

MC16-143958

11 January 2017

Mr Harold E Patricoff
Shutts & Bowen LLP
200 South Biscayne Boulevard
MIAMI

By email: hpatricoff@shutts.com

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

John Reid

First Assistant Secretary Office of International Law

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