

# KING & SPALDING

King & Spalding LLP  
1185 Avenue of the Americas  
New York, NY 10036-4003  
Tel: +1 212 556 2100  
Fax: +1 212 556 2222  
www.kslaw.com

Edward G. Kehoe  
Managing Partner-NYC  
Direct Dial: +1 212 556 2246  
Direct Fax: +1 212 556 2222  
ekehoe@kslaw.com

August 12, 2016

## VIA OVERNIGHT DELIVERY

Minister Gonzalo Tomayo  
Minister of Energy and Mines  
Av. Las Artes Sur 260 San Borja  
Lima  
Peru

Ing. Victor Carlos Estrella  
General Manager's Office  
Activos Mineros S.A.C.  
Prolongación Pedro Miotta No. 421  
San Juan de Miraflores  
Lima 29  
Peru

Dirección General de Asuntos de Economía  
Internacional  
Competencia e Inversión Privada  
Ministerio de Economía y Finanzas  
Jirón Lampa 277, piso 5  
Lima  
Peru

**Re: Dispute Under Stock Transfer Agreement Dated October 23, 1997  
Concerning Third Party Liability Claims**

Dear Sirs:

We write on behalf of our clients, The Renco Group, Inc. ("Renco"), and Doe Run Resources Corporation, to invite Activos Mineros and The Republic of Peru to participate in the non-binding expert process established by Clauses 5.3(A) and 5.4(C) of the Stock Transfer Agreement dated October 23, 1997, by and between Empresa Minera del Centro del Peru S.A. ("Centromin") and Doe Run Peru, Doe Run Resources and Renco (the "STA"); and the Guaranty Agreement by which the Republic of Peru guaranteed the obligations of Centromin (the "Guaranty"), concerning damages and claims alleged by third-party Peruvian citizens arising from environmental contamination in and around the mining complex in La Oroya, Peru (the "Complex"). Activos Mineros subsequently assumed Centromin's obligations under the STA.

Specifically, a group of plaintiffs residing in La Oroya, Peru, has filed lawsuits in St. Louis, Missouri, U.S.A., asserting various personal injury claims relating to alleged lead exposure and environmental contamination from the Complex. Additional groups of Peruvian citizens filed similar claims in St. Louis over the ensuing years. As of this date, the number of Peruvian plaintiffs in the St. Louis lawsuits totals over 1,900. The individuals combined claims are far in excess of US \$50,000.00.

Through various and numerous letters, Renco and its affiliates advised Activos Mineros and the Republic of Peru of the third party claims pending in St. Louis, and requested that Activos Mineros and the Republic of Peru honor their various obligations under the STA with respect to these third party claims, including but not limited to the obligations set forth in Clauses 5.3, 5.4, 6.2, 6.3, 6.5, 8.14, and 12, as well as under Peruvian law. Activos Mineros responded by letters dated November 5, 2010 and November 26, 2010 denying any responsibility for the third-party litigation claims. Peru did not respond.

It is unclear whether engaging in the non-binding expert process in advance of international arbitration under the Stock Transfer Agreement with respect to these third-party personal injury claims would be productive at this juncture. Nevertheless, if Activos Mineros and the Republic of Peru accept this invitation to participate in the non-binding expert process, Renco and Doe Run Resources propose James A. Bruen as the neutral expert. A copy of Mr. James A. Bruen's curriculum vitae is attached.

We respectfully request a prompt response to this invitation.

A handwritten signature in black ink, appearing to read "Ed Kehoe". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Edward G. Kehoe

cc: Jonathan Hamilton (White & Case)



**James A. Bruen**  
**Partner**  
415.954.4430  
jbruen@fbm.com

James A. Bruen has more than 40 years of criminal and civil litigation and business counseling experience. He is President-Elect of the American College of Environmental Lawyers, where he also serves as a member of its Executive Committee, is involved in the leadership of the international pro bono program and chairs the Cuba Working Group. Mr. Bruen is listed as one of the top (Band 1) environmental lawyers in California by the 2016 *Chambers USA Guide to America's Leading Business Lawyers*. He is listed as one of the top environmental experts in the United States in Legal Media Group's 2016 *Guide to the World's Leading Lawyers-Best of the Best USA*. In 2009, he was designated as one of the nation's 16 "Distinguished Environmental Advocates" by the American Bar Association.

Mr. Bruen's practice includes representation of industry, universities and governmental institutions in complex domestic and international products and environmental counseling and litigation. He is also a highly regarded expert in product stewardship with wide-ranging experience in product design, manufacturing, distribution and stewardship issues, as well as on plant sitings, plant closures, raw material sourcing, EHS management systems, codes of conduct, effluent guidelines and other sustainable development issues. He coordinates and supervises domestic and international products and environmental litigation. He serves and has served as lead trial counsel (to trial teams and "virtual law firms") in mass tort litigation, natural resource damage litigation, environmental enforcement litigation, environmental cost recovery/contribution litigation and white collar environmental crimes defense. He has extensive experience in leading the successful prosecution or defense of litigation while simultaneously managing confounding regulatory or business matters. He is nationally known for his expertise in emergency response and crisis management. He has been trained as a mediator by the Strauss Institute for Conflict Resolution at Pepperdine University.

Prior to joining Farella, Mr. Bruen was the founding partner of Landels Ripley & Diamond's Environmental Law Department. Before entering private practice, he served for seven years as a Criminal Division Assistant United States Attorney, a Civil Division Assistant United States Attorney, and Chief of the Civil Division, in the Northern District of California.

Mr. Bruen is a widely known author and lecturer in environmental and products liability law. His articles and teaching materials are in current use by law departments and governmental entities throughout the country. Mr. Bruen is named in *The Best Lawyers in America* in the areas of Environmental Law, Environmental Litigation and Mass Tort Litigation and was named the Best Lawyers 2014 San Francisco Mass Tort Litigation / Class Actions - Defendants "Lawyer of the Year." He is the recipient of the 2015 Client Choice Award for Environment & Climate Change for California. He has been recognized in *Who's Who in America*, *Who's Who in the World*, *International Corporate Law's Guide to Environmental Law Experts*, *Practical Law Company's Which Lawyer? Yearbook*, *Expert Guides' Best of the Best USA*, *International Who's Who of Environment Lawyers*, *International Who's Who of Business Lawyers, PLC*

#### **Practices**

Environmental Law  
Environmental Litigation  
Life Sciences  
Product Liability and Stewardship  
Proposition 65 Counseling and Defense

#### **Education**

Stanford Law School (J.D.)  
Claremont Men's College (B.A.),  
*cum laude*

#### **Bar Admissions**

California

*Cross-Border Environment Handbook*, *Who's Who Legal USA* (Environment), *Who's Who Legal California* (Environment), and *Who's Who in American Law*. He is a Life Fellow of the American Bar Foundation.

#### **Affiliations**

- Former Chief of Civil Division, US Attorney's Office, Northern District of California
- Member, International Society for Environmental Epidemiology
- Member, International Society of Environmental Forensics
- Master-at-Large, Edward J. McFetridge (San Francisco) Chapter of the American Inn of Court
- Life Fellow, American Bar Foundation
- President-Elect and Regent, American College of Environmental Lawyers

Farella's Environmental Law Department is recognized by *Chambers USA* as a top tier environmental practice in California, and by *U.S. News – Best Lawyers* "Best Law Firms" as a top tier firm nationally for its environmental and mass torts practice areas.