

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMMERCIAL COURT (KBD)

B E T W E E N :

- (1) ZIYAVUDIN MAGOMEDOV
- (2) SGS UNIVERSAL INVESTMENT HOLDINGS LIMITED
- (3) INTIMERE HOLDINGS LIMITED
- (4) HELLICORP INVESTMENTS LTD
- (5) SIAN PARTICIPATION CORP. (IN LIQUIDATION)
- (6) MAPLE RIDGE LIMITED
- (7) WIREFLY INVESTMENTS LIMITED
- (8) SMARTILICIOUS CONSULTING LIMITED
- (9) ENVIARTIA CONSULTING LIMITED
- (10) PORT-PETROVSK LIMITED

Claimants

-and-

- (1) TPG GROUP HOLDINGS (SBS), LP
- (2) TPG PARTNERS VI, LP
- (3) TPG FOF VI SPV, LP
- (4) TPG PARTNERS VI-AIV, LP
- (5) TPG VI MANAGEMENT, LLC
- (6) TPG ADVISORS VI, INC
- (7) TPG ADVISORS VI-AIV, INC
- (8) DOMIDIAS LIMITED
- (9) HALIMEDA INTERNATIONAL LIMITED
- (10) LEYLA MAMMAD ZADE
- (11) MIKHAIL RABINOVICH
- (12) ERMENOSSA INVESTMENTS LIMITED
- (13) KONSTANTIN KUZOVKOV
- (14) FELIX LP
- (15) ANDREY SEVERILOV
- (16) KATINA PAPANIKOLAOU
- (17) STATE ATOMIC ENERGY CORPORATION ROSATOM
- (18) DP WORLD RUSSIA FZCO
- (19) PJSC FAR-EASTERN SHIPPING COMPANY
- (20) PJSC TRANSNEFT
- (21) MARK GARBER
- (22) GARBER HANNAM & PARTNERS LLC

Defendants

PARTICULARS OF CLAIM

A. Parties and other relevant persons

A.1 Claimants

1. The First Claimant (“**Mr Magomedov**”) is a Russian national. As explained below, he is the majority ultimate owner of the Second to Ninth Claimants and the ultimate owner of a 50% interest in the Tenth Claimant, with the remainder interest in the Tenth Claimant being owned by his brother Magomed Magomedov.
2. On 30 March 2018, Mr Magomedov and Magomed Magomedov were arrested and detained in Russia upon accusations of “*organized crime*” and “*embezzlement*” by the Russian Ministry of Internal Affairs and Federal Security Service (“**FSB**”). Mr Magomedov has denied and continues to deny the charges but has remained incarcerated since that time. As a consequence of his arrest, Mr Magomedov has had to rely on others for the management of the affairs of his businesses, including that of the SGS Branch (as defined below). In particular, until at the latest the events described in more detail in section E below, Mr Magomedov relied on the Tenth Defendant. On 1 December 2022, Mr Magomedov and Magomed Magomedov were convicted and sentenced, respectively, to 19 and 18 years in prison. Both Mr Magomedov and Magomed Magomedov have appealed against their convictions.
3. The Second Claimant (“**SGS**”) is a company incorporated under the laws of the British Virgin Islands (the “**BVI**”) with company number 1736539. It is wholly owned and controlled by Mr Magomedov. As further described below, 49.9997% of the issued share capital in FESCO¹ is owned through a corporate structure under SGS (that company and the companies described in paragraphs 4 to 9 below are referred to as the “**SGS Branch**”), together with rights in respect of up to a further 33.38%. A simplified

¹ Described in paragraph 29 below.

structure chart reflecting the ownership interests in the FESCO Group appears at Annex 1 to these Particulars of Claim.

4. The Third Claimant (“**Intimere**”) is a company incorporated under the laws of the BVI with company number 1749769. SGS is the registered member in respect of approximately 65.09% of the share capital of Intimere. The registered member in respect of the remaining approximately 34.91% is Felix LP (the Fourteenth Defendant, “**Felix**”), an exempted limited partnership registered in the Cayman Islands with company number 69792. Until in or around November 2020, Felix was called TPG Felix LP, and was controlled by the global investment firm, TPG (the First to Seventh Defendants). On 18 November 2020, TPG Felix LP was sold to the Twelfth Defendant (“**Ermenossa**”), and its name was subsequently changed to Felix LP. As further described in paragraph 181 below, Ermenossa is beneficially owned and/or controlled by the Eleventh Defendant (“**Mr Rabinovich**”).
5. The Fourth Claimant (“**Hellicorp**”) is a company incorporated under the laws of the BVI with company number 1749732. It is wholly-owned by Intimere.
6. The Fifth Claimant (“**Sian**”) is a company incorporated under the laws of the BVI with company number 1705188. It is wholly-owned by Hellicorp. On 19 May 2021 Sian was placed into liquidation by the BVI Court, and Mr Cosimo Borrelli and Mr Meade Malone (the “**Joint Liquidators**”) were appointed as its liquidators. Following their appointment, the Joint Liquidators removed the SGS Branch’s nominees as directors of Sian’s wholly owned subsidiaries (the Sixth to Ninth Claimants) and appointed Cosimo Borrelli and G. Jacqueline Fangonil Walsh as their directors. On 19 May 2022, Mr Russell Crumpler of Teneo (BVI) Limited was appointed by the BVI Court as a conflict liquidator in respect of Sian, responsible for dealing with the legal proceedings concerning Sian and its subsidiaries. Mr Crumpler has authorised these proceedings on behalf of Sian and its subsidiaries.
7. The Sixth Claimant (“**Maple Ridge**”) is a company incorporated under the laws of Cyprus with company number HE283756. It is wholly-owned by Sian.
8. The Seventh Claimant (“**Wiredfly**”) is a company incorporated under the laws of Cyprus with company number 300315. It is wholly-owned by Maple Ridge.
9. The Eighth Claimant (“**Smartilicious**”) and the Ninth Claimant (“**Enviartia**”) are both companies incorporated under the laws of Cyprus with company numbers 320536 and

320546, respectively. They are both wholly-owned by Wiredfly. Each holds half of the SGS Branch's shareholding in FESCO.

10. The Tenth Claimant ("**Port Petrovsk**") is a company incorporated under the laws of the BVI with company number 1394123. It is wholly-owned by Shevronne Investments Limited ("**Shevronne**"), another BVI Company. The ultimate owners of Shevronne are Mr Magomedov and Magomed Magomedov, each of whom is the ultimate owner of a 50% interest in Shevronne.

A.2 Defendants

11. The First Defendant is a limited partnership established under the laws of Delaware. It holds controlling interests in the Second, Fourth, and Fifth Defendants. The Second and Third Defendants are limited partnerships established under the laws of Delaware. The Fourth Defendant is a limited partnership established under the law of the Cayman Islands. The Second, Third and Fourth Defendants are TPG fund entities that invested (through Intimere) in FESCO, including the entities through which it was held.
12. The Fifth Defendant is a limited liability company established under the laws of Delaware. The Sixth and Seventh Defendants are companies incorporated under the laws of Delaware and the Cayman Islands respectively. The Fifth, Sixth and Seventh Defendants managed and took investment decisions in relation to TPG's investment (through Intimere) in FESCO, including the entities through which it was held. The Sixth and Seventh Defendants also held indirect interests in FESCO as general partners in the Third Defendant and Felix, respectively.
13. The First, Second, Third, Fourth, Fifth, Sixth and Seventh Defendants are collectively referred to as "**TPG**".
14. The Eighth Defendant ("**Domidias**") is a company incorporated under the laws of the BVI with company number 1738784. It was, until around October 2020, beneficially owned and controlled by the Twenty-First Defendant ("**Mr Garber**"). It is now, so far as the Claimants have been able to establish, and as further described in paragraph 159 below, beneficially owned by the Fifteenth Defendant ("**Mr Severilov**") and controlled by him and Mr Rabinovich.²

² Described in paragraph 106 below.

15. 23.765% of the issued share capital in FESCO is held and controlled through a corporate structure under Domidias (that company and those described in the remainder of this paragraph are referred to as the “**Domidias Branch**”). Specifically, Domidias is the sole registered member of Merbau Synergy Limited (“**Merbau**”), a company incorporated under the laws of the BVI with company number 1738784. Merbau owns the entire issued share capital in Elvy Ltd, a company incorporated under the laws of Cyprus with company number 275184 (“**Elvy**”), which in turns owns the entire issued share capital in:
- (1) Vovosa Co Ltd, a company incorporated under the laws of Cyprus with company number 292368, which owns 8.0004% of the issued share capital in FESCO;
 - (2) Mirihia Holdings Ltd, a company incorporated under the laws of Cyprus with company number 301032, which owns 4.5524% of the issued share capital in FESCO;
 - (3) Calamita Trading Ltd, a company incorporated under the laws of Cyprus with company number 303070, which owns 4.5524% of the issued share capital in FESCO; and
 - (4) Rikima Holdings Ltd, a company incorporated under the laws of Cyprus with company number 307545, which owns 6.66% of the issued share capital in FESCO.
16. The Ninth Defendant (“**Halimeda**”) is a company incorporated under the laws of Cyprus with company number HE350809. It is a subsidiary of FESCO, the Nineteenth Defendant. To the best of the Claimants’ knowledge, Mr Konstantin Privalov (“**Mr Privalov**”) has at all material times sat on the board of directors of Halimeda. He has done so as the representative of FESCO Global Logistics Limited, a company incorporated in Cyprus, which is a 100% subsidiary of FESCO, and which is a Director of Halimeda. Mr Privalov is, and has been since 2017, a Director of FESCO Global Logistics Limited, and has held various other roles within FESCO group companies from time to time. Mr Privalov has given instructions on Halimeda’s behalf in the 2020 Proceedings (as defined below).
17. The Tenth Defendant (“**Ms Mammad Zade**”) is an individual in whom Mr Magomedov formerly reposed significant trust to assist in the management of his

business affairs from 2010. Until 11 May 2018, Ms Mammad Zade was the Chief Executive Officer of Summa Group Limited Liability Company (“**Summa Group**”), a company incorporated in Russia, and until 1 July 2018 a member of its board of directors. Until it was declared bankrupt on 3 August 2022, Summa Group was ultimately owned and controlled by Mr Magomedov and was responsible for the overall strategy and management of the key assets of Mr Magomedov, including the entities and assets comprised within the SGS Branch. In particular, Ms Mammad Zade was responsible for liaising with the Domidias Branch in relation to operations of the FESCO Group (the Nineteenth Defendant’s group).

18. Ms Mammad Zade owed fiduciary duties to members of the SGS Branch and to Port Petrovsk, by virtue of her management position, and/or because she was a *de facto* and/or a shadow director of each of those companies. While she was Chief Executive Officer of Summa Group, Ms Mammad Zade had overall responsibility for the management of the SGS Branch and Port Petrovsk. After she formally left that position, Ms Mammad Zade continued in practice to exercise management and control over those companies, including (without limitation) by procuring the appointment of Ioannis Tsantekides (“**Mr Tsantekides**”) as a director of Smartilicious and Enviartia in October 2019, and negotiating the 2019 Option Agreement (as defined below) on behalf of Hellicorp in late 2019.
19. Further, Ms Mammad Zade was from 7 June 2018 the Chair of FESCO’s board of directors (the “**FESCO Board**”), having been a member of the FESCO Board since 12 February 2016. Accordingly, from 12 February 2016, she owed duties to FESCO under (i) Article 71(1) of Federal Law of the Russian Federation No. 208-FZ “On Joint Stock Companies” dated 26 December 1995 (as amended) (the “**JSC Law**”), which provides that the members of the board of directors and other executive bodies of a joint stock company should act in the best interests of the company, in good faith and reasonably; and (ii) Article 53(3) of the Russian Civil Code, which provides that the members of a company’s collegial bodies (including the board of directors) should conduct their duties in good faith and reasonably. Although she announced her resignation from the FESCO Board on 9 January 2020, she in fact remained on the FESCO Board until 26 November 2020 after which she was effectively replaced by the Fifteenth Defendant, Mr Andrey Severilov.

20. From the time of the events pleaded in Sections D.2 and E of these Particulars of Claim (at the latest), Ms Mammad Zade ceased to act in accordance with Mr Magomedov's interests and also the interests of the companies of which she has been and is a director and/or a *de facto* and/or shadow director. In particular:
- (1) Without knowledge, instructions or authority, and contrary to the wishes of Mr Magomedov, Ms Mammad Zade either purported to authorise, or failed to prevent, the purported sale of Port Petrovsk's interest in NCSP to Fenti (defined in paragraphs 34 and 36 respectively).
 - (2) Without instructions or authority, and contrary to the wishes of Mr Magomedov, from around Summer 2018, Ms Mammad Zade purported to represent to third parties, including but not so far as the Claimants are aware limited to DP World and Mr Rabinovich, that she could sell to them the SGS Branch's stake in FESCO (including that part held by Felix via Intimere) and the Domidias Branch's stake in FESCO.
 - (3) It is to be inferred that Ms Mammad Zade has provided information confidential to Summa Group and companies comprised within the SGS Branch to the Hostile Parties (defined in paragraph 46 below), including but not limited to confidential information regarding the ROFO Offer (defined in paragraph 66 below) issued by Felix to SGS, information which was provided to the Russian Federal Antimonopoly Service ("**FAS**") by Ermenossa, one of the Hostile Parties.
 - (4) Ms Mammad Zade has been and remains a member of the FESCO Conspiracy (defined in paragraph 47 below) and, as set out more fully below, has taken a number of steps pursuant to that Conspiracy and in furtherance of the same.
21. The Eleventh Defendant ("**Mr Rabinovich**") is a Russian businessman who the Claimants understand has previously been involved in "corporate raids". The Claimants understand (on the basis of the matters pleaded in paragraph 181 below) that Mr Rabinovich has at all material times acted on behalf of ROSATOM (the Seventeenth Defendant), in the furtherance of its joint venture with DP World Russia (the Eighteenth Defendant).
22. The Twelfth Defendant ("**Ermenossa**") is a company incorporated under the laws of Cyprus with company number HE404852. As noted above, Mr Rabinovich has, at all

material times, owned and/or controlled Ermenossa. Ermenossa acquired Felix on 18 November 2020.

23. The Thirteenth Defendant (“**Mr Kuzovkov**”) was a member of the FESCO Board at all material times until 15 November 2020. Until shortly after Mr Magomedov’s arrest, Mr Kuzovkov was the Chief Financial Officer of Summa Group. He owed duties to FESCO under Article 71(1) of the JSC Law and Article 53(3) of the Russian Civil Code that English law would classify as fiduciary; and owed fiduciary duties to members of the SGS Branch, by virtue of his management position, and/or because he was a *de facto* and/or a shadow director.
24. The Fourteenth Defendant, Felix, is an exempted limited partnership registered in the Cayman Islands with company number 69792. Until in or around November 2020, Felix was called TPG Felix LP, and was controlled by TPG. On 18 November 2020, TPG Felix LP was sold to Ermenossa, and its name was subsequently changed to Felix LP.
25. The Fifteenth Defendant (“**Mr Severilov**”) is a Russian national who (as particularised further below) the Claimants understand to be a business partner of, and lawyer for, Mr Rabinovich, and a representative of ROSATOM. As noted above, he was appointed to the FESCO Board on 16 November 2020. On 25 November 2020, he was appointed Chairman of FESCO’s Strategy, Investment and General Affairs Committee.
26. The Sixteenth Defendant (“**Ms Papanikolaou**”) is a national of Cyprus. Ms Papanikolaou is a director of Ermenossa, Parallel Nominees Cyprus Limited (an entity linked with Mr Severilov, Mr Rabinovich and Ermenossa, as pleaded below at paragraph 181(2)) and, from approximately November 2020, a director of Felix. Ms Papanikolaou has been, since 27 June 2021, the nominee of Felix on the boards of Intimere and Hellicorp.
27. The Seventeenth Defendant, State Atomic Energy Corporation ROSATOM (“**ROSATOM**”) is the Russian Federation’s state nuclear energy company, which is incorporated under the laws of Russia with company number 1077799032926. ROSATOM is inter alia responsible for the strategy, development, management and operation of infrastructure for the Northern Sea Route, a strategic shipping route through the Arctic Ocean and within the Russian Federation’s exclusive economic zone, connecting Asia and Europe. According to press reports, ROSATOM took over

management of the Commercial Port of Vladivostok, owned by FESCO, in November 2020.

28. The Eighteenth Defendant, DP World Russia FZCO (“**DP World Russia**”) is a company incorporated under the law of the Jebel Ali Free Zone in Dubai, United Arab Emirates. Until at least August 2017, the majority shareholder of DP World Russia FZCO (holding 95% of shares) was DP World FZE, a subsidiary of DP World Limited, a leading global logistics company owned by the Government of Dubai (“**DP World**”). In 2021, DP World Russia (and other entities within the DP World group) concluded a series of agreements with ROSATOM to jointly develop container traffic along the Northern Sea Route, including an agreement with FESCO and ROSATOM to create a transport and logistics hub at the Commercial Port of Vladivostok. From at least 2020, a board member of DP World Russia, Sergey Chemarda (“**Mr Chemarda**”), has been a director of Ermenossa.
29. The Nineteenth Defendant, PJSC Far-Eastern Shipping Company (“**FESCO**”), is a company incorporated under the laws of Russia with company number 10222502256127. FESCO is the parent company of a transportation and logistics group with operations in ports, rail, logistics, and shipping (the “**FESCO Group**”) with strategic investments in ports, rail and shipping. In particular, FESCO owns the Commercial Port of Vladivostok, which links Russia’s eastern seaboard to Asia.
30. The Twentieth Defendant (“**Transneft**”) is a public joint stock company incorporated under the laws of the Russian Federation with registration number 1027700049486. Transneft is in the business of oil pipeline transport. It is majority owned by, and is controlled by, the Russian state. At all material times the President of Transneft was Nikolai Tokarev (“**Mr Tokarev**”).
31. The Twenty-First Defendant, Mr Garber, is a Russian national and was a member of the FESCO Board at all material times until 8 October 2020. He owed duties to FESCO under Article 71(1) of the JSC Law and Article 53(3) of the Russian Civil Code, that English law would classify as fiduciary. As noted above, he was previously the beneficial owner and controller of Domidias.
32. The Twenty-Second Defendant (“**GHP**”) is a company incorporated under the laws of Russia with company number 1157746783347. Mr Garber has, at all material times, been a director and the ultimate beneficial owner of GHP.

A.3 Other shareholders in FESCO

33. In addition to the shareholdings in FESCO described above:

- (1) Approximately 9.608% of the issued share capital in FESCO is ultimately held and controlled through a corporate structure at the head of which is Zutrek Holdings Ltd (“**Zutrek**”), a company incorporated under the laws of the BVI under company number 1738531 (the “**Zutrek Branch**”). The ultimate beneficial owner of the Zutrek Branch is Sergei Bazylev (“**Mr Bazylev**”).
- (2) Approximately 9.1289% of the issued share capital in FESCO is held by OOO Novator Invest (“**Novator**”) and OOO Nautilus (“**Nautilus**”), both companies incorporated under the laws of the Russian Federation under company numbers 1137746549050 and 1067761723204 respectively (the “**Novator and Nautilus Branches**”). Mr Rabinovich (through Ermenossa) is currently the ultimate beneficial owner of the Novator and Nautilus Branches, having gained control of them via nominees by October 2020 and acquired them in a transaction that purportedly occurred in September 2021. The precise details of this transaction are unknown to the Claimants, as is the legal ownership structure of the Novator and Nautilus Branches (which were principally managed by Ms Mammad Zade) immediately prior to it.

A.4 Novorossiysk Commercial Sea Port and its shareholders

34. PJSC Novorossiysk Commercial Sea Port (“**NCSP**”) is a public joint stock company incorporated under the laws of the Russian Federation with company number 1022302380638. NCSP is (and was at all material times) in the business of operating commercial ports in Russia. These include the Port of Novorossiysk on Russia’s Black Sea coast, the Port of Primorsk on Russia’s Baltic Coast, and the Port of Baltiysk in Kaliningrad. A simplified structure chart reflecting the ownership interests in NCSP (until 31 August 2018) appears at Annex 2 to these Particulars of Claim.
35. 50.1% of the issued share capital in NCSP is and was at all material times owned by Novoport Holding Limited (“**Novoport**”), a company incorporated under the laws of the Cyprus with company number HE 345126. At all material times prior to January 2011, Novoport was wholly-owned by Kadina Limited (“**Kadina**”), a company incorporated under the laws of the BVI.

36. Fenti Development Limited (“**Fenti**”) is a company incorporated under the laws of Switzerland with company number CHE-482.693.629. It is wholly-owned by Transneft. Fenti is not being sued in these proceedings because the Claimants’ claims against it are subject to an arbitration agreement, as pleaded in paragraph 85 below.
37. Omirico Limited (“**Omirico**”) is a company incorporated under the laws of Cyprus with company number HE 161817. At all material times prior to the execution of the Omirico SPA (as to which see paragraph 84 below), Omirico was jointly owned in equal shares by Port Petrovsk and Fenti.

