



EX. P

Fwd: Final-draft-TBUCA-Regulations-2013: Joint Venture Submission

Bobby W. Boye <bboye@mof.gov.tl>
To: "bwboye@gmail.com" <bwboye@gmail.com>

14 April 2013 at 05:42

Begin forwarded message:

From: >
Date: March 23, 2013, 12:55:12 AM GMT+09:00
To: "Bobby W. Boye" <bboye@mof.gov.tl>
Cc: "Prosper, Pierre-Richard" < >, "Charyk, William"
< >, "Honigman, Robert" < >, Monica
Rangel da Cruz < >, Cândia de Jesus Oliveira <coliveira@mof.gov.tl>
Subject: Re: Final-draft-TBUCA-Regulations-2013: Joint Venture Submission

Thanks Bobby.

Partner

Arent Fox LLP | Attorneys at Law
Gas Company Tower

Los Angeles, CA 90013
213.443.7511 DIRECT | 213.629.7401 FAX
| www.arentfox.com

bboye@mof.gov.tl> wrote:

Please the attached, being a response from the Bayu-Undan Contractors in respect of the proposed TBUCA Regulations. I sent you a copy of the proposed Regulations on February 21- a day before we sent it out to all the interested constituencies for comments. The attached "comment" and which came in today was only one that we received during the comment window. A copy of the proposed TBUCA Regulations is also available at the MOF's website
Please let us have your comment and suggestion before we pass it on to the Minister for her signature. Section 16 of TBUCA is the enabling authority for the Minister of Finance to issue the Regulations.

Regards,
Bobby

EX. P 001

From: Booth, James W [conocophillips.com]
Sent: Friday, March 22, 2013 3:28 PM
To: Monica Rangel da Cruz; Cândia de Jesus Oliveira
Cc: Joao Deometrio Xavier; Aida Silva Pinto Baptista; Bobby W. Boye; Helga Sarmiento; Francisco P. Fontes; Paddon, Dane; Griffin, Jack P (LDZX); Carr, Michael J
Subject: RE: Final-draft-TBUCA-Regulations-2013: Joint Venture Submission
Importance: High

Dear Monica

Please find attached the joint comments of the Bayu-Undan contractors in response to the request for comments relating to the proposed regulations modifying the Taxation of Bayu Undan Contractors Act.

Please note that the joint comments of the Bayu-Undan contractors only include examples that relate to ongoing tax disputes that are common to all of the Contractors. The proposed amendments raise equally grave concerns with respect to potential future tax disputes, as well as tax disputes now confronted by only certain of the Contractors.

Regards

James W Booth
Senior Taxation Specialist
Tel: : Mob:

From: Joao Deometrio Xavier [mailto:jxavier@mof.gov.tl]

To: Joao Deometrio Xavier
Subject: [EXTERNAL]Final-draft-TBUCA-Regulations-2013

Dear Taxpayers,

Please find attached a copy of the draft TBUCA Regulations that the Minister of

The Tax Commissioner and the National Director of the National Directorate of Petroleum Revenue (NDPR) hereby invite comments and suggestions from interested parties.

The comment period is limited to 30 days from the date of this notice.

A copy of the proposed TBUCA Regulation is also available at the NDPR's website.

Regards

Joao Demetrio Xavier
Acting Head of Operations Department

Ground Floor, Building #5, Palacio Governo
EX. P 002

Dili, Timor-Leste
Phone- (office); +(670) 723 0146 (cell)
Email: <mailto: >
Web:http:// rc/DPR

<Letter from Bayu-Undan JVPs to NDPR 22 March 2013.pdf>

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Bobby W. Boye <bboy@mof.gov.tl>
To: "bwboy@gmail.com" <bwboy@gmail.com>

14 April 2013 at 05:42

Begin forwarded message:

From: >
Date: March 23, 2013, 11:36:26 PM GMT+09:00
To: "Bobby W. Boye" <bboy@mof.gov.tl>
Cc: "Charyk, William" < >, "Honigman, Robert"
< >, Monica Rangel da Cruz < >, Cândia de
Jesus Oliveira <coliveira@mof.gov.tl>
Subject: RE: Final-draft-TBUCA-Regulations-2013: Joint Venture Submission

Thank you Bobby. We will meet internally on Monday and will revert with a feed back. Main issue we will focus on is how this impacts the arbitration and change of law argument. It would assist us to have the 2012 regulations and the correspondence from the parties at the time if possible. Also, were there previous regulations as well?

