

Altimo Offers Guarantee to Speed Arbitration

By [The Moscow Times](#)

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Alfa Group's telecommunications arm Altimo said it would offer undertakings to settle its dispute with Telenor over the share issue connected with a merger.

Altimo will offer a guarantee over rights to issue shares to Telenor to speed up an arbitration process, the company said Thursday in a statement on its web site.

It is seeking to push ahead with the merger of Russia's VimpelCom Ltd. and phone assets of Egyptian billionaire Naguib Sawiris ahead of a shareholder meeting scheduled for next month. Altimo and Telenor are the biggest shareholders of VimpelCom.

Telenor, the biggest Nordic phone company, has asked a London court to help it maintain its position in VimpelCom if the Russian company's planned \$6.5 billion merger with Wind Telecom goes forward.

Telenor asked the Commercial Court on Feb. 7 for an injunction requiring VimpelCom to issue it shares alongside those issued to Wind, the Norwegian company said in a statement. The shares would be placed in escrow and only issued to Telenor if it wins an arbitration action it's pursuing.

VimpelCom shareholders, including Telenor, which owns 39.58 percent of Russia's second-largest mobile carrier, are entitled under the shareholder agreement to buy more stock to maintain their percentage stake if shares are issued to others. Telenor started the arbitration process on Jan. 28 after learning that VimpelCom planned to classify the Wind merger as a related party transaction, circumventing this requirement for a so-called pre-emptive share issue.

The merger between VimpelCom and Wind is designed to create the world's sixth-biggest phone company. VimpelCom chief executive Alexander Izosimov said last week that the plan would collapse if arbitration proceeds.

The arbitration action is against VimpelCom, Altimo Holdings & Investments and Altimo Cooperatief, Fornebu, Norway-based Telenor said in its statement. Altimo holds 39.19 percent of VimpelCom.

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