

Monday, 7 November 2011

(10.15 am)

(Proceedings delayed)

(10.19 am)

MR ROMAN ABRAMOVICH (continued)

MRS JUSTICE GLOSTER: Yes, Mr Rabinowitz.

Cross-examination by MR RABINOWITZ (continued)

MR RABINOWITZ: Mr Abramovich, can you please be given bundles E6 and E7. Back on the Le Bourget transcript. Can you in that transcript go to page 183 in E6 E6/01/183 or 181 in E7 E7/01/181. I want to look at box 540, please.

Just to remind you, the context of box 540 is the discussion between yourself and Mr Berezovsky and Mr Patarkatsishvili of the fact that from this point on, Sibneft would only be distributing profits by way of dividend. That is then followed by a discussion between yourself and Mr Patarkatsishvili as to whether or not Mr Berezovsky and Mr Patarkatsishvili should be shown as shareholders and you offer reasons why that shouldn't happen.

Then at 540, Mr Patarkatsishvili asks the question:

"And how will it work out, if at the moment it's... how will it work out that we'll be able to receive dividends? If we are not shareholders?"

And you reply:

"Why? We can take these dividends out assigning them to a company, and later we can disperse them very thinly."

You say, "Pay taxes", and then there's a gap.

"... management, 44 per cent is in a management-controlled trust. [The dividends] are taken out, taxes are paid, after that they... are dispersed through different routes..."

What you appear to acknowledge here, I suggest, is that 44 per cent, half of the shareholding you control, is their shareholding, but suggest that they should be paid by dispersing dividends which you receive through different routes, rather than them just receiving their entitlement themselves. Is that correct?

THE INTERPRETER: So sorry, the buttons got switched over. Start again.

- A. I don't agree. No shares have ever belonged to them. The fact that the word "spread out", "thinly dispersed" -- and "thinly", that means we'll be able to use the money that we got from the package so that the money eventually gets to Mr Berezovsky. The word "to spread out" means to split into very small portions.
- Q. What is happening here, Mr Abramovich, is that Mr Patarkatsishvili and Mr Berezovsky want -- they have

made this clear -- a formal recognition of their interests, but you're coming up with schemes to keep their interests informal. That is right, is it not?

A. No, that is not correct. The conversation in its entirety, or rather the largest part of this conversation, is about how to behave and what to do so that money comes to London.

During the weekend I re-read the transcript. The word "legalisation" is used here in two meanings: mainly, one of these meanings is the way of receiving cash into a London-based bank.

Q. And then look, if you would, at box 543 --

MRS JUSTICE GLOSTER: Are we leaving boxes 540 and 541?

MR RABINOWITZ: I was planning to leave that for the moment, my Lady. If you have a question --

MRS JUSTICE GLOSTER: May I ask a question on that, please.

MR RABINOWITZ: Please.

MRS JUSTICE GLOSTER: Mr Abramovich, in your commentary to box 541 you refer to:

"... Sibneft shares held in trust by the management (and owned by me as beneficiary)."

At the time of the Le Bourget meeting, was there such a trust set up by which shares were held in trust by management and owned by you as beneficiary?

A. At the time of that meeting I didn't really understand

it very well, although now, with the benefit of further knowledge, I know that this trust existed and I was the final beneficiary of this trust and, were I to die, in the event of my death, my children would acquire the right to that property held in that trust.

MRS JUSTICE GLOSTER: And whether or not you knew it at the time of the Le Bourget meeting, at that date, had that trust been set up?

A. As far as I know, yes, it did.

MRS JUSTICE GLOSTER: Right. And that was a trust held in trust by the management: that was your colleagues at Sibneft, your managerial colleagues at Sibneft or who?

A. My colleagues that were managing Sibneft: I think perhaps Mr Shvidler was a protector and Panchenko and Tenenbaum were trustees. But at that time I had no knowledge of that. I realised all this and learned that later. At that time I didn't even know such terminology.

MRS JUSTICE GLOSTER: Right. But when, in box 541, you refer to "44 per cent... in a management-controlled trust", that's what you're referring to, is it?

A. Yes, that's what I was referring to. And further on I'm talking about 90 per cent being in management trust. I don't remember the box, but I'm saying that later at some point.

MRS JUSTICE GLOSTER: Right. Thank you.

Yes, Mr Rabinowitz.

MR RABINOWITZ: Mr Abramovich, you say in your commentary that the shares are "held in trust by the management". Are you suggesting that the shares were held in the name of the management?

A. I don't understand the terminology very well. What does that mean? What is the difference between "in the name of management" and "in management's trust"? What is the difference between these two?

Q. Well, I'd like you to tell me what you meant in your commentary. These are your words. You tell me what you meant when you said that these shares were "held in trust by the management (and owned by [you] as beneficiary)".

A. I've already described it: it was a trust where I was the final, ultimate beneficiary, but it was managed by the company's management.

Q. Okay. Can you then go to box 543, please E6/01/184.

You say to Mr Berezovsky:

"Somehow, legally, from Moscow. They can never get through to Borya."

That's Mr Berezovsky. Suggesting that a Russian citizen could not receive dividends on Russian shares outside Russia. But you presumably knew that that was

not true, did you not?

- A. If I remember correctly, that's not what I meant there. What I'm saying is that a Russian citizen cannot receive cash on an account held in a foreign bank.
- Q. Well, Mr Abramovich, you were talking, it's clear, in the previous boxes about dividends and what you seem to be saying in box 543 is that Mr Berezovsky, because he was a Russian citizen outside Russia, could not receive dividends on Russian shares. That's right, isn't it?
- A. No, that's not right. I mean, he can probably receive -- if he's a shareholder in any company, he presumably can receive dividends, but what he can't do is receive money in an account in a foreign bank without a permission of the Central Bank. It was forbidden -- well, in fact it wasn't forbidden but you had to have a permission from Central Bank. Even if you wanted to acquire an apartment abroad, you needed at that time to receive permission from Central Bank to export currency.
- Q. You yourself used a number of corporate vehicles set up outside of Russia to hold your Sibneft shares and presumably they were companies to whom dividends were paid. Is that right?
- A. I think that's right but I didn't have the need to receive legal money in an English bank. I didn't have this purpose. That was the purpose of Mr Berezovsky.

- Q. But what would be the difference between receiving money in a bank in Cyprus, which is perhaps where your Cypriot companies had their accounts, and receiving money in an English bank account?
- A. I can't tell you what the difference is. This was the requirement that Mr Berezovsky was trying to satisfy. For me there is no difference. But in some boxes here we're talking that legalising the funds from an offshore account to an English account would cost 15 to 20 per cent. They may have been deceived, they may have had another problem, but they could not do it, they were not able to do it.
- Q. Can we then just look at boxes 544 to 549, where the conversation turns to the tax payable on dividends, and can I ask you to read boxes 544 to 549 to yourself.
- (Pause)
- A. I have read that.
- Q. What you appear to be doing here is now warning about the taxation of dividends while offering to draw up a plan for them to pay minimum tax, which you assert would be some 35 per cent. Is that right?
- A. I think I'm saying that we can arrange it for it to be 30 per cent tax, if I read it correctly; and if no tax planning is undertaken then it will be 35. I think that's what we're discussing.

- Q. Can we then look at box 552 on page 186 in E6 E6/01/186. Just, if you will, read box 552 to yourself. (Pause)
- A. Yes, I have read that.
- Q. So here, Mr Abramovich, Mr Patarkatsishvili is identifying what he sees as the unfairness in your proposal at Le Bourget. He has identified in the boxes leading up to this a number of disadvantages apparently to him of the fact that from now on Sibneft profits will have to be subject to tax but, as he notes at box 552, your interest would continue to be held through a formal legal structure, which he refers to as being "legalised", and your income would be "earned officially... in your capacity [as] a shareholder"; but, as he points out, he and Mr Berezovsky will have problems.

That's right, isn't it? That's what he's saying?

- A. Perhaps it can be interpreted this way. But the problem was not that my income will be legalised. My income was always legalised. The problem is that they cannot legalise their income.
- Q. He plainly doesn't think that it's fair that your position should be dealt with in this way, legalised and officially earned, whereas his and Mr Berezovsky's position should not be. That's clear from what he is

saying in box 552, is it not?

- A. Yes, it can be interpreted this way but it's not that obvious to me. But basically I think it can be interpreted like that.
- Q. Would you accept that the reason he thinks that there's something unfair about this is because he does not see why any one of the three of you should be in a better position than the others?
- A. I don't agree with that. He understands it very well because I am a shareholder in that company and he was just receiving money through an arrangement with me. That's the entirety of the difference. And he understood that very well.
- Q. Then why do you say he seemed to think that it was wrong that you should have no problems when they should have all these problems?
- A. I explain it in the way that I had been the shareholder of that company from the very first day, from the day it was privatised, I remember it and I understand it very well, and you can follow the share ownership from the very first day until they got into my hands. Their problem was not with legalising the shares but with legalising of their income, and by legalisation they meant receiving cash in a London or English bank.
- Q. Can we just look at your response to the suggestion by

Mr Patarkatsishvili that this is unfair. You'll see it at boxes 553 to 555. Could you just read that to yourself. (Pause)

A. Yes, I have read that.

Q. Your response is not here to say, "What are you complaining about? Why should your position be the same as mine? I am, after all, the owner of these shares and you are just people who once, a long time ago, gave me assistance". It's nothing like that at all.

