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August 8, 2011

RE: PCA CASE N° AA406

1. GUARACACHI AMERICA, INC. (U.S.A.) 2. RURELEC PLC (UNITED KINGDOM) V. PLURINATIONAL STATE OF BOLIVIA

Dear Madam,

Dear Sirs,

The PCA acknowledges receipt of the Claimants' letter dated August 4, 2011 and the Respondent's letter dated August 4, 2011, both returning the list of prospective presiding arbitrators in accordance with the UNCITRAL Rules.

On behalf of H.E. Judge Guillaume, appointing authority in the above-referenced matter, please be advised that by the enclosed letter and pursuant to the UNCITRAL Rules, Judge Guillaume has today appointed Dr. José Miguel Júdece as presiding arbitrator in the above-referenced matter.

Please do not hesitate to contact me at the contact details set forth above or my colleague, Ms. Pilar Coloméss Iess (tel: +31 70 302 4196, e-mail: pcolomesiess@pca-cpa.org), should you have any questions regarding this letter.

A copy of this letter in Spanish is enclosed.

Yours sincerely,

Martin Doe
Legal Counsel

Encl.: Spanish version of the present letter
Letter of today from Judge Guillaume (English and Spanish versions)
Letter of today to Dr. José Miguel Júdece (English and Spanish versions)
List of correspondence (English and Spanish versions)

cc: Dr. José Miguel Júdece (*by e-mail*: josemiguel.judice@plmj.pt)
Mr. Manuel Conthe (*by e-mail*: manuel.conthe@twobirds.com)
Dr. Raúl E. Vinuesa (*by e-mail*: revinu@fibertel.com.ar)
H.E. Judge Guillaume (*by e-mail*: g.ma.guillaume@orange.fr)

Gilbert Guillaume
36 rue Perronet
92200-Neuilly-sur-Seine
France
Courriel : g.ma.guillaume@orange.fr

Mr. Martin Doe
Legal Counsel
Permanent Court of Arbitration
Peace Palace
Carnegieplein 2
2517 KJ The Hague
The Netherlands

August 8, 2011

PCA CASE N° AA406

1. GUARACACHI AMERICA, INC. (U.S.A.) 2. RURELEC PLC (UNITED KINGDOM) V. PLURINATIONAL STATE OF BOLIVIA

Dear Mr. Doe,

According to the Claimants, a dispute has arisen between the Parties in respect of which the Claimants have submitted a Notice of Arbitration dated November 24, 2010 pursuant to Article IX of the Treaty between the Government of the United States of America and the Government of the Republic of Bolivia Concerning the Encouragement and Reciprocal Protection of Investment and Article 8 of the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Bolivia for the Promotion and Protection of Investments.

On March 28, 2011, the Claimants asserted that the Respondent had failed to appoint an arbitrator within 30 days of the appointment of the first arbitrator and requested that the Secretary-General of the PCA designate an appointing authority under the UNCITRAL Rules for the appointment of the second arbitrator on behalf of the Respondent.

On April 27, 2011, I was designated by the Secretary-General of the PCA as appointing authority in this matter for all purposes under the UNCITRAL Rules.

On May 2, 2011, the Claimants requested that I proceed to appoint the second arbitrator on behalf of the Respondent in this matter.

On May 3, 2011, the Respondent sent a letter dated April 28, 2011, where it appointed Dr. Raúl Emilio Vinuesa, an Argentinean national, as second arbitrator.

On May 10, 2011, the Claimants indicated their acceptance of the Respondent's appointment of Dr. Raúl Emilio Vinuesa as second arbitrator.

On June 20, 2011, the Claimants, following the failure of the co-arbitrators to reach an agreement on the appointment of the presiding arbitrator, requested that I proceed with the appointment of the presiding arbitrator and provided their comments on their desired profile of presiding arbitrator.

On July 1, 2011, the Respondent provided its comments with respect to the Claimants letter and its desired profile of presiding arbitrator.

On July 20, 2011, the PCA, on my behalf, sent the Parties a list of five prospective presiding arbitrators, together with the candidates' *curricula vitae* and the disclosure of one candidate, inviting the Parties to return the list of prospective presiding arbitrators by August 4, 2011.

On August 4, 2011, the Parties returned the list of prospective presiding arbitrators, each indicating their preferences.

On the basis of the above, I, Gilbert Guillaume, acting as appointing authority in the above-referenced matter, in accordance with the UNCITRAL Rules, and

- (1) having established to my satisfaction my competence to appoint the presiding arbitrator in this matter;
- (2) having confirmed that the person named below is available and willing to act in this matter; and
- (3) that the person named below has declared that he is impartial and independent with respect to each of the Parties and intends to remain so;

hereby appoint as presiding arbitrator in the above-referenced matter:

Dr. José Miguel Júdice
AM Pereira Sáragga Leal Oliveira Martins Júdice E Associados
Edifício Eurolex
Avenida da Liberdade 224
Lisbon 1250-148
Portugal
E-mail: josemiguel.judice@plmj.pt
Facsimile: + 351 21 319 7400

Please be so kind as to inform the Parties and the co-arbitrators of this appointment.