A.5 Others

38. Far East Capital Limited S.A. (“**Far East Capital**”) is a company incorporated under the laws of Luxembourg under company number B176472. It was at least until early 2018 part of the FESCO Group.
39. Elias Economou (“**Mr Economou**”) was a director of Intimere and Hellicorp at all material times until 28 October 2020, and a director of Sian at all material times until 28 July 2020. Until 7 August 2018, Mr Economou was also the sole director of Port Petrovsk.
40. Mr Tsantekides was at all material times until 3 December 2020 a director of Maple Ridge, Wiredfly, Smartilicious and Enviartia.
41. Torresant Industry Limited (“**Torresant**”) is a company incorporated under the law of the BVI with company number 677246. Mr Magomedov is, and was at all material times, the ultimate beneficial owner of Torresant. 100% of the issued share capital in Torresant is owned by Marianna Gevorgyan (“**Ms Gevorgyan**”), via nominees and a BVI company called Dalitech Holdings Limited; and Ms Gevorgyan is (and was at all material times) a nominee of Mr Magomedov.
42. Gubay International Corporation (“**Gubay**”) is a company incorporated under the law of the BVI with company number 1550914.
43. Igor Shuvalov (“**Mr Shuvalov**”) was First Deputy Prime Minister of the Russian Federation from 12 May 2008 to 18 May 2018.
44. Alexander Novak (“**Mr Novak**”) was Minister of Energy of the Russian Federation from 21 May 2012 to 10 November 2020 and has been Deputy Prime Minister of the Russian Federation from 10 November 2020 until the present.

45. Zaur Karmokov (“**Mr Karmokov**”) was from 7 August 2018 a director of Port Petrovsk.

B. Summary of the Claim

46. This Claim concerns two conspiracies which between them involve all of the Defendants, and which each involve other persons acting or purporting to act on behalf of the Russian State and unknown others (the “**Hostile Parties**” and the “**Conspiracies**”). The Conspiracies had and have as their ultimate objective the wresting of assets from Mr Magomedov or obtaining them for less than their fair value, and for the sole benefit of the Hostile Parties (including Transneft and ROSATOM, each of which are companies owned by the Russian State) and/or some of them and/or those that control them.
47. The Conspiracies consist of: (i) a conspiracy to obtain control of the interest in NCSP held by Port Petrovsk via Omirico (the “**NCSP Conspiracy**”), the parties to which included at least Ms Mammad Zade and Transneft; and (ii) a conspiracy to obtain control of the interest in the FESCO Group held by the SGS Branch (the “**FESCO Conspiracy**”), the parties to which included at least all of the Defendants other than Transneft. The Claimants’ case as to the NSCP Conspiracy, as pleaded below, is in the tort of unlawful means conspiracy, further or alternatively the tort of conspiracy to injure, and in the further alternative is brought as a claim under Russian law for causing harm unlawfully for which the relevant Defendants are at fault. The case as to the FESCO Conspiracy is pleaded on the basis that it is governed by multiple applicable laws, and is thus in both the tort of unlawful means conspiracy (alternatively conspiracy to injure) and the Russian law cause of action of causing harm unlawfully for which the relevant Defendants are at fault.
48. The Conspiracies form part of a campaign waged against Mr Magomedov (and Magomed Magomedov) by and on behalf of the Russian state for political reasons. The imprisonment of the Magomedovs is a further part of the same political campaign.
49. Such assets as remained in Mr Magomedov’s hands have been arrested and confiscated by orders of Russian Courts, on applications by Russian prosecuting authorities and FESCO. These arrests and confiscations form part of the Conspiracies and have the same ultimate aim, i.e. the wresting of assets from Mr Magomedov for the benefit of the Hostile Parties (and/or some of them) and the Russian state.

50. To the best of the Claimants' present knowledge and belief, the steps taken by the Hostile Parties pursuant to and in furtherance of the Conspiracies have included the steps set out below.
51. The precise details of the Conspiracies – including when and how the individuals and companies mentioned above conspired and combined together – are at the present date unknown to the Claimants. The Claimants therefore set out below the best particulars they are able to give at the present date and reserve the right to amend and/or further particularise their case, in particular following disclosure.
52. The Conspiracies involved at least those acts described below. It is to be inferred that:
- (1) As regards the NCSP Conspiracy, (a) at least Ms Mammad Zade and Mr Tokarev (with the latter individual's knowledge and intentions to be imputed to Transneft as pleaded below) intended to cause loss to the Claimants (namely the loss of Port Petrovsk's interest in NCSP) as the means to achieve their objective described in paragraph 46 above, or (b) the causing of such loss to the Claimants was the necessary corollary of their achieving that objective; and, in either case, that this was the predominant purpose of the parties to the NCSP Conspiracy.
 - (2) As regards the FESCO Conspiracy, (a) at least Ms Mammad Zade, Mr Rabinovich, Mr Kuzovkov, Mr Garber, Mr Sukhanov, Mr Severilov, Mr Chemarda, Mr Shvets, Mr Bonderman, Mr Bode, Mr Viola, Ms Papanikolaou and Mr Privalov (whose knowledge and intentions are to be imputed to the corporate defendants as pleaded below) intended to cause loss to the Claimants (namely the loss of the SGS Branch's shareholding in FESCO) as the means to achieve their objective described in paragraph 46 above, or (b) the causing of such loss to the Claimants was the necessary corollary of their achieving that objective; and, in either case, that this was the predominant purpose of the parties to the FESCO Conspiracy.
53. The Claimants' claims in conspiracy are advanced against those of the Hostile Parties who are Defendants to this action. The Claimants further advance those particular claims against particular Defendants identified in section J below. As set out at paragraph 63 below, neither Maple Ridge nor Sian advances any claims against Halimeda in these proceedings. As set out in paragraph 67 below, SGS does not advance any claim against Felix in these proceedings.

C. Background

C.1 Port Petrovsk's and Transneft's joint acquisition of Novoport

54. In or about January 2011, Omirico acquired the entire shareholding of Novoport from Kadina. Port Petrovsk and Transneft (through its special purpose vehicle Fenti), the owners of Omirico, thereby acquired a majority interest in NCSP.
55. Funding for the acquisition was advanced to Omirico pursuant to three Loan Agreements, each dated 15 December 2010, the effect of which was that 50% of the funding was advanced by Fenti and 50% was advanced by companies ultimately beneficially owned by Mr Magomedov (together the “**Omirico Loan Agreements**”):
- (1) Pursuant to the “**Fenti-Omirico Loan Agreement**”, Fenti extended a loan to Omirico of US\$173,500,000 repayable by 15 December 2015.
 - (2) Pursuant to the “**Gubay-Omirico Loan Agreement**”, Gubay extended a loan to Omirico of US\$55,520,000 repayable by 15 December 2015.
 - (3) Pursuant to the “**Torresant-Omirico Loan Agreement**”, Torresant extended a loan to Omirico of US\$117,980,000 repayable by 15 December 2015.
56. The loan made pursuant to the Torresant-Omirico Loan Agreement has not been repaid. The Claimants believe that the loans made pursuant to the Fenti-Omirico and Gubay-Omirico Loan Agreements have been repaid.

C.2 The SGS Branch's acquisition of a shareholding in FESCO

57. In December 2012, the SGS Branch acquired a 49.99% stake in FESCO. At or about the same time, Mr Garber and Mr Bazylev respectively acquired separate interests through the Domidias Branch and Zutrek Branch, subject to options in favour of the SGS Branch as described in paragraphs 64 and 68 to 72 below. The funds for the Domidias and Zutrek Branches' acquisitions were borrowed from Mr Magomedov. The transactions were structured as a leveraged buy-out and in summary involved:
- (1) private equity investment, in the form of Felix's purchase of an equity stake in Intimere for US\$260 million, through which TPG acquired certain rights over and in respect of Intimere's 49.99% interest in FESCO;
 - (2) a significant direct cash contribution from Mr Magomedov's personal funds;

- (3) approximately US\$ 200 million in unsecured loans from entities controlled by Mr Magomedov, outside the FESCO Group investment structure, made to companies within the Domidias Branch (“**Standalone Loans**”); and
 - (4) debt facilities provided by a consortium of international banks which comprised in summary:
 - (i) a facility providing in total for US\$ 400 million of lending, divided into two facilities, by an agreement dated 7 December 2012 described as the “**HoldCo Facilities Agreement**”, under which Maple Ridge and Elvy were borrowers; and
 - (ii) a facility providing in total for up to US\$ 800 million of lending (US\$400 million committed and US\$400 million uncommitted), by an agreement dated 7 December 2012 described as the “**OpCo Facilities Agreement**”, under which Maple Ridge and CJSC “Vladivostock Container Terminal”, a company in the FESCO Group at the time (“**VCT**”), were borrowers.
 - (5) An Intercreditor Agreement dated 7 December 2012 between the lending banks under the HoldCo Facilities Agreement and OpCo Facilities Agreement and Maple Ridge and Elvy, by which the banks took security over the borrowers’ assets and were afforded preferential payment rights above other creditors (the “**Intercreditor Agreement**”).
58. On 7 December 2012, Sian and Halimeda entered into an “*Intra-Group Loan Agreement*” providing for Halimeda to provide a loan of up to US\$ 150 million to Sian (the “**Sian Disputed Loan**”). The Sian Disputed Loan provides by clause 13.1 that it is governed by English law; and by clause 14.1 that any claim, dispute, or difference arising out of, or in connection with it, shall be referred to arbitration at the London Court of International Arbitration (the “**LCIA**”). Sian does not by the present action advance any claim that falls within the scope of that arbitration agreement.
59. On 11 December 2012, 16 parties, including Maple Ridge and Elvy, entered into a Master Intra-Group Loan Agreement (“**MIGLA**”). That agreement provided a structure for loans between the parties to it, including parties who subsequently acceded to it, made following the submission of a “*Loan Request*” by a proposed borrower to a proposed lender and the latter’s acceptance thereof.

60. The MIGLA provides by clause 14.1 that it is governed by English law; and by clause 15.1 that any claim, dispute or difference arising under, out of or in connection with it shall be referred to arbitration at the LCIA. Notwithstanding that none of the Defendants is a party to the MIGLA, Maple Ridge does not by the present action advance any claim that falls within the scope of that arbitration agreement.
61. In or about April 2013, Far East Capital issued US\$875 million of loan notes in order to refinance acquisition and pre-acquisition debt.
62. On 30 April 2013, Far East Capital acceded to the MIGLA. Thereafter, pursuant to the MIGLA:
- (1) Maple Ridge submitted a Loan Request to Far East Capital on 1 May 2013 for a loan in the amount of US\$ 500,000,000 at 8.1791% interest (payable every 6 months). Funds in the amount requested were released to Maple Ridge on 2 May 2013.
 - (2) Maple Ridge submitted a Loan Request to Far East Capital on 1 May 2013 for a loan in the amount of US\$ 296,000,000 at 8.9015% interest (payable every 6 months). Funds in the amount requested were released to Maple Ridge on 2 May 2013.

(These are collectively referred to below as the “**Maple Ridge Disputed Loans**” and together with the Sian Disputed Loan the “**Disputed Loans**”.)

63. It has been determined in arbitral proceedings between Halimeda and Maple Ridge that part of the loan referred to in paragraph 62(1) above and the whole of the loan referred to in paragraph 62(2) above has been assigned to Halimeda. Neither Maple Ridge nor Sian advance any claim against Halimeda in these proceedings.

C.3 The 2012 (and 2019) agreements

64. In 2012 and 2019, members of the SGS Branch entered into agreements, further described below, which entitled those members to acquire (in the circumstances provided for in those agreements) control of further shares in FESCO which would have resulted, together with the shares already controlled by the SGS Branch, in the SGS Branch becoming the majority shareholder in FESCO.

C.3.1 The Intimere Shareholders' Agreement

65. The relationship between SGS and Felix in respect of Intimere is governed by a written shareholders' agreement dated 21 December 2012 (the "**Intimere Shareholders' Agreement**").
66. By section 9.03(a) of the Intimere Shareholders' Agreement, in the event that any Shareholder (defined by section 1.01 to mean SGS, Felix, and their respective successors and assignees) was "*proposed to be subject to a Change of Control*" (as defined), that Shareholder was obliged to first offer to the other Shareholder all of its shares and preference shares in Intimere by way of a "*ROFO Offer*".
67. The Intimere Shareholders' Agreement provides by section 15.01 that it is governed by English law; and by section 15.02 that any dispute, claim or matter arising under or in connection with it shall be referred to arbitration at the LCIA. SGS does not by the present action advance any claim against Felix (or any other claim that falls within the scope of that arbitration agreement).

C.3.2 The 2012 and 2019 Option Agreements

68. By a written call and put option agreement dated 28 November 2012 between Domidias and Sian, Domidias granted Sian an option to acquire the entire issued share capital in Merbau (the "**2012 Option Agreement**"). The effect of the 2012 Option Agreement was to give the SGS Branch the option to acquire the Domidias Branch's shareholding in FESCO and thereby become the majority shareholder in FESCO. The price of that option was, by clause 2.1, (a) an initial US\$ 600,000, and (b) US\$ 150,000 for the second and each subsequent year. The price payable on the acquisition of the option shares was, by clause 2.3, US\$ 400,000.
69. The 2012 Option Agreement provides by clause 17.1 that it is governed by English law; and by clause 17.2 that the Courts of England have exclusive jurisdiction to settle any dispute arising from or connected with it.
70. On or about 27 August 2020, Ms Liuba Savinovksaya of Fantera Limited ("**Fantera**") (the Corporate Secretary of Smartilicious and Enviartia) discovered two documents among the documents of Mr Economou of which Mr Magomedov was unaware and neither of which were in the interests of the SGS Branch. One of these is described in paragraph 143(2)(ii) below. The other is what purports to be an option agreement dated

December 2019 between Hellicorp and Domidias (the “**2019 Option Agreement**”) in respect of the shares in Merbau.

71. The 2019 Option Agreement purports:
- (1) by clause 2.2 to provide for a price payable on the acquisition of the option shares of either US\$ 700,000 or US\$ 5 million (the latter if the call option were exercised prior to 1 September 2020 after Hellicorp itself was subject to a change of control, and certain other conditions were met, as further pleaded below); and
 - (2) by clause 2.7 to supersede the 2012 Option Agreement.
72. The 2019 Option Agreement provides by clause 16.1 that it is governed by English law; and by clause 16.2 that the Courts of England have exclusive jurisdiction to settle any dispute arising from or connected with it.

D. The NCSP Conspiracy

73. In 2018, following Mr Magomedov’s (and Magomed Magomedov’s) imprisonment, Mr Karmokov was induced by threats and/or misrepresentations made by persons acting on behalf of Transneft and Fenti (which it is to be inferred were made on Mr Tokarev’s instructions), and/or was instructed by Ms Mammad Zade, to purportedly bind Port Petrovsk to an agreement to sell its interest in Omirico to Fenti for US\$750 million. This was substantially less than the true value of the interest. The purported sale was in breach of Ms Mammad Zade’s and Mr Karmokov’s fiduciary duties to Port Petrovsk and was unauthorised by Port Petrovsk’s shareholders. Further, the bank account into which the purchase price of US\$750 million was paid had already, prior to that payment, been arrested by order of the Russian Courts and the money in the account was subsequently confiscated. Port Petrovsk therefore received and retained nothing at all in return for its interest in Omirico.
74. As pleaded below, it is to be inferred that this was done pursuant to the NCSP Conspiracy. It is averred that (at least) Ms Mammad Zade and Transneft (the latter acting by and through Mr Tokarev) were party to the NCSP Conspiracy, alongside Fenti and other persons acting or purporting to act on behalf of the Russian State. Subject to paragraph 51 above (which is repeated), the Claimants’ case is that Transneft and Ms Mammad Zade each joined the NCSP Conspiracy by around June or July 2018 at the

latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections D.2 and D.3 below.

75. Further as to Ms Mammad Zade, the Claimants plead an alternative case, particularised below, that if (contrary to the Claimants' primary case) she was not a party to the NCSP Conspiracy, then it should be inferred that she was induced to act as she did by the same threats and/or misrepresentations referred to above.

D.1 Agreement in principle for sale of Port Petrovsk's interest in Omirico for \$1.3 billion

76. From around November 2017, Summa Group (for Port Petrovsk) and Transneft (for Fenti) discussed issues relating to their respective interests in NCSP. Ultimately, these discussions concluded with consensus that Transneft would acquire Port Petrovsk's interest in Omirico.
77. Mr Shuvalov and Mr Novak, acting on behalf of the government of the Russian Federation, approved that acquisition by Fenti of Port Petrovsk's interest in Omirico at a purchase price of US\$ 1.3 billion. This was below the actual value of Port Petrovsk's interest in Omirico.
78. By around 14 February 2018, Port Petrovsk and Fenti had reached an agreement in principle for Fenti to acquire Port Petrovsk's interest in Omirico for c. US\$1.314 billion. Of that sum, US\$1.167 billion was to be paid by Fenti to Port Petrovsk; US\$83 million was to be paid by Fenti to Torresant in part payment of the outstanding debt under the Torresant-Omirico Loan Agreement; and US\$60 million was to be paid by Novoport to Torresant over a period of three years. These terms were then adopted in the draft agreement with a slight modification whereby US\$1.156 billion was to be paid by Fenti to Port Petrovsk along with the outstanding debt under the Torresant-Omirico Loan Agreement (which was c. US\$ 150 million).
79. The proposed transaction was scheduled to be completed in the week of 14 March 2018. However, the transaction did not complete at this stage, because Transneft made a new request that Mr Magomedov and Magomed Magomedov provide personal guarantees of the return of the purchase price to Fenti in the event that the transaction failed for reasons attributable to Port Petrovsk, and Mr Magomedov and Magomed Magomedov refused to do so. Draft agreements, including a draft Sale and Purchase Agreement and draft Deeds of Guarantee, were prepared by 29 March 2018 when a meeting took place between Mr Magomedov, Magomed Magomedov and Mr Tokarev. Following that

meeting, Mr Magomedov believed the transaction would be completed imminently, without the need for personal guarantees from him or his brother.

80. On 30 March 2018, Mr Tokarev met with the President of the Russian Federation, Vladimir Putin. It has been reported by Russian media outlets that Mr Tokarev and Mr Putin are close friends, and that they previously worked together as intelligence officers for the KGB. Mr Tokarev has been the recipient of various high-profile appointments under Mr Putin's presidency, including being made vice president, then president of Transneft. Transneft is widely reported to be one of the main financiers of a US\$1.35 billion palace in Gelendzhik allegedly built for Mr Putin's personal use, notwithstanding the formal explanations for its purpose.
81. On 30 March 2018, as pleaded in paragraph 2 above, Mr Magomedov and Magomed Magomedov were arrested and detained.

D.2 Fenti acquires Port Petrovsk's interest at a reduced price

82. In or around June or July 2018, Ms Mammad Zade told Mr Magomedov that she had been promised by Mr Tokarev (communicated via Vice Presidents of Transneft) that, if Mr Magomedov agreed to sell Port Petrovsk's interest in Omirico to Fenti for US\$750 million (as opposed to the price of c. US\$1.3 billion previously agreed), Mr Tokarev would speak to Mr Putin and procure Mr Magomedov's and his brother's release and to ensure Summa Group personnel were not "troubled". It is to be inferred from Mr Tokarev's position as President of Transneft and from the matters pleaded in paragraph 80 above that this promise was made to Ms Mammad Zade on Mr Tokarev's instructions. By so doing, Mr Tokarev:
- (1) made an unlawful and/or illegitimate threat against Mr Magomedov and Port Petrovsk, namely that, if Port Petrovsk did not sell its interest in Omirico for US\$750 million, Mr Magomedov and his brother would continue to be detained (the "**Threat**"); and
 - (2) represented that (i) Mr Tokarev was capable of causing Mr Magomedov and his brother to be released, and (ii) he intended to cause Mr Magomedov and his brother to be released if Mr Magomedov and Port Petrovsk agreed to sell Port Petrovsk's interest in Omirico for US\$750 million; and/or that (iii) he understood that Mr Magomedov and his brother would be released if Mr Magomedov and Port Petrovsk agreed to sell Port Petrovsk's interest in Omirico

for US\$750 million; and/or (iv) to the extent that any of (i) to (iii) is a statement of opinion or belief, that he honestly held that opinion or belief and had reasonable grounds for doing so (the “**Representations**”).