A. I'm not saying it to them because they know it anyway. This is not our first meeting. So in order to understand what it is that we're discussing, you need to know the context and what had occurred before. Otherwise it's very difficult to understand what's going on.

Q. What you actually say to them is to suggest that in fact your position is not that different to their position because, so you're saying here, you too are also not formally a shareholder. That's right, isn't it?

A. I am saying that I am not an official shareholder and if I needed to transfer money to an English bank, I would probably come across the same problem. But I didn't need to do that because I had no plans to go anywhere abroad.

Q. The point you appear to be making to them here is that

Mr Patarkatsishvili should not feel aggrieved because your positions are not different in the way that he has suggested after all, they are the same: neither of you are formally shareholders. That's right, isn't it?

A. From the formal point of view I was the beneficiary, I wasn't a shareholder anymore; well, anyway, I was a shareholder at all times but I was the beneficiary of the trust formally. But the position would not be any different: if I tried to transfer money to an English bank with all these procedures, I would probably have come across the same problem.

Q. Can you go, please, to box 580. It's at page 191 of E7 E7/01/191, 192 of E6 E6/01/192. Again, could you read that to yourself, please. (Pause)

Just box 580, Mr Abramovich. Tell me when you've read that, please.

A. Yes, I've read that.

Q. What Mr Berezovsky is doing here is telling you, in broad terms, what it is that he wants to do because, just glancing back at box 578, he anticipates a moment in the future where the existing arrangement will have to end. Do you see that?

A. Yes, I can see that.

Q. So he outlines this plan about what he wants to put in place for when that existing arrangement comes to an

end; that's right, isn't it?

A. Do I understand your question correctly that he is preparing a plan for when the existing arrangement is over, so he's discussing with me what's going to happen when the existing arrangement runs out? Indeed that's true, but that is not necessarily having anything to do with what we were discussing before. That may pertain to all the other shares he had in Transaero or in any other companies, I don't know, Logovaz or something else, Kommersant. It doesn't necessarily mean -- because we're jumping from one subject to another, I cannot agree with you that that is so; although yes, indeed, he is discussing the future arrangement to manage shares.

Q. And what you are anticipating is the fact that at the end of box 580, one of the things Mr Berezovsky is concerned about, as he says, he says there:

"And as for the shares, it would make sure that they are truly mine."

He wanted an arrangement which ensured that it would be clear that the shares were truly his. And that's right, isn't it?

A. Yes, that's right.

Q. I suggest --

A. And further on I say that that's a reasonable or

a sensible solution, but I can't help him because I don't understand anything about it.

Q. Since the conversation takes place almost immediately after your discussion about Sibneft and Rusal, I suggest to you it's clear that those are the shares that he is talking about.

A. Because I personally took part in this conversation, I don't agree with your statement. That's not quite so.

Q. Can we then move on to box 587, please. In the English it's on page 194 E6/01/194; I think in Russian it will be a page before E7/01/193. Can I ask you, Mr Abramovich, just to read to yourself boxes 587 to 592, please.

A. I've read it. And can we discuss 582 as well, because it follows and it explains and gives answers to the questions you raised just now.

Q. I will ask my questions about 587 and 592 and perhaps we can come back to your point about 582, which I think is about Mr Tenenbaum and Mr Shvidler being involved in the management of your shares. Correct?

A. No, that's not what I wanted to say. I wanted to say that Mr Berezovsky was asking for Mr Tenenbaum and Mr Shvidler to help him to select a company that would help him sort out his assets.

Q. Okay.

On boxes 587 to 592, what we see at box 587, Mr Abramovich, just looking at the first part of this, is that Mr Patarkatsishvili makes the point that they have been talking about a future structure to be put in place but he is interested in determining what should be done until then, which is to say in the immediate future, and before the point in time in the future for which Mr Berezovsky wishes to plan.

Do you agree?

A. Yes, I agree. He is mainly talking about next year.

Q. And it is obvious from what is then discussed, following that, that the topic of conversation concerns again Sibneft and dividends; that's right, isn't it?

A. Have we already abandoned 587 and gone on?

Q. 587 to 592 is where the discussion is about Sibneft and dividends, is it not?

A. Yes, that's right. May I comment 587, please?

MRS JUSTICE GLOSTER: Yes, you may.

A. In 587 Mr Patarkatsishvili says that he thinks that certain amounts should be agreed that they will be receiving next year. He doesn't fully understand how a company runs: that first dividends have to be declared and then you can pay out of them.

He wants the arrangement to be like it was in the past: that he would name an amount of money and then

dividends would be arranged to fit with that sum of money. And at the same time he wants these dividends to be paid out -- well, not the dividends but this cash to be paid out like in the past, not once a year or once every six months like in ordinary companies, but on the basis of need: as soon as money is needed, he would turn to us and we will pay.

MR RABINOWITZ: Perhaps I can ask you a question and you can answer it, rather than giving an answer in advance of any question.

What Mr Patarkatsishvili is asking about first is the amounts that can be expected to be received in the following year, having regard to what you have told him is likely to be the after-tax profit that Sibneft will be making in the coming year; that's right, isn't it?

A. May I ask you to ask this question again? You mean the amount of money he can expect? Because it was a long sentence; I didn't quite understand how the dividend crept up.

Q. The amount of money that he could expect to receive in the following year, having regard to what you have told him Sibneft is likely to be making in the following year.

A. Well, it can be interpreted in this way, yes.

Q. And his question here is obviously related to the amount

that will be paid out by way of dividends by Sibneft and you can see that he wrongly thinks that there will be a dividend payment every month; that's right, isn't it?

A. Yes. He thinks that, just like in the past, money can be drawn out of the company at any time. And I'm explaining to him that the company can't do that; that the company can only act once a general meeting of the shareholders has declared.

Q. And you can see from box 587 that Mr Patarkatsishvili is talking about "the amounts [that] we could receive monthly". You then correct him in box 588 about the possibility of a monthly payment of dividends and you say:

"We'll be able to receive them every six months."

Because that is the frequency with which dividends are paid; correct?

A. Yes, that's correct; but the meaning of the pronoun "we" is not the meaning that I put on that. I say that "we" means the company Sibneft and all the shareholders of that company. And after we, the shareholders, have received this money, we'll be able to spread it out and then I will be able to fulfil my obligation vis-a-vis Mr Berezovsky.

Q. And I suggest to you that when you and Mr Patarkatsishvili both use the word "we", that is

because you are talking about the three of you as partners.

A. That is not so.

Q. If you go down to box 590, we see you again say:

"We'll be able to receive them every six months, every month will not be possible."

So you are saying that whoever is going to be receiving whatever it is they're going to be receiving, that is going to happen every six months, not every month. That's right, isn't it?

A. Yes, that's right.

Q. And you and he then discuss whether this is necessary.

We can see in box 591 he says, still talking about the frequency of dividend payments:

"Can't we set it every quarter..."

And you say in box 592:

"In theory we can do it... [but this] is not customary."

And you explain to him that you had obviously asked the same question about the frequency of dividend payments. That is right, is it not?

A. That is right.

Q. We see, just looking at these boxes, and in particular at box 587 and box 590, that when you talk about who is to receive the money from the dividends, both of you use

the word "we" to identify who would be entitled to receive those payments. You are each talking about a group of persons that includes both you and them, are you not?

A. No, that is not right. Each of us uses this pronoun but each of us puts a different meaning into this pronoun.

Q. Would you agree, Mr Abramovich, that the whole basis of this conversation is that, following the changes introduced by the Russian State, he was approaching the distribution of money that he would receive on the basis that this would coincide with the times when Sibneft dividends were distributed to shareholders?

A. That's what I'm trying to explain to him: that I -- that between the payments that the company makes, I can't pay them. I can only pay them once I have received the money from the company myself.

Q. You see, I suggest the whole conversation about dividends is exactly the sort of conversation that one would have between shareholders where the receipt of money would depend upon when a dividend was paid, but it would not be the sort of conversation with someone who is just able to demand cash whenever they wanted it, as you suggest was the position of Mr Berezovsky and Mr Patarkatsishvili. Do you understand?

A. I understand your question but you are not right. This

is exactly what I said: we are discussing how I would be making payments to them out of the dividends I would receive.