All the best,

Pierre

Ambassador Pierre-Richard Prosper
Partner

Arent Fox LLP | Attorneys at Law
Gas Company Tower
555 West Fifth Street, 48th Floor
Los Angeles, CA 90013
213.443.7511 DIRECT | 213.629.7401 FAX
<ma com> |
www.arentfox.com<http://www.arentfox.com>

EX. P 003

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From: Bobby W. Boye [bboy@mo.gov.tl]
Sent: Friday, March 22, 2013 11:51 PM
To: Prosper, Pierre-Richard
Cc: Charyk, William; Honigman, Robert; Monica Rangel da Cruz; Cancio de Jesus Oliveira
2013: Joint Venture Submission

Ambassador,

1. The present draft TBUCA Regulation is substantially similar to the one issued pursuant to the TDA back in early 2012 and the Kitan Contractors (Eni, Inpex and Talisman) jointly commended the efforts of NDPR. They (and Subcontractors operating in Kitan) have been conducting their businesses (including 2011 and 2012 tax and other informational returns) in accordance with the TDA Regs since the issuance. Notice that the substantive provisions (Chapter IX) of the TDA (word for word), where relevant, are substantially the same as the TBUCA- copies of the TDA Regulation

2. Both Eni and Inpex (related parties to the other Eni and Inpex in Bayu-Undan field) have now joined the other BU Contractors to label the TBUCA draft Regulations as "illegitimate" commended

3. Regarding the "Economic Substance" issue raised as a "novel" provision by the Bayu-Undan Contractors as part of their rage, please see Sections 92 and 93 of the UNTAET Reg. 2000/18. That has been part of Timor-Leste's tax law since 1999. What is more, even if the doctrine of "economic substance" was not specifically mentioned in the tax laws, it is still available to the Tax Administration as a tool to disregard questionable transactions for tax purposes. The doctrine of economic substance is so pedestrian in taxation jurisprudence to an extent that the Contractors' complaint about its inclusion in a Regulation is nothing short of an embarrassment.

Please let me have your team's thoughts on the draft Reg. as soon as practicable.

Cheers,
Bobby
Sent from my iPad

On Mar 23, 2013, at 12:55 AM, "Prosper, Pierre-Richard" <
com>> wrote:

Thanks Bobby.

Ambassador Pierre-Richard Prosper
Partner

Arent Fox LLP | Attorneys at Law
Gas Company Tower
555 West Fifth Street, 48th Floor<UrlBlockedError.aspx>
Los Angeles, CA 90013<UrlBlockedError.aspx>
213.443.7511<tel:213.443.7511> DIRECT |213.629.7401<tel:213.629.7401> FAX
EX. P 004

<ma com> |
www.arentfox.com<http://www.arentfox.com/>
[Quoted text hidden]
Email: jxavier@mof.gov.tl< jxavier@mof.gov.tl>< jxavier@mof.gov.tl>
Web: http://www.mof.gov.tl/en/rc/DPR<http://www.mof.gov.tl/en/rc/DPR>

<Letter from Bayu-Undan JVPs to NDPR 22 March 2013.pdf>

IRS Circular 230 disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that, unless expressly stated otherwise, any U.S. federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

IRS Circular 230 disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that, unless expressly stated otherwise, any U.S. federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Bobby W. Boye <bboy@mo.gov.tl>
To: "bwboy@gmail.com" <bwboy@gmail.com>

14 April 2013 at 05:42

Sent from my iPad

From: "Prosper, Pierre-Richard" < >
Date: March 27, 2013, 9:16:30 AM GMT+09:00
To: "Bobby W. Boye" <bboy@mo.gov.tl>
Cc: "Charyk, William" < >, "Honigman, Robert" < >
< >, Monica Rangel da Cruz < >, Cândia de
Jesus Oliveira <coliveira@mo.gov.tl>, Emilia Pires <pires.emilia@gmail.com>
Subject: RE: Final-draft-TBUCA-Regulations-2013: Joint Venture Submission

We have reviewed the draft TBUCA Regs and the response. You have done a great job in boxing them in. Brilliant! Their response makes it clear that this as a legal interpretation dispute rather than a "change of law" as they are arguing in arbitration. Our preference and strong recommendation at this moment is to NOT have the Minister sign and we should just sit on this for the time being leaving everything in draft. Having their response to us be the last/latest communication on the subject helps us greatly in arbitration and in a preliminary motion we intend to file in Singapore in the coming weeks. I am prepared to explain our logic if you wish to speak.

