

PRESS RELEASE

First instance judgment in the case of Togliatti Azot breaches all rules of law

- Russian Court case ends with judgment as ordered
- State-sponsored raider attack continues

Binningen BL, July 8th, 2019 – The first instance criminal court of Togliatti, Russia, has sentenced five representatives of the shareholders of the Russian fertilizer manufacturer Togliatti Azot, among which those of Swiss production and trading company Ameropa, to between 8.6 and 9 years imprisonment and USD 1.385 bn damages. According to the allegations made by Dmitry Mazepin, Russian oligarch and 10% minority shareholder of Togliatti Azot, this is the value of the fertilizers which have been ‚stolen‘ by the majority shareholders of their own company Togliatti Azot.

Previously already, all shares not belonging to Mazepin had been arrested by the investigation authorities. Mazepin’s raid on Togliatti Azot, which he has announced several years ago and pursued by all means since then, has therefore made a further step towards reaching its goal.

The case is another example of the increasing decay of the rule of law and the total lack of protection for foreign investors in Russia.

- As evidenced by the metadata of the file, the Attorney Generals indictment has demonstrably been written on the computers of a company owned by the raider;
- The expert reports ordered by the Courts involved in the proceedings have been cancelled by these same Courts because they exonerated the accused, and have been replaced by manipulated expert reports supporting the accusation;
- Secret witnesses, together with the manipulated expert reports, were the only proof for the accusation;
- Key witnesses and litigants, on the other hand, were not heard despite multiple interventions;
- Defence lawyers representing foreign companies were physically prevented from attending the hearings and in some cases arrested;
- Most of the damages were granted in favour of Togliatti Azot, the right to enforce them was however granted to Mazepin who owns only 10% in the company. This enables him to take over the factory for free.

On December 8th, 2016, the U.K. Westminster Magistrate Court had already considered the whole investigation that preceded the court case to be a travesty of the rule of law: „Mazepin is a raider ... and every known raiding tactic has been used against Togliatti Azot... These include ... forgery and fraud, malicious prosecutions, tax inspections, misuse of shares, misuse of the banking system, violence, dark PR and abuse of the rule of law“, according to the U.K. court.

In January 2017 Interpol cancelled the 'Red Notice' arrest warrants which Russia had filed against the accused, because they were in breach of Interpol's constitution.

Some days ago, on June 27, 2019, the Irish High Court took a decision in the same case which leaves no doubt that the Russian proceedings do not bear scrutiny under Western legal standards. In this decision, Mazepin had to commit not to take possession of the Togliatti shares as long as there is no final verdict in Ireland.

For its obvious unlawfulness, the first instance verdict of the Russian court is not enforceable outside of Russia. Nevertheless, Ameropa will appeal the verdict and concomitantly pursue its investment arbitration claim under the Swiss-Russian Investment Protection Treaty.

About Ameropa

Founded in 1948, Ameropa in Binningen near Basel is a privately owned Swiss production and trading company in the fields of grains and fertilizers. For more information, please see our website www.ameropa.com.

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