

BP Ordered to Pay \$3.1Bln in Damages

By [The Moscow Times](#)

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The damages were awarded to a minority shareholder in TNK-BP who alleges that BP failed to inform TNK-BP's board about a \$16 billion deal with state-owned Rosneft in 2011. **Denis Grishkin**

A Tyumen region arbitration court ordered BP to pay \$3.1 billion in damages Friday as part of litigation that the international oil major said amounts to corporate blackmail.

The damages were awarded to Andrei Prokhorov, a minority shareholder in TNK-BP who alleges that BP failed to inform the TNK-BP board about a \$16 billion deal with state-owned Rosneft last year in contravention of the company's shareholder agreement. The deal later collapsed.

Prokhorov had originally sought \$13.6 billion from BP, but the Siberian court said BP must pay out \$3.1 billion, Interfax reported. BP said that it would appeal against the decision.

Another case brought by Prokhorov and a group of minority shareholders against two TNK-BP directors was thrown out in January.

"The lawsuit was based on absurd assumptions and has nothing to do with the interests of TNK-BP and its shareholders," said Konstantin Lukoyanov, BP's Russian lawyer, Interfax reported. "It's obvious that TNK-BP did not incur and could not incur any losses. ... We consider this lawsuit to be an attempt at corporate blackmail and are convinced that today's decision should be canceled."

The court decision comes three days after state-owned oil giant Rosneft announced that it was entering into negotiations with BP to buy its 50 percent stake in TNK-BP, which has an estimated price tag of \$20 billion.

The decision of Rosneft, Russia's biggest oil company, to look at taking a stake in TNK-BP appeared to put the only other bidder, AAR Consortium, the investment vehicle of BP's billionaire partners in TNK-BP, on the back foot.

Some experts have suggested that AAR is using minority shareholders in TNK-BP to exert pressure on BP in the wake of its failed tie-up with Rosneft. AAR denies the claims.

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