

# Russia Steps Up Hunt To Seize Foreign Assets of 'Putin's Banker'

**Alfa Group hired to track and seize overseas wealth in the latest development in legal battle between the Kremlin and Sergei Pugachev.**

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Sergei Pugachev left Russia in 2011 after gaining French citizenship. **Anton Denisov / TASS**

Mikhail Fridman's Alfa Group has been [hired](#) to recoup millions of dollars in foreign assets from fallen oligarch Sergei Pugachev — a former Russian financier, billionaire and politician dubbed "Putin's Banker."

Russia's Deposit Insurance Agency (DIA), an organization tasked with recovering lost deposits from owners of banks which have gone bust, has been chasing Pugachev's overseas wealth since Russia launched criminal cases against him in the mid-2010s.

Russia holds Pugachev responsible for 75.6 billion rubles (\$1.1 billion) in funds which were lost when Mezhprombank — a bank he founded in the early 1990s — went bankrupt in 2010.

Pugachev was worth around \$2 billion on the eve of the 2008 financial crisis, according to Forbes, and he is credited with helping Putin ascend to the top of Russian politics in the late 1990s.

The oligarch fled Russia in 2011 after obtaining French citizenship in 2009. Russian authorities launched cases to hold him liable for Mezhprombank's debts and recover his foreign assets shortly after. He argues that the case against him is politically motivated, following a falling out with the Kremlin, saying Russia "expropriated" his assets after he left the country.

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Pugachev lost a case in a French appeals court in June against the seizure of his property — a ruling which the DIA says paves the way for it to move in. According to [reports](#) in Russian media outlets, the DIA has hired A1 Group — part of Alfa Group, a private Russian investment and banking giant — to attempt to seize Pugachev's property in France, where he allegedly resides.

A1 has a "reputation as a ruthless debt collector," Russian business outlet The Bell [reported](#) Tuesday, and will carry the costs of asset recovery in return for a slice of anything they are able to retrieve.

The appointment of A1 is the latest development in the long-running and high profile legal saga.

Pugachev previously had more than £1 billion of assets frozen by the High Court in London, where the DIA was able to seize property worth millions of pounds. After those rulings and in violation of a travel ban, he fled the U.K. for France in 2015 citing fears for his safety. The High Court subsequently sentenced him to two years' imprisonment in absentia.

This June, The Hague threw out Pugachev's [attempt](#) to countersue Russia for \$14.5 billion in damages, ordering the ex-banker to pay almost \$6 million to Russia to cover the Justice Ministry's legal fees. Pugachev has said he will appeal both that decision and the French ruling on asset seizures.

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