

HSF defends in \$13.8bn High Court claim brought by Russian businessman

By Annabel Tinson | 27 September 2023

Jailed Russian businessman Ziyavudin Magomedov has filed a \$13.8bn claim against US private equity giant TPG, ports multinational DP World and a number of Russian state companies.

The claim, which alleges that Magomedov's business empire was manoeuvred into Russian state hands, was launched by litigation boutique Seladore Legal and includes a line-up of barristers from Brick Court Chambers, including Tim Lord KC, Thomas Plewman KC, Jonathan Scott, Chintan Chandrachud and Jessie Ingle.

The suit is thought to be the largest ever claim brought in the English High Court outside the collective redress regime, and losses claimed include a controlling stake valued at \$8.8bn in FESCO, one of Russia's most crucial strategic port and cargo businesses.

The lawsuit has 22 defendants and firms defending against Magomedov include Herbert Smith Freehills, Quinn Emanuel, Dentons UK and Middle East, PCB Byrne, Candey and Cooke Young & Keidan.

A team led by HSF partner Alan Watts is understood to be defending TPG, replacing longstanding lawyers Cleary Gottlieb Steen & Hamilton.

DP World, another defendant, is being represented by Quinn Emanuel Urquhart

& Sullivan's co-London managing partner Ted Greeno.

Cooke Young & Keidan is representing Russian company Domidias and chairman of the board of directors at FESCO Andrey Severilov.

PCB Byrne represents nuclear power company Rosatom, while Candey is defending FESCO and Halimeda International.

Dentons, meanwhile, represents Garber Hannam & Partners and its chairman of the board of directors Mark Garber.

The 11th defendant, Mikhail Rabinovich, and the 12th defendant, Ermenossa Investments, are represented by Fieldfisher partner Daniel Hayward.

Magomedov, whose businesses include high-profile tech investments in the US and Europe, alleges he was wrongly jailed in Moscow in December 2022. He was given a 19-year jail sentence and has already spent more than four years in prison awaiting trial with his brother.

Magomedov also co-owned the NCSP port in Novorossiysk, which handles Russia's oil and grain exports from the Black Sea, and the claimants' interest in NCSP is valued at \$5bn.

Beyond FESCO and NCSP, it is claimed that Magomedov also held

substantial additional assets, including grain terminals, that he alleges were expropriated. If Magomedov pursues additional legal remedies in England (or elsewhere) concerning these assets, the value of his claims rise to at least \$30bn.

The solicitor team at Seladore includes partners Simon Bushell, Gary Milner-Moore, Gareth Keillor and Kevin Kilgour.

Bushell founded Seladore in 2020 and was previously a partner at Signature Litigation, Latham & Watkins, as well as being the head of the CIS/Russia disputes practice at HSF. Before joining Seladore in 2021, Milner-Moore spent 25 years at HSF, while Keillor and Kilgour also came from HSF. [Pradeep] and his lawyers, in particular EMM, we consider that the judge was generous to the lawyers" but agreed that "the question of lack of candour was a side issue."

All parties were approached for comment.