- Q. Can we then go to box 641 on page 205 in the English E6/01/205 and page 208 in the Russian E7/01/208. Are you there yet? You see at box 641 Mr Berezovsky asks you:

"Tell me, please, do you reckon they could arrest Kolya?"

And that is a reference to Mr Glushkov.

- A. Yes, that is so.

- Q. This is on 6 December: this is the day before Mr Glushkov was due to visit the Prosecutor General. That's right, isn't it?

- A. Yes, it's correct.

- Q. And your response, which we see at box 642 over the page, is to say:

"I don't think they would."

- A. Yes. Yes, that's what I say.

- Q. So it would appear from this that the day before Mr Glushkov was due to visit the Prosecutor General, you were of the view that he would not be arrested. Is that correct?

- A. I thought, I assumed, guessed that he would not be arrested. I expressed my guess. But then I am

correcting myself and saying that in fact Krasnenker telephoned me and said that something was not quite right there.

Q. Well, whatever the reason, Mr Abramovich, it's clear from this that you guessed, thought that he wouldn't be arrested the following day. Can you explain why you thought that he wouldn't be arrested the following day?

A. I wasn't thinking about that. I just expressed my guess, my assumption. If somebody asks me, "Do you think he'll be arrested?" and then I say, "No, I don't think so", from my point of view there weren't such important -- such serious economic crimes alleged that he would have been arrested for. And then I correct myself and I say that Krasnenker had telephoned me and arrest is possible and I'm trying to explain to them what I know.

Q. Since we see that it's Mr Berezovsky asking you the question about this, you would accept, would you not, that Mr Berezovsky was also uncertain about whether Mr Glushkov would be arrested the following day?

A. You know, honestly speaking, at that time it seemed to me that he didn't care whether he would be arrested or not; it's just a logical development of the subject we were discussing. In the previous box we're discussing about problems in ORT; and then, an hour and a half into

our meeting, he remembers that Mr Glushkov may also have problems. I can't say this was the very first problem or issue that they discussed. First we discussed all the money and then we moved on to discussing Mr Glushkov.

Q. Mr Abramovich, that was not even close to answering the question I asked you. It is clear from the fact that Mr Berezovsky is asking you the question that he plainly was also uncertain about whether Mr Glushkov would be arrested the following day; that is right, is it not?

A. Yes, it can be interpreted in this way from this question. You can make the conclusion from this question, but it's not an obvious conclusion.

The person who comes from Moscow and -- a person who comes to Moscow, in the eyes of a person who has been outside Russia for a long time, appears more informed. But in fact it was all in the papers, the representative of the Prosecutor General spoke about it, and they're asking my opinion just out of curiosity.

Q. Whether they're asking it out of curiosity or not, it's plain that Mr Berezovsky is uncertain and your view is that he will not get arrested the following day; that is right, isn't it?

A. It's not correct. In one box I say that I think he won't be arrested and in another box I explain that

Mr Krasnenker phoned me and said the situation was complex and there are things that we need -- that must be thought over.

- Q. We know, Mr Abramovich, that the following day Mr Glushkov was indeed arrested, the day after you returned from meeting Mr Berezovsky at Le Bourget. Can you, in your own words, explain why you consider this happened, contrary to what you expressed here as your expectation?
- A. I don't understand. I should explain why he was arrested?
- Q. No. Why you consider Mr Glushkov was arrested the following day after your return from Le Bourget, meeting Mr Berezovsky.
- A. I didn't know why it took place the day after. First of all, he had summoned for a long time; everybody knew that he had been summonsed. If the Deputy Prosecutor General says that he's planning to arrest him, then the probability is close to 100 per cent that this person would be arrested.

So to speculate and to think of whether the Prosecutor General was right to arrest, I think that would not be correct, although of course I can continue and I can speculate if that's necessary.

- Q. You see, I suggest, Mr Abramovich, that the reason

Mr Glushkov was arrested the following day, contrary to your expectation, was because Mr Berezovsky didn't agree to sell the ORT shares to you that day. What do you say to that?

- A. I'd say to that that if you read this transcript in full, and in particular with regard to ORT, we had settled everything, we had agreed up on everything; there was nothing left to discuss. So if your assumption is right that Glushkov was arrested because Berezovsky refused to sell ORT, then I don't understand what it is that we settled and agreed upon here.

I left that meeting with the firm understanding that we'd agreed on everything: we agreed the arrangement, how to pay, what to pay and to whom. It's just that I immediately went on to my election campaign and we didn't have time to finalise the deal and the papers. Moreover, Berezovsky went away and Patarkatsishvili went away: one to Aspen, if I remember correctly, and the other one to Las Vegas. So the subject sort of -- the subject went away by itself until we all met again.

- Q. And if you go next to box 643 E6/01/207, do you see Mr Berezovsky asks whether the prosecution of Mr Glushkov was all Mr Ustinov's doing? We talked on Friday about the fact that Ustinov was the Prosecutor General; that's right, isn't it?

A. Yes, we discussed the fact that Mr Ustinov was the Prosecutor General, and perhaps the most aggressive Prosecutor General in the whole history of Russia, at least in my lifetime. So the question, "Is it Ustinov again?", then yes: if the Prosecutor General summons a person, it's difficult to assume anything else.

Q. And you reply, "Yes", and then in your commentary you say that you have no idea whether Mr Ustinov would pursue the investigation without President Putin's say-so.

But you know very well, Mr Abramovich, that this was very unlikely to have been something done without President Putin's support; that's right, isn't it?

A. Of course I don't agree with this. Prosecutor General does not report directly to the president. Of course, perhaps he listens to his opinion, but the Prosecutor General reports directly to the Federation Council, to the upper chamber of the Parliament.

Q. Mr Abramovich, we've already seen from earlier in this transcript that your own commentary on the risk to Mr Patarkatsishvili of arrest made clear that President Putin was in a position to say whether or not someone was at risk of prosecution, even though this was in law the responsibility of the Prosecutor General. That's right, isn't it?

A. I didn't understand the question. Whether Putin decided who should be arrested and who should not be arrested; is that what you want to ask me?

MRS JUSTICE GLOSTER: I think he's asking you about a previous answer you gave, Mr Abramovich.

MR RABINOWITZ: A previous answer which you gave, which we --

MRS JUSTICE GLOSTER: Give him the box number, Mr Rabinowitz.

MR RABINOWITZ: Box 164 on page 64 of the English E6/01/64. It should be 63 of the Russian E7/01/63.

If you look at your commentary to box 164, this is you telling Mr Patarkatsishvili that he doesn't have to be concerned about being arrested and you refer to a conversation you had with President Putin in which he said that Mr Patarkatsishvili had nothing to fear and that he was free to visit Russia.

A. Yes, I can see that and remember it.

Q. That reflects the fact that if President Putin didn't want someone to be arrested, they wouldn't be arrested; and if President Putin did want someone to be arrested, they would be arrested. That's right, isn't it?

A. No, that is not right. This just says that President Putin is the most well-informed person. That doesn't mean that he influences who should be arrested

and who shouldn't. Most probably he receives a lot of information, amongst others, from the Prosecutor General. But I'm not convinced, although I cannot be completely certain, I cannot assert that he can influence the other way round.

Q. Now, we'll come back to the Le Bourget transcripts again shortly but can I just first ask you some general questions about the ORT transaction because they will assist us in understanding the Le Bourget discussion about this better. Can you please go to bundle H(A)26 at page 27 in the Russian H(A)26/27 and page 1 in the English H(A)26/1.

A. Yes, I can see that.

Q. And what you should have in front of you, Mr Abramovich, is the share purchase agreement by which your company Akmos acquired Mr Berezovsky's shares in ORT-KB. Can you see that?

A. Yes, I can see it.

Q. And it's correct, is it not, that this document was prepared by Mr Andrey Gorodilov in conjunction with members of the Sibneft legal department?

A. From what I know, yes.

Q. This wasn't in fact a Sibneft project, was it, the purchase of ORT? Sibneft weren't buying ORT?

A. Sibneft was not acquiring ORT, you're right.

A shareholder of Sibneft was acquiring -- the office of Sibneft, 8,000 square metres, the building belongs to me; it did not belong to Sibneft. Sibneft was renting part of that building. My office in my role of an MP was in that building; other companies were renting offices in that building.

So if you think that if something is happening in the building of Sibneft, then Sibneft is doing it, that is a wrong assumption.

- Q. I was just wondering why Mr Gorodilov was assisting you with this. He was employed by Sibneft.
- A. Mr Gorodilov, at that time, I don't remember if he was an employee of Sibneft or not, but perhaps he was not just a Sibneft employee. Mr Gorodilov was dealing with many of my matters; also Mr Shvidler, Mrs Panchenko, et cetera.
- Q. Now, in the Russian version you can see from page 37 H(A)26/37 -- it's not clear from the English version because that doesn't carry any signatures -- that the agreement was executed on 25 December 2000. That's correct, isn't it?
- A. Yes, I can see that.
- Q. If you go to page 38 in the Russian version H(A)26/38, page 12 in the English language H(A)26/12, you will see an identical agreement made for the purpose of

Mr Patarkatsishvili's shares in ORT-KB. That's right, isn't it?