83. Mr Tokarev made the Threat and Representations:
- (1) intending to coerce Mr Magomedov and Port Petrovsk into selling Port Petrovsk’s interest in Omirico for US\$750 million;
 - (2) intending that Mr Magomedov and Port Petrovsk rely on the Representations, in that they intended (i) to cause Mr Magomedov and Port Petrovsk to believe them to be true and (ii) for Mr Magomedov and Port Petrovsk, influenced by that belief, to agree to sell Port Petrovsk’s interest in Omirico for US\$750 million;
 - (3) acting for and on behalf of both Transneft and Fenti. As to the latter, this is on the basis that Transneft, Mr Tokarev acted as Fenti’s agent in relation to the negotiation of Fenti’s acquisition of Port Petrovsk’s interest in Omirico. Alternatively, the actions of Mr Tokarev in this respect are to be attributed to Fenti on the basis that Mr Tokarev was Fenti’s directing mind and will for the purposes of that negotiation.
84. On 31 August 2018 Port Petrovsk purportedly entered into an agreement with Fenti whereby it agreed to sell its interest in Omirico to Fenti for US\$750 million (the “**Omirico SPA**”). Mr Karmokov signed the Omirico SPA purportedly on behalf of Port Petrovsk. Neither Mr Magomedov nor Magomed Magomedov, who between them were the ultimate beneficial owners of 100% of Port Petrovsk, authorised Mr Karmokov to conclude the Omirico SPA on behalf of Port Petrovsk and were not aware that this had taken place at the time.
85. Transneft was also a party to (at least parts of) the Omirico SPA.
- (1) Clause 15.3 provided that each party to the Omirico SPA entered into clause 15 both on its own behalf and as an agent for each of its “*Connected Persons*”. On the proper construction of the Omirico SPA, Transneft, as the parent company of Fenti, is a “*Connected Person*” of Fenti and was therefore bound to the terms of clause 15.

- (2) Clause 16.2 provides that each party to the Omirico SPA gave certain releases to the other party, “*both for itself and on behalf of its respective Affiliates*”. On the proper construction of the Omirico SPA, Transneft, as the parent company of Fenti, is an “*Affiliate*”. The releases in clause 16.2 were therefore given by Fenti both on its own behalf and as agent for Fenti.
86. Clause 22.1 of the Omirico SPA provided that that Agreement “*and any non-contractual obligations arising out of or in connection with*” it shall be governed by, and interpreted in accordance with, English law. It is averred that this extends to any claims against Transneft arising out of or in connection with its status as a party to (parts of) the Omirico SPA and that the claims pleaded against it below are therefore governed by English law. Further or alternatively, given that the Omirico SPA is governed by English law, those claims are manifestly more closely connected to England than to any other country and are governed by English law on that basis.
87. Clauses 22.2 to 22.6 contain an agreement to submit any dispute, controversy or claim arising out of or in connection with the Omirico SPA to arbitration seated in Stockholm, Sweden. For this reason, no claims are currently made against Fenti in these proceedings. For the avoidance of doubt, it is averred that Transneft is not a party to this arbitration agreement.
88. On 27 September 2018 the purchase price of US\$750 million was paid into an account held by Port Petrovsk at PJSC Sberbank, a Russian bank which is and was at all material times majority owned by the Russian State (“**Sberbank**”), with account number 40807840900020000052, and which had been opened earlier the same year.
89. Despite this, Mr Magomedov continued (and still continues) to be detained as pleaded above. It is to be inferred from this that the Representations were (alternatively at least one of them was) false when made. It is further to be inferred that Mr Tokarev made the Representations fraudulently, in that he knew they were false or was reckless as to their truth; alternatively, that he made them negligently or (in the further alternative) innocently.
90. The circumstances in which Mr Karmokov signed the Omirico SPA on behalf of Port Petrovsk were that:

- (1) Mr Karmokov had not been authorised (whether by Port Petrovsk, Mr Magomedov, Magomed Magomedov or otherwise) to cause Port Petrovsk to enter into the Omirico SPA and they were not aware that he intended to do so;
- (2) it was not in the interests of Port Petrovsk to sell its interest in Omirico to Fenti for US\$750 million in circumstances where, just months before, the same parties had agreed a deal in principle for the sale of the same interest for US\$1.3 billion;
- (3) there was therefore no proper or legitimate reason for Mr Karmokov to sign the Omirico SPA purportedly on behalf of Port Petrovsk.

91. This was a breach by Mr Karmokov of the fiduciary duties he owed to Port Petrovsk as its director. Those duties were owed under BVI law, being the law of incorporation of Port Petrovsk. As pleaded above, the Claimants will rely on the presumption that, for these purposes, BVI law is the same as English law. The Claimants do not know whether Mr Karmokov was acting on the instructions of Ms Mammad Zade and/or under pressure from her, but irrespective of whether he was or was not so acting he breached his fiduciary duties to Port Petrovsk for the reasons pleaded above. Ms Mammad Zade did not have authority to approve such a transaction on behalf of Mr Magomedov, let alone on behalf of Magomed Magomedov.

92. As to Ms Mammad Zade:

- (1) if Ms Mammad Zade instructed and/or pressured Mr Karmokov to sign the Omirico SPA on behalf of Port Petrovsk, that was a breach by Ms Mammad Zade of her fiduciary duties owed to Port Petrovsk; and
- (2) in any event, it was a breach of the same fiduciary duties for Ms Mammad Zade not to prevent (or to take any steps to prevent) Mr Karmokov from doing so.

93. Mr Tokarev knew that he had made the Threat and Representations, and knew the matters pleaded in paragraph 90(2) above. His knowledge is to be attributed to both Transneft and Fenti for these purposes for the reasons pleaded in paragraph 83(3) above. It is therefore to be inferred that:

- (1) Mr Tokarev and, by attribution, Transneft (and Fenti) knew of Mr Karmokov's breach of duty; alternatively

- (2) Mr Tokarev and, by attribution, Transneft (and Fenti) wilfully or recklessly turned a blind eye to the same; or in the further alternative
 - (3) Mr Tokarev and, by attribution, Transneft (and Fenti) was put on inquiry as to Mr Karmokov's breach of duty.
94. The actions of Transneft (and Fenti) in participating in the negotiation of, and entering into, the Omirico SPA in these circumstances amounted to dishonest assistance in the breach by Mr Karmokov of his aforesaid fiduciary duties.
95. Further and/or alternatively, it is to be inferred for the same reasons pleaded in paragraphs 90(1)-90(3) above that:
 - (1) in signing the Omirico SPA purportedly on behalf of Port Petrovsk, Mr Karmokov was influenced and/or coerced by the Threat and therefore acted under duress and/or intimidation; and/or
 - (2) if, contrary to the Claimants' primary case, Ms Mammad Zade was not acting pursuant to and as a party to the NCSP Conspiracy in either instructing and/or pressuring Mr Karmokov to sign the Omirico SPA, or failing to take steps to prevent him from doing so, then she was influenced and/or coerced by the Threat and therefore acted under duress and/or intimidation.
96. Further and/or alternatively, it is to be inferred for the same reasons pleaded in paragraphs 90(1)-90(3) that:
 - (1) in signing the Omirico SPA purportedly on behalf of Port Petrovsk, Mr Karmokov was induced by and acted in reliance on the Representations; and/or
 - (2) if, contrary to the Claimants' primary case, Ms Mammad Zade was not acting pursuant to and as a party to the NCSP Conspiracy in either instructing and/or pressuring Mr Karmokov to sign the Omirico SPA or failing to take steps to prevent him from doing so, then she was induced by and in acted reliance on the Representations.
97. Mr Magomedov understands from his brother, Magomed Magomedov, that following the imprisonment of the Magomedovs, in the course of the negotiation of the Omirico SPA, Magomed Magomedov's representative in those negotiations (Ms Galina Medvedeva) was pressured by a Vice President of Transneft in order to ensure that she and Magomed Magomedov's nominee directors on the boards of Shevronne and the

other companies through which his stake was held would support the transaction and would do what was necessary for it to be concluded.

D.3 Confiscation of purchase price from Port Petrovsk

98. On 18 September 2018, the Tverskoy District Court of Moscow (in Criminal Case No. 11401007754000095) made an order arresting Port Petrovsk's account held at the Russian Bank Sberbank, purportedly on the basis that Mr Magomedov and Magomed Magomedov used Port Petrovsk to finance their criminal activities (which is denied).
99. The account arrested by this order was the account identified in paragraph 88 above, into which the purchase price under the Omirico SPA was subsequently paid. As pleaded above, this account was identified in the Omirico SPA as the account into which the purchase price should be paid. By contrast, the draft Sale and Purchase Agreement prepared in March 2018, referred to in paragraph 79 above, did not stipulate any particular account into which the purchase price should be paid. It is to be inferred that:
- (1) Transneft (and/or Fenti) informed the Russian prosecuting authorities of the existence of the account and of the impending payment into it, this being the most likely means by which the authorities would have learned of those matters;
 - (2) the arrest of this account was orchestrated pursuant to the NCSP Conspiracy, in order to ensure that no money was ever at Port Petrovsk's disposal and that the purchase price instead reverted to the Russian state; and
 - (3) as parties to the NCSP Conspiracy, Transneft (and Fenti) were aware prior to entering into the Omirico SPA (alternatively prior to payment being made) that the monies paid under the Omirico SPA would be arrested and would not be at Port Petrovsk's disposal.
100. On 27 May 2022, the Khamovnichesky District Court of Moscow made an order for the confiscation of US\$750 million from Port Petrovsk (corresponding to the sum paid to Port Petrovsk under the Omirico SPA), purportedly pursuant to Federal Law "On Control over the Compliance of The Expenses of Persons Holding Public Office and Other Persons with Their Income" dated 03 December 2012 No. 230-FZ ("Law No. 230-FZ"). This law allows Russian Courts to assess sources of funds and income of public officials.

101. The purported basis for the confiscation was that Port Petrovsk's primary asset, its indirect stake in NCSP, had been acquired with the proceeds of corruption by Magomed Magomedov (which is denied).
102. This order was appealed; however, the Judicial Collegium for Civil Cases of Moscow State Court rejected the appeal in September 2022. A further appeal was filed before the Second Court of Cassation of General Jurisdiction, on the grounds that:
- (1) Magomed Magomedov was a member of the Federal Council of the Federal Assembly of the Russian Federation from 4 April 2002 to 22 April 2009 only. Law No. 230-FZ came into force on 1 January 2013. Its application to him was therefore retroactive, which is contrary to Part 1 of Article 54 of the Constitution of the Russian Federation and paragraph 1 of Article 4 of the Civil Code of the Russian Federation, each of which prohibits the retroactive application of law in Russia.
 - (2) Further and in any event, Mr Magomedov was and is a private citizen who has never held public office. Law No. 230-LZ does not apply to private citizens and therefore the Court's inquiry into Mr Magomedov's income and assets, purportedly on the basis of that Law, was illegal.
 - (3) A finding that Mr Magomedov had purchased a stake in Port Petrovsk on trust for his brother was unsupported by any evidence.
 - (4) Mr Magomedov and Magomed Magomedov had acquired their stakes after obtaining all approvals required from the relevant authorities.
 - (5) The claim was time-barred, by reason of an applicable limitation period of three years.
103. The said further appeal was rejected on 28 March 2023. The appellants intend to file a further appeal to the Supreme Court of the Russian Federation. In the meantime, the arrest and confiscation remain in force. The effect of this is that Port Petrovsk has been left empty-handed: it has surrendered its interest in Omirico and has received nothing in return.

E. The FESCO Conspiracy

104. From a date at present unknown to the Claimants but (at the latest) late 2019 onwards, the FESCO Group has been and continues to be the subject of a “corporate raid”, namely a co-ordinated attempt at a hostile takeover by third parties acting in concert with individuals appointed as directors within the SGS Branch and FESCO Group companies, including but not limited to Ms Mammad Zade.
105. The “corporate raid” has been supported and pursued by way of a campaign of interference with the shareholdings of Mr Magomedov and the companies in the SGS Branch, as further described below.
106. As pleaded below, it is to be inferred that this campaign has been carried out pursuant to the FESCO Conspiracy. It is averred that (at least) the First to Nineteenth and Twenty-First to Twenty Second Defendants were parties to the FESCO Conspiracy, alongside members of the Russian state. As to the dates by which those Defendants joined the FESCO Conspiracy and the acts done by each of them pursuant to it, subject to paragraph 51 above (which is repeated), the best particulars the Claimants are currently able to give are as follows:
- (1) TPG joined the FESCO Conspiracy by late 2019 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections E.1, E.2, E.7, E.9 and E.11 below.
 - (2) Domidias joined the FESCO Conspiracy by late 2019 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections E.1 and E.8 below.
 - (3) Halimeda joined the FESCO Conspiracy by 12 February 2020 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections E.2, E.3, E.4 and E.7 below.
 - (4) Ms Mammad Zade joined the FESCO Conspiracy by Summer 2018 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in paragraph 20 above and sections E.1, E.2, E.5, E.6, E.7, E.8 and E.9 below.
 - (5) Mr Rabinovich joined the FESCO Conspiracy by early 2020 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections E.2, E.8, E.9, E.11 and E.12 below.

- (6) Ermenossa joined the FESCO Conspiracy by early 2020 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections E.2, E.8, E.9 and E.12 below.
- (7) Mr Kuzovkov joined the FESCO Conspiracy by late 2019 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections E.1, E.2, E.5 and E.9 below.
- (8) Felix joined the FESCO Conspiracy by 15 July 2020 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections E.9 and E.12 below.
- (9) Mr Severilov joined the FESCO Conspiracy by 26 August 2020 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections E.8 and E.10 below.
- (10) Ms Papanikolaou joined the FESCO Conspiracy by 18 August 2020 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in section E.9 below.
- (11) ROSATOM and DP World Russia joined the FESCO Conspiracy by early 2020 at the latest. Ermenossa acted on their behalf, as pleaded at paragraph 181 below, and the acts of Ermenossa pursuant to the FESCO Conspiracy (including at least those identified at paragraph 106(6) above) are to be attributed to ROSATOM and DP World Russia. ROSATOM and DP World Russia also acted in furtherance of that Conspiracy in their own right to (at least) the extent pleaded in sections E.10 and (in the case of ROSATOM) E.11 below.
- (12) FESCO joined the FESCO Conspiracy by 12 February 2020 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections E.2 and E.13 below.
- (13) Mr Garber joined the FESCO Conspiracy by late 2019 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in sections E.1, E.2 and E.8 below.
- (14) GHP joined the FESCO Conspiracy by late 2019 at the latest, and acted in furtherance of that Conspiracy to (at least) the extent pleaded in section E.1 and E.8 below.

E.1 Negotiation of the 2019 Option Agreement

107. As described above, by the 2012 Option Agreement, the SGS Branch held an option over the 23.765% interest in FESCO held by Mr Garber through Domidias. Unless extended by agreement, this option agreement expired on 28 November 2020.
108. Towards the end of 2019, there were negotiations involving TPG (represented by Cleary Gottlieb Steen & Hamilton LLC (“**Cleary**”)) and Domidias for a new option agreement (in favour of Hellicorp rather than Sian), which resulted in the execution of the 2019 Option Agreement. In particular, in email correspondence between Ms Mammad Zade, Mr Kuzovkov, Konstantin Kurlanov, Denis Kant Mandal (both FESCO Board Directors at the time, who had – like Ms Mammad Zade and Mr Kuzovkov – held management positions at Summa Group), Dmitry Shvets (a FESCO Board Director and TPG’s Head of Russia; “**Mr Shvets**”), Scott Senecal and Olga Belyaeva (both from Cleary):
- (1) On 29 October 2019, Mr Kurlanov asked Cleary to extend the 2012 Option Agreement if it expired soon.
 - (2) On 31 October 2019, Ms Belyaeva replied to the email above stating that the 2012 Option Agreement expired on 28 November 2019 and recommending the extension of the option to 31 December 2025.
 - (3) On 6 November 2019, Mr Senecal circulated draft documentation which provided for the extension of the option to 31 December 2025. Mr Economou, who was director of both Sian and Hellicorp at the time, was also copied to that email (and the emails below).
 - (4) On 11 November 2019, Mr Senecal sent another email noting that he had been having discussions with Mr Kant Mandal “*about documenting possible future payments to the ‘minor shareholders’, which might include mr G [Mr Garber]*”. He also suggested that the new option be put in place between Domidias and Hellicorp (rather than Sian), since Sian was not in good standing. Ms Mammad Zade was also copied to this email (and the emails below).
 - (5) On 14 November 2019, Mr Economou accepted the proposal for a new option agreement between Domidias and Hellicorp, and asked Cleary for a draft of the agreement, which Cleary then circulated on 18 November 2019. Cleary’s draft agreement did not propose any substantive amendment of the price payable

upon exercise of the Call Option (it remained as US\$400,000 as in Clause 2.3 of the 2012 Option Agreement).

- (6) On 20 November 2019, Mr Economou provided his comments on the draft, which Ms Mammad Zade promptly forwarded to Mr Shvets, summarising the changes for him and requesting that he provide his consent (on behalf of TPG) to proceed. Ms Mammad Zade flagged the following changes, which she stated “*have been discussed and agreed with Mr Garber and his legal team*”:

“ [...]

1. In case there is an amicable change of control over F. before Sept 1st 2020, option price increases to USD 5m.

2. “Standard price” of the call option is increased to USD 700k as a compensation of additional costs (given current circumstances) and as a mechanism of a repayment of accumulated fees.

[...]”

- (7) On 20 November 2019, Cleary confirmed that Mr Shvets was considering the proposed changes and, on 22 November 2019, Cleary on behalf of TPG accepted the terms of the US\$5 million purchase price in Clause 2.2 of the draft agreement, provided that FESCO was expressly required to fund such an increase.
- (8) There followed some discussion between Denis Sukhanov (a representative of GHP acting on its behalf and on behalf of Domidias), Cleary and Mr Kuzovkov regarding additional wording in Clause 2.2 to address a potential scenario where the directors of Hellicorp objected to the change of control contemplated in the payment terms as “*against the interests of the current shareholders/UBOs*” (i.e. against Mr Magomedov’s interests), after which, on 4 December 2019, Cleary on behalf of TPG, circulated a copy of the 2019 Option Agreement in “*execution form*”. The 2019 Option Agreement was signed on the terms summarised below.

109. There is a dispute over whether or not the 2019 Option Agreement constitutes a legally binding agreement (a matter which will be determined in proceedings before the Commercial Court, with claim number CL-2021-000165). Domidias denies that it is

binding. In any event it was, at the very least, agreed in substance even if not contractually binding.

110. As pleaded above, the payment terms of the 2019 Option Agreement included new provisions that offered a financial incentive for Domidias if there was a “New Acquisition” before 1 September 2020. Specifically, Clause 2.2 had the effect that if:
- (1) the call option was exercised before 1 September 2020; and
 - (2) the entire holding/investment structures of Hellicorp and Merbau were sold for value or in return for the settlement of obligations to third parties (defined in the 2019 Option Agreement as a “New Acquisition”); and
 - (3) Hellicorp’s board did not pass a resolution that the New Acquisition was made against the wishes of its ultimate beneficial owner (defined in the agreement as a “Hostile Acquisition Resolution”); then
 - (4) the purchase price was to be substantially increased from US\$ 700,000 to US\$ 5 million, such increase being conditional on Hellicorp being funded for such payment by way of loan from FESCO, one of FESCO’s subsidiaries or a third-party acquirer.
111. This incentive arrangement was in breach of Mr Garber’s and Mr Shvets’ duties as directors of FESCO. In particular, they could not properly enter into (in the case of Mr Garber) or participate in (in the case of Mr Shvets) arrangements which would confer a financial benefit upon a director acting in another capacity, dependent upon steps taken by him as a director. That represented an obvious conflict of interest. John Viola of TPG was also a director of Hellicorp (and Intimere) at that time. It is to be inferred that he was aware of the negotiations, including the detail of the incentive payment.
112. Pending disclosure and further investigation, it is not known whether there were arrangements or understandings under which Domidias and/or Mr Garber would share part of the incentive under the 2019 Option Agreement with others involved in the FESCO Conspiracy, including other directors of FESCO and/or others within or associated with the SGS Branch, or that those others would be paid by other means. The Claimants reserve the right to plead further in this respect following such disclosure and investigation.

113. The incentive arrangement was concealed from SGS Branch (save for the parties to the FESCO Conspiracy themselves). The conditions make plain that the full Board of Hellicorp had not been informed of the agreement being concluded on its behalf by TPG and its associates. Rather, the arrangement was conditional upon that Board being prevailed upon, once the New Acquisition had taken place, not to declare it as hostile.
114. TPG could not have had any legitimate interest in agreeing the additional incentive for Domidias in the 2019 Option Agreement. It is to be inferred that TPG (acting by and through Mr Shvets and Mr Viola) was conspiring with others to bring about an acquisition to oust Mr Magomedov, and that TPG's cooperation had been secured through assurances that it would be able to exit following such an acquisition.
115. In the premises:
- (1) the conduct of the members of the FESCO Board, including in particular Mr Garber and Mr Shvets, in entering into and participating in the incentive arrangement under the 2019 Option Agreement, so as to further the FESCO Conspiracy rather than the best interests of FESCO, amounts to a breach by them of their duties owed to FESCO under Article 71 of the JSC Law and Article 53(3) of the Russian Civil Code (which English law would classify as fiduciary); and
 - (2) the conduct of Domidias (to which Mr Garber's and Mr Sukhanov's conduct is attributable) and TPG (to which Mr Shvets' and Mr Viola's conduct is attributable) caused harm, unlawfully, to Mr Magomedov and/or the SGS Branch, for which the said Defendants were at fault; and accordingly amounts to a breach of Article 1064 of the Russian Civil Code (as to which see further below).