Please let me know if you see any issue with this approach and/or confirm that the Regs will not be finalized for now.

[Quoted text hidden]

EX. P 005

Bobby W. Boye <bboye@mof.gov.tl>
To: "bwboye@gmail.com" <bwboye@gmail.com>

14 April 2013 at 05:42

From: "Prosper, Pierre-Richard" < >
Date: March 27, 2013, 9:55:44 AM GMT+09:00
To: "Bobby W. Boye" <bboye@mof.gov.tl>
Subject: RE: Final-draft-TBUCA-Regulations-2013: Joint Venture Submission

Thanks Bobby. I think they made a fundamental error. Also, why do you think they had Creeger

Ambassador Pierre-Richard Prosper
Partner

Arent Fox LLP | Attorneys at Law
Gas Company Tower
555 West Fifth Street, 48th Floor
Los Angeles, CA 90013
213.443.7511 Direct 213.629.7401 Fax
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From: Bobby W. Boye [bboye@mof.gov.tl]
Sent: Tuesday, March 26, 2013 6:52 PM
To: Prosper, Pierre-Richard
Cc: Charyk, William; Honigman, Robert; Monica Rangel da Cruz; Cancio de Jesus Oliveira; Emilia Pires
Subject: Re: Final-draft-TBUCA-Regulations-2013: Joint Venture Submission

Ambassador,
As you suggested, the Regs will stay as it is (in a draft form only) until a different decision is made in the future.
Regards,
Bobby

Sent from my iPad

[Quoted text hidden]

Bobby W. Boye <bboye@mof.gov.tl>

14 April 2013 at 05:42

EX. P 006

To: "bwboye@gmail.com" <bwboye@gmail.com>

From: "Prosper, Pierre-Richard" < >
Date: March 27, 2013, 10:55:19 AM GMT+09:00
To: "Bobby W. Boye" <bboye@mof.gov.tl>
Subject: Re: Final-draft-TBUCA-Regulations-2013: Joint Venture Submission

Bobby. Thank you and I am sure we will enjoy a cigar and wine again. Hopefully it won't be as cold.

Ambassador Pierre-Richard Prosper
Partner

Arent Fox LLP | Attorneys at Law
Gas Company Tower
555 West Fifth Street, 48th Floor
Los Angeles, CA 90013
213.443.7511 DIRECT | 213.629.7401 FAX
| www.arentfox.com

bboye@mof.gov.tl> wrote:

It was a set up! I will explain to you in person some day (if we ever get to see each other again) what we did that prompted that. Please bear in mind that there is no "unity" of purpose between the Contractors- that is part of what we exploited to get the two (2) previous settlements. I get to know a lot of stuff through the other Contractors who are dissatisfied with the way COP runs the venture.
Regards,
B

Sent from my iPad

[Quoted text hidden]

[Quoted text hidden]

Bobby W. Boye <bboye@mof.gov.tl>
To: "bwboye@gmail.com" <bwboye@gmail.com>

14 April 2013 at 05:49

Begin forwarded message:

From: Emilia Pires <pires.emilia@gmail.com>
EX. P 007

Date: March 27, 2013, 12:46:52 PM GMT+09:00

To: "Prosper, Pierre-Richard" <

>

Cc: "Bobby W. Boye" <bboye@mof.gov.tl>, "Charyk, William" <

>,

"Honigman, Robert" <

>,

Monica Rangel da Cruz

< >, Cândia de Jesus Oliveira <coliveira@mof.gov.tl>

Subject: Re: Final-draft-TBUCA-Regulations-2013: Joint Venture Submission

Whose response? What was it like? Why do you want to delay the passing of such regulations?

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