A. Sorry, I missed the page -- oh, yes, yes, I can see that. Yes, I can see Mr Patarkatsishvili.

Q. And at that time, 25 December 2000, ORT, the company whose shares your company was acquiring here, owned 38 per cent of ORT; that's right, isn't it? Or I should have said ORT-KB, the company whose shares your company was acquiring here, owned 38 per cent of ORT?

A. As far as I know, yes. I don't know the situation right at that very time, but yes.

MRS JUSTICE GLOSTER: ORT-KB owned 38 per cent of ORT.

MR RABINOWITZ: And it's your evidence that by this time, 25 December 2000, you had agreed with Mr Berezovsky and Mr Patarkatsishvili that you would pay \$150 million for 49 per cent of ORT; that's right, isn't it?

A. Maybe I don't quite understand your question: is it about the date or is it about the amount of money or what is the question about?

Q. The amount.

A. If I remember correctly, I think the entire amount came up to 164 million.

Q. Right. Well, for present purposes that difference doesn't matter.

MRS JUSTICE GLOSTER: Was that for 49 per cent,

Mr Abramovich? The figure of \$164 million, was that for 49 per cent of ORT?

A. 150 million for shares; the rest is for make the money legal, to legalise the money.

MRS JUSTICE GLOSTER: Yes.

MR RABINOWITZ: So \$150 million for 49 per cent of ORT; that's correct, isn't it?

A. I think so, yes.

Q. On the basis that you say you were paying \$150 million for 49 per cent of ORT, the 38 per cent that you were acquiring from ORT by acquiring ORT-KB would have a value of around \$116 million: it's about three-quarters of the total that you were paying for the 49 per cent?

A. It's difficult for me to calculate it right now. The scheme was a bit different. If you allow me, I will explain.

Q. I just want to take you through these contracts first, Mr Abramovich.

MRS JUSTICE GLOSTER: Well, I think I'd like to understand.

You were purchasing 38 per cent by buying the shares in ORT-KB; is that right?

A. We were acquiring 49 per cent of ORT. Part of that, part of these shares were in ORT-KB. Another part was held by Logovaz directly, if I understand it correctly.

MR RABINOWITZ: That is correct. 11 per cent was held by Logovaz. 38 per cent was owned by ORT-KB. That gives you 49 per cent, for which you were paying \$150 million. That is correct, is it not?

A. In total we paid 164 million.

Q. Okay. Let's not argue about the -- I'm leaving aside the \$14 million for the moment, okay? Because I'm talking about the price you say you were paying for the shares. Do you follow?

A. I understand, but the arrangement was complex. If we calculate it in your way, we won't arrive at the point we're aiming at.

Q. Well, let's just see where we do arrive because if you're paying \$150 million for 49 per cent then one would expect 38 per cent of the 49 per cent to have a value of around \$116 million: that's three-quarters of the total. Would you agree at least with the maths?

A. Perhaps I'll agree with the maths, yes.

Q. Can we then look at paragraph 2.2 of the sale agreement for Mr Berezovsky: that's on page 28 of the Russian H(A)26/28 and page 2 of the English H(A)26/2. If you look at clause 2.2:

"The purchase price for [these are Mr Berezovsky's] shares... equals 5,000,000... Dollars..."

And we find an identical provision if you go to

Mr Patarkatsishvili's agreement, page 13 of the English H(A)26/13 and page 39 of the Russian version H(A)26/39.

A. Yes, I can see that.

Q. So, looking at these contracts, the total amount that they record you were paying for, in effect, 38 per cent of ORT was \$10 million.

A. Yes, I can see that.

Q. But that wasn't the true purchase price of those shares, was it, Mr Abramovich?

A. This is exactly what I wanted to explain from the very beginning: the deal was complex.

Q. And the documentation that you or Mr Gorodilov and the Sibneft legal staff produced was therefore misleading as to the actual position, was it not?

A. I wouldn't say that it was misleading or didn't reflect the true position. And again, it's not just Mr Gorodilov and our legal staff who were preparing this. The staff of Mr Berezovsky and Mr Patarkatsishvili took part in that: Ruslan Fomichev for instance. This is the fruit of joint effort.

Q. I suggest to you that is not true, and indeed earlier in your answer you did confirm that it was produced by Mr Gorodilov and the Sibneft legal staff, but let's just move on.

Why do you say that contracts which assert that the total purchase price for 38 per cent of ORT was \$10 million were not misleading?

A. So why the contract is not misleading; is that the question? So when did you ask me that?

MRS JUSTICE GLOSTER: Let's start again. Mr Rabinowitz, who are you suggesting is being misled by this document?

MR RABINOWITZ: Well, my Lady, we can come to that in due course.

MRS JUSTICE GLOSTER: Right. Very well.

MR RABINOWITZ: The first point to get clear is that -- and I'll put this in the form of a question to Mr Abramovich, if I may -- on the basis that that was 38 per cent of the 49 per cent of the shares in ORT that you were acquiring for \$150 million, the suggestion that the purchase price for these shares, 38 per cent of the ORT shares, was \$10 million does not properly reflect the price you were paying for these shares, does it?

A. If you look at it this way, indeed. But the arrangement was put in place which we discussed in Le Bourget in detail.

The problem was to receive the funds in an account in an English bank, as I've already explained. To do that and not to fall under regulation of Central Bank, we pay part of the money in Russia, \$10 million as far

as I remember, and the rest was paid into a Latvian bank, as instructed by Mr Patarkatsishvili.

I'm not going to assert it; I don't remember exactly how it was done. Andrey Gorodilov was very familiar with this arrangement and he'll be able to tell you in more detail. He has a more through understanding of how this was all set up.

- Q. Can we then just look at the other part of the acquisition. It is at H(A)26, page 49 in the Russian H(A)26/49. In the English one has to go to bundle B(B)2.04 at page 91 B(B)2.04/91, B(B)2 at page 91.

And again, this was a document produced by Mr Gorodilov in conjunction with the members of the Sibneft legal staff; that's right, isn't it?

- A. As far as I know, yes. But I'm sure, and as far as I know, Ruslan Fomichev initially also took part in this. I don't know whether the final version of the document is the sort of -- was prepared by our legal department but the fact that this is the fruit of joint effort is for sure.
- Q. Well, we'll come to that, but I suggest to you that it is simply not true that Mr Fomichev was involved in this.

But this document was again produced on

25 December 2000; that's right, isn't it?

A. Yes, that's right. I think Mr Ivlev also took part.

I cannot be 100 per cent sure, but I guess.

Q. And this was the agreement under which your company Betas acquired the other 11 per cent of ORT from Logovaz; that's right, isn't it? You may already have answered that question.

A. Yes, that's right.

Q. And if you were paying \$150 million for 49 per cent of Sibneft, one would, mathematically at least, expect the 11 per cent stake to have a value of about \$34 million; correct?

A. That's correct. I think we acquired Logovaz shares on nominal value, for nominal value.

Q. Indeed, that is correct. If you look at clause 1.1.1 -- it should be on the page you're looking at -- do you see that the purchase price is said to be 1.1 million rubles?

A. Yes, I can see that.

Q. And that was indeed a nominal value, was it not?

A. Yes, I can see that.

Q. And again, this does not reflect the true purchase price for these shares, does it?

A. If 164 million, if you divide that by the number of shares, then perhaps, no, it doesn't reflect.

Q. And the documents that you have produced showing the acquisition by your companies of the ORT interests held by Mr Berezovsky and Mr Patarkatsishvili show an amount being paid of very little over \$10 million in total, but you say the amount was \$164 million; that's right, isn't it?

A. From what I remember, altogether we paid 164 million, yes.

MR RABINOWITZ: My Lady, that may be a convenient moment. I'm happy to go on.

MRS JUSTICE GLOSTER: Right. Ten minutes, please.

(11.22 am)

(A short break)

(11.37 am)

MRS JUSTICE GLOSTER: Yes, Mr Rabinowitz.

MR RABINOWITZ: Mr Abramovich, do you accept that the documents that we have been looking at were not the only occasion on which you or members of your team produced documents that did not reflect the true position of a transaction?

A. To be honest, I didn't understand, I didn't catch why they don't reflect it. Why do they not reflect it? Are you saying -- again, they are backdated. But everything else in my opinion, as far as I understand, although I cannot assert because I did not take part in their

preparation, I don't understand why they would not reflect the true state of things.

Q. Because collectively they represent your acquisition of the full 49 per cent of ORT and collectively they have an acquisition price of just over \$10 million, but we know that that wasn't the acquisition price, do we not?

