The Kingdom of the Netherlands, with respect to the Order of 22 November 2013 in the case concerning the ‘Arctic Sunrise’, wishes to inform the Tribunal as follows.

The Kingdom of the Netherlands has concluded an agreement with the Royal Bank of Scotland ZAO, Moscow (‘RBS’), to issue a bank guarantee in which the RBS undertakes and guarantees to pay the Russian Federation a sum up to 3,600,000 euros as may be determined by a decision of the Annex VII arbitral tribunal or by agreement of the parties and that payment under the guarantee will be made promptly after receipt by the RBS of a written demand by the competent authority of the Russian Federation designated for these purposes, to be the Head of Government, the Head of State, the Minister of Foreign Affairs, or anyone duly authorized by (any of) these persons, accompanied by a certified copy of the decision or agreement. A copy of the bank guarantee, as well as an English translation thereof, is attached.

By diplomatic note of 2 December 2013, the Kingdom of the Netherlands has informed the Russian Federation of the issuance of the bank guarantee. A copy of this note is attached.
We, The Royal Bank of Scotland ZAO, are fully aware that The Kingdom of the Netherlands (hereinafter referred to as the "Principal"), on 4 October 2013 transmitted the "Statement of the claim and the grounds on which it is based" (hereinafter the "Statement of Claim") to the Russian Federation (hereinafter referred to as the "Beneficiary") as part of the institution of arbitral proceedings under Annex VII of the 1982 United Nations Convention on the Law of the Sea (hereinafter "Convention") in regard to the case concerning the vessel "Arctic Sunrise" (hereinafter the "Proceedings") in relation to which the Principal may be found to be indebted an amount to the Beneficiary by virtue of a valid decision of the Arbitral Tribunal constituted under Annex VII of the Convention (hereinafter "Arbitral Tribunal") or by an agreement between the Beneficiary and the Principal.

We, The Royal Bank of Scotland ZAO, are also fully aware that the Principal, on 21 October 2013, filed with the International Tribunal for the Law of the Sea a request for the prescription of provisional measures in connection with the Proceedings and that this Tribunal, on 22 November 2013, prescribed provisional measures upon the posting of a bond or other financial security by the Netherlands in the form of a bank guarantee, issued by a bank in the Russian Federation or a bank having corresponding arrangements with a Russian bank, in the amount of EUR 3,600,000.00.

Hereby we, The Royal Bank of Scotland ZAO, with the office at 17, Building 1, Bolshaya Nikitskaya str., 125009 Moscow, the Russian Federation (hereinafter – the "Guarantor"), undertake to pay you on receipt of your original written demand any amount not exceeding a total of EUR 3,600,000.00 (in words: three million sixhundred thousand EURO only) (hereinafter – "Maximum Amount") in accordance with the terms hereof.

The demand of the Beneficiary regarding the amount payable by Guarantor under this Guarantee shall be presented in original and in writing and shall contain the original copy of this Guarantee, as well as:

1.: a certified copy of the decision of the Arbitral Tribunal in respect of the Statement of Claim, or;

2.: a signed agreement between the Beneficiary and the Principal in respect of the Statement of Claim,

from which may be determined the amount due by the Principal to the Beneficiary in respect to the Statement of Claim.

Only one demand can be made under this Guarantee.

Our liabilities under this Guarantee are limited to the Maximum Amount only, and the Guarantor is under no circumstances obliged to make any payments in excess of the Maximum Amount.

Our Guarantee becomes effective from the date of issue.

Our Guarantee is in effect till 5 p.m. (Moscow time) on 2 December 2016. Upon expiry of this period this Guarantee automatically ceases to be effective, and therefore all Guarantor's obligations hereunder are terminated.
We are entitled to revoke our Guarantee if the Beneficiary does not collect the original copy of this Guarantee before 5 p.m. (Moscow time) 2 June 2014 at the office of the Guarantor at the following address: 17, Building 1, Bolshaya Nikitskaya str., 125009 Moscow, the Russian Federation. Upon the revocation the Guarantee automatically ceases to be effective, and therefore all Guarantor’s obligations hereunder are terminated.

The original demand of the Beneficiary along with the original of this Guarantee must be submitted to and be in possession of the Guarantor at the following address: 17, Building 1, Bolshaya Nikitskaya str., 125009 Moscow, the Russian Federation, no later than 5 p.m. (Moscow time) on 2 December 2016.

This Guarantee is regulated and shall be construed in accordance with the Russian law. All disputes arising out or in connection with this Guarantee shall be settled by Moscow Arbitration Court.

The Royal Bank of Scotland ZAO