E.2 Intra-group loans and the bribes to FESCO Board members

116. In or around early 2020, the FESCO Board commissioned KPMG to formulate a restructuring plan for the FESCO Group's intra group debt structure, including the Sian Disputed Loan and the Maple Ridge Disputed Loans.
117. The restructuring plan for the FESCO Group's intra group debt structure duly produced by KPMG on its behalf, called "**Project Moonlight**", was comprehensive, achievable and in the best interests of the FESCO Group. Project Moonlight was considered by the strategy committee of the FESCO Board in or around April 2020, which committee

duly recommended to the FESCO Board that it be approved and implemented. The strategy committee's recommendation was endorsed by Mr Maxim Sakharov ("**Mr Sakharov**"), FESCO's then Chief Executive Officer.

118. Notwithstanding that fact, and without good reason, the FESCO Board did not seek to progress or implement Project Moonlight or make any other reasonable efforts to extend or restructure the intra-group debt. Instead:

- (1) on or shortly after 12 February 2020, a letter was sent by Halimeda to Sian and Maple Ridge by way of purported demand under the Sian Disputed Loan and the Maple Ridge Disputed Loan (the "**Purported Demand Letter**");
- (2) on 29 April 2020, Ms Mammad Zade sent an email to the FESCO Board postponing consideration of Project Moonlight, for which decision she provided no detailed or adequate reason;
- (3) on 3 September 2020, a meeting of the FESCO Board took place at which the FESCO Board replaced Mr Sakharov as Chief Executive Officer of FESCO and purported to approve the commencement of proceedings by Halimeda against Maple Ridge with respect to the Maple Ridge Disputed Loans and against Sian with respect to the Sian Disputed Loan (the "**3 September Proposals**").

119. It is to be inferred that Mr Kuzovkov received a bribe from Mr Rabinovich and/or Ermenossa in exchange for his acquiescence in the failure by the FESCO Board to restructure or extend the intra-group debt and/or his support of the 3 September Proposals in circumstances where:

- (1) As pleaded above, in or about late 2019, Mr Kuzovkov participated in the negotiation of the 2019 Option Agreement which provided for an incentive payment of US\$ 5 million to be paid to Domidias (and thus Mr Garber) following a successful acquisition by unnamed parties of the SGS Branch's interest in FESCO. In the course of the negotiations, Mr Kuzovkov paid particular attention to the detail of this incentive payment and it is to be inferred that he stood to gain personally from it under an arrangement with Domidias and/or Mr Garber. The payment was never triggered.
- (2) In November 2021, Mr Kuzovkov approached a banker in London through an intermediary based in Lichtenstein, with a view to receiving an amount of US\$ 20 million that stemmed from the proceeds of an "option agreement" over 3%

of the shares of FESCO. The monies were to be transferred from an account held at Locko Bank, a Russian bank in which Mr Rabinovich held a substantial minority stake of 14.78%, and in which Mr Severilov held a stake of 4.79%. Mr Kuzovkov was due to be paid or wished to hold the monies in either GBP or EUR.

- (3) There is no legitimate explanation for how Mr Kuzovkov could have acquired those rights to 3% of the shares of FESCO. He was not granted any rights to those shares as part of his employment at FESCO. His personal wealth was nowhere near sufficient to purchase those rights. The total remuneration paid to all members of the FESCO Board in 2019 was RUB 41,625,000 (approximately USD 645,000 using the average exchange rate for 2019 published on exchangerates.org.uk). Solicitors for the Claimants wrote to Mr Kuzovkov on 4 May 2022 and put this allegation of bribery to him. The response to that letter, sent on 17 June 2022 by solicitors acting for Mr Kuzovkov and extending over 13 pages, did not deny that Mr Kuzovkov had received the sums alleged but did not even attempt to explain any legitimate basis upon which he had done so. The Claimants will rely upon this implied admission.
- (4) As noted above, Mr Rabinovich (through Ermenossa) acquired approximately 9% of the issued share capital of FESCO held through the Novator and Nautilus Branches in September 2021.

120. It is to be inferred that, of the other members of the FESCO Board who voted in favour of the 3 September Proposals, at least Ms Mammad Zade and Mr Garber (whose roles were at least as significant as Mr Kuzovkov in relation to the FESCO Conspiracy) also received bribes from Mr Rabinovich and/or Ermenossa in exchange for their acquiescence in the failure by the FESCO Board to restructure or extend the intra-group debt and/or their support of the 3 September Proposals. In the case of Mr Garber, the Claimants rely upon the financial incentive payable to him (via Domidias) under the 2019 Option Agreement, as pleaded above.

121. Further or alternatively, it is to be inferred that the failure by the FESCO Board to restructure or extend the intra-group debt and its decision instead purportedly to authorise the commencement of proceedings to recover the Maple Ridge Disputed Loans and the Sian Disputed Loan was the result of at least Ms Mammad Zade having

taken steps to suborn directors on the FESCO Board so as to cause them to so act to further the FESCO Conspiracy in circumstances where:

- (1) Project Moonlight was developed at the request of the FESCO Board and had the support of its strategy committee and its then Chief Executive Officer, Mr Sakharov, and was only then not considered by the FESCO Board at the behest of one of the Hostile Parties, Ms Mammad Zade.
- (2) There are no legitimate reasons for Halimeda to take the enforcement action it has against Maple Ridge by way of the Maple Ridge Arbitration (as defined below at paragraph 124) or against Sian by way of the Sian Proceedings (as defined below at paragraph 125) in the BVI. The purported justification offered by Halimeda, namely the FESCO Group's allegedly precarious current financial situation and the risk this is said to pose to the fulfilment of FESCO's obligations under a loan due to VTB (the "**VTB Loan**"), does not exist because:
 - (i) the publicly available FESCO Group financial statements dated June 2020 (the "**Accounts**") which were audited by the FESCO Group's independent auditor, KPMG, now show that the FESCO Group's financial position was secure and stable and that the FESCO Group had the means to service its debt and continue as a going concern until at least 2023;
 - (ii) the Accounts now demonstrate that repayment of the Maple Ridge Disputed Loans and the Sian Disputed Loan was not the sole avenue available for FESCO to service the VTB Loan: rather, FESCO had other available assets capable of being applied to satisfy any sums due in respect of the VTB Loan;
 - (iii) work was already underway to refinance the VTB loan by this point: VTB had already completed its financial analysis of FESCO and agreed that the proposed refinancing would be brought before its Credit Committee; the refinancing was ultimately concluded on this basis in February 2021; and
 - (iv) if the FESCO Board had apprehended a genuine risk that FESCO might default on its obligations under the VTB Loan, then FESCO as a publicly listed company in Russia would have been obliged as a matter of

Russian law to make a disclosure to the market under (inter alia) paragraph 4 of Article 30 of the Russian Federal Law N 39-FZ dated 22 April 1996 on ‘Securities Market’ (as amended) and Chapter 50 of the Bank of Russia Regulation No.714-P dated 27 March 2020 on ‘Disclosure of Information by Issuers of Equity Securities’. No such disclosure has been made by FESCO.

- (3) FESCO intra group debt that does not relate to the SGS Branch has been restructured. In particular, PJSC Commercial Port of Vladivostok (“**VMTP**”) extended the expiry date of a US\$ 88,000,000 debt owed to it by Valsta Ltd (“**Valsta**”), a wholly owned subsidiary of Halimeda, from 31 October 2020 to 31 December 2022. The debt had originally been owed to VMTP by Halimeda and is said to have been assigned by Halimeda to Valsta in September 2018.
 - (4) The FESCO Board was advised in November 2019 in a memorandum produced by Cleary that approving the extension of the Disputed Loans would not amount to a breach of their duties as directors. It is to be inferred that the FESCO Board would not have sought that advice unless it was minded, provided the advice were to the effect that approving the extension of the Disputed Loans would not amount to a breach of their duties as directors, so to act.
 - (5) On 6 May 2020, the strategy committee of the FESCO Board resolved (in translation) “[t]o instruct the Company’s management to obtain a legal opinion from the external advisor Cleary Gottlieb Steen & Hamilton LLC in relation to the Moonlight Project for restructuring of FESCO Group and repayment of intragroup debt; to submit the legal opinion obtained from the advisor for consideration to the members of the Company’s Board of Directors and adoption of a resolution to approve the Moonlight Project”.
 - (6) In a memorandum dated 14 May 2020, Cleary advised that they “do not see any grounds for successfully holding members of the Board of Directors liable for approving” the Project Moonlight restructuring plan.
122. Further and in any event, the relevant debts could have been refinanced with VTB directly at any time (even absent approval and implementation of Project Moonlight). A representative of FESCO commenced talks with VTB regarding potential refinancing in early 2020, and FESCO itself stated in its Accounts that it had a “reasonable

expectation” that the relevant banks would be willing to renegotiate. A letter signed by FESCO’s President, Arkady Korostel’jov, dated 2 February 2021, stated VTB’s willingness to refinance the VTB Loan, and sought consent from SGS, Wiredfly, Smartilicious, and Enviartia to such a re-financing.

123. In the premises:

- (1) the conduct of the members of the FESCO Board, including in particular Ms Mammad Zade, Mr Garber and Mr Kuzovkov, from at the latest 12 February 2020 (the date of the Purported Demand Letter) onwards, in declining to proceed with Project Moonlight (or any other form of restructuring or extension of the intragroup debt) and in seeking instead to enforce the Maple Ridge Disputed Loans and the Sian Disputed Loan so as to further the FESCO Conspiracy rather than the best interests of FESCO, amounts to a breach by them of their duties owed to FESCO under Article 71 of the JSC Law and Article 53(3) of the Russian Civil Code (which English law would classify as fiduciary); and
- (2) the conduct of at least Mr Rabinovich and Ermenossa (to which Mr Rabinovich’s conduct is to be attributed), whom it is to be inferred either pressurised or induced or bribed the members of the FESCO Board to so act, caused harm, unlawfully, to Mr Magomedov and/or the SGS Branch, for which the said Defendants were at fault; and accordingly amounts to a breach of Article 1064 of the Russian Civil Code (as to which see further below). Further, the receipt of bribes (by Mr Kuzovkov and, it should be inferred, at least Ms Mammad Zade and Mr Garber), and the payment of bribes, is unlawful under Articles 201 and 204 of the Russian Criminal Code.

E.3 The Maple Ridge LCIA arbitration proceedings and the Sian winding-up proceedings

124. On 16 September 2020, a Request for Arbitration was submitted, purportedly in the name of Halimeda, seeking to enforce the Maple Ridge Disputed Loans (the “**Maple Ridge Arbitration**”). The Maple Ridge Arbitration was commenced pursuant to and in furtherance of the FESCO Conspiracy. That is an ulterior and improper purpose which is not within the proper scope of the arbitral process. Halimeda’s conduct therefore amounted to an abuse of the process of arbitration.

125. On 30 September 2020, an application for Sian’s compulsory winding up was issued purportedly in the name of Halimeda before the High Court of the BVI (the “**Sian Proceedings**”). The Sian Proceedings were commenced pursuant to and in furtherance of the FESCO Conspiracy and the debt said to found those proceedings was and is the subject of a dispute on substantial grounds as Halimeda knew or ought to have known. Halimeda’s conduct therefore amounted to an abuse of the process of the Court.
126. The Maple Ridge Arbitration and the Sian Proceedings are referred to collectively herein as the “**2020 Proceedings**”.
127. The Claimants understand that the commencement of the Sian Proceedings was purportedly authorised by a purported resolution of the board of Halimeda, as well as by the purported resolution of the FESCO Board (see paragraph 118(3) above).
128. However, so far as the Claimants have been able to establish, there was no formal resolution of the board of Halimeda purporting to authorise the commencement of the Maple Ridge Arbitration. The only purported authorisation for the commencement of that Arbitration came from the FESCO Board, per paragraph 118(3) above.
129. As to the purported authorisation of the 2020 Proceedings by the FESCO Board: the decision whether or not to commence legal proceedings is one for the board of Halimeda, not its shareholder. That act by the shareholder of Halimeda was therefore not one which was capable of authorising the commencement of the 2020 Proceedings in the name of Halimeda.
130. Alternatively, if in principle FESCO (as shareholder of Halimeda) could authorise the bringing of the 2020 Proceedings:
- (1) The directors of FESCO are (and were at all material times) obliged under Article 71 of the JSC Law and Article 53(3) of the Russian Civil Code to act in the best interests of the company and to conduct their duties in good faith and reasonably.
 - (2) The purported decision on the part of the FESCO Board to authorise the bringing of the 2020 Proceedings was taken in the circumstances pleaded in paragraph 121 above and as pleaded in paragraph 123(1) above amounted to a breach of the said duties.

- (3) Accordingly, any such purported decision was the result of a breach of duty, and made for the improper purpose of furthering the aims of the FESCO Conspiracy. Accordingly, the decision is void, pursuant to:
 - (i) Article 168(2) of the Russian Civil Code, which provides that a transaction which violates the requirements of a law or another legal act and thereby infringes on public interests or the rights and legally protected interests of third parties is void; and/or
 - (ii) Article 169 of the Russian Civil Code, which provides that a transaction which is concluded with a goal which is knowingly opposed to the fundamentals of the legal order or morality shall be null and void.
131. As to the purported resolution of the board of Halimeda authorising the commencement of the Sian Proceedings:
- (1) The directors of Halimeda are obliged to act *bona fide* in what they consider to be the best interests of the company and only use their powers for a proper purpose.
 - (2) It is to be inferred that the directors in question, including in particular Mr Privalov for and on behalf of FESCO Global Logistics Limited, did not apply *bona fide* independent judgment to the question of what was in the best interests of Halimeda but merely acted on instructions purporting to be of the FESCO Board (whether conveyed directly or indirectly). Accordingly, any such purported decision was the result of a breach of fiduciary duty, necessarily not within the actual authority of the board of Halimeda, and so not the act of Halimeda.
 - (3) The knowledge of those on whose instructions the directors in question purported to act is to be attributed to those directors. Those persons were acting not in the interests of Halimeda, but pursuant to and in furtherance of the FESCO Conspiracy. Accordingly, any such purported decision was the result of a dishonest breach of fiduciary duty, necessarily not within the actual authority of the board of Halimeda, and so not the act of Halimeda.
132. If there is any purported decision of the board of Halimeda authorising the commencement of the Maple Ridge Arbitration, then paragraph 131 above is repeated, *mutatis mutandis*, in relation to that purported decision.

E.4 The wrongful obtaining of the Cypriot Injunctions

133. On 28 September 2020, Halimeda obtained an *ex parte* interim court order from the Limassol District Court in Cyprus (the “**Cypriot Court**”) against Maple Ridge and its indirect subsidiaries, Smartilicious and Enviartia (the “**Cypriot Respondents**”), purportedly in support of its claim in the Maple Ridge Arbitration. The *ex parte* interim court order was made absolute on 5 October 2020, while on the same date, a second order was issued against the Cypriot Respondents, due to their non-appearance in Court (the “**Cypriot Injunctions**”).
134. Halimeda asserted to the Cypriot Court that the Cypriot Injunctions were necessary so as to prevent the Cypriot Respondents from causing FESCO to destroy its ability to recover the Maple Ridge Disputed Loans. However, the relief obtained by Halimeda pursuant to the Cypriot Injunctions – purportedly pursuant to the *Chabra* jurisdiction – went so far as to prohibit the Cypriot Respondents from exercising any voting rights at the Annual General Shareholders’ Meeting (“**AGSM**”) of FESCO. Indeed, in a filing before the Insolvency Court in relation to the application described at paragraph 125, above, witness evidence specifically stated that the purpose of the injunction “*was to ensure that the management of FESCO is not replaced with new people*” – something that is the right of the shareholders by law.
135. The effect of the Cypriot Injunctions was indeed to prevent the Cypriot Respondents from electing their preferred candidates for the FESCO Board notwithstanding the fact that they together controlled 49.9997% of the shares in FESCO. As a result, the Cypriot Injunctions handed practical control of FESCO to Domidias (which owned shares in FESCO through its subsidiaries in the Domidias Branch), Novator and Nautilus, and those of the Hostile Parties that controlled them (including, from time to time, Mr Garber, Mr Severilov and Mr Rabinovich, as pleaded above) notwithstanding Domidias’, Novator’s and Nautilus’ much smaller shareholdings.
136. The Cypriot Respondents applied to set aside the Cypriot Injunctions on 2 November 2020 as orders that should not have been sought or made. That application was successful and on 16 November 2020 the Cypriot Court set aside the Cypriot Injunctions, accepting the Cypriot Respondents’ arguments that they should never have been made. Halimeda was ordered to pay the Cypriot Respondents’ costs. Halimeda,

notwithstanding that the event to which the Cypriot Injunctions related had passed, appealed against the setting aside of the Cypriot Injunctions.

137. Although the Cypriot Injunctions were set aside, they were nevertheless effective to prevent the Smartilicious and Enviartia from voting at the FESCO AGSM because the internal voting rules governing the AGSM required that the last date upon which voting instructions could be submitted for the AGSM – which took place on 16 November 2020, a Monday – was on Friday, 13 November 2020.

138. As a result:

- (1) the SGS Branch lost all representation on the FESCO Board; and
- (2) the Hostile Parties were able to nominate additional directors to, and thereby take control of, the FESCO Board, which is now hostile to the interests of the SGS Branch and, therefore, of the Claimants.

139. It is to be inferred that the Cypriot Injunctions were obtained by Halimeda not because it apprehended the destruction of its cause of action but rather for the unlawful, improper and illegitimate purpose of furthering the FESCO Conspiracy by preventing the SGS Branch from electing their candidates to the FESCO Board in circumstances where:

- (1) in prohibiting a shareholder in a publicly traded Russian company from exercising its voting rights, the Cypriot Injunctions sought and obtained by Halimeda had the effect of causing the Cypriot Court to assume jurisdiction over matters which properly fell to the Russian Court as Halimeda either appreciated or ought to have appreciated;
- (2) although purportedly sought pursuant to the *Chabra* jurisdiction, the relief in fact granted was not *Chabra* relief but something entirely new, for which there was no justification in principle and no basis in authority, whether in England and Wales or Cyprus;
- (3) Halimeda's application disclosed no legitimate basis for seeking *Chabra* relief;
- (4) the relief Halimeda in fact obtained went very considerably beyond that which was necessary to prevent the harm Halimeda professed to apprehend, for which further relief there was no justification even on Halimeda's own case; and

- (5) as set out further below, other steps were taken pursuant to the FESCO Conspiracy with a view to preventing the election of the SGS Branch's candidates to the FESCO Board.
140. In the premises, the Cypriot Injunctions were a deliberate abuse of the process of the Cypriot Court, and were obtained by Halimeda (i) for an unlawful, improper and illegitimate purpose, (ii) by misleading the Cypriot Court as to the nature of the relief sought and as to Halimeda's true purpose in seeking it, and (iii) *ex parte* and in breach of Halimeda's duty to the Cypriot Court to make full and frank disclosure.
141. Further, the unsuccessful prosecution of the proceedings in Cyprus by Halimeda in the circumstances set out above amounted to the tort of malicious prosecution and, therefore, a further unlawful means effected by Halimeda in furtherance of the FESCO Conspiracy, in that:
- (1) the proceedings in Cyprus for the Cypriot Injunctions were brought by Halimeda against the Cypriot Respondents;
 - (2) the proceedings have now been determined in favour of the Cypriot Respondents in that the Cypriot Injunctions have been set aside and costs awarded against Halimeda;
 - (3) the proceedings were brought without reasonable and probable cause because Halimeda had neither a legitimate entitlement nor legitimate need to the relief it obtained ostensibly in support of these proceedings; and
 - (4) Halimeda brought the proceedings maliciously because it deliberately misused the process of the Cypriot Court to obtain relief to which it was not entitled and for a purpose divorced from that for which it was ostensibly sought.

E.5 The SGS Branch Directors

142. It is to be inferred that Mr Economou and Mr Tsantekides, who are each directors of companies in the SGS Branch, have each been unlawfully, improperly and illegitimately pressured and/or induced by at least Ms Mammad Zade and Mr Kuzovkov to act contrary to the best interests of the companies of which they are officers and instead to act in the interests of the Hostile Parties so as to further the FESCO Conspiracy.