A. I agree that the whole transaction was \$164 million. But that was the seller's task: to spread what shares he wants to get money for. That's the way the money was -- this transaction was structured in such a way because Mr Berezovsky had to get money abroad.

Initially this transaction was very straightforward: all the money had to be paid by us in Russia and Badri was saying that they were going to pay 13 per cent of Russian tax. And when they come against the hardship, problems with the government, he decided to take this money abroad.

MRS JUSTICE GLOSTER: Can I be clear. Just tell me: why didn't the agreements reflect the actual price that you'd agreed to pay? The agreements only had \$10 million or whatever in them; you agreed you told me to pay 164. Why didn't the agreements reflect the true price and put in this much lesser figure?

A. I cannot say for sure how much was paid for 38 per cent because the shares were split between ORT-KB and

Logovaz. I think 10 million was paid for Logovaz and everything else, if I remember correctly, was paid for ORT-KB, and if we split the number of shares into 164 million then it would not reflect the state of things. But as far as I remember, that was a requirement of Mr Patarkatsishvili: that they don't want to leave money in Russia at risk.

Therefore, the shares -- sorry, the money was paid in such a way so the lion's share, 150 or 140 million, was paid abroad; and 10 million that could have been potentially under risk of confiscation or some other risk in Russia, that 10 million remained in Russia and was divided between them into two accounts so that could use them in Russia, using credit card or in some other way.

MRS JUSTICE GLOSTER: So it was to avoid paying tax in Russia and to avoid the possibility of confiscation in Russia; is that what you're saying?

A. I cannot say that that was a possibility of confiscation in Russia. Transfer of money from Russia into a Russian citizen's account abroad is quite a procedure and to avoid this, this is what we've done.

MRS JUSTICE GLOSTER: Yes, I see. Thank you.

MR RABINOWITZ: So my question to you, Mr Abramovich, is: do you accept that this was not the only occasion on which

you or members of your team produced documents or agreements that did not reflect the true position or transaction?

A. To be honest, I don't quite understand why they didn't reflect the true position. It's the demand of the seller. If the seller wants to document it in such a way and our task is to pay the money, so we're simply reflecting the seller's demand, the seller's request. However, if to divide the number of shares into the amount of money, then yes, it does not reflect.

Q. Well, perhaps we can come back to that, but perhaps for the moment we can look at some other documents which were produced by your team for a different transaction, which show just how this practice of producing what I will call false documents was really a common practice within your team.

Can you please go to paragraph 293 of your third witness statement: E1, tab 3, page 224 in the Russian E1/03/224 and page 123 in the English E1/03/123.

Now, you're referring at paragraph 293 to the payment of the \$1.3 billion which you agreed to make to Mr Patarkatsishvili and Mr Berezovsky in 2001 and what you say at paragraph 293 is that the first payment of the \$1.3 billion amount was made on 31 May 2001. Do you see that?

- A. Could I read the paragraph, please?
- Q. Please do, sorry. (Pause) It's paragraph 293.
- A. Yes, I've read it.
- Q. Do you recall that this was a payment which was arranged for you by your employee Ms Khudyk? Perhaps I can remind you.
- A. Sorry, do I remember that payment was organised by Ms Khudyk?
- Q. Correct.
- A. I know that Ms Khudyk worked for us and still works for us. As I said, that prior to this hearing I read -- I met Ms Khudyk maybe six or eight times, with all my due respect to her. As I remember, she worked at the back office and I haven't used her services that often.
- Q. Can I just ask you to look at what Ms Khudyk says about this. If you go to bundle E2, tab 6, at page 115 in the English E2/06/115, you're looking for paragraph 30. In the Russian it's at page 140 E2/06/140.

Now, she's also talking about arranging the payments of the tranches in respect of the \$1.3 billion and at paragraph 30 she explains that it was on 29 May that she was told by Ms Panchenko:

"... that Mr Berezovsky and (or) Mr Patarkatsishvili had agreed to a payment in cash directly to an account of Devonia to be opened with..."

That's the Latvia Trade Bank:

"... LTB."

Okay? Do you see what she says?

A. Yes, I can see that.

Q. And her evidence then is that she was only instructed to arrange this payment to Devonia on 29 May 2001. Do you see that?

A. Yes, I can see that.

Q. And her evidence is also that at the time Devonia did not itself actually yet have a bank account with the Latvian Trade Bank. Do you see that?

A. Yes. I do.

Q. Now, Ms Khudyk is the head of planning, finance and accounts department at Millhouse; that's right, isn't it? That's what she says in her witness statement.

A. That must be true then.

Q. She was previously --

MR SUMPTION: My Lady, could my learned friend please draw attention to the passage where Ms Khudyk is alleged to have said that the bank account didn't exist at the time?

MR RABINOWITZ: Well, it's very clear indeed in the passage that we're looking at. It says --

MRS JUSTICE GLOSTER: What paragraph?

MR RABINOWITZ: Paragraph 30:

"... to an account of Devonian to be opened with LTB."

Now, Ms Khudyk was previously financial director and from 1999 head of the Moscow office of one or both of the Runicom companies; that's what she says and I take it you wouldn't dispute that?

A. I would not dispute that, but I cannot confirm this either.

Q. Now, it's fairly clear from Ms Khudyk's evidence that the payment which you were talking about to be made on 31 May had to be arranged very quickly by Ms Khudyk if she had only been instructed to arrange the payment on 29 May. That must be right, mustn't it?

A. With regard to speed of payment, if she was instructed on the 29th and she had to do it on the 30th (sic), that's indeed a very high speed of payment. We've paid about -- I think we have paid 38 million, maybe 36, 38 million or thereabout.

Q. Can I ask you, please, to go to bundle H(A)30 and go to page 199 H(A)30/199. There is no Russian translation of this.

Now, I'll tell you what this document is, Mr Abramovich, and if I misdescribe it, I'm sure the translator can help you with this. It's the minutes or it purports to be the minutes of a meeting of the board

of directors of Pex. And Pex -- this is not the subject of any dispute -- is the company that was used on your side to make the payment to Devonian on 31 May 2001.

Okay? You can take that from me.

A. Yes, I agree with that.

Q. And at paragraphs 1 to 3 of this document it purports to record resolutions of Pex board of directors and what it says -- and I'll read it, they're short -- the first resolution that it says was taken was:

"To approve the following accrued distributable net profit as at 15 May 2001 which is in the amount of [\$1.3 billion]."

The second is:

"The net profit of the Company shall be placed at the disposal of the sole shareholder of the Company, [that is] to the company named Devonian Investments Limited."

And the third resolution is:

"To pay the above dividends to the shareholder as he would direct it."

Okay?

So it is a document that relates to the payment of \$1.3 billion to Devonian; would you agree with that?

A. From what you've read, I agree. And I don't have any knowledge about how this was done, if that was the

question.

- Q. Well, I'm about to ask you about that because Ms Khudyk tells us in her witness statement that this was prepared after she had been instructed by you on 29 May to arrange for this payment.

Do you see that in the first paragraph, three lines from the top, the document says that it is the minutes of a meeting which took place on 18 May 2001? Perhaps the translator can just show you that.

- A. Yes, I can see that.

- Q. So if one just looked at this document, one would be led to believe that there had been preparations for the payment to Devonian going on since 18 May 2001. Would you agree with that?

- A. If I got it correctly from the interpreting, it says that the company is receiving dividends in the amount of \$1.3 billion and -- if I understand correctly, and what we discussed was Devonian: that was the payment from that company to Devonian. I think these are related things but would not link them in such a way.

- Q. Mr Abramovich, that wasn't my question at all. My question related to the fact that this is a document which suggests that there had been preparations for the payment to Devonian going on since at least 18 May 2001. Do you agree?

A. Sorry, on what basis, on what document basis have you made such a conclusion?

Q. Three lines from the top. Well, let me read you the first paragraph of this:

"Minutes of the meeting of the Board of Directors of the Company held at the Andaluz Building [in the] Republic of Panama on 18 May 2001..."

So the document itself on its face represents that there has been a meeting on 18 May 2001. Do you follow?

A. Yes. Yes, I understand that the meeting was held on 18 May.

Q. That's what it says. It also suggests on its face that there had been preparations for the payment to Devonia going on since at least 18 May 2001. Do you follow that?

A. Yes, I follow that, but then again I lost the thread of thought. At what point did that become clear, that this company is being prepared for the payment on 18 May? This is the bit I didn't understand.

Q. Well, I can tell you that Ms Khudyk's evidence is that this was actually produced on 31 May 2001 and it is backdated to 18 May 2001.

A. Then it must be so, except I don't have this knowledge and it doesn't reflect it here in any way. Simply that contradicts what you just said before, that -- before

you said that it must have been prepared on 18 May so as to pay on 29 May and Ms Khudyk is saying that the document was prepared on 31 May in order to pay on 29 May.