Yours sincerely,


Judge Gilbert Guillaume



Dr. José Miguel Júdece
 AM Pereira Sáragga Leal Oliveira Martins Júdece E Associados
 Edifício Eurolex
 Avenida da Liberdade 224
 Lisbon 1250-148
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August 8, 2011

RE: PCA CASE N° AA406
 1. GUARACACHI AMERICA, INC. (U.S.A.) 2. RURELEC PLC (UNITED KINGDOM) v. PLURINATIONAL
 STATE OF BOLIVIA

Dear Dr. Júdece,

On behalf of H.E. Judge Gilbert Guillaume, appointing authority in the above-referenced matter, I have the pleasure to inform you that, by the enclosed letter, Judge Guillaume has today appointed you as presiding arbitrator in the above-referenced matter. Copies of relevant prior correspondence received by the PCA to date are enclosed with this letter for your information.

Please do not hesitate to contact me at the contact details set forth above or my colleague, Ms. Pilar Coloméss Iess (tel: +31 70 302 4196, e-mail: pcolomesiess@pca-cpa.org), should you have any questions regarding this letter.

A copy of this letter in Spanish is enclosed.

Yours sincerely,

Martin Doe
 Legal Counsel

Encl.: Spanish version of the present letter
 Letter of today from Judge Guillaume (English and Spanish versions)
 Letter of today to the Parties (English and Spanish versions)
 List of correspondence (English and Spanish versions)
 Copies of relevant correspondence (*by courier only*)

cc: Mr. Manuel Conthe (*by e-mail: manuel.conthe@twobirds.com*)
 Dr. Raúl E. Vinuesa (*by e-mail: revinu@fibertel.com.ar*)
 H.E. Judge Guillaume (*by e-mail: g.ma.guillaume@orange.fr*)
 Mr. Nigel Blackaby (*by e-mail: nigel.blackaby@freshfields.com*)
 Mr. Lluís Paradell (*by e-mail: lluis.paradell@freshfields.com*)
 Ms. Gisele Stephens-Chu (*by e-mail: gisele.stephens-chu@freshfields.com*)
 Ms. Caroline Richard (*by e-mail: caroline.richard@freshfields.com*)
 Mr. Hugo Raúl Montero Lara, Attorney General (*by e-mail: hmontero@procuraduria.gob.bo, earismendi@procuraduria.gob.bo, dlopez@procuraduria.gob.bo, ipennycook@procuraduria.gob.bo*)



PCA CASE N°AA406

1. GUARACACHI AMERICA, INC. (U.S.A.) 2. RURELEC PLC (UNITED KINGDOM) v.
PLURINATIONAL STATE OF BOLIVIA

LIST OF CORRESPONDENCE

1. Claimants' letter to the PCA dated March 28, 2011, requesting the designation of an appointing authority, with enclosures (only in English) :
 - a. Excerpts of the Treaty between the Government of the United States of America and the Government of the Republic of Bolivia Concerning the Encouragement and Reciprocal Protection of Investment (Annex A)
 - b. Excerpts of the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Bolivia for the Promotion and Protection of Investments (Annex B)
 - c. Copy of the Notice of Arbitration served upon Bolivia on November 30, 2010 showing proof of delivery to the Office of the President of Bolivia and the Ministry of Legal Defense of the State on that date (Annex C)
 - d. Power of Attorney executed by Guaracachi America, Inc. evidencing the authority of the undersigned to make the present request (Annex D)
 - e. Power of Attorney executed by Rurelec plc evidencing the authority of the undersigned to make the present request (Annex E)
 - f. Claimants' notification to Bolivia of the appointment of their party-appointed arbitrator dated 12 January 2011 showing proof of delivery to the Bolivian Ministry of Legal Defense of the State on 21 January 2011 (Annex F)
 - g. Proof of payment of the administrative fee (Annex G)
2. PCA's letter to the Parties dated March 30, 2011
3. Respondent's letter to the PCA dated April 11, 2011 (only in Spanish)
4. PCA's letter to the Parties dated April 12, 2011
5. Claimants' letter to the Parties dated April 15, 2011 (only in English)
6. PCA's letter to the Parties dated April 19, 2011

7. PCA's letter to the Parties dated April 27, 2011, regarding the designation of Judge Guillaume as appointing authority, with enclosures:
 - a. Designation of Appointing Authority
 - b. Letter to Judge Guillaume dated April 27, 2011
 - c. List of correspondence
8. Claimants' letter to Judge Guillaume dated May 2, 2011, requesting the appointment of the second arbitrator (only in English)
9. Respondent's letter to the PCA dated April 28, 2011 (received by the PCA on May 3, 2011) appointing Dr. Raúl Emilio Vinuesa as second arbitrator (only in Spanish)
10. PCA's letter to the Parties on behalf of Judge Guillaume dated May 5, 2011
11. Claimants' letter to Judge Guillaume dated May 10, 2011 (only in English)
12. PCA's letter to the Parties on behalf of Judge Guillaume dated May 12, 2011
13. PCA's letter to the Parties dated June 15, 2011 without enclosures
14. PCA's letter to the Parties dated June 20, 2011
15. Claimants' letter to Judge Guillaume dated June 20, 2011, requesting the appointment of the presiding arbitrator (only in English)
16. PCA's letter to the Parties on behalf of Judge Guillaume dated June 22, 2011
17. Respondent's letter to the PCA dated July 1, 2011 (only in Spanish)
18. PCA's letter to the Parties dated July 5, 2011
19. PCA's letter to the Parties on behalf of Judge Guillaume dated July 20, 2011, enclosing a list of prospective presiding arbitrators, without enclosures