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METALCLAD CORPORATION

NAFTA SECRETARIAT
MEXICO CITY, MEXICO

METALCLAD CORPORATION,
Complainant,
vs.
THE GOVERNMENT OF THE UNITED
MEXICAN STATES, AND THE
MEXICAN STATE OF SAN LUIS
POTOSI,
Respondent.

Case No.
CONSENT TO ARBITRATION
AND WAIVER OF RIGHTS OF
DISPUTING INVESTOR AND
THE ENTERPRISE
(Articles 1116, 1117,
1121)

COMPLAINANT, METALCLAD CORPORATION, a Delaware corporation, as a "disputing investor" under the provisions of the North American Free Trade Agreement, (NAFTA), including Articles 1116, 1117 and 1121 therein and Confinamiento Tecnio de Residuos Industriales, S.A. de C.V., (COTERIN), a Mexican corporation and an "enterprise" under the provisions of the NAFTA, including Articles 1116, 1117

and 1121, therein jointly and singly:

(1) Consent to arbitration in accordance with the procedures set out in the NAFTA, including specific consent to arbitration pursuant to:

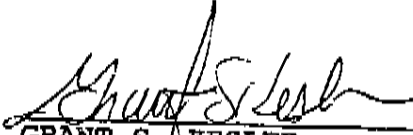
(a) Article 1120(1)(b): the Additional Facility Rules of the International Centre for Settlement of Investment Disputes, (ICSID) since the Party of the investor (the United States) is a party to the ICSID Convention, while the disputing Party (Mexico) is not;

(b) Article 1120(1)(a): the ICSID Convention, should Mexico become a party to the ICSID Convention by the time a pertinent claim is filed.

(2) Waive their right to initiate or continue before any administrative tribunal or court under the law of any Party to the NAFTA, or other dispute settlement procedures, any proceedings with respect to the measure of the disputing Party that is alleged to be a breach referred to in Articles 1116 and/or 1117 of the NAFTA, except for proceedings for injunctive, declaratory or other extraordinary relief, not involving the payment of damages, before an administrative tribunal or court under the law of the disputing Party.

Dated this 30 day of December, 1996.

METALCLAD CORPORATION


GRANT S. KESLER
President