Q. No, Mr Abramovich. The document falsely represents that something happened on 18 May when it didn't. It's a false document. Do you follow?

A. Yes, I follow.

Q. And this wasn't the only document that your people were producing which was a false document. Can I ask you, please, to go to bundle H(A)31 and go to page 122 H(A)31/122.

Now, again you may need some help from the translator. We don't have a Russian version of this. But I can tell you, Mr Abramovich, that this is or purports to be a request on behalf of Devonian that dividends payable to the company as a shareholder of Pex should be transferred to its account at the Latvian Trade Bank. Okay?

A. Sorry, is that an assertion or is that a question?

Q. I just want to make sure you understand what I'm saying. It wasn't a question. You need to say --

A. (Untranslated)

Q. Okay. Do you see that the instruction appears to have been signed on behalf of Devonian by Mr Matar Mohd Saeed

Ali Al Neyadi? (Pause)

A. (Not interpreted) Yes.

(Interpreted) Yes.

Q. Or even "da".

Will you accept from me, Mr Abramovich, that again this letter of instruction was in fact a document that was produced by Ms Khudyk or do you want me to show you her evidence about this?

A. I would like to see her evidence about this. Why is this document prepared -- produced by Ms Khudyk when this gentleman with a very complicated name has signed it?

Q. I'll show you. If you go to her evidence at paragraph 33: it's bundle E2, tab 6, page 141 in the Russian E2/06/141, 116 in the English E2/06/116.

If you look at paragraph 33, you'll see Ms Khudyk explains the document that she produced sometime -- she explains that it was on 31 May that she produced these documents. (Pause)

A. Okay, I've read her evidence but I cannot understand: does this reflect what it says in this document or not? Is it the same document? Does she mean the same document? I think she means some other document.

Q. I think she means this document. If you look -- I'm pretty sure she means this document. Well, we can check

with her. But this is the instruction from Devonia to Pex for the declaration and payment of dividends to the account of Devonia at LTB. There may be another version of the same document but this is certainly what she's referring to. Okay?

A. I didn't quite catch -- this document is the document that she's referring to. Is there another version of the document that she's referring to? How does this relate to Pex? I honestly did not take any part in preparation of this document so we'll be just discussing it starting from absolute step one, back to elementary school.

Q. Let's discuss that because what I'm going to suggest to you is that this is yet another document which your people have produced which is a false document. Shall I explain why I say that or will you accept -- do I need to explain why I say that?

Do you see that the date of the document is
22 May 2001?

A. Yes, I can see the date.

Q. So if you just looked at the document on its face, you would be led to believe that there had been preparations for the payment to Devonia since at least 22 May 2001. Do you follow?

A. What I can hear, yes, I do agree. However, I don't have

an opinion. I really will have to see all these things from start to finish for the very first time.

Q. Ms Khudyk explains that she only produced this document on 31 May and backdated it to 22 May 2001.

Were you aware that this backdating was going on within your organisation, Mr Abramovich?

A. Well, to say that I were aware, I cannot say that I was aware. But I would not place such importance on it. If you are trying to say that I would oppose this, definitely not.

Q. What, you were happy with the backdating of documents, were you?

A. Usually I didn't take part in document preparation. That does not release me from responsibility from what's going on in my company. However, to say that I knew that something was backdated and some document was prepared and backdated, I cannot say that.

Q. You see, Mr Abramovich, it creates a false impression of what is happening and in that respect it is very dangerous to have documents like this in a --

MRS JUSTICE GLOSTER: Well, that's a matter for comment in the particular circumstances, isn't it, Mr Rabinowitz?

MR RABINOWITZ: Well, it is, it is.

MRS JUSTICE GLOSTER: I mean, whether or not it's dangerous will depend on all kinds of circumstances.

- MR RABINOWITZ: Can we look at another document then,
please: H(A)30, page 40 H(A)30/40. This is a receipt
from Devonia for shares in Pex. The translator will
perhaps have to show that to you.
- A. Yes, I can see this.
- Q. Obviously you will understand that in order for Pex to
declare dividends to Devonia, Devonia would first have
had to be a shareholder in Pex?
- A. Yes.
- Q. And, as we have just seen in the documents that your
Ms Khudyk was producing, the declaration of dividends by
Pex and the payment of these to Devonia was the
explanation given for the transfer of payments from Pex
to Devonia; that's right, isn't it?
- A. Excuse me, could you please repeat? I agree about the
transfer of money from the company Pex to Devonia but
I didn't understand the first part of your question.
- Q. The explanation that was given as to why Pex was
transferring money to Devonia was that these were
dividends that were being declared by Pex to Devonia.
- A. Yes.
- Q. And for that to make sense, Devonia had to be
a shareholder in Pex.
- A. From what I know during this hearing, I understood that
the company Pex issued bearer shares.

- Q. Well, it still had to have those shares if it was going to receive the dividends? Devonia would still have to have those shares if it was going to receive the dividends?
- A. As I said, I think they issued bearer shares.
- Q. You see, what your staff were doing here was to ensure that prior to the declaration of the dividend there was a document which suggested that Devonia had received or held shares in Pex.
- A. I cannot either confirm nor deny this statement; I can only hear it. I don't know at what point in time these shares of Pex were transferred to Devonia and at what point the Pex dividends were declared, so it's hard for me to keep hold of all this. It happens sometimes in life, shares for which the dividend has already been declared, and sometimes it's already taken account of in the cost of transaction.
- Q. Well, I can tell you, Mr Abramovich, that this is, Ms Khudyk accepts, yet another false document, in the sense that she produced it on 31 May and backdated it to 14 May.
- Shall I show you Ms Khudyk's evidence on this?
- A. I cannot comment on this. If I understood correctly, Ms Khudyk says this is a false document. To be honest, I doubt that Ms Khudyk is saying that. However...

MRS JUSTICE GLOSTER: Well, it's being put to you that this is another backdated document, Mr Abramovich. Do you understand?

A. Yes, I understand.

MRS JUSTICE GLOSTER: That's why it's false. That's what is being suggested to you.

A. Yes.

MR RABINOWITZ: Can I ask you, Mr Abramovich, to go to bundle J2.2, tab 11, please J2/2.11/171.

This is Mr Mitchard's third witness statement, Mr Mitchard being your solicitor at the time of the strike-out. Okay?

A. Okay. "The strike-out", sorry, what does "the strike-out" mean?

Q. Do you recall that you made an application to try and get rid of Mr Berezovsky's claim?

A. Yes, I do.

Q. Can you go, please, to page 199 of this document, paragraph 44, please J2/2.11/199. Do you have a Russian version there? Is that what he's just been given?

A. Yes, I do.

Q. Thank you. All right.

Paragraph 44, Mr Mitchard is listing reasons why he says the Devonia agreement was clearly not a genuine

agreement. He says:

"In short, the Devonia Agreement was clearly not a genuine agreement. In addition to the points made above, it should also be noted..."

Go down to point (c), please. He says:

"Mr Marino's evidence is that 'the Sheikh did not actually commit to being involved in the transaction until on or about 29 May 2001'. The Devonia Agreement itself was said to have been 'executed on 12 June 2001'. However, as is apparent from Ms Panchenko's schedule of payments [which he exhibits], the first instalment of the US\$1.3 billion payment... was made on 31 May... to the designated account at Latvian Trade Bank, with the instruction for that payment having been delivered on 22 May 2001..."

In other words, Mr Abramovich, Mr Mitchard was relying on the date of a document that we now know to have been entirely fictitious.

A. Do I have to confirm? Sorry, what do I have to do?

Q. Well, do you want to comment on that?

A. The agreement with Badri was reached, as I recall correctly, on 29 May. Anything that happened before that, based on this, is fictitious. All agreements that were signed prior to 29 May, all were backdated, all of them are backdated. If I recall correctly, that was

29 May.

- Q. Can I ask you, please, to go to paragraph 9 of this statement. In the English it's at page 173 J2/2.11/173.

Do you see that Mr Mitchard in the first sentence explains who it was that he interviewed before producing this statement: yourself, Mr Shvidler, Mr Tenenbaum, Ms Goncharova, Mr De Cort, Ms Panchenko and Ms Khudyk. And it appears that no one told --

- A. (Untranslated)

- Q. It appears from what Mr Mitchard says that no one bothered to tell Mr Mitchard that the dates on those documents were all false; that's right, isn't it?

- A. From what Mr Mitchard has written here, it looks like no one told him that. But, on the other hand, it's logical to assume that in 2007 no one understood whether the documents were backdated or not and what date was on the document. It would have been very strange that one of those people listed here would remember that that document was signed on 29 May or on 18 May.

- Q. Now, I want to just go back and look, in the context of the ORT transaction, at how you say you came to agree the sale and purchase agreements involving Akmos and Betas. Can I ask you, please, to go to paragraph 213 of your third witness statement: that's bundle E1, tab 3,

page 98 in the English E1/03/98, in the Russian
page 199 E1/03/199.

