

**Dantzler, Eva J**

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**From:** Sharpe, Jeremy  
**Sent:** Wednesday, October 24, 2012 10:05 AM  
**To:** Salie, David P; Grosh, Lisa J  
**Subject:** RE: recent court order (Chevron v. Ecuador)

**Classification:** UNCLASSIFIED  
**SensitivityCode:** Sensitive  
**SMARTCategory:** Working

RELEASED IN PART B5,B6

DECONTROLLED

David,  
I'm free all day today, except from 3-4.  
Best,  
Jeremy

SBU  
This email is UNCLASSIFIED.

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**From:** Salie, David P  
**Sent:** Wednesday, October 24, 2012 10:02 AM  
**To:** Grosh, Lisa J.; Sharpe, Jeremy  
**Subject:** FW: recent court order (Chevron v. Ecuador)  
**Importance:** High

Lisa, Jeremy,



B5

Thanks,

-d

SBU  
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REVIEW AUTHORITY: Adolph Eisner, Senior  
Reviewer

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**From:** Salie, David P  
**Sent:** Monday, October 22, 2012 9:18 AM

**To:** Grosh, Lisa J.; Sharpe, Jeremy  
**Subject:** FW: recent court order (Chevron v. Ecuador)  
**Importance:** High

Lisa, Jeremy,



B5

Thanks,

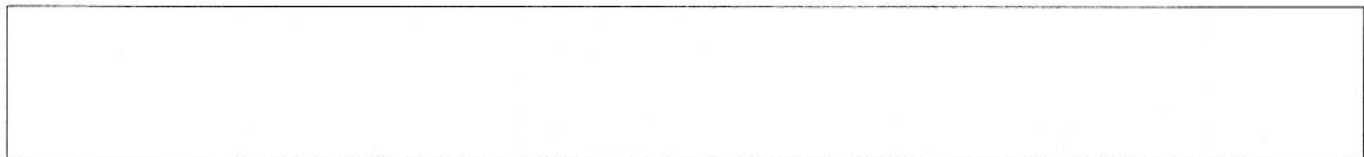
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**From:** Brown, Jennifer M  
**Sent:** Monday, October 22, 2012 9:06 AM  
**To:** Salie, David P  
**Cc:** Caplan, Lee M; Bischoff, James L  
**Subject:** FW: recent court order  
**Importance:** High

Hi David,



B5

Here's a bit I pulled from the attached that summarizes what the award is:

The execution order is calculated for extraterritorial enforcement in Argentina, Colombia, and other jurisdictions outside of Ecuador. In addition to naming Argentine and Colombian subsidiaries as Judgment debtors, the order explicitly invokes the Inter-American Convention of Preventive Measures and purports to freeze the assets of subsidiaries in Argentina and Colombia.<sup>4</sup> Contrary to the Ecuadorian court's *ipse dixit* holding, the listed subsidiaries are separate and independent corporations: Chevron is a parent company with a direct or indirect ownership interest in the subsidiaries, and there is no plausible theory by which any could be held liable for a fraudulent judgment against their ultimate shareholder. Furthermore, none of these subsidiaries is a party to the Lago Agrio Litigation, and none had notice or an opportunity to be heard.

The Ecuadorian court authorizes execution against the following specific assets in partial satisfaction of the Lago Agrio Judgment:

- (i) All intellectual-property assets identified by the Plaintiffs, including distinctive signs and royalties derived from the marks Chevron, Texaco, Ursa, Havoline,

Doro, Geotex, Meropa, Motex, Multigear, Regal, Taro, Texatherm, and Thuban;  
(ii) all revenue and other pecuniary benefits that Chevron Corporation receives directly or indirectly through its subsidiaries, including Chevron Intellectual Property, LLC ("CIP") by virtue of the Trademark License Agreement between CIP, and Swissoil;s  
(iii) all monies in the bank account referenced therein, as well as any other bank account, investments, or funds that are the property of Chevron, CIP, Texaco, Inc., TexPet, or any other subsidiaries in Ecuador;  
(iv) all funds transferred by Chevron, CIP, Texaco, Inc., and TexPet that are deposited in any financial institution located in Ecuador;  
(v) all funds transferred to Chevron, CIP, Texaco, Inc., or TexPet by third parties from a financial institution located in Ecuador; and  
(vi) the US\$ 96 million arbitral award issued in favor of Chevron and TexPet in the *Commercial Cases* arbitration.

The court also directs the retention of all credits, present or future, for which Chevron is a creditor and where Ecopetrol S.A., PDVSA Gas SA Sucursal Colombia, and other similar entities are debtors. Finally, the court prohibits Chevron Petroleum Company from transferring ownership of any of the commercial establishments that it has registered.

This is a bit of a hot topic, as is the Oxy BCL, so I appreciate your help on these two cases.

Jennifer

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**From:** Brown, Jennifer M  
**Sent:** Wednesday, October 17, 2012 5:49 PM  
**To:** Caplan, Lee M; Salie, David P  
**Cc:** Siddiqui, Mahvash  
**Subject:** FW: recent court order

FYI on the most recent Chevron ruling. Appreciate any thoughts you can share with us.

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**From:** Irwin, William T ([redacted]) [mailto:[redacted]@chevron.com]  
**Sent:** Wednesday, October 17, 2012 4:13 PM  
**To:** Brown, Jennifer M  
**Subject:** RE: recent court order

B6

I've attached a certified translation of the 10/15 court order, plus a copy of the 10/16 letter our outside counsel sent to the BIT arbitral tribunal to update them. Finally, a link to an entry we placed on Chevron Ecuador blog site, The Amazon Post: <http://www.theamazonpost.com/news/ecuadors-embargo-ruling-has-no-foundation-puts-republic-in-further-breach-of-international-law>

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**From:** Brown, Jennifer M [mailto:BrownJM3@state.gov]  
**Sent:** Wednesday, October 17, 2012 3:54 PM



B6

To: Irwin, William T   
Subject: recent court order

Hi Bill,

I understand that Chevron is reviewing the recent court ruled in favor of the plaintiffs to obtain Chevron assets there. Can you possibly send us a copy of that order? Also, can you please elaborate on what that ruling means for Chevron? Per the newspaper reports, I'm assuming trademarks (Havoline, Texaco, etc), as well as the \$96 million from the BIT arbitration, but I'd appreciate any additional comment you can provide on that.

Regards,  
Jennifer

*Jennifer Brown*  
*Ecuador Desk Officer*  
*Office of Andean Affairs, WHA Bureau*  
*Room 4915, Main State*  
[brownjm3@state.gov](mailto:brownjm3@state.gov)  
202-647-2807

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