COUR PERMANENTE D'ARBITRAGE PERMANENT COURT OF ARBITRATION

IN THE MATTER OF AN ARBITRATION BEFORE A TRIBUNAL CONSTITUTED IN ACCORDANCE WITH

THE AGREEMENT BETWEEN THE GOVERNMENT OF THE RUSSIAN FEDERATION AND THE CABINET OF MINISTERS OF UKRAINE ON THE ENCOURAGEMENT AND MUTUAL PROTECTION OF INVESTMENTS DATED NOVEMBER 27, 1998

- and -

THE ARBITRATION RULES OF THE UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW, 1976

PCA CASE NO. 2015-21

- between -

(1) PJSC CB PRIVATBANK
(2) FINANCE COMPANY FINILON

The Claimants

- and -

THE RUSSIAN FEDERATION

The Respondent

PROCEDURAL ORDER NO. 3

The Arbitral Tribunal
Professor Pierre-Marie Dupuy (Presiding Arbitrator)
Sir Daniel Bethlehem QC
Dr. Václav Mikulka

Registry
Permanent Court of Arbitration

11 July 2017

1. Procedural Background

1.1 On 24 February 2017, the Tribunal issued its Interim Award addressing certain issues of jurisdiction and admissibility.

1.2 By letter from the PCA dated 1 March 2017, the Tribunal invited the Parties to make submissions regarding the procedural calendar for the next phase of the proceedings.

1.3 [redacted] The Respondent did not submit any views regarding the procedural calendar.

1.4 By letter from the PCA dated 22 April 2017, the Tribunal invited the Parties to reserve the period from 1 to 8 November 2017 for hearings in this matter and *PCA Case No. 2015-07: Aeroport Belbek LLC and Mr. Igor Valerievich Kolomoisky v. The Russian Federation*, and indicated that it would fix the remainder of the procedural calendar in due course.

1.5 By letter dated 24 April 2017, the Claimants proposed that the hearing in this matter take place from 1 to 4 November 2017, followed by the hearing in *PCA Case No. 2015-07* from 6 to 8 November 2017.

1.6 By letter from the PCA dated 1 May 2017, the Tribunal indicated that it was prepared to accept the Claimants' proposals, subject to any comments to the contrary received from the Respondent by 5 May 2017, and that this would be reflected in the procedural calendar fixed in due course. The Respondent did not make any comments by 5 May 2017.

1.7 [redacted]

2. The Tribunal's Directions

2.1 The Tribunal has afforded the Parties an opportunity to be heard on the question of the procedural calendar, and has considered the views of the Claimants. It notes that the Respondent chose not to submit its views. The Tribunal has also studied the Claimants' Statement of Claim dated 30 November 2015.

2.2 Having done so, in the exercise of its power to conduct the arbitration in such manner as it considers appropriate under Article 15 of the UNCITRAL Arbitration Rules, 1976, and taking into account all of the relevant circumstances of this case, including the breadth of the issues raised by the Statement of Claim, the Tribunal has decided to bifurcate these proceedings between a phase in which it will address the remaining questions of jurisdiction and admissibility, as well as questions of liability, and, in the event that liability is established, a phase to be scheduled in due course, if appropriate, following a decision on liability, in which it will address questions of quantum of damages.

2.3 Accordingly, at each of the procedural steps prescribed in the timetable set out below, only questions of jurisdiction, admissibility, and liability will be addressed. In particular, for the

avoidance of doubt, the Tribunal confirms that it does not expect the Claimants' quantum expert, [redacted], to be made available for examination at the hearing.

2.4 The Tribunal prescribes the following steps of the procedural calendar for the next phase of the proceedings:

Date	**Party/Tribunal**	**Submission/Event**
11 July 2017	Tribunal	Tribunal issues questions to the Parties
15 August 2017	Parties	The Parties submit replies to the Tribunal's questions and indicate which witnesses they wish to present for examination at the hearing
1-4 November 2017	All	Hearing

2.5 In accordance with the above procedural calendar, the Tribunal's questions are communicated to the Parties together with this Order.

2.6 Without prejudice to the weight, if any, to be attributed to them, the Tribunal considers that it would be appropriate in the interests of the sound administration of international justice that it is informed of the decisions on jurisdiction in *PCA Cases Nos. 2015-34, 2015-35 and 2015-36*. Accordingly, the Claimants are invited to submit these awards together with their replies to the Tribunal's questions, on the basis that these awards will remain confidential to these proceedings.

2.7 Finally, following receipt of the Parties' replies to the Tribunal's questions, the Tribunal is minded to instruct its Russian law expert, Professor Oleg Skvortsov, to prepare a report addressing some of the same questions, as well as the Parties' replies thereto. It is envisaged that the terms of Professor Skvortsov's engagement will be similar to those set out in his Terms of Reference of 13 May 2016. The Parties are invited to provide any comments they may have in this respect together with their replies to the Tribunal's questions.

Date: 11 July 2017

Place of Arbitration: The Hague, the Netherlands

On behalf of the Tribunal
Professor Pierre-Marie Dupuy
Presiding Arbitrator