If we can just focus on the second sentence of
paragraph 213 for the moment, you say there that:

"Mr Patarkatsishvili first raised the idea of
selling the ORT shares to me in around mid-October 2000
and I initially resisted."

Now, again, can you look at what you say at
paragraph 214. You say there that it was only after
some persuasion from Mr Patarkatsishvili that you were
finally persuaded and agreed to purchase the ORT shares;
that's right, isn't it?

A. Yes, I can see that.

Q. And then in the last sentence of paragraph 214 you say
that after you had been so persuaded by
Mr Patarkatsishvili, you met with Mr Voloshin and
informed him of your intention to acquire the shares in
ORT; correct?

A. Yes, I can see this.

Q. And so this would have been the first time that you
discussed buying the ORT shares with Mr Voloshin; that's
right, isn't it?

A. From what I can recollect, that was the first time, but
I cannot be 100 per cent sure. I think most likely that
was the first time. I would have not kept this news for

long.

- Q. So, Mr Abramovich, on the basis of your evidence then, this meeting that you say you had with Mr Voloshin must have taken place in late October or early November 2000; again, that's right, isn't it?
- A. If I understand correctly, we are talking about October here, so most likely that was October.
- Q. Late October or early November?
- A. Most likely, yes.
- Q. And when you met Mr Voloshin, Mr Abramovich, you had not yet in fact agreed with Mr Patarkatsishvili to buy the ORT shares; indeed you hadn't even definitely decided yourself whether to buy those shares. That's right, or do you not remember this very clearly?
- A. I think I've informed Mr Voloshin at the point when I decided that I will buy the shares. This is my logical conclusion; I cannot be 100 per cent sure. I can say for sure I would not buy -- I would not buy the shares if I did not inform him.
- Q. Well, can we just see what Mr Voloshin says about this. Can you go to bundle E1, tab 1 and turn to paragraph 30: in the English it's at page 9 E1/01/9 and in the Russian at page 21 E1/01/21. I just want you to look at the first few lines of that:

"The question of Mr Berezovsky selling his ORT

shares arose only later. As I recall, some time after the meeting with President Putin, Mr Abramovich asked me whether it made sense for him to buy the shares from Mr Berezovsky in order to avoid any... future conflicts in relation to ORT between Mr Berezovsky and the state."

Do you accept that what Mr Voloshin says about this is likely to be accurate?

A. Could I please read it from the beginning, what you said in this paragraph?

Q. Go ahead. It's just paragraph 30. (Pause)

A. Yes, I've read 30, paragraph 30.

Q. Do you accept that what Mr Voloshin says about what you asked him is likely to be accurate?

A. Sorry, what did I ask him about?

Q. He says here:

"... Mr Abramovich asked me whether it made sense for him to buy the shares from Mr Berezovsky..."

And what I'm asking you is whether you accept that his recollection of what you asked him is correct.

A. Do I understand correctly that the question asked, or asked as in requested from me? So that's why I can't quite get the question. Asking him, informing him, or I asked him as in requested from him? What is the question?

Q. You requested his view about something.

A. I would interpret that I have informed him and I asked him whether he doesn't mind, but I cannot say how to place the accents here because a lot of time has gone since then; I don't remember the detail.

MRS JUSTICE GLOSTER: Mr Abramovich, look at the first sentence of what Mr Voloshin said in his witness statement.

A. Yes, I've read it.

MRS JUSTICE GLOSTER: Does that accurately summarise what you said to him at the time?

A. Today I cannot say, because the accents are planned here, whether I've asked or requested him; I cannot say now whether it was this way or a different way because after such a length of time it's very difficult to remember the details, what was my question to him. Perhaps he's right.

MR RABINOWITZ: You see, it's clear from what Mr Voloshin says here that he recollects that you were speaking to him about whether or not you should buy those shares. Do you see that?

A. Yes, I can see that. Except I was going to buy ORT shares; it wasn't Mr Voloshin.

Q. Yes, but if you had already decided to buy the shares, it would have been somewhat misleading for you to have pretended to Mr Voloshin that you were asking him about

whether it was a good idea to buy those shares?

A. I didn't try to pretend. If someone would say -- if the president would say that it's not recommended for me to buy the shares or if Mr Voloshin would say that it's not recommended to buy the shares, I would not buy them.

It's quite an explosive product, these ORT shares, I mean their impact, so that's why I didn't want to play any part in it at all. If I would have felt that someone is against it, I wouldn't touch it with a bargepole.

Q. I think it follows from what you're saying that at the time you spoke with Mr Voloshin you obviously had not yet decided definitively to buy the shares. Is that right?

A. I cannot say at that point in time I've decided for sure or not, but if Mr Voloshin would tell me in plain Russian or if I would have felt that he is against it in any way, I would have not made another step.

Q. Equally, if that is right, you obviously couldn't already have reached an agreement to buy the shares; that is right as well, isn't it?

A. Since we're not talking about a specific date, I cannot agree. I think that Badri and I have agreed overall; therefore I think that's why I went to Voloshin. But again I wanted to say: if Voloshin would have said to me

that, no, he doesn't recommend it, then I would have not bought the shares.

Q. So you had certainly not reached a final agreement about this because, as you say, if Voloshin said, "Do not go ahead", you wouldn't have gone ahead?

A. It's important to understand here what is the final agreement. If drafting the documents, the final documents, which happened on 27 December I think. If an agreement is reached on the scheme or how to make the payments, that happened in Le Bourget. If to talk about the essence of the matter, which in my opinion is the most important, that happened round about 6 November.

Q. We'll come to that shortly. Can I now ask you just to go to paragraphs 215 and 216 of your statement: in the Russian it's at page 200 E1/03/200 and in the English at page 99 E1/03/99. Can I ask you to read paragraphs 215 and 216 to yourself, please.

A. Which -- whose statements are they?

Q. Sorry, your statement, so it's at bundle E1, tab 3. Paragraphs 215 and 216.

A. Yes, I have read this.

Q. So in paragraph 215 you are dealing with the meeting which you claim to have had with Mr Berezovsky in Cap d'Antibes on 6 November 2000. Do you see that?

A. I do.

Q. Then in paragraph 216, I think it's the fourth sentence, you say that:

"[You] told Mr Andrey Gorodilov of [your] agreement with Mr Patarkatsishvili to buy his and Mr Berezovsky's shares in ORT for US \$100 million [and that you] asked him to contact Mr Fomichev to arrange the details of the deal."

Do you see that?

A. Yes, I do.

Q. Now, I'd like to deal first with the suggestion that there was a meeting on 6 November, if I may. In paragraph 215 you say that you think:

"It is probable that I discussed the possible sale of ORT shares directly with Mr Berezovsky at a meeting in Cap d'Antibes [on] 6 November..."

And it appears from what you say here that you do not in fact have any independent recollection of any such discussion and that all that is happening here is that you are trying to reconstruct what might have happened from the fact that you say you were in Nice at around that time, and that is why you talk about what is "probable". Is that correct?

A. At the moment of putting together the witness statement I remembered that we met with Mr Berezovsky; I don't recall the dates. But based on the documents that

I received in the process, I can say with certainty that we met with Mr Berezovsky on 6 November exactly because of this matter. Moreover, Mr Gorodilov remembers that as well.

Q. Let's leave aside Mr Gorodilov for when he comes to give evidence but let's just talk about you.

The only reason you are putting the date of 6 November on this meeting is because you are reconstructing from documents which you have disclosed; that is right, is it not?

A. If the question is whether I understood the date or, sorry, if I recall the date, then certainly not. This is a reconstruction.

Q. Thank you. And it is a reconstruction based upon a document which has come out of disclosure to which you refer in your witness statement; that is correct, is it not?

A. Yes.

Q. And to support this reconstruction you identify a document which we will find, if you can turn it up, at bundle H(A)23, page 12 H(A)23/12.

A. Yes, I do see this.

Q. You see -- or I hope you see, because it's the part in English -- it relates to a flight, an invoice for a flight that was taken from Moscow to Nice on 5, it

looks, November 2000. Is that right?

A. Yes, it is.

Q. And this is the invoice that you say triggered your recollection that the meeting was on the 6th, is it?

A. Yes.

Q. Mr Abramovich, leave aside the fact that this suggests that the flight may have been on the 5th and not the 6th. Do you suggest that if you were in France that day, that necessarily meant that you would have met with Mr Berezovsky then?

A. That flight was not on the 5th but on the 6th. We left and we arrived on the 6th, that was midnight. So the dates switched -- they changed in flight. And we stayed at Maeterlinck Hotel, if I recall correctly. And the next day, if I recall correctly, round about lunchtime, I think that was the same day, the same 24 hours, I went to see Mr Berezovsky and Mr Gorodilov was waiting for me outside somewhere.