143. In drawing this inference, the Claimants rely on the following facts and matters of which they are currently aware:

- (1) The Purported Demand Letter appears to have been received by Mr Economou (who was a director of Sian at the time) at some point prior to 6 March 2020, on which date a representative of his firm signed an acknowledgement of receipt of the Purported Demand Letter, purportedly on behalf of Maple Ridge (of which he was not a director) and returned it to a representative of FESCO Ocean Management, who had requested it. Mr Economou did not provide a copy of the Purported Demand Letter to any representative of SGS or Mr Magomedov and accordingly they were unaware that a demand for repayment of the Disputed Loans had been made. As a lawyer, Mr Economou would have understood the significance of the Purported Demand Letter and that action would need to be taken in relation to it by those that controlled the SGS Branch.
- (2) As pleaded above, on or around 27 August 2020, two documents were located among the documents of Mr Economou of which Mr Magomedov was unaware and neither of which were in the interests of the SGS Branch, namely:
 - (i) the 2019 Option Agreement, described above. The effect of that agreement was to provide in certain circumstances for a large bonus (US\$ 4.3 million) to be payable to Domidias on the condition that there be an acquisition of the SGS Branch by an unnamed third party. That provision was not in the interests of Hellicorp and there was no reason for Hellicorp to have agreed it, in particular given that its subsidiary (Sian) was a party to the 2012 Option Agreement. The purported bonus was not in the interests of Hellicorp and only served the interests of the Hostile Parties. As pleaded in section E.1 above, Ms Mammad Zade and Mr Kuzovkov were protagonists in the correspondence involving the 2019 Option Agreement and the incentive payment under it.
 - (ii) A written resolution purporting to authorise the transfer of 2,000 fully paid shares of Enviartia held by Wiredfly to an unspecified third party (the “**Enviartia Share Resolution**”) apparently prepared on the instructions of Mr Economou and signed by Mr Tsantekides. Mr Economou received no legitimate instruction to prepare the Enviartia

Share Resolution, which resolution was not in the interests of Hellicorp or Enviartia.

- (3) From 1 July 2019, Mr Tsantekides was SGS's nominated director of Maple Ridge, Wiredfly and, from 10 October 2019, he was SGS's nominated director of Smartilicious and Enviartia, having been appointed by, and acted under the direction of, Ms Mammad Zade after Mr Magomedov's arrest. By July 2020 at the latest, after SGS had begun to replace its nominee directors within the SGS Branch, it became apparent that Mr Tsantekides had ceased to respond to the requests of the SGS Branch companies, which (as pleaded in more detail under E.6 below) frustrated and delayed the SGS Branch's efforts to protect its interests at the AGSM.
- (4) On 23 September 2020, Halimeda submitted papers to the Cypriot Court seeking the Cypriot Injunctions referred to above. The *ex parte* order made by the Cypriot Court was served on Fantera (the Corporate Secretary of Smartilicious and Enviartia) on 28 September 2020 and Fantera subsequently provided the same to Mr Tsantekides. Mr Tsantekides failed and, by inference, dishonestly omitted to draw the Cypriot Injunctions to the attention of the Cypriot Respondents, their legal advisors, or the SGS Branch with the result that the Cypriot Respondents unintentionally failed to oppose the without notice order which was therefore continued at the return date, delaying and complicating the Cypriot Respondents' efforts to secure the discharge of the same.

144. In the premises:

- (1) the conduct of Mr Economou as set out above amounts to a breach of the fiduciary duties he owed as a director of Hellicorp, Intimere and Sian;
- (2) the conduct of Mr Tsantekides as set out above amounts to a breach of the fiduciary duties he owed as a director of Enviartia, Smartilicious, Maple Ridge and Wiredfly; and
- (3) the conduct of at least Ms Mammad Zade and Mr Kuzovkov, whom it is to be inferred either pressured or induced Mr Economou and/or Mr Tsantekides to so act, amounts to dishonest assistance of those breaches of fiduciary duty.

E.6 Smartilicious' and Enviartia's nominees to the FESCO Board

145. Russian public companies such as FESCO are required by Article 66 of the JSC Law to re-elect their board of directors annually. By virtue of Article 53 of the JSC Law, shareholders with a stake of at least 2% of the voting shares of such a company are entitled to nominate candidates to its board.
146. FESCO's AGSM for 2020 had been scheduled for 30 September 2020. The AGSM had already been delayed by Ms Mammad Zade refusing to include the convening of an AGSM on the FESCO's Board's meeting agenda notwithstanding Mr Gadzhiev insisting that she do so from April to August 2020. In preparation for the AGSM, and in accordance with their entitlement, Smartilicious and Enviartia nominated 14 candidates to the FESCO Board on 24 February 2020 (the "**SGS Branch Nominees**"), all of whom had previously consented to nomination.
147. The FESCO Company Charter stipulates that the FESCO Board should be comprised of 9 persons. Clause 3.01 of the Intimere Shareholders' Agreement required the parties to procure that the number of directors of FESCO should be kept at 9, of which 5 would be nominees of SGS. It follows that in the ordinary and proper course, Smartilicious' and Enviartia's combined 49.9997% stake in FESCO and clause 3.01 of the Intimere Shareholders' Agreement would have enabled the SGS Branch to secure the election of 5 of the SGS Branch Nominees to the FESCO Board.
148. Between 11 and 18 September 2020, each of the 14 SGS Branch Nominees (save for Mr Gadzhiev) wrote to Ms Mammad Zade withdrawing their consent to being nominated to the FESCO Board.
149. It is to be inferred that each of the SGS Branch Nominees was unlawfully, improperly and/or illegitimately coerced into withdrawing their consent by at least Ms Mammad Zade so as to further the FESCO Conspiracy by ensuring that the SGS Branch could not elect its preferred candidates to the FESCO Board in circumstances where:
- (1) the SGS Branch Nominees had been nominated on 24 February 2020 but (save for Mr Gadzhiev) all withdrew their consent within the space of 7 days several months later;
 - (2) the letters sent by the SGS Branch Nominees to Ms Mammad Zade withdrawing their consent were in near identical terms, suggesting they had been drafted on their behalf by the same person or persons; and

(3) certain of the SGS Branch Nominees have confirmed to Mr Gadzhiev (who assists Mr Magomedov in the management of his business affairs) that Ms Mammad Zade had telephoned them and asserted, falsely, that FESCO's financial position was such that if they took up their positions as directors of FESCO they would be held personally liable for FESCO's debts in the event of a subsequent insolvency, which was understood by them as a threat such that they were left in no doubt that they should withdraw their consent to nomination.

150. The effect of these threats was that, even if it had been possible for a vote on the composition of the FESCO Board to take place, it would not have been possible for SGS Branch Nominees to be elected to the Board because, aside from Mr Gadzhiev, neither those individuals nor any other potential candidates approached by the SGS Branch were prepared to be nominated any longer. As pleaded elsewhere in these Particulars of Claim, certain of the Hostile Parties thereafter continued to take steps to prevent the SGS Branch from electing candidates to the FESCO Board. Those steps included an application for Sian's compulsory winding up issued purportedly in the name of Halimeda before the High Court of the BVI (see section E.3 above); and FESCO's application to the Moscow Arbitrazh Court for an order for the seizure of the FESCO shares held by Smartilicious and Enviartia (see section E.13 below).

E.7 TPG's deliberate stalling of appointments to the boards of Smartilicious and Enviartia

151. As noted above, FESCO's AGSM for 2020 had been scheduled for 30 September 2020. As pleaded above, certain directors of companies in the SGS Branch had begun to act contrary to the best interests of those companies (and, it is to be inferred, were improperly pressured and/or induced to do so). In particular, Mr Tsantekides, who was the SGS Group's nominated director of (inter alia) Smartilicious and Enviartia, and who on 10 October 2019 had been appointed by, and acted under the direction of, Ms Mammad Zade, had ceased to respond to the requests of the SGS Branch.

152. Therefore, in September 2020, SGS engaged with TPG (through Cleary) to ask for TPG's cooperation in instructing TPG's nominated director, Themis Directors Limited, to approve board resolutions to appoint a new SGS-nominated director to each of Smartilicious and Enviartia. SGS made it clear that this was required so that SGS could exercise its rights to vote for the new FESCO board of directors at the AGSM and

thereby protect its interests in FESCO. It was in TPG's interests to ensure that Smartilicious and Enviartia were able to protect its investment in FESCO.

153. However, Cleary (on the instructions of TPG) deliberately stalled the process. In particular:

- (1) In an email dated 21 September 2020 and (after that email went unanswered) a further email the next day, SGS emphasised that Smartilicious and Enviartia needed to provide all the signed documents, notarised and apostilled, on 28 September 2020 at the latest in order to vote at the AGSM.
- (2) By its emails to SGS dated 22 and 23 September 2020, Cleary requested information on a peripheral issue (namely the formalities and status of the appointment of new directors to Maple Ridge) and appeared to be looking for obstacles rather than taking the necessary action to ensure that Smartilicious and Enviartia were able to take part in the AGSM.

154. On the same day as Cleary's email dated 23 September 2020, Halimeda submitted an application seeking the Cypriot Injunctions (see section E.4 above). It is to be inferred that:

- (1) TPG knew that the FESCO Board members party to the FESCO Conspiracy (at that time being at least Ms Mammad Zade, Mr Kuzovkov and Mr Garber) planned to act to prevent Smartilicious and Enviartia taking part in the AGSM, and supported those aims by stalling the placement of new SGS nominee directors to the boards of Smartilicious and Enviartia ahead of the AGSM scheduled for 30 September.
- (2) In deliberately stalling the process to appoint to new SGS-nominated directors to Smartilicious and Enviartia, TPG acted in concert with Halimeda, Ms Mammad Zade and those directors of the FESCO Board who supported Ms Mammad Zade.

E.8 Exercise of rights under the 2012 and 2019 Option Agreements

155. During the course of 2018 and 2019, Ms Mammad Zade was instructed by Mr Magomedov to cause Sian to exercise the call option granted to Sian pursuant to the 2012 Option Agreement. However, Ms Mammad Zade failed to act on, or respond to,

Mr Magomedov's instructions or the correspondence sent by him in connection with the same.

156. It is the Claimants' primary case that (despite the proper interpretation of its terms entailing that it would expire on 28 November 2020, as stated at 107 above) the 2012 Option Agreement was in fact extended during negotiations in or about late 2019. If it was not so extended, this involved a breach of duty by at least Mr Economou, TPG, Ms Mammad Zade and Mr Kuzovkov. The case as to the extension of the 2012 Option Agreement and the alternative case as to breach of duty are each pleaded in separate proceedings brought in England (the "**Options Proceedings**") and these matters will be determined in those proceedings.
157. Following various letters sent by Sian to Mr Garber of the Domidias Branch in March and May 2020 notifying him of Sian's wish to exercise the call option under the 2012 Option Agreement, a telephone conversation took place between Mr Gadzhiev and Mr Garber on 15 May 2020. During the course of that conversation, Mr Garber confirmed Domidias' willingness to sell its shares in Merbau and provided the details of his law firm, Dentons, with a view to completion of that sale. Mr Garber referred Mr Gadzhiev to Mr Sukhanov of GHP in order to make the arrangements on behalf of Domidias.
158. From 25 May 2020 onwards, DLA Piper Rus Limited ("**DLA Rus**") and, together with DLA Piper UK LLP, "**DLA**"), solicitors to Sian and the SGS Branch, engaged in email correspondence with Domidias' legal representatives, Dentons (who the Claimants understand took their instructions from GHP acting on behalf of Domidias), in an effort to exercise Sian's rights under the 2012 Option Agreement. These efforts came to an end in or around late July 2020 when Dentons contacted DLA Rus to inform them that, for reasons that were not explained, Domidias was unwilling to proceed with the sale.
159. To the best of the Claimants' present knowledge and belief, at some point thereafter, but in any event by 4 October 2020, Mr Garber sold his shares in Domidias. It is to be inferred that he sold them to Mr Severilov, or a company ultimately owned by him, on the basis that FESCO's Annual Reports dated 31 December 2020 and 31 December 2021 identified Mr Severilov as the indirect owner of 23.8% of the shareholding in FESCO. At the same time, it appears that the directors of the entities within the Domidias Branch of shareholders were replaced by directors known to be affiliated with Mr Rabinovich, including Anastasia Evripidou who, along with Ms Papanikolaou, is a

director of Parallel Nominees Cyprus Ltd, an entity linked with Mr Severilov, Mr Rabinovich and Ermenossa, as pleaded below at 181(2).

160. On 4 November 2020, Sian exercised its call option under the 2012 Option Agreement by executing and serving a call option notice in the form prescribed by the 2012 Option Agreement (the “**2012 Call Option Notice**”). Pursuant to the terms of the same, the deadline for completion was 15:00 Moscow time on 11 November 2020.
161. On the same date, and without prejudice to its rights and remedies in respect of the same, Hellicorp exercised its call option under the purported 2019 Option Agreement by executing and serving a call option notice in the form prescribed by the 2019 Option Agreement (the “**2019 Call Option Notice**”). Pursuant to the terms of the same, the deadline for completion was 15:00 BVI time on 11 November 2020.
162. Early on the morning of 11 November 2020, Domidias sent a letter by email addressed to Sian and Hellicorp in which it stated that it would not comply with either the 2012 or 2019 Call Option Notices (the “**Domidias Refusal Letter**”).
163. The Domidias Refusal Letter constituted an anticipatory and repudiatory breach by Domidias of the 2012 Option Agreement or (if it was concluded as a legally binding agreement) the 2019 Option Agreement. Further, and in any event, Domidias breached the 2012 Option Agreement or (if it was concluded as a legally binding agreement) the 2019 Option Agreement, by failing to complete by the deadline under the 2012 or 2019 Call Option Notices.
164. In circumstances where (i) it was in Sian’s interests to exercise the 2012 Option Agreement and Ms Mammad Zade in any event had received a clear instruction from Mr Magomedov to do so; (ii) Ms Mammad Zade is one of the Hostile Parties; and (iii) Sian was contractually entitled to exercise its call option under the 2012 Option Agreement, it is to be inferred that:
 - (1) the failure by Ms Mammad Zade to act on or respond to Mr Magomedov’s instructions to exercise the call option under the 2012 Option Agreement in 2018 and 2019;
 - (2) the unexplained termination by Dentons, acting on behalf of Domidias, of discussions with DLA Rus concerning the exercise of the call option under the 2012 Option Agreement in July 2020; and

- (3) Domidias' refusal to comply with either the 2012 Call Option Notice or the 2019 Call Option Notice and its resulting breach of contract,

were and are steps taken by Ms Mammad Zade, Domidias, Mr Garber (who controlled Domidias until October 2020), Mr Sukhanov of GHP, and Mr Rabinovich and Mr Severilov (who between them controlled Domidias thereafter), pursuant to the FESCO Conspiracy, so as to prevent the SGS Branch from increasing and consolidating its stake in FESCO and therefore prevent Mr Magomedov from reinforcing his control over the FESCO Group.

E.9 Exercise of rights under the Intimere Shareholders' Agreement

165. In early 2020, Ermenossa and TPG engaged in discussions about how Ermenossa could obtain control of the shares in Intimere then held by Felix, whilst minimising the prospect that SGS would be able to exercise its right of first offer and thereby acquire those shares in place of Ermenossa.
166. On or about 14 July 2020, TPG and Ermenossa reached agreement for the sale of the Felix shares, which was entered into by certain of the funds managed by TPG. This provided, inter alia:
 - (1) by clauses 3.4 to 3.6, for Ermenossa to have rights in respect of the appointment of directors of Intimere and Hellicorp, even before completion of any transaction;
 - (2) by clauses 3.7 and 4.5, for Ermenossa to receive copies of communications including those sent by SGS and dealing with the business of Intimere; and
 - (3) by clause 4.5, for Ermenossa and the TPG entities to work together to refute any allegation by SGS or Intimere that there was any defect or non-compliance with the Intimere Shareholders' Agreement and to proceed with the transaction.
167. By letter dated 15 July 2020, Felix sent SGS a ROFO Offer (the "**Felix ROFO Offer**") which:
 - (1) indicated that a change of control over Felix had been proposed to occur;
 - (2) offered SGS all Felix's Preference Shares, comprising 26,816.775 Principal Preference Shares and 7,232.887 PIK Shares (the "**Offered Shares**");

- (3) identified the number of Shares and Preference Shares being offered and the proposed aggregate purchase price of US\$ 35,000,000 and terms and conditions of the offer; and
 - (4) expressly stated that SGS had 30 calendar days (up to and including 14 August 2020) to accept the Felix ROFO Offer.
168. The Felix ROFO Offer further expressed the view that no governmental approvals were required for the acquisition by SGS of the Offered Shares, with the consequence being that if the Felix ROFO Offer was accepted by SGS, SGS was obliged to complete the acquisition of the Offered Shares within 60 calendar days after the date of its acceptance of the Felix ROFO Offer.
169. Enclosed with the Felix ROFO Offer was a misleading document, which represented a proposed change of control transaction that it was never intended would take place. As noted above, TPG and Ermenossa had in fact reached agreement on different terms for the sale of the Felix shares the day before the Felix ROFO Offer, which agreement included pre-closing commitments from TPG that it would work with Ermenossa to refute any allegation by SGS that the ROFO had not been complied with.
170. The Felix ROFO Offer was delivered to SGS's sole director, Mr Gadzhiev, by email dated 15 July 2020 from Mr Shvets on behalf of Felix. However, Mr Shvets included as addressees of his email (inter alia) the personal email addresses of Ms Mammad Zade and Mr Kuzovkov. The Notice provision at section 14.01 of the Intimere Shareholders' Agreement did not require the Felix ROFO Offer to be sent to those individuals (either at all or, in any event, to their personal email addresses). It is to be inferred that TPG was involved in discussions with Ms Mammad Zade and Mr Kuzovkov in relation to the Felix ROFO Offer, and wished to ensure that it was sent to email addresses at which TPG was confident they would be received. Mr Shvets' email was also copied to Clive Bode, a senior partner of TPG and former member of the FESCO Board ("**Mr Bode**"), from which it is to be inferred that Mr Bode was aware of the circumstances in which the ROFO Offer was sent to SGS, including the intention to mislead SGS as to the agreement concluded with Ermenossa.
171. On 30 July 2020, David Bonderman, TPG's founding partner and ultimate beneficial owner at the time ("**Mr Bonderman**") sent a personal note to Mr Magomedov in prison, seeking to reassure Mr Magomedov that TPG would sell its stake in Intimere to SGS

on the terms of the Felix ROFO Offer. The personal note also stated that TPG thought that “*others will be willing to purchase on the terms of the ROFO [Felix ROFO Offer], if SGS does not take up the ROFO*”. Those statements were deliberately misleading, because TPG had already committed to sell its shares in Intimere to Ermenossa.

172. By letter to Felix dated 14 August 2020, SGS accepted the Felix ROFO Offer in accordance with the terms of the Intimere Shareholders’ Agreement (the “**Accepted Felix ROFO Offer**”).
173. By letter to SGS dated 17 August 2020, Felix reiterated and confirmed the position that it had expressed in the Felix ROFO Offer, namely that it believed that no government approvals were necessary in relation to the sale of the Offered Shares pursuant to the Accepted Felix ROFO Offer.
174. Pursuant to section 9.03(b) of the Intimere Shareholders’ Agreement, Felix and SGS were accordingly bound to close the sale of the Offered Shares no more than 60 calendar days after the acceptance date, that is by 13 October 2020.
175. Following the Accepted Felix ROFO Offer, SGS and Felix through an exchange of email correspondence between their respective legal representatives – Cleary on behalf of Felix and DLA Rus on behalf of SGS – negotiated and reached a concluded agreement on all required aspects of the deal by 7 October 2020.
176. SGS fulfilled its obligations in accordance with the Intimere Shareholders’ Agreement and the concluded agreement reached in October 2020 as between Cleary and DLA Rus and was ready, willing and able to effect the closing of the sale of the Offered Shares by the closing deadline of 13 October 2020. However, Felix, in breach of its obligations under the Intimere Shareholders’ Agreement, failed to effect the closing of the sale and instead:
 - (1) on 12 October 2020, returned the consideration for the Offered Shares that had been transferred to Felix’s nominated account by SGS on 9 October 2020;
 - (2) made a series of demands for information to which it had no contractual entitlement;
 - (3) notwithstanding the fact that SGS had produced the information and documents requested by Felix, refused to confirm that SGS could again transfer the consideration to Felix’s nominated account; and

- (4) communicated via email dated 13 October 2020 from Cleary to DLA Rus that it had received a letter from the FAS (the “**Felix FAS Letter**”) which stated that the transaction concerning the Offered Shares was subject to the approval of FAS and that it was Felix’s view that it was not possible for SGS to proceed with a closing on the transaction until SGS had obtained such approval.
177. Contrary to the contents of the Felix FAS Letter, no approval from FAS for the sale of the Offered Shares to SGS was or is in fact required in circumstances where:
- (1) the proportion of shares to be transferred does not exceed the relevant thresholds under the Russian Competition Law (135-FZ); and
 - (2) the ultimate beneficial owner of the purchaser, SGS, is a Russian national and tax resident (i.e., Mr Magomedov), meaning that the transaction is exempt from the requirement for FAS approvals under the Russian Foreign Strategic Investor Law.
178. In any event, the Felix FAS Letter made no mention of SGS nor did it describe the transaction at issue between SGS and Felix. It is to be inferred that:
- (1) the Felix FAS Letter related to the underlying Change of Control that triggered Felix’s ROFO Offer, not to the sale of the Offered Shares to SGS under the Felix ROFO Offer; and
 - (2) Felix, in its 13 October 2020 email, falsely represented to SGS that the Felix FAS Letter related to the Felix ROFO Offer as a means to delay and default on the proposed transaction.
179. On 19 October 2020, SGS received a letter from FAS (the “**SGS FAS Letter**”) which stated, amongst other things, that:

“According to the information received by the FAS of Russia, TPG Felix L.P. (“TPG Felix L.P.”) and SGS UNIVERSAL INVESTMENT HOLDINGS LTD (“SGS”) plan to enter into a transaction as the result of which the purchaser will obtain a right to indirectly exercise the voting rights attached to the voting shares in the business entity of strategic importance, Commercial Port of Vladivostok Public Joint Stock Company (the “Transaction” and “FESCO”, respectively).

