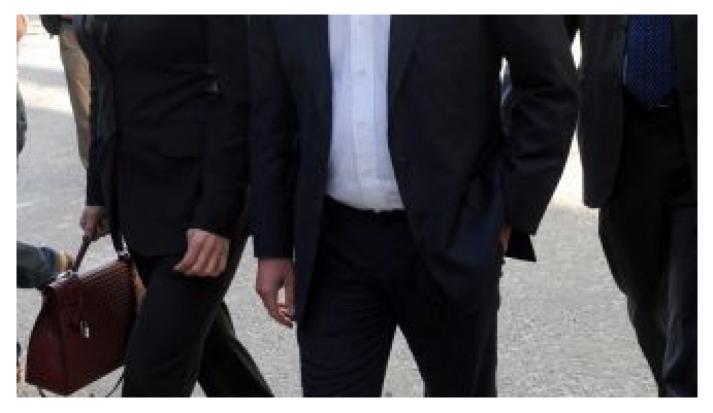


Oligarchs' Lawsuit Hears of 'Corrupt' Russia

October 04, 2011



Berezovsky at London's High Court with his girlfriend, Yelena Gorbunova. Anthony Devlin

LONDON — Roman Abramovich paid \$2 billion to fellow oligarch Boris Berezovsky for his services as a political godfather in the turbulent years after the collapse of communism, Abramovich's lawyer said Tuesday.

The two former allies are facing off in a London court, where Berezovsky is suing Abramovich for £3.2 billion (\$5 billion).

Berezovsky, who lives in self-imposed exile in Britain, claims that Abramovich intimidated him into selling shares in oil company Sibneft at a fraction of their value. He alleges breach of trust and breach of contract.

Abramovich's lawyer, Jonathan Sumption, denied the allegation Tuesday, explaining that in corrupt and chaotic post-Soviet Russia, Berezovsky was a "power broker" to whom Abramovich-controlled businesses paid large sums for patronage. Sumption said that in Russia at the time, "there was no rule of law."

"The police were corrupt," he said. "The courts were unpredictable at best. ... Nobody could go into business without access to political power. If you didn't have political power yourself, you needed access to a godfather who did."

Sumption said the two men had agreed that "for substantial cash payments, Mr. Abramovich and Sibneft would enjoy Mr. Berezovsky's political patronage."

He said that between 1995 and 2002, Berezovsky received \$2 billion from Abramovich's businesses, as well as money for personal expenses including "palaces in France," private planes, artworks and jewelry.

But he said Berezovsky did not put money into Sibneft, which was created during the breakup of Russia's state-owned businesses, and was not the registered owner of its shares.

"His contribution was important, indeed it was indispensable," Sumption said. "But it was almost entirely political."

Berezovsky, a Kremlin insider during the rule of Boris Yeltsin, fled to Britain after Vladimir Putin became president in 2000. He has since been a vocal critic of the Kremlin.

Berezovsky's lawyer, Laurence Rabinowitz, said Monday that relations between the two oligarchs soured after Berezovsky fell out with Russian political leaders. He claimed that Abramovich then betrayed him in return for wealth and influence.

"It is our case that Mr. Abramovich at that point demonstrated that he was a man to whom wealth and influence mattered more than friendship and loyalty," he said.

Abramovich sold Sibneft to Gazprom in a multibillion-dollar deal in 2005. He now owns London's Chelsea Football Club.

The two men were at London's High Court for the first two days of the case, which is expected to last two months.

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