

**UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA**

**AGUDAS CHASIDEI CHABAD OF
UNITED STATES,**

Plaintiff,

v.

CASE NO. 1:05-CV-01548-RCL

**RUSSIAN FEDERATION; RUSSIAN
MINISTRY OF CULTURE AND MASS
COMMUNICATION; RUSSIAN STATE
LIBRARY; and RUSSIAN STATE
MILITARY ARCHIVE,**

Defendants.

**STATEMENT OF DEFENDANTS
THE RUSSIAN FEDERATION,
RUSSIAN MINISTRY OF CULTURE AND MASS COMMUNICATION,
RUSSIAN STATE LIBRARY AND
RUSSIAN STATE MILITARY ARCHIVE
WITH RESPECT TO FURTHER PARTICIPATION**

Throughout the history of this case, Defendants The Russian Federation, Russian Ministry of Culture and Mass Communication, Russian State Library (“RSL”) and Russian State Military Archive (“RSMA”) (collectively, the “Russian Federation”) with all due respect to this Honorable Court, have consistently believed that a Court in the United States does not have the authority to adjudicate rights in property that in most cases always has been located in the Russian Federation and in the case of the documents in the RSMA’s care for more than 60 years and, moreover, has continually been owned by and in the possession of the Russian Federation and its predecessors since coming into its possession. The Russian Federation fully respects this Court, and this Statement should not be interpreted in any way to the contrary. But each of the Defendants is an integral part of the Russian Federation, a sovereign nation, entitled to have its

rights as a sovereign, respected and to be immune from suit outside the Russian Federation. The Russian Federation views any continued defense before this Court and, indeed, any participation in this litigation as fundamentally incompatible with its rights as a sovereign nation. Consequently, the Russian Federation hereby formally advises this Honorable Court that it declines to participate further in this litigation. Consistent with the above, the Russian Federation believes this Court has no authority to enter Orders with respect to the property owned by the Russian Federation and in its possession, and the Russian Federation will not consider any such Orders to be binding on it. The Russian Federation reiterates that its decision not to further participate in this case is in no way out of lack of respect for this Honorable Court, but is for the affirmative reason that the Russian Federation needs to safeguard its own sovereignty.

The Russian Federation has submitted a formal diplomatic note to the United States Embassy located in Moscow with respect to this matter. It believes that diplomatic channels are the proper format for any further interaction between the United States and the Russian Federation with regard to this matter. A true translation of the formal diplomatic note is attached as Exhibit 1. The Russian Federation also wishes to state to the Court that it believes it has been appropriately advised by its legal counsel in this litigation.

The Russian Federation submits that the Plaintiff is free to pursue any claims it has before the appropriate courts of the Russia Federation, which is the proper forum for its claims. The Russian Federation further notes that the property of the Russian Federation maintained by the RSL and RSMA is accessible to the public. The members of the Chabad community, whether residing in the Russian Federation or elsewhere around the world, are free to review the

collections of the RSL and the RSMA consistent with their policies designed to maintain and preserve the documents for future generations.

Dated: June 26, 2009

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on June 26, 2009, I electronically filed the foregoing with the Clerk of Court using the CM/ECF system which will send a notice of electronic filing to the following:

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