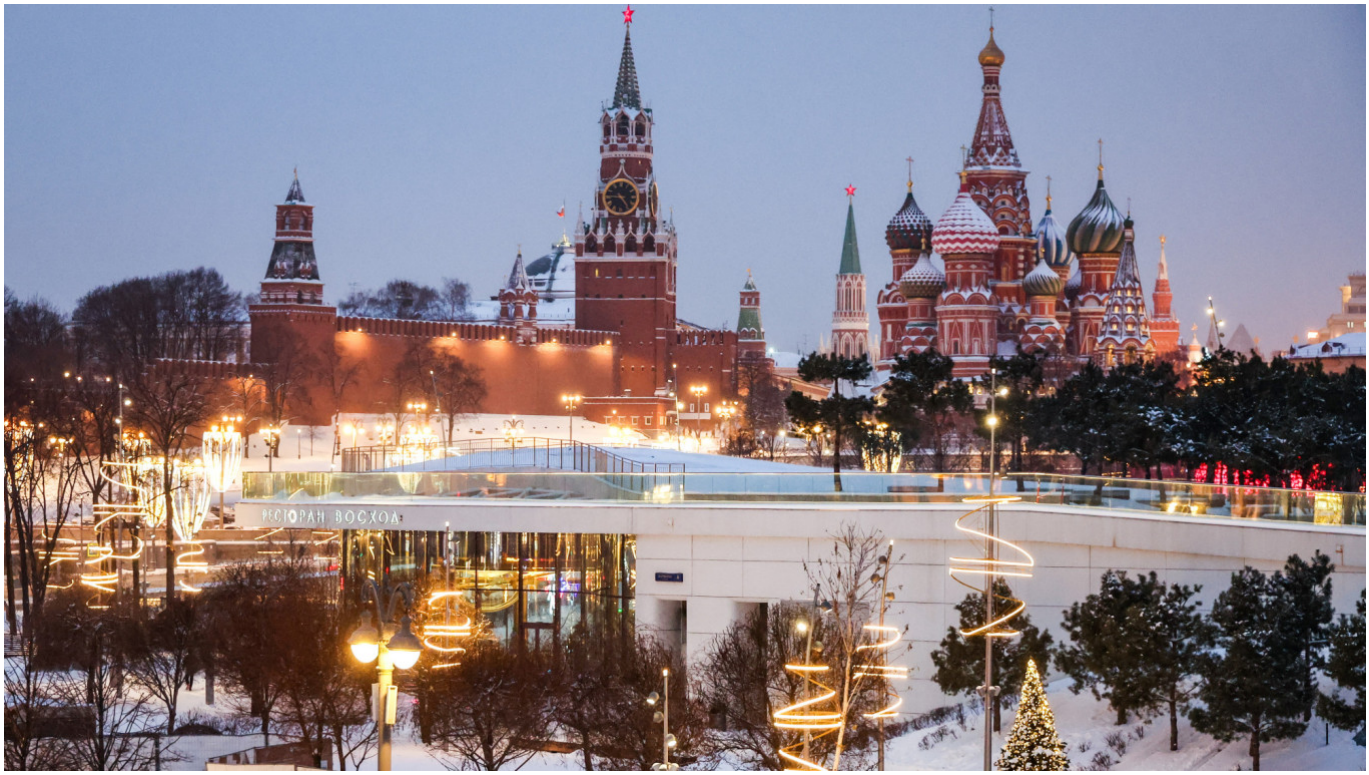
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Russia Prepares for Lengthy Legal Battle as U.S. Backs Asset Seizure – Bloomberg

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The Kremlin. **Valery Sharifulin / TASS**

Russia is preparing a legal challenge to prevent the United States and Europe from seizing some of its $300 billion in frozen assets that the West wants to use to help rebuild Ukraine, Bloomberg reported Friday, citing anonymous officials in Moscow familiar with the matter.

The news agency reported Wednesday that the Biden administration supported confiscating some of the $5 billion of Russian reserves held in the United States.

Washington is reportedly seeking to coordinate the move with G7 members and Europe, where $200 billion of the frozen Russian Central Bank assets are held.

But Russian officials cited by Bloomberg on condition of anonymity, because the information is not public, expressed confidence that the confiscation is "unlikely."

"Their view is that the West stands little chance in court and has no legitimate grounds for

seizure based on legislation adopted after the freeze," Bloomberg wrote.

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Even if Moscow is unable to return the frozen funds, the officials said the drawn-out court battle would keep the money from reaching Ukraine.

To that end, Russia's Central Bank is close to reaching an agreement with unspecified international law firms that could represent Moscow's interests in court.

Russia's Central Bank declined to comment on the alleged negotiations to Bloomberg.

The Kremlin has previously vowed court challenges in case its frozen assets in the West were transferred to Ukraine.

"[Confiscating Russian assets abroad will entail] very serious judicial and legal costs for those who make such decisions," President Vladimir Putin's spokesman Dmitry Peskov told reporters Thursday.

The Roscongress Foundation, Russia's state-backed development institution, said in an analysis last month that litigation surrounding the frozen Russian reserves "could last for decades."

An attempt to take over Russia's assets and lengthy legal disputes could trigger a "war of confiscations," Sergei Glandin, a compliance and sanctions law partner at Moscow-based BGP Litigation, told Bloomberg.

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