On 15 July 2020 TPG Felix L.P. submitted to SGS an offer to assign and transfer its share in TPG Felix L.P. and to purchase the share in TPG Felix GP on the terms and conditions of such offer (the “Offer”) in accordance with the terms and conditions of the Shareholders’ Agreement dated 21 December 2012 between TPG Felix L.P and SGS in relation to ownership of INTIMERE

HOLDINGS LTD (the "Shareholders' Agreement"). On 14 August 2020 SGS accepted the Offer on the terms and conditions of the Shareholders' Agreement.

Furthermore, according to the information available to the FAS of Russia, HELLICORP INVESTMENTS LTD, which is a member of the same group as SGS, and ZUTREK HOLDINGS LTD, which is a member of the same group as NOUBELIUS LTD and may directly exercise 9.61% of the voting rights (144,114,038 votes) attached to the voting shares in the charter capital of Far Eastern Shipping Company Public Joint Stock Company, have entered into several agreements allowing the SGS Group to exercise actual control over such shareholding in the charter capital of the joint stock company.

Thus, the above companies have entered into the Option Agreement dated 21 December 2012, of which the FAS of Russia was not previously notified, and pursuant to the terms and conditions of which the SGS Group may:

- at any time, purchase 9.61% of shares in the charter capital of FESCO for one (1) US dollar;*
- make resolutions on approval of any actions of ZUTREK HOLDINGS LTD within the scope of its business.*

Therefore, subject to the existing agreements with ZUTREK HOLDINGS LTD, as the result of the Transaction the SGS Group may obtain the right to determine the terms and conditions of business carried out by the joint stock company of strategic importance.

[...]

In accordance with paragraph 4(1) of the Regulations on the Government Committee for Control over Foreign Investments in the Russian Federation approved by Resolution No. 510, the FAS of Russia hereby notifies SGS UNIVERSAL INVESTMENT HOLDINGS LTD and TPG Felix L.P. that they should suspend the above transactions until they receive the information from the FAS of Russia on the decision made by the Chairman of the Government Committee in respect of this matter, subject to the consequences of the risks of threat to the national defence and state security as the result of such transactions.

[...]

In accordance with part 1 of Article 15 of Law No. 57 FZ, the transactions made in violation of the requirements of this law shall be null and void”.

180. The information contained in the SGS FAS Letter, which was in a number of respects materially inaccurate, was not provided by SGS and was not information in respect of which Felix or any other entity was obliged to notify FAS as a matter of Russian law. The Claimants believe that the information was in fact provided to FAS by or pursuant to a letter sent to FAS on 18 August 2020 by Ms Papanikolaou on behalf of Ermenossa (the “**Ermenossa Letter**”).

181. The Claimants understand that Ermenossa is ultimately beneficially owned and/or controlled by Mr Rabinovich and acts on behalf of ROSATOM and DP World Russia. In particular:

- (1) Mr Chemarda was a board member of DP World Russia which, as noted in section E.10 below, initially contemplated financing SGS' purchase of Felix's stake in Intimere, but ultimately pulled out. Mr Chemarda is a director of Ermenossa, and introduced Mr Rabinovich and his attorney, Mr Severilov, to Mr Gadzhiev as "corporate raiders" hired by ROSATOM. It is inferred from Mr Chemarda's appointment as director of Ermenossa, that DP World Russia holds a substantial economic interest in Ermenossa.
- (2) Ermenossa's company secretary is Parallel Nominees Cyprus Ltd, an entity linked to Mr Severilov, of which Ms Papanikolaou is a director. In the course of the LCIA Arbitration between SGS and Felix, Felix confirmed that Mr Rabinovich is the ultimate beneficial owner of Ermenossa. However, its immediate shareholder is Parallel Trustee Limited, which is a company associated with Mr Severilov.
- (3) The Ermenossa Letter was sent by LLC Parallel Legal Consultants (whose abbreviated name is listed as OOO Parallel UK), an entity solely owned by Mr Severilov.
- (4) Later, in the context of the Felix Arbitration (as defined below), Ms Papanikolaou on behalf of Felix also made a series of bizarre allegations against Mr Magomedov, SGS, its representative Mr Gadzhiev, and its lawyers in England and the BVI. In letters dated 1 June 2022 sent to Seladore Legal Limited, Harneys Westwood & Riegels LP and Mr Gadzhiev, Ms Papanikolaou alleged that those parties had actively engaged in facilitating a conspiracy with the Russian authorities to avoid payments due to FESCO, using "*tools suitable for gangsters in the 1930s*". The letter made a series of wild and unsubstantiated allegations against SGS and its representatives (which they firmly deny) of defamatory statements, kidnapping, threats and violence, which Ms Papanikolaou said were perpetrated against staff at FESCO and Felix's ultimate beneficial owner, Mr Rabinovich. Further, her suggestion that there was some form of collusion between Mr Magomedov and the Russian authorities is absurd

given that those are the same authorities who have kept Mr Magomedov in detention since 2018.

182. Amongst other things, the Ermenossa Letter:
- (1) explained that Ermenossa had contracted to acquire Felix, thus triggering the change of control that gave rise to the ROFO Offer;
 - (2) falsely stated that SGS' acquisition of the Offered Shares would require governmental approval under the Federal Law "on Protection of Competition" dated 26 July 2006 No. 135 FZ and the Foreign Strategic Investor Law dated 29 April 2008 No. 57 FZ;
 - (3) falsely stated that the acquisition by SGS of the Offered Shares would result in SGS obtaining more than a 50% stake in the voting rights in FESCO and, therefore, control of FESCO; and
 - (4) requested that FAS issue a warning to SGS that any acquisition by it of the Offered Shares would be deemed invalid if the parties proceeded to complete without first obtaining FAS approval.
183. In the premises, it is to be inferred that the Ermenossa Letter was sent at Mr Rabinovich's instruction and/or with his approval and pursuant to and in furtherance of the FESCO Conspiracy, the letter being intended to interfere with and frustrate the exercise by SGS of its legitimate contractual rights to acquire Felix's stake in Intimere and thus to permit Ermenossa to acquire the same.
184. On 12 November 2020, Mr Bonderman sent another personal note to Mr Magomedov in prison, in which, having confirmed that Mr Bode was leading "the day-to-day" in relation to TPG's exit from FESCO while keeping him updated on developments, he:
- (1) maintained the misrepresentation that TPG had "*not 'colluded' with any other buyers or indeed acted to favour any other buyer in any way*";
 - (2) falsely asserted that "*our transaction [the Felix ROFO Offer] cannot proceed without the approval of the Foreign Strategic Investment Committee, and should it proceed without that approval, then it would be void*"; and
 - (3) falsely asserted that the difficulties with closing the transaction under the Felix ROFO Offer were due to "*a lack of engagement from your team [SGS]*".

E.10 The potential investment by DP World Russia and Mr Severilov's threat of a hostile takeover

185. In or around August 2020, DP World Russia considered financing SGS's purchase of Felix's stake in Intimere. DP World had already contemplated an investment in FESCO in 2017 (including various negotiations leading up to this in 2015 and 2016) and knew the company well through the due diligence it conducted at the time. When SGS was looking for an investment partner to support their purchase of Intimere shares pursuant to the Accepted ROFO Offer, DP World Russia expressed an interest and negotiations began between Mr Gadzhiev (on behalf of SGS) and Mr Chemarda (on behalf of DP World Russia) in early August 2020. A draft term sheet was produced but in late August 2020 Mr Chemarda informed Mr Gadzhiev that DP World Russia would not be proceeding with the investment.
186. The reason Mr Chemarda gave for DP World Russia pulling out of the negotiations was that DP World and ROSATOM had decided to form a joint venture through which they would also acquire SGS's stake in Intimere. However, the offer that Mr Chemarda described was one under which payment would not be made until after Mr Magomedov's release from prison (whenever that may be).
187. Mr Chemarda encouraged Mr Gadzhiev to meet with him and ROSATOM's representatives, Mr Rabinovich and Mr Severilov, so that ROSATOM and DP World could make a "*consolidated offer*" to buy Intimere's stake in FESCO. Mr Chemarda arranged for that meeting to take place on 26 August 2020, although Mr Rabinovich did not ultimately attend. Mr Bazylev also attended the meeting. Mr Severilov informed Mr Gadzhiev that it had been decided by ROSATOM's senior management that FESCO was to become part of a joint venture between ROSATOM and DP World. He stated that ROSATOM and DP World would pay to take over FESCO on the basis of a valuation of US\$150 million for the entirety of FESCO, in relation to which SGS would receive a proportion relative to its stake in Intimere. When Mr Gadzhiev declined ROSATOM's offer at the meeting on the basis that FESCO was worth significantly more than US \$150 million, Mr Severilov threatened that there would be a hostile takeover of FESCO, under which ROSATOM would acquire Felix and then enforce Felix's repayment rights under the preferences shares (which would have had the effect of forcing Mr Magomedov out of the company).

E.11 SGS Branch's investor and the payment to Felix

188. Following the Felix ROFO Offer, the SGS Branch began to seek a potential business partner capable of providing the funds necessary to finance the buy-out of Felix's stake in Intimere and the defence by the SGS Branch against the corporate raid on FESCO pursuant to the FESCO Conspiracy.
189. An investor and financial backer was identified in the form of Mr Alexander Evdokimov ("**Mr Evdokimov**"). Mr Evdokimov had strong connections with the Governor of Primorsky Krai in the Far-East Region of Russia, Mr Oleg Kozhemyako ("**Mr Kozhemyako**"), and the Claimants understand from their dealings with Mr Evdokimov that he intended to use these connections to protect FESCO from ROSATOM. On 18 September 2020, Mr Evdokimov and SGS signed a term sheet in respect of the creation of a new joint venture entity to hold the SGS Branch (the "**Term Sheet**"). At all material times during the negotiations between SGS and Mr Evdokimov, Mr Evdokimov was aware of:
- (1) the activities of the Hostile Parties as set out herein; and
 - (2) the fact that the ultimate beneficial owner of SGS was Mr Magomedov, both because Mr Gadzhiev had frequently spoken with Mr Evdokimov about Mr Magomedov in connection with the proposed investment and because Mr Magomedov's connection to SGS and FESCO was and is common knowledge within the Russian business community.
190. In accordance with the Term Sheet, Mr Evdokimov duly provided US\$ 35 million to SGS in order to purchase Felix's stake in Intimere on 18 September 2020.
191. On 9 October 2020, SGS transferred the consideration of US\$ 35,000,000 for the Offered Shares to Felix's nominated account from a bank account in Armenia. One hour after that payment was made, Ms Mammad Zade (who was no longer associated with the SGS Group) called SGS's bank in Armenia to complain that it should not have opened an account for SGS given Mr Magomedov's imprisonment. It is to be inferred that someone at TPG (and/or Cleary, on behalf of TPG) informed Ms Mammad Zade of the identity of the bank and the fact of the payment. As noted above, on the same day, Felix returned the payment to SGS in breach of its obligations under the Intimere Shareholders' Agreement and the Felix ROFO Offer.

192. At a meeting held at the offices of DLA in Moscow, Mr Evdokimov informed Mr Gadzhiev that Mr Kozhemyako had unexpectedly been called to attend a meeting with senior members of the Russian Government on 5 November 2020 to discuss the position of FESCO. According to Mr Evdokimov, those present at the meeting included the Russian Prime Minister, Mikhail Mishustin; the Deputy Prime Minister, Yury Trutnev; the Head of the FAS, Igor Artemyev; the CEO of ROSATOM, Alexei Likhachev; and a number of high-ranking officials from the Russian security services. The Claimants understand that Mr Trutnev, who reportedly oversees Arctic development projects including the Northern Sea Route, told Mr Kozhemyako that “*Magomedov’s people are impeding the implementation of the state task of the acquisition of FESCO by ROSATOM*”, specifically naming Mr Evdokimov, Mr Gadzhiev and Mr Zairbek Yusupov (the recently dismissed CEO of the Commercial Port of Vladivostok, who had also assisted the Claimants). Mr Trutnev told Mr Kozhemyako to ensure that Mr Evdokimov stepped aside and that, if the interference did not stop, the FSB would “*work on*” the people involved. The Claimants infer in the circumstances that this meeting took place following requests for intervention made by Mr Rabinovich and/or ROSATOM.
193. Subsequently, by a letter dated 10 November 2020 to SGS and Felix, Mr Evdokimov stated that, amongst other things, he had not previously been aware of the fact that Mr Magomedov was the ultimate beneficial owner of SGS; that he wished his relationship with the SGS Branch to come to an end; and that he required the return of the US\$ 35 million he had provided within 5 days. The next day, 11 November 2020, Mr Kozhemyako made a speech to workers at Commercial Port of Vladivostok (a recording of which he published on social media) to announce that ROSATOM would become the “*management company*” and then the owner of FESCO, referring to a Government meeting at which this had been decided. It is to be inferred that this was the meeting referred to in paragraph 192 above.
194. In circumstances where:
- (1) Mr Evdokimov’s withdrawal from his proposed investment in the SGS Branch, about which he had been serious and enthusiastic, was sudden and immediately followed the warnings he received from high-ranking Russian Government officials via Mr Kozhemyako;

- (2) Mr Evdokimov offered a false pretext for his withdrawal, in that Mr Evdokimov knew of Mr Magomedov's role in the SGS Branch at the outset; and
- (3) the financial support of Mr Evdokimov would have strengthened the SGS Branch and Mr Magomedov's prospects of retaining and/or retaking control of FESCO,

it is to be inferred that Mr Evdokimov was threatened (and/or improper and illegitimate pressure applied to him) directly or indirectly by high-ranking members of the Russian Government at the instigation of at least Mr Rabinovich and/or ROSATOM, so as to cause him to abandon his support for the SGS Branch and thereby hamper its ability to fend off the Hostile Parties.

E.12 The Felix Arbitration Award

195. Issues concerning the Felix ROFO offer were the subject of LCIA arbitration proceedings (the "**Felix Arbitration**"), resulting in a Partial Final Award dated 26 April 2022. As pleaded above, by this stage Felix had been sold to Ermenossa, and it is therefore to be inferred that Felix was caused to take the steps pleaded below by Ermenossa and Mr Rabinovich (who owns and/or controls Ermenossa).
196. By that award, the Arbitration Tribunal:
 - (1) Concluded that Felix was in breach of Section 9.03(b) of the Intimere Shareholders' Agreement in failing to complete the Felix ROFO Offer in October 2020 and that SGS was entitled to an order requiring Felix to specifically perform that transaction;
 - (2) Ordered Felix not to transfer any of its shares in Intimere to any party other than SGS or its designee following the date of the Partial Final Award;
 - (3) Ordered Felix, on a date nominated by SGS as the date for completion within 60 days of the Partial Final Award, to execute and deliver to SGS a share transfer form transferring its shares in Intimere to SGS or its designee, subject to certain conditions; and
 - (4) Ordered Felix to do all that is necessary to be done on its part to effect the closing of the sale of its shares in Intimere to SGS.
197. Various interferences and material changes since the breach have affected SGS's ability timeously to complete the ROFO transaction, including:

- (1) Intimidation and scaring off SGS's financier, Mr Evdokimov, leading him to withdraw from a transaction with SGS and demand his money back as pleaded above at paragraphs 192 to 194;
 - (2) The invasion of Ukraine by Russia and in turn the raft of sanctions imposed by Western countries and counter-sanctions imposed by Russia, has resulted in companies controlled by Russian nationals now finding it much harder to raise finance from and do business with parties outside Russia;
 - (3) Other avenues of potential financing have been cut off by the Russian Government, most notably Hellicorp's right to exercise an option over a 9.608% stake in FESCO held by Zutrek. In late May 2022, after discussions regarding the exercise of Zutrek's shares in FESCO began, Zutrek's beneficial owner, Mr Bazylev, was called for multiple interviews with Russian criminal authorities, in which it was alleged that his stake in FESCO had been acquired unlawfully in 2012. Not surprisingly this has shaken Mr Bazylev and cut off this avenue of potential financing, at least in the short term.
198. On 19 July 2022, Felix commenced proceedings in the High Court under the Arbitration Act 1996 (the "**1996 Act**") attacking the binding nature of the specific performance provisions in the Award and, in particular, seeking by way of primary relief "*[a] declaration that paragraphs 157(1)-(4) of the Award are not an award within the meaning of the 1996 Act, and are not final and binding within the meaning of section 58 of the 1996 Act*".
199. Although this challenge was ultimately rejected by the English Court, the challenge was a transparent attempt by Felix to frustrate SGS's ability to enforce the specific performance orders contained in the Award and strongly indicates that Felix intends either not to transfer the shares in Intimere to SGS or to seek to unravel any transfer in the event that it succeeds in obtaining the declaration it seeks from the High Court.
200. In response to this, SGS applied for the Partial Final Award to be extended, resulting in a Second Partial Final Award dated 27 July 2022 and a Third Partial Final Award dated 30 September 2022.
201. By that Third Partial Final Award, the Arbitration Tribunal concluded that it was appropriate to grant a further extension and ordered for the Partial Final Award to be varied so as to provide that: "*Felix shall on a date nominated by SGS as the date for*

completion on or before 30 days from the final determination of the claim issued by Felix in the High Court pursuant to section 68 of the Arbitration Act 1996...execute and deliver to SGS a share transfer...”.

202. Following the Third Partial Final Award:
- (1) On 11 November 2022, the Arbitrazh Court of the City of Moscow (the “**Moscow Arbitrazh Court**”) made an order for the seizure of FESCO shares held by Smartilicious and Enviartia and preventing them from exercising their rights as shareholders (as described further in section E.13 below); and
 - (2) On 24 November 2022 and 11 January 2023 respectively, two Russian courts made orders confiscating all shares in FESCO regardless of ownership (as described further in section F.2 below).
203. As a result of those developments, SGS faced the prospect of paying US \$35 million to Felix, a party controlled by Ermenossa and ultimately Mr Rabinovich, for shares that were confiscated and may have been worthless. SGS therefore applied for the Partial Final Award to be further extended.
204. Felix contested SGS’s application, and the Arbitration Tribunal declined to grant a further extension. Therefore, having obtained a judgment for specific performance, SGS was unable to justify committing the US\$ 35 million required to meet the conditions for specific performance and could not obtain Felix’s shares in Intimere.
205. SGS therefore applied to the Arbitration Tribunal for dissolution of the specific performance order, and its replacement with an award of damages.
206. Felix contested SGS’s application and counter-claimed for payment of the US\$ 35 million purchase price as a debt. The Arbitration Tribunal granted SGS’s dissolution application on the basis that, in circumstances where, but for Felix’s challenge to the award, the specific performance order would have been satisfied before the First Confiscation Order was made, it would be “*most inequitable*” not to grant SGS’ dissolution application. The Arbitration Tribunal dismissed Felix’s debt claim.
207. The parties have since agreed a process for the determination of SGS’s claim for damages in lieu and of a further counter-claim for damages by Felix. The Arbitration Tribunal will decide the merits of SGS’s claim for damages in lieu and Felix’s counter-claim for damages, and determine the appropriate date for assessment of such damages.

The parties will then make further submissions in respect of quantum before the Arbitration Tribunal makes its final award.

E.13 Order for Seizure of FESCO shares

208. On 25 October 2022, FESCO filed a civil claim in the Moscow Arbitrazh Court against Mr Magomedov, SGS, Felix, Maple Ridge, Smartilicious and Enviartia. According to a press statement issued by FESCO, (a) the company had decided to recover through the courts because certain “*debt obligations*” were not being serviced; and (b) those debt obligations had arisen because “[earlier] *some shareholders issued loans from the company to pay off their debt on the purchase of FESCO securities*”, a reference to the Maple Ridge Disputed Loans. LLC Parallel Legal Consultants, which as stated above at 181(3) above is wholly owned by Mr Severilov, represented FESCO in the civil claim.

209. The said claim:

- (1) alleges that the arrangements described in paragraphs 57 to 62 above were entered into for the exclusive benefit of Mr Magomedov;
- (2) contends that the amount of the Maple Ridge Disputed Loans was, as at 16 September 2020, about US\$ 1.35 billion (including capitalised interest); and
- (3) seeks damages of approximately RUB 80.1 billion and US\$ 13.8 million (totalling US\$1.3 billion at the exchange rate used in the claim), in respect of losses alleged to have been suffered by the “FESCO Group” (including Halimeda) as a result.