Q. That, I'm afraid, is not an answer to my question. Even if you were in France that day, do you suggest that it necessarily means that you met with Mr Berezovsky?

A. From my point of view, this necessarily does mean this. But understanding the cross-examination technology, I understand that one cannot assert it with 100 per cent certainty.

Q. You are not saying, are you -- I need to put that differently so we don't get confused.

Are you saying that you can think of no other reason why you might have gone to the south of France in November 2000?

A. I am certain that there couldn't have been any other reason, but this is reconstruction.

Q. Well, perhaps I can assist you then.

At this time, towards the end of the second half of 2000, you were in the process of buying the Chateau de la Croe; that's right, isn't it?

A. Sorry, the name of the chateau sounded strange.

Q. That's because my French is very strange; it's nonexistent. At this time you were in the process of buying the Chateau de la Croe?

This time I would in fact appreciate some assistance from my learned friend.

MS DAVIES: Croe.

MRS JUSTICE GLOSTER: How do you pronounce it, Mr Abramovich?

A. (Not interpreted) Chateau de la Croe.

MR SUMPTION: My Lady, it is spelt C-R-O-E.

MRS JUSTICE GLOSTER: Thank you.

A. (Interpreted) Sorry, I can hear English.

THE INTERPRETER: Yes, I think we've fixed the problem now.

A. Indeed, in the year 2000 I was buying the chateau. Sorry, may -- I cannot assert at what point in time the transaction was closed. It's easy to get this information because we can request documents from Mr Bordes, who assisted Mr Berezovsky and Badri in buying their chateaux. But I'm confident that in winter, I never visited that chateau in wintertime until the moment when it was completed. That was a completely destroyed, burnt-out building so it was, for certain, nothing to do there in wintertime.

MR RABINOWITZ: If you let me ask the questions, you'll find that your responses tie into the questions.

First, this chateau is also in Antibes, isn't it?

A. Yes, this is true. It's one chateau away from Mr Berezovsky's chateau and two chateaux away from Mr Patarkatsishvili's chateau.

Q. And you had retained Mr Bordes as the estate agent on this purchase; that's right, isn't it?

A. Yes.

Q. And in early November 2000 there were problems with the acquisition; do you recall that?

A. I don't recall any problems with the acquisition of the chateau. I cannot assert that there were no problems; I simply didn't know about them.

Q. Can I ask you, please, to go to bundle H(C)6 at page 68

H(C)6/68. This is a letter to you, Mr Abramovich, from Mr Bordes. You can see it's dated 1 November 2000. I shall read it and then someone will translate it for you. It says:

"Dear Roman,

"Obviously your representative Mrs Lorraine HICKEY and your solicitor Mr Mark Halama are more than crossed against myself because I criticized their approach of the fiscal and juridical negotiation concerning your eventual purchase of the three corporations controlling the... Chateau... in Antibes, and also because I suggested some solutions for the future and I asked to Mr Alexander MAMUT to oblige them to accelerate the negotiations due to the fact that we are facing a serious competitor."

Mr Abramovich, would it help if we had that paragraph translated or would it better if I read the whole? Because I don't want you to have to retain everything.

- A. This is not a complicated text, I shall remember it.
- Q. Thank you.

"Mr Alexander MAMUT by sending them my confidential correspondence to him and to you has increased the antagonism between us and now they don't keep us anymore informed of what they are doing, of their intentions and

of the appointments they are organising with the Vendors.

"They have the same attitude towards the important specialised attorney I recommended to you and that you accepted to retain, Me John HEINZEN in Paris.

"Consequently, I would like to ask you to insist that your two representatives, just as a matter of principle and politeness keep us informed. Also for my protection that you kindly return me the attached letter.

"I am sorry to ask you this, but you will certainly understand my position. I can imagine that being familiar with your interests it is normal for you to have a representative and I accepted it, but I am sincerely afraid to [lose] important interests like it already happened to me because of Mrs Lorraine HICKEY['s] behaviour."

So it looks as if at the beginning of November 2000 there was a problem developing with Mr Bordes and his handling of the acquisition; that's correct, is it not?

A. May I clarify, please?

MRS JUSTICE GLOSTER: Yes, do.

A. I do agree that there was a problem. The problem was as follows: the chateau was belonging to three companies and we didn't want to buy any companies and we didn't

take any tax risk. We were -- it was important for us to buy it all clear above board and pay all the taxes, the French authorities were monitoring this very carefully, and the previous owners wanted to sell these three companies to us, and this is the whole story.

Lorraine Hickey was -- well, she was quite tough and aggressive in negotiations and, therefore, perhaps an understanding (sic) has arisen, but... Except I don't understand why I need to visit a burned-down chateau in the middle of winter.

MR RABINOWITZ: Well, you wouldn't necessarily be meeting in the chateau; you could be meeting with Mr Bordes.

A. That is also illogical because Mr Bordes does not speak English -- sorry, does not speak Russian and I did not speak English and Mr Gorodilov doesn't speak English still, the same as myself. So there is no logic in that.

Q. You see, by early December you had in fact acquired the chateau, had you not?

A. I don't recall exactly what was the date but I didn't take any part in these negotiations, ie I knew that Mr Bordes wasn't happy with Lorraine's behaviour but I didn't know any more details.

Q. I suggest to you that you had very good reason to visit the south of France in November 2000, precisely because

you were finalising the acquisition of your chateau there.

A. Sorry, I didn't understand. What was the reason? What was the reason? You're saying I was finalising the acquisition of the chateau. I had no part in it; that was my lawyers' work. I could not have impacted the transaction in any way. I could have paid the money and the rest would have been the way the transaction would have been documented.

Q. Is it not the case that Mr Bordes's son spoke fluent Russian?

A. Neither Mr Bordes nor his son, as far as I know, speaks Russian. As far as I remember, he wasn't in business at that point in time at all.

Q. Sorry, who wasn't in business at that time at all?

A. If I recall correctly, in year 2000 the business was led by Mr Bordes Senior, not by Mr Bordes Junior. I cannot 100 per cent assert that he wasn't working in the office, but as far as I recall I dealt with Mr Bordes Senior: that's the father of the current company owner.

Q. You see, I suggest to you that if you were in the south of France on 6 November, then this was not to see Mr Berezovsky but it was rather in connection with the acquisition of the chateau. That is right, is it not?

A. This is completely ruled out and I insist that I had

nothing to do inside that chateau; as I explained, it was burnt out, there was nothing to do there. And I had no reason to meet Mr Bordes in the middle of winter because I spent every summer in the south of France; I could have had plenty of time to speak with him when I was spending my vacation there.

Q. I suggest the fact that you were dealing with the chateau also makes sense of the presence of Mr Gorodilov. In your witness statement you provide no explanation at all for why Mr Gorodilov should come to Nice to stay at the hotel at that time, do you?

A. Indeed I do not provide any explanation and I can explain that. The latest that I needed the help of Mr Gorodilov on, that was help in negotiations with Mr Bordes. If we would have negotiated the final transaction, that would have been a need to structure it and I would have really used the assistance of Mr Gorodilov there.

MR SUMPTION: I wonder if that needs to be retranslated because the transcribed answer is a little incoherent.

MR RABINOWITZ: What you seem to be suggesting in your answer -- let's see if we can work through this -- is that Mr Gorodilov was a person who would assist you in, for example, negotiating and dealing with the acquisition of the chateau. Is that right?

- A. This is completely not the case. The assistance of Mr Gorodilov in acquisition of chateau, I didn't need that assistance at all. There was no role for him there.
- Q. But, Mr Abramovich, you also do not provide any reason at all why you say Mr Gorodilov accompanied you to Nice on 6 November.
- A. There are several reasons: (a) he is my close friend; second reason, if we were discussing a payment scheme, I would have needed his assistance.
- Q. But he wouldn't have to fly there with you for you to be able to discuss a payment scheme with him, would he?
- A. If Boris or Badri -- if Mr Berezovsky or Badri wanted to talk to him or to speak with me in more detail than we discussed that in the meeting, then Mr Gorodilov would have been necessary, required.
- Q. And, as we shall see from Le Bourget, when Mr Gorodilov was necessary you could always phone him, because that's what you did at Le Bourget, did you not?
- A. Yes, this is true. We did call Mr Gorodilov from Le Bourget.
- Q. Now, so far as what happened at the meeting, which you say took place in early November, you I think acknowledged that you have very little recollection of this. That's right, isn't it?

- A. I indeed remember little about this meeting.
- Q. And you in fact say at paragraph 215 E3/01/99 that you "do not recall the details of what [you] discussed at the meeting"; that's right, isn't it?
- A. I do not recall the detail of what we have discussed, but from my point of view this is the meeting that Mr Berezovsky is describing and his witnesses are describing it. That meeting happened on 6 November, namely, and this is all that -- they are describing all this alleged taunting and putting them down that I supