

Baring Vostok Cancels New Fund Launch

Firm scraps plans for potential billion-dollar investment fund as colleagues launch new campaign in support of detained executives.

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An advert in Russia's business papers ask "why" three Russian executives of investment firm Baring Vostok are still detained on fraud charges. [afanasiefff / VKontakte](#)

Baring Vostok — the Russian investment house at the centre of the high-profile fraud case involving its founder U.S. citizen Michael Calvey — has cancelled plans to launch a new investment fund, [bne IntelliNews](#) has [reported](#).

The company suspended plans to launch a sixth fund, citing investor fears over "contradictions in Russian and international arbitration law," and uncertainty regarding investor protections, Baring Vostok told Russian news site The Bell.

The launch of Baring Vostok's previous fund raised \$1.3 billion from investors.

Related article: [Calvey Case: While Two Foreigners Are Under House Arrest, Their Three](#)

Russian Colleagues Remain in Jail

The cancellation was announced as friends and colleagues of three Russian executives of Baring Vostok who have also been detained in the case launched a new high-profile campaign in their defense. In a full-page advert published this week in Russia's top three business papers — *Kommersant*, *RBC* and *Vedomosti* — the group asks “why” the three are still being held in prison.

The two foreign citizens also charged in the case, American Calvey and French citizen Phillip Delpal, have been released on house arrest.

The charges center around a deal for Vostochny Bank. Many business figures and international investors rallied in support of Calvey when he was detained earlier this year, saying that the disagreements between Baring Vostok and Kremlin-linked Artem Avetisyan should have been settled through arbitration, not criminal proceedings. Russia's business ombudsman, who is appointed by the President, Boris Titov has previously protested against the use of Russia's criminal courts to resolve what he said is a commercial dispute.

***Correction:** A previous version of this article incorrectly stated that *Kommersant*, *RBC* and *Vedomosti* had launched a campaign in support of the detained Russian executives. In fact, friends and colleagues of the Baring Vostok executives paid for adverts in the three papers.*

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