210. The claim was admitted for consideration by the Moscow Arbitrazh Court on 1 November 2022. The Claimants understand that shortly thereafter, FESCO also filed an application for interim relief in connection with that civil claim, seeking:

- (1) An injunction similar to that which was wrongfully obtained by Halimeda in Cyprus (as pleaded above at E.4), preventing Smartilicious or Enviartia from exercising their voting rights on any resolution dealing with the makeup of FESCO’s board of directors or their powers; the appointment of FESCO’s president or his/her powers; or the distribution of dividends.
- (2) An arrest over the FESCO shares held by Smartilicious and Enviartia such that they may be seized and realised to satisfy FESCO’s claims.

211. On 1 November 2022 the application was denied but, following a further application, on 11 November 2022, the Moscow Arbitrazh Court made an order granting the interim relief sought by FESCO (the “**Moscow Seizure Order**”). The Moscow Seizure Order was made on the ground that it was necessary to ensure that any final order in the proceedings could be enforced as against Smartilicious and Enviartia. The Moscow Seizure Order stated that it was subject to “immediate enforcement” and, on 16 November 2022, the Moscow Arbitrazh Court issued a writ of execution providing for enforcement of the Moscow Seizure Order. Appeals were lodged against the Moscow Seizure Order and on 7 June 2023 were dismissed by the Ninth Commercial Court of Appeal. The Claimants have lodged further appeals.
212. The Claimants who were named as parties to those proceedings were not put on notice of the application or the Moscow Seizure Order. Further, the underlying substantive claims are without merit in circumstances where:
- (1) There was nothing unlawful about the leveraged buy-out through which Mr Magomedov invested in FESCO, which buy-out was in any event approved by the seller’s board representatives;
 - (2) FESCO’s financial performance for 2010-2012 was trending downwards. However, this trajectory changed following Mr Magomedov’s investment;
 - (3) The use of the leveraged buy-out structure was reasonable: but for the collapse in the value of the rouble following Russia’s annexation of Crimea in 2014, FESCO would have had no need to raise the further financing (about which FESCO complained) and would have realised additional profits of an estimated US\$ 18,617 million in the period 2014-2020; and
 - (4) Notwithstanding the Russian financial crisis that followed the annexation of Crimea, FESCO’s annual profits before tax increased significantly following the leveraged buy-out:
 - (i) In the period 2010-2012 (i.e. immediately before the leveraged buy-out), FESCO’s profits were deteriorating rapidly (from a net profit of 13,893 million roubles in 2010 to a net loss of 533 million roubles at the end of 2012);

- (ii) Even with the Russian financial crisis of 2014-2015, FESCO's profits grew following the leveraged buy-out, reaching 13,332 million roubles by the end of 2017 and 37,850 million roubles by the end of 2021.
 - (5) As such FESCO's financial position has improved as a result of the leveraged buyout, in the face of severe economic headwinds, and it has suffered no loss.
213. Despite the lack of merit in FESCO's claim, the court granted it the relief sought as against Mr Magomedov, SGS, Maple Ridge, Smartilicious and Enviartia (and, as above, this was upheld on appeal). However, this decision was not the result of a fair and impartial process:
- (1) SGS was never properly served with the proceedings under the Hague Convention and received access to the court file only 2 days before the final hearing;
 - (2) Aside from Felix, FESCO's claim was brought only against parties affiliated with Mr Magomedov and no claims were brought against other parties who had been involved in the transactions, such as TPG, Domidias, Mr Garber, Zutrek and FESCO's own directors;
 - (3) Mr Magomedov's and SGS' applications for FESCO to disclose key documents underpinning its claims, including the board meeting minutes in respect of each of the transactions and decisions about which FESCO was complaining, were rejected;
 - (4) The merits of FESCO's claim were tried at a one-day hearing on 7 April 2023;
 - (5) The judge issued her decision on FESCO's claim orally at that hearing (the written judgment being handed down later, on 20 April 2023) despite the fact that:
 - (i) SGS filed its defence and supporting evidence, comprising over 300 pages, via the 'Kadarbitr' electronic filing system the day before the 7 April 2023 hearing; and
 - (ii) FESCO itself requested an adjournment of the hearing (which request was unopposed by the defendants) in order to consider its response to SGS' defence and supporting evidence, which had only just been filed; and

- (6) The judge accepted Felix’s defence that it had had no control over the decisions about which FESCO was complaining since it was only a minority shareholder, notwithstanding that the Intimere Shareholders’ Agreement required Felix’s consent for the transactions to proceed.
214. In the premises, it should be inferred that the purpose of FESCO’s claim was to target Mr Magomedov as part of the conspiracy rather than it being a genuine attempt to recover losses resulting from decisions taken by its shareholders.

F. Confiscations of assets

215. Following the arrests of Mr Magomedov and Magomed Magomedov, certain of the Hostile Parties and Russian prosecuting authorities began to systematically confiscate assets from them and their companies. These confiscations include those pleaded in paragraphs 98 to 103 and 208 to 212 above and the following further confiscations.
216. The effect of these further confiscations, in combination with the matters pleaded above, has been to wrest assets from Mr Magomedov’s hands and to place them in the hands of the Hostile Parties and the Russian state, thereby achieving the aims of the Conspiracies. It is to be inferred that these further confiscations form part of the same overarching scheme as the Conspiracies and have been directed by (at least some of) the Hostile Parties, including in particular other persons acting or purporting to act on behalf of the Russian State .

F.1 Interim arrests of assets

217. On or about 5 April 2018, the Tverskoy District Court of Moscow imposed an “*interim arrest of funds*” belonging to Mr Magomedov and Magomed Magomedov pending completion of the investigation in the criminal proceedings.
218. On or about 28 April 2018, the Preobrazhensky District Court of Moscow imposed a further interim arrest on shares in the Summa Group and 13 companies controlled by it, including FESCO.
219. On or about 19 June 2018, at the request of the General Prosecutor of the Russian Federation (the “**General Prosecutor**”), the Tverskoy District Court of Moscow imposed an interim arrest on funds held in bank accounts belonging to PJSC Vladivostok Commercial Sea Port (a subsidiary of FESCO).

220. On 18 September 2018, the Tverskoy District Court of Moscow made an order arresting Port Petrovsk's account held at the Russian Bank Sberbank.
221. On 24 September 2019, the Basmany District Court of Moscow granted an extension of the term of the arrest over shares of various legal entities (including FESCO). FESCO appealed this order shortly afterwards, but this appeal was unsuccessful.

F.2 Final Confiscation Orders

222. On 29 August 2022, the Meshchansky District Court of Moscow ordered an extension of the arrests in the criminal proceedings against Mr Magomedov and Magomed Magomedov until 5 December 2022.
223. On or about 19 October 2022, the General Prosecutor applied for the confiscation of all assets which had previously been arrested in those criminal proceedings.
224. Mr Magomedov and his brother, Magomed Magomedov, were convicted in the criminal proceedings against them on 24 November 2022. The sentences passed included confiscation orders against all of their assets. The confiscation includes the shares held by the Domidias and Zutrek branches, as well as those of SGS (Smartilicious and Enviarta).
225. By the confiscation orders pleaded above, assets worth billions of US dollars have been confiscated from the Magomedovs, despite the fact that the underlying offence with which they were charged and convicted was of embezzling approximately 11 billion Rubles, equivalent to approximately US\$ 150 million. The convictions and the orders have been appealed.
226. Furthermore, despite having already requested confiscation of the FESCO shares in the criminal proceedings against Mr Magomedov, in or about late November 2022, the General Prosecutor's office commenced parallel civil proceedings in the Khamovnichesky District Court of Moscow against, among others, Mr Magomedov, Magomed Magomedov, Mr Bazylev, Mr Rabinovich and Mr Severilov, seeking the confiscation of all shares in FESCO. The corporate entities through which these individuals hold FESCO shares (including Smartilicious and Enviarta) are also named as defendants to those civil proceedings. Notwithstanding the Meshchansky District Court's decision in the criminal proceedings, the General Prosecutor's office has given every indication that it intends to pursue its civil claim.

227. A preliminary hearing of these proceedings took place on 28 December 2022, at which the final hearing was scheduled for 10 January 2023 (only 3 working days later, given the winter holiday in Russia). Mr Magomedov's Russian lawyers objected to this listing on the basis that there was insufficient time to prepare a defence, review documents, and interview witnesses. However, the hearing went ahead regardless. This was unfair for the reason just given. Further:

- (1) At the beginning of the 10 January 2023 hearing, the defendants made another application to postpone the hearing so that they would have time properly to consider the case materials. However, the judge accepted the General Prosecutor's submission that it was the defendants' own fault if they had not secured access to and considered the case files over the holiday period and directed that the hearing should proceed.
- (2) The General Prosecutor then requested that a second volume of documents, comprising 291 pages, be admitted into evidence. Again, the judge acceded to this request despite the defendants' objections.
- (3) At the same hearing, the General Prosecutor requested permission for a third volume of documents, comprising a further 221 pages, to be admitted into evidence. The judge permitted the defendants' representatives only 20 minutes to consider these new documents before granting the prosecutor's office's application. When FESCO's representative challenged the judge's decision the judge summoned the court bailiff to remove him from the courtroom.
- (4) At around 22:45 Mr Magomedov's lawyer requested that the hearing be adjourned until morning. The judge denied this request.
- (5) By midnight the defendants' lawyers had started to leave the room, including in one case where an ambulance had to be called because one of the defendants' lawyers fell ill. Still the judge refused to adjourn the hearing.
- (6) At close to 01:00 on 11 January 2023, when only the prosecutors, court secretary and judge remained in the room, the judge announced that she wanted to hear submissions from the parties on the General Prosecutor's application.
- (7) FESCO's representative returned to the courtroom midway through the General Prosecutor's submissions. The judge granted permission to respond to the General Prosecutor's submissions but declined the request that those

submissions (for which FESCO's representative had not been present) be repeated.

(8) At around 01:35 on 11 January 2023, the judge issued her decision granting the General Prosecutor's application in full and making a (further) order for the confiscation of the FESCO shares.

228. The Khamovnichesky District Court of Moscow's judgment was appealed by Mr Magomedov on the basis that the process was unfair as per the above, and (among other problems with basis of the judgment) the court's finding that Magomed Magomedov a shareholder of FESCO and participated in its management was wrong and the non-Russian corporate entities directly holding FESCO shares subject to the confiscation had not been served under the Hague Convention. In a hearing on 15 May 2023, the City of Moscow Court refused the appeal and upheld the judgment of the Khamovnichesky District Court. Mr Magomedov has filed a further appeal.

229. While the confiscation order applies to all defendants to the civil proceedings, including Mr Rabinovich and Mr Severilov, the Claimants infer that the General Prosecutor has colluded with those individuals in initiating these proceedings. This is on the basis that the General Prosecutor obtained and used in evidence for the 10 January 2023 hearing a copy of the confidential Partial Final Award in the Felix Arbitration dated 26 April 2022. From the position of the LCIA certification stamp on the first page of the copy used in Court by the General Prosecutor, it is apparent that this was not one of the certified copies provided to SGS or Intimere. The only other certified copy of the Award that was circulated by the LCIA so far as the Claimants are aware: the certified copy provided to Felix. It is therefore to be inferred that the certified copy provided to Felix was given to the General Prosecutor.

F.3 Further Order in respect of Omirico

230. On 14 April 2022, on an application by Torresant before the District Court of Limassol in Cyprus, a Provisional Liquidator was appointed for Omirico.

231. On 1 November 2022, the Russian General Prosecutor's office filed an application in Khamovnichesky District Court of Moscow against Mr Magomedov, Magomed Magomedov, Omirico and its Provisional Liquidator, for the confiscation of inter alia c. US\$150 million held (in various currencies) in accounts at Sberbank. These included funds which were due to be paid to companies belonging to Mr Magomedov, including

in respect of the Torresant-Omirico Loan. Supporting documents filed with the General Prosecutor's application show that it was made shortly after Mr Tokarev wrote a letter to the Russian Deputy Minister of Internal Affairs seeking confiscation of these funds.

232. On 2 December 2022 an Order for confiscation of those funds was granted in full, purportedly on the grounds that they were traceable to corruption by Magomed Magomedov. Mr Magomedov and Magomed Magomedov appealed against that Order, on essentially the same grounds as set out in paragraph 102 above, and the further grounds that: (i) the Court had ignored relevant evidence as to the Magomedovs' legitimate assets and sources of income when concluding that Magomed Magomedov had acquired assets corruptly; and (ii) the Court had wrongly treated earlier decisions involving different parties as being determinative of issues of fact, which it should instead have required to be independently proved before it. This appeal was dismissed on 20 April 2023, and Magomed Magomedov and Mr Magomedov filed cassation appeals in June 2023.

G. The Role of Russian Courts

233. As pleaded above, assets have been arrested and confiscated from Mr Magomedov by various orders of Russian Courts. To the extent necessary, the Claimants will say that the judicial decisions particularised above were unlawful, in that they were the result of partial and dependent judicial processes, were tainted by actual and/or apparent bias, and were improperly influenced by members of the Russian Government and/or by political considerations. This is for at least the following reasons:

- (1) The Judges of Russian Courts are susceptible to improper influences where significant state interests are, or are perceived to be, in issue, whether by way of indications made out of court to Judges (known colloquially in Russia as 'telephone justice' and decisions 'to order') or the tendency of Judges assigned to such matters to act in accordance with the perceived interests of the Russian Federation and/or the Russian Government irrespective of the merits of the case. As pleaded above, the Conspiracies form part of a campaign waged against Mr Magomedov by and on behalf of the Russian state.
- (2) The judicial decisions particularised above each furthered the improper and unlawful aims of the Conspiracies, i.e. the wresting of assets from Mr Magomedov for the benefit of Hostile Parties.

- (3) The various misapplications of Russian law and procedural irregularities identified above, each of which was adverse to the interests of the Claimants, are indicative of a partial and dependent judicial process and/or actual and/or apparent bias.
234. The Claimants are not currently in possession of all documents relevant to these judgments and orders (despite the fact that they are parties to them). The Claimants reserve the right to plead further in this respect as and when they obtain further relevant documents.

H. Applicable Law

235. The Claimants' case is that English law applies to their claim in respect of the NCSP Conspiracy, because:
- (1) The unlawful acts forming part of the NCSP Conspiracy were those that led to the conclusion of the Omirico SPA, as pleaded below.
 - (2) The Omirico SPA is a contract containing an English choice of law clause for the agreement and any non-contractual obligations arising out of or in connection with it.
 - (3) The NCSP Conspiracy is, therefore, manifestly more closely connected with England than any other country.
236. Alternatively, BVI law applies to the said claim, on the basis that damage was suffered in the BVI. In the further alternative, Cypriot law applies to the said claim, on the basis that damage was suffered in Cyprus. In the further alternative, Russian law applies on the basis that the NCSP Conspiracy is manifestly more closely connected with Russia than any other country.
237. As to the claim in respect of the FESCO Conspiracy, a combination of English law, the BVI law, Cypriot law and Russian law applies, on the basis that damage (as particularised below) occurred in each of those jurisdictions. Alternatively, BVI law applies to the Claimants' claim in respect of the FESCO Conspiracy, the BVI being the country in which the damage occurred and/or the FESCO Conspiracy being manifestly more closely connected with the BVI than any other country. In the further alternative, Cypriot law applies to the Claimants' claim in respect of the FESCO Conspiracy, Cyprus being the country in which the damage occurred and/or the FESCO Conspiracy

being manifestly more closely connected with Cyprus than any other country. In the further alternative, Russian law applies on the basis that the FESCO Conspiracy is manifestly more closely connected with Russia than any other country.

238. The Claimants will rely on the presumption that, for these purposes and to the extent that it is applicable, BVI law is the same as English law. The Claimants will rely on the same presumption in relation to Cypriot law and Russian law, except insofar as particular principles and provisions of Russian law are pleaded herein.
239. In relation to Cypriot law, the only respect in which this differs materially from English law is in its approach to the recovery of reflective loss. While Cypriot law does contain a general rule that reflective losses are not recoverable, there are exceptions to that rule. In particular, under Cypriot law, the *Giles v Rhind* exception, according to which a shareholder is entitled to recover damages in respect of reflective loss if the company is unable to pursue a claim in respect of that loss, still applies: see *Litonor Financial Limited v. R.G.I. Residential Holdings Limited and others* (Action no. 3073/2014, judgment dated 29.12.2016). Accordingly, recent English law developments, including *Sevilleja v Marex Financial Ltd* [2021] AC 39 and cases following this, do not represent Cypriot law. *Sevilleja v Marex* has not been followed in any decision of the Cypriot Courts and, it is averred, a Cypriot Court would not follow that decision if invited to do so.
240. In relation to Russian law, in addition to the provisions pleaded above:
- (1) Article 10 of the Russian Civil Code prohibits (i) the exercise of civil law rights with the sole intent of causing harm to another person, (ii) acts to evade the law with unlawful purposes, and (iii) other exercise of civil law rights conducted clearly in bad faith (abuse of a right); and provides for a cause of action in damages by a person who has suffered harm as a result.
 - (2) Article 1064 of the Russian Civil Code provides that a person who causes harm to another person or their property shall compensate that person for the harm caused. The defendant has a defence if they were not at fault for the causation of the harm or if they acted lawfully, the burden being on the defendant to prove that defence if it is asserted. For these purposes, intentional and/or dishonest actions that cause harm satisfy the requirements of fault and unlawfulness.

- (3) Article 1080 of the Russian Civil Code provides that where two or more persons jointly cause harm, those persons are jointly and severally liable for that harm.
 - (4) While Russian law contains a rule against the recovery of reflective loss, that rule is subject to exceptions, including where the company is unable to pursue a claim.
241. The Claimants reserve the right to amend these Particulars of Claim should any of the Defendants contend that BVI law or Cypriot law materially differ from English law, or that Russian law materially differs from English law to any greater extent than pleaded herein.
242. The law applicable to each of the unlawful acts carried out pursuant to the conspiracy is pleaded below.

I. The Conspiracy Claims

I.1 Unlawful means conspiracies

243. In respect of the NCSP Conspiracy, the unlawful means, which were the instrumentality by which the Claimants were harmed by that Conspiracy, were at least:
- (1) Ms Mammad Zade's breach of fiduciary duty in either instructing and/or pressuring Mr Karmokov to sign the Omirico SPA, or failing to take steps to prevent him from doing so, as pleaded in paragraph 92 above;
 - (2) the dishonest assistance by at least Transneft (acting by and through Mr Tokarev) of the breach by Mr Karmokov of his fiduciary duties in signing the Omirico SPA purportedly on behalf of Port Petrovsk, as pleaded in paragraphs 91-94 above;
 - (3) the improper, illegitimate and unlawful making of the Threat by Mr Tokarev (acting for and on behalf of Transneft) so as to procure that Port Petrovsk enter into the Omirico SPA (which amounted to the tort of intimidation and/or duress) as pleaded in paragraphs 82 and 95 above; and
 - (4) the making of the Representations by Mr Tokarev (acting for and on behalf of Transneft), which were false when made, were made fraudulently (alternatively negligently or innocently), were made with the intention that Port Petrovsk

would rely on them and were in fact relied on (which therefore amounted to actionable misrepresentations) as pleaded in paragraphs 82 and 96 above.

