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Vostochny Bank Files Lawsuit Against Detained U.S. Executive Michael Calvey

The bank is claiming in the amount of $155 million.

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Michael Calvey **Yevgeny Razumny / Vedomosti / TASS**

Vostochny Bank has filed a lawsuit against Michael Calvey, the founder of the Baring Vostok investment fund, and Evison Holdings Ltd., which is owned by Baring Vostok and Russia Partners, in the amount of 9.8 billion rubles ($155 million), the Vedomosti business daily reported Tuesday.

The lawsuit is the latest chapter in the Baring Vostok case, in which U.S. private equity executive Calvey and three other Baring Vostok executives face charges of defrauding Vostochny Bank to the amount of 2.5 billion rubles ($39 million).

Prior to filing the lawsuit, the bank asked the Amur Region commercial court to freeze 41.6% of Evison's shares as a security measure, fearing that the company's assets would be sold off prior to the court's decision. The court agreed to arrest the company's shares until Aug. 14., Vedomosti reported.

Evison had owned a controlling stake in Vostochny Bank until mid-July when, following a court order, Baring Vostok was directed to sell 10% of its shares in the bank to Finvision Holdings, already a minority shareholder in the bank and partially owned by Artem Avetisyan. The bank then came under the control of Avetisyan and his business partners Yuri Danilov and Sherzod Yusupov.

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Calvey was arrested in February by the FSB, Russia's secret service, after Avetisyan's business partner Yusupov filed a complaint.

Baring Vostok and Avetisyan have been engaged in a struggle for control over Vostochny Bank over the past year. His control over the bank has made it easier to put off a central bank-mandated 5 billion ruble ($78 million) recapitalization that would have diluted his share in the bank to below 50%, the Financial Times reported.

Baring Vostok claims Avetisyan and Yusupov are abusing Russia's criminal and civil courts in a "corporate raid" to seize control of the bank, the Financial Times reported. Calvey also accuses Avetisyan and his partners of stripping another bank of 17 billion rubles ($268 million) in assets prior to a merger with Vostochny Bank.

Avetisyan denies the asset-stripping claims and says criminal charges against Baring Vostok executives are unrelated to the struggle for control of Vostochny Bank.

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