaus Deringer US LLP
701 Pennsylvania Avenue, NW
Suite 600
Washington, D.C. 20004-2692
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Republic of El Salvador
c/o Mr. Derek Smith and
Mr. Luis Parada
Foley Hoag LLP
1875 K Street NW
Suite 800
Washington, DC 20006
U.S.A.

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

Dear Sirs,

Further to our letter of December 19, 2012, the *ad hoc* Committee has decided to stay the proceeding pursuant to Administrative and Financial Regulation 14(3)(d) and (e).

If the proceeding is stayed for non-payment for a consecutive period in excess of six months, the Secretary-General may, after notice to and as far as possible in consultation with the parties, move that the *ad hoc* Committee discontinue the proceeding. Should the suspension lead to discontinuance, the Committee may decide how to apportion the costs of the proceeding.

Yours sincerely,



Marco Tulio Montañés-Rumayor
Secretary of the *ad hoc* Committee

cc: Members of the *ad hoc* Committee