244. In the premises, the parties to the NCSP Conspiracy (namely, Ms Mammad Zade and Transneft) conspired and combined together, wrongfully and with intent to injure Mr Magomedov and/or Port Petrovsk by unlawful means, in order to expropriate assets from Mr Magomedov and/or companies controlled by him, for the benefit of the Hostile Parties (and/or some of them) and/or those that control them.
245. In respect of the FESCO Conspiracy, the unlawful means, which were the instrumentality by which the Claimants were harmed by that Conspiracy, were at least:
- (1) the breach by the members of the FESCO Board, including in particular Mr Garber and Mr Shvets, of their duties owed to FESCO under Article 71 of the JSC Law and Article 53(3) of the Russian Civil Code (which English law would classify as fiduciary)) in entering into and participating in the incentive arrangement under the 2019 Option Agreement as pleaded in paragraph 115 above;
 - (2) the breaches of Article 1064 of the Russian Civil Code by Domidias (to which Mr Garber's and Mr Sukhanov's conduct is attributable) and TPG (to which Mr Shvets' and Mr Viola's conduct is attributable) in relation to the breach by the members of the FESCO Board of their duties in entering into and participating in the incentive arrangement under the 2019 Option Agreement as set out above;
 - (3) the breach by the members of the FESCO Board, including Ms Mammad Zade, Mr Garber and Mr Kuzovkov, of their duties owed to FESCO under Article 71 of the JSC Law and Article 53(3) of the Russian Civil Code (which English law would classify as fiduciary) in connection with the failure to restructure or extend the Maple Ridge Disputed Loans and the Sian Disputed Loan, and the decision to purportedly authorise Halimeda to commence the 2020 Proceedings as set out above, including by receiving bribes as pleaded in paragraph 123 above, which is unlawful under Articles 201 and 204 of the Russian Criminal Code;
 - (4) the breaches of Article 1064 of the Russian Civil Code by at least Mr Rabinovich and Ermenossa (to which Mr Rabinovich's conduct is to be attributed) in relation to the breach by the members of the FESCO Board of their

duties in connection with the failure to restructure or extend the Maple Ridge Disputed Loans and the Sian Disputed Loan, and the decision to purportedly authorise Halimeda to commence the 2020 Proceedings as set out above;

- (5) the commencement of the 2020 Proceedings purportedly in the name of Halimeda, but in fact without its authority (and which, insofar as the board of Halimeda purportedly sanctioned such proceedings, was a breach of fiduciary duty on their part), and which in any event amounted to an abuse of (i) the arbitral process in the Maple Ridge Proceedings and (ii) the process of the High Court of the BVI in the Sian Proceedings;
- (6) the wrongful obtaining by Halimeda of the Cypriot Injunctions and, in particular, the abuse of the process of the Cypriot Court and malicious prosecution of the Cypriot Respondents that entailed as set out above;
- (7) the breach by Mr Economou of the fiduciary duties he owed as a director of Hellicorp, Intimere and Sian, as set out in paragraph 144 above;
- (8) the dishonest assistance by at least Ms Mammad Zade of the breach by Mr Economou of the fiduciary duties he owed as a director of Hellicorp, Intimere and Sian as set out above;
- (9) the breach by Mr Tsantekides of the fiduciary duties he owed as a director of Maple Ridge, Wiredfly, Smartilicious and Enviartia as set out in paragraph 144 above;
- (10) the dishonest assistance by at least Ms Mammad Zade of the breach by Mr Tsantekides of the fiduciary duties he owed as a director of Maple Ridge, Wiredfly, Smartilicious and Enviartia as set out above;
- (11) the improper, illegitimate and unlawful threatening of the SGS Branch Nominees by at least Ms Mammad Zade so as to procure their withdrawal of their consent to act as set out above (which amounted to the tort of intimidation and/or the tort of interference with business by unlawful means);
- (12) the deliberate breach by Domidias of its obligations under the 2012 Option Agreement and/or the 2019 Option Agreement as set out above, and the procuring of that breach of contract by Ms Mammad Zade and/or Mr Rabinovich and/or Mr Severilov;

- (13) the deliberate breach by Felix of its obligations under the Intimere Shareholders' Agreement as set out above, and the procuring of that breach of contract by TPG and/or Ermenossa (which, as pleaded above, each owned Felix at material times) and/or Mr Rabinovich;
- (14) the improper, illegitimate and unlawful threatening of Mr Evdokimov by high-ranking Russian Government officials at the instigation of at least Mr Rabinovich and/or ROSATOM so as to procure him to withdraw his support for the SGS Branch (which amounted to the tort of intimidation and/or the tort of interference with business by unlawful means);
- (15) in the case of Ms Mammad Zade, in addition to her actions as a member of the FESCO Board and as one of the Hostile Parties pleaded above:
 - (i) by providing the confidential information identified in paragraph 20(3) above to the other Hostile Parties, Ms Mammad Zade committed (a) a breach of confidence and (b) the fiduciary duties she owed to the relevant members of the SGS Branch;
 - (ii) by sending the email described in paragraph 118(2) above, Ms Mammad Zade breached the duties she owed to FESCO under Article 71 of the JSC Law and Article 53(3) of the Russian Civil Code (which English law would classify as fiduciary): she could not, for the reasons pleaded above, have considered that that decision was in the best interests of FESCO, and sent it pursuant to and in furtherance of the FESCO Conspiracy;
 - (iii) by acting in the manner pleaded in paragraph 149(3) above, Ms Mammad Zade (together with Mr Kuzovkov) breached the fiduciary duties she owed to members of the SGS Branch: she could not, for the reasons pleaded above, have considered that so acting was in the best interests of any of those persons, and she so acted pursuant to and in furtherance of the FESCO Conspiracy;
 - (iv) by failing to exercise the call option under the 2012 Option Agreement pleaded in paragraphs 155-164 above, Ms Mammad Zade breached the fiduciary duties she owed Sian: she could not, for the reasons pleaded above, have considered that such inaction was in the best interests of

Sian or Mr Magomedov, and she so failed to act pursuant to and in furtherance of the FESCO Conspiracy;

- (16) the misuse by at least Ms Mammad Zade, Ms Papanikolaou, Ermenossa (acting on behalf of ROSATOM and DP World Russia), and Mr Rabinovich (who owns and controls Ermenossa) of the confidential information identified in paragraph 20(3) above which amounted to the tort of breach of confidence;
 - (17) the breach by TPG, Mr Economou, and Mr Kuzovkov of their duties to Sian if (contrary to the Claimants' primary case) they did not sufficiently protect the position of Sian in relation to the 2012 Option Agreement; and
 - (18) the breaches of duty by the members of the FESCO Board (including Mr Severilov) by enforcing the Maple Ridge Disputed Loans and the Sian Disputed Loan through the proceedings before the Moscow Arbitrazh Court, which were also an abuse of process of the Court.
246. In the premises, the parties to the FESCO Conspiracy (namely all Defendants save for Transneft) conspired and combined together, wrongfully and with intent to injure Mr Magomedov and/or the Claimants comprising the SGS Branch by unlawful means, in order to expropriate assets from Mr Magomedov and/or companies controlled by him, for the benefit of the Hostile Parties (and/or some of them) and/or those that control them.
247. The law applicable to each of the unlawful means pleaded above was as follows:
- (1) The unlawful means pleaded in paragraphs 243(2) to 243(4) above are governed by English law by virtue of the choice of law in clause 22.1 of the Omirico SPA and/or because those unlawful means are manifestly more closely connected to England than to any other country. The unlawful means pleaded in paragraphs 245(12) and 245(13) above are governed by English law by virtue of the choice of law in clause 17.1 of the 2012 Option Agreement, clause 16.1 of the 2019 Option Agreement, and section 15.01 of the Intimere Shareholders' Agreement and/or because those unlawful means are manifestly more closely connected to England than to any other country. The unlawful means pleaded in paragraph 245(5) above (in respect of the abuse of the process of the arbitral Tribunal) are also governed by English law, England being the seat of the Maple Ridge Arbitration.

- (2) The unlawful means pleaded in paragraphs 243(1), 245(7), 245(15)(i) (insofar as it concerns SGS, Intimere, Hellicorp and Sian), 245(15)(iii) (insofar as it concerns SGS, Intimere, Hellicorp and Sian), 245(15)(iv) and 245(17) above are governed by BVI law, BVI being the place of incorporation of each of the companies to which the relevant fiduciary duties were owed. The unlawful means pleaded in paragraph 245(8) above are governed by BVI law because those unlawful means are manifestly more closely connected to the BVI than to any other country. The unlawful means pleaded in paragraphs 245(16) above are governed by BVI law, BVI being the place where the damage occurred and/or because those unlawful means are manifestly more closely connected to the BVI than to any other country. The unlawful means pleaded in paragraph 245(5) above (in respect of the abuse of process of the High Court of the BVI) are also governed by BVI law. As pleaded above, the Claimants will rely on the presumption that, for these purposes, BVI law is the same as English law.
- (3) The unlawful means pleaded in paragraphs 245(1), 245(3), 245(15)(ii), , and 245(18) above are governed by Russian law, Russia being the place of incorporation of FESCO to which the relevant duties were owed. The unlawful means pleaded in paragraphs 245(2), 245(4), 245(11), and 245(14) above are governed by Russian law, because those unlawful means are manifestly more closely connected to Russia than to any other country.
- (4) The unlawful means pleaded in paragraphs 245(5) (in respect of the commencement of the 2020 Proceedings) and 245(6) above are governed by Cypriot law, Cyprus being the place where the relevant proceedings were commenced, the Cypriot Injunctions were obtained and the abuse of the process of the Cypriot Court and malicious prosecution occurred. The unlawful means pleaded in paragraphs 245(9), 245(15)(i) (insofar as it concerns Maple Ridge, Wiredfly, Smartilicious and Enviartia) and 245(15)(iii) (insofar as it concerns Maple Ridge, Wiredfly, Smartilicious and Enviartia) above are governed by Cypriot law, Cyprus being the place of incorporation of each of the companies to which the relevant fiduciary duties were owed. The unlawful means pleaded in paragraph 245(10) above are governed by Cypriot law because those unlawful means are manifestly more closely connected to Cyprus than to any

other country. As pleaded above, the Claimants will rely on the presumption that, for these purposes, Cypriot law is the same as English law.

I.2 Conspiracies to injure

248. Further or alternatively:

- (1) The NCSP Conspiracy was a conspiracy to injure Mr Magomedov and Port Petrovsk. The means which were the instrumentality by which the said Claimants were harmed by that Conspiracy were those pleaded in section D above. It is to be inferred from those matters that the parties to the NCSP Conspiracy (namely, Ms Mammad Zade and Transneft) conspired and combined together with the predominant intention of causing injury to Mr Magomedov and/or Port Petrovsk.
- (2) The FESCO Conspiracy was a conspiracy to injure Mr Magomedov and the Claimants comprising the SGS Branch. The means which were the instrumentality by which the said Claimants were harmed by that Conspiracy were those pleaded in section E above. It is to be inferred from those matters that the parties to the FESCO Conspiracy (namely, all Defendants save for Transneft) conspired and combined together with the predominant intention of causing injury to Mr Magomedov and/or the Claimants comprising the SGS Branch.

I.3 Conspiracies as breach of Russian law

249. Further or alternatively, if and to the extent that Russian law applies to either or both of the Conspiracies, those Conspiracies (as particularised above) each amounted to a breach of Articles 1064 and/or 10 of the Russian Civil Code for which the parties to them are jointly and severally liable under Article 1080 of the Russian Civil Code.

250. As regards the NCSP Conspiracy:

- (1) Mr Magomedov and/or Port Petrovsk have been harmed as pleaded at paragraphs 253, 254 and 259 below.
- (2) That harm was caused by the actions of the parties to the NCSP Conspiracy (namely, Ms Mammad Zade and Transneft) as particularised above.
- (3) Those actions were unlawful and the parties to the NCSP Conspiracy were at fault for them, because the parties to the NCSP Conspiracy conspired, combined

and acted with the intention of injuring Mr Magomedov and/or Port Petrovsk as pleaded above.

251. As regards the FESCO Conspiracy:

- (1) Mr Magomedov and/or the Claimants comprising the SGS Branch have been harmed as pleaded at paragraphs 255 to 259 below.
- (2) That harm was caused by the actions of the parties to the FESCO Conspiracy (namely, all Defendants save for Transneft) as particularised above.
- (3) Those actions were unlawful and the parties to the FESCO Conspiracy were at fault for them, because the parties to the FESCO Conspiracy conspired, combined and acted with the intention of injuring Mr Magomedov and/or the Claimants comprising the SGS Branch as pleaded above.

I.4 Loss and damage

252. By reason of the Conspiracies, the Claimants have suffered loss and damage as follows. The Claimants do not seek, insofar as the claims below are alternatives, to recover in respect of the same loss more than once. As pleaded above (i) neither Maple Ridge nor Sian claim any relief from Halimeda, as to which paragraph 63 above is repeated, and (ii) SGS does not claim any relief from Felix, as to which paragraph 67 above is repeated.

253. But for the NCSP Conspiracy, Port Petrovsk would not have entered into the Omirico SPA with Fenti and would not have transferred its interest in Omirico to Fenti. That has caused loss and damage (i) to Port Petrovsk, corresponding to the true value of Port Petrovsk's interest in Omirico (which is a matter for expert evidence in due course); and/or (ii) to Mr Magomedov, corresponding to the true value of the 50% of Port Petrovsk's interest in Omirico that he ultimately owned. Pending expert evidence, the Claimants' best estimate of the true value of Port Petrovsk's interest in Omirico as at the date of the Omirico SPA is US\$5.0 billion; alternatively and in any event it was at least US\$1.3 billion, being the price at which Fenti had agreed in principle to acquire it prior to Mr Magomedov's arrest and detention.

254. The Claimants are not required to, and will not, give credit against this loss for the purchase price of US\$750 million paid under the Omirico SPA. As pleaded above the

account into which that money was paid was arrested, prior to payment, pursuant to the NSCP Conspiracy. Port Petrovsk therefore never had any part of that sum at its disposal.

255. But for the FESCO Conspiracy, the Maple Ridge Disputed Loans would have been (i) forgiven in whole, alternatively in part, by the implementation of Project Moonlight (or some other means of restructuring), and/or (ii) serviced and/or repaid out of dividends flowing up to Maple Ridge, and/or (iii) otherwise restructured, and/or (iv) their terms extended, in any event such that there would now be no claim for repayment of them (if, contrary to the Claimants' case, they are now enforceable). Accordingly, Maple Ridge has suffered loss and damage in the amount of the Maple Ridge Disputed Loans (in the event that, contrary to the Claimants' case, they are enforceable).
256. But for the FESCO Conspiracy, the shares in Merbau would have been transferred to Sian in accordance with the 2012 Option Agreement (alternatively to Hellicorp in accordance with the 2019 Option Agreement). That has caused loss and damage to Sian, Hellicorp, Intimere, SGS and/or Mr Magomedov, namely:
- (1) if they are unable to obtain and enforce a judgment for specific performance, the value of the Domidias Branch's stake in FESCO the value of which is approximately US\$ 2.8 billion (subject to credit for the sums Sian or Hellicorp would have had to pay under the 2012 or 2019 Option Agreements respectively);
 - (2) their irrecoverable costs of proceedings against Domidias;
 - (3) but for the FESCO Conspiracy, no enforcement action would have been taken in respect of the Maple Ridge Disputed Loans and the Sian Disputed Loan and instead they would have been forgiven (in the case of the Maple Ridge Disputed Loans) and/or restructured and/or their terms extended, accordingly:
 - (i) if those Disputed Loans are held to be unenforceable, Maple Ridge and Sian will have incurred irrecoverable costs of proceedings in relation to them (and the value of Sian, Hellicorp, Intimere, SGS and/or Mr Magomedov's assets/holdings diminished accordingly); or
 - (ii) if the Maple Ridge Disputed Loans are held to be enforceable, the value of Sian, Hellicorp, Intimere, SGS and/or Mr Magomedov's assets/holdings will have been diminished accordingly.

257. But for the FESCO Conspiracy, the shares in Intimere held by Felix would have been transferred to SGS. That has caused loss and damage to SGS, namely:
- (1) the value of Felix's interest in Intimere, the value of which, but for the FESCO Conspiracy, would be approximately US\$ 2.1 billion (subject to credit for the sums SGS would have had to pay pursuant to the Felix ROFO Accepted Offer);
 - (2) its irrecoverable costs of proceedings against Felix;
258. By virtue of the FESCO Conspiracy, Mr Magomedov and the SGS Branch have to all intents and purposes been deprived of control and/or practical ownership of the SGS Branch's stake in FESCO the value of which is approximately US\$ 6.0 billion. Accordingly, (a) Smartilicious and Enviartia, and/or (b) Wiredfly, and/or (c) Maple Ridge, and/or (d) Sian, and/or (e) Hellicorp, and/or (f) Intimere, and/or (g) SGS, and/or (h) Mr Magomedov has or have suffered loss and damage in that amount. Due to the competing attempts to deprive the SGS Branch of control of its stake in FESCO, the Claimants are presently unable to plead as to which of them will ultimately suffer this loss.
259. Further, each of the Claimants has incurred and is entitled to recover as damages legal costs incurred in investigating and resisting the Conspiracies.
260. In respect of each head of loss pleaded above:
- (1) Each of the parties to the NCSP Conspiracy, including (at least) the Tenth and Twentieth Defendants, are jointly and severally liable for the losses caused by the NCSP Conspiracy; and
 - (2) Each of the parties to the FESCO Conspiracy, including (at least) the First to Nineteenth and Twenty-First to Twenty-Second Defendants, are jointly and severally liable for the losses caused by the FESCO Conspiracy.

J. Claims against individual Defendants

261. The Claimants also, further and/or alternatively, advance the following claims against the defendants identified below. Each of these claims is governed by English law for the reasons pleaded in paragraph 247(1) above.

J.1 Omirico SPA

262. Paragraphs 73 to 96 above are repeated.

263. As pleaded therein, Transneft (and Fenti) dishonestly assisted in Mr Karmokov's breach of his fiduciary duties to Port Petrovsk when signing the Omirico SPA purportedly on behalf of Port Petrovsk. The Claimants are therefore entitled to and claim:
- (1) An account of profits; and/or
 - (2) Equitable compensation in respect of the loss pleaded at paragraph 253 above.
264. To the extent that any of the other Hostile Parties dishonestly assisted in Mr Karmokov's breach of fiduciary duty, the Claimants are entitled to and will claim the same relief as against them.
265. Further or alternatively, Port Petrovsk is entitled to and claims rescission of the Omirico SPA (alternatively damages in lieu of rescission as pleaded below) on the basis of:
- (1) The said breach of fiduciary duty and dishonest assistance;
 - (2) Duress and/or intimidation by way of the Threat, made by Mr Tokarev acting for and on behalf of Transneft (and Fenti); and/or
 - (3) Fraudulent (alternatively negligent or innocent) misrepresentations by Mr Tokarev, who made the Representations acting for and on behalf of Transneft (and Fenti).
266. Further or alternatively, as a result of the said breach of fiduciary duty and/or dishonest assistance and/or misrepresentations and/or duress and/or intimidation, Port Petrovsk has suffered loss and damage as pleaded at paragraph 253 above.

J.2 2012 and 2019 Option Agreements

267. Paragraphs 155 to 164 above are repeated.
268. It is to be inferred that at least Ms Mammad Zade, Mr Rabinovich and Mr Severilov procured Domidias' breach of contract pleaded in paragraph 163 above. That breach of contract and the procuring of it has caused loss and damage to Sian and/or Hellicorp, namely:
- (1) the value of the Domidias Branch's stake in FESCO the value of which is approximately \$2.8 billion (subject to credit for the sums Sian or Hellicorp would have had to pay under the 2012 or 2019 Option Agreements respectively);

- (2) their irrecoverable costs of proceedings against Domidias;
- (3) but for the breach of contract, no enforcement action would have been taken in respect of the Maple Ridge Disputed Loans and the Sian Disputed Loan and instead they would have been forgiven (in the case of the Maple Ridge Disputed Loans) and/or restructured and/or their terms extended, accordingly:
 - (i) if those Disputed Loans are held to be unenforceable, Maple Ridge and Sian will have incurred irrecoverable costs of proceedings in relation to them (and the value of Hellicorp's and Sian's assets/holdings diminished accordingly); or
 - (ii) if the Maple Ridge Disputed Loans are held to be enforceable, the value of Hellicorp's and Sian's assets/holdings will have been diminished accordingly.

J.3 Intimere Shareholders' Agreement

269. Paragraphs 165 to 184 above are repeated.
270. It is to be inferred that at least TPG, Ermenossa and Mr Rabinovich procured Felix's breach of contract pleaded in paragraph 176 above. The procuring of that breach of contract has caused loss and damage to SGS, namely:
- (1) the value of Felix's interest in Intimere, which is approximately US\$2.1 billion (subject to credit for the sums SGS would have had to pay pursuant to the Felix ROFO Accepted Offer); and
 - (2) its irrecoverable costs of proceedings against Felix.

K. Interest

271. Further, the Claimants claim interest pursuant to the Court's equitable jurisdiction and/or section 35A of the Senior Courts Act 1981 on the sums found to be due to them at such rate and for such period as the Court considers appropriate.

L. Norwich Pharmacal Relief

272. As pleaded in paragraph 46 above, in addition to the Defendants sued in these proceedings, the Conspiracies involved unknown others. There is a need for disclosure of the identities of those others in order that action can be brought against them. The

Defendants, having combined and conspired with these unknown others, are (at least) mixed up in the wrongdoing of those others and are able to provide the information necessary for action to be taken against them.

273. In the premises, the Claimants are entitled to, and claim, orders for *Norwich Pharmacal* relief against the Defendants (save that (i) neither Maple Ridge nor Sian claim any relief from Halimeda, as to which paragraph 63 above is repeated, and (ii) SGS does not claim any relief from Felix, as to which paragraph 67 above is repeated).

AND the Claimants claim:-

- (1) Damages
- (2) Equitable compensation
- (3) Rescission of the Omirico SPA, alternatively damages in lieu of rescission
- (4) Orders for all such further accounts and/or enquiries as may be necessary
- (5) Interest
- (6) Costs
- (7) *Norwich Pharmacal* relief
- (8) Further or other relief

TIM LORD KC
PAUL KEY KC
THOMAS PLEWMAN KC
JONATHAN SCOTT
CHINTAN CHANDRACHUD

Statement of Truth

The Claimants believe that the facts stated in these Particulars of Claim are true. The Claimants understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.



Simon Bushell (Partner, Seladore Legal)

31 August 2023