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# Bulgaria Charges Russian With Embezzlement

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Russian-Lithuanian businessman Yershov was detained at Burgas Airport on Monday in connection with an embezzlement case.

Bulgarian prosecutors have charged controversial Russian-Lithuanian businessman Denis Yershov with embezzling $690,000 from the country's second-largest oil retailer.

Yershov was detained at the airport in the Black Sea town of Burgas on Monday and delivered to the Sofia City Prosecutor's Office the following day, prosecutors said in a statement obtained by The Moscow Times.

Prosecutors said he and business partner Tsvetan Dimitrov embezzled about 1 million Bulgarian levs ($690,000) from Petrol Holding between March 2009 and July 2010, when Yershov was a co-owner and member of the company's board of directors.

If convicted, Yershov faces between 10 and 30 years in prison. On Tuesday, prosecutors said he

had been released on 500,000 levs' bail ($315,000).

Reached by telephone, Yershov told The Moscow Times that he had been briefly detained and ordered to appear for questioning in two weeks. He denied reports of being arrested and refused to speculate on the reason behind the summons.

After an acrimonious battle with co-owner Mitko Sabev for control of the company, Yershov sold his 47.5 percent stake in Petrol Holding in June to Credit Mediterranee, a Switzerland-based firm owned by former longtime Kalmykia leader Kirsan Ilyumzhinov, Bulgarian news site Novinite.com reported.

Ilyumzhinov's total investment in the struggling company, which included the purchase of co-owner Alexander Melnik's 5 percent stake, was estimated at $239 million, Vedomosti reported at the time.

But Ilyumzhinov has yet to become the company's owner because the deal hasn't yet appeared on Bulgaria's trade register, Sabev's spokeswoman said by telephone.

Petrol Holding is the second-largest fuel retailer in Bulgaria, behind Russia's LUKoil, and its assets include 470 fueling stations, 80 oil storage tanks and three port terminals, RIA-Novosti reported.

Ilyumzhinov told Vedomosti in June that he had discussed the deal with his "old and respected friend," LUKoil chief Vagit Alekperov, but didn't say whether Alekperov was the unspecified business partner who told him: "Sort things out, and then I'll come in."

Yershov has a checkered past in Bulgaria.

In 2000, he and a business partner, Michael Cherney, then a metals tycoon linked to Oleg Deripaska, were labeled a national security threat and banned from entering the country for 10 years. The Sofia City Court repealed the ban four years later.

Yershov and Sabev, a Bulgarian, founded Petrol Holding in 1991.

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