The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Bank of Moscow Boss Says He's Left Russia

By Derek Andersen

April 05, 2011



Borodin

Bank of Moscow president Andrei Borodin has left the country amid growing speculation that he might face fraud charges in connection with a half-billion-dollar loan that investigators say ended up in the personal bank account of billionaire Yelena Baturina.

Borodin on Tuesday said he was receiving medical treatment abroad.

"I intend to return as soon as the condition of my health allows," Borodin said, speaking to RIA-Novosti by telephone.

He did not specify his location.

RIA-Novosti and Interfax cited sources as saying Borodin was in London.

Borodin had been summoned by investigators for an interview in connection with a 13 billion

ruble ($460.5 million) loan that his bank extended to Premier Estate bank, Interfax said. Investigators say the money eventually wound up in the personal account of Baturina, head of the Inteko property company and wife of former Mayor Yury Luzhkov.

The dealings of Luzhkov and his wife have come under scrutiny after President Dmitry Medvedev fired Luzhkov in September over a "loss of confidence." Neither has been charged with wrongdoing.

Bank of Moscow was close to Luzhkov's City Hall.

Investigators sent the summons to Borodin and Bank of Moscow first vice president Dmitry Akulinin on March 25, and the two bankers were supposed to appear before an investigator on March 28, Interfax said. But when neither showed up, their status in a criminal case into the loan was changed from "witness" to "suspect."

Both men left the country before their interviews, an Interfax source said, adding that Akulinin was also in London.

"If it is officially established that Borodin has left the country and lawyers cannot provide ... good reasons for his failure to appear before law enforcement, charges may be filed against the president of Bank of Moscow in absentia," the source said.

The case could prove uncomfortable for state banking giant VTB, which is in the middle of acquiring Bank of Moscow.

When asked by journalists at a meeting of the Association of Russian Banks whether VTB knew that Borodin was abroad, VTB-24 chief Mikhail Zadornov said, "Of course," Interfax reported.

VTB is still planning to close the deal to gain control of Bank of Moscow by midyear, he said.

A person who answered the phone at Bank of Moscow's press service said no one was available for comment Tuesday.

A bank spokesman told Interfax that Borodin had been on sick leave since last week and declined further comment further.

Investigators involved in the Bank of Moscow case offered no public comment on Borodin on Tuesday.

Borodin is the latest prominent business figure to leave the country after being implicated in a criminal case. Among those who sought refugee in Britain are tycoon Boris Berezovsky, who received asylum; oil mogul Mikhail Gutseriyev, who lived there from 2007 to 2010 until the criminal case was closed; and Georgian businessman Badri Patarkatsishvili, who died in London in 2008 while still facing Russian charges of organizing a prison break. Yevroset founder Yevgeny Chichvarkin has lived in London for the past two years and remains there, even though charges against him were recently dropped.

Luzhkov and Baturina are also thought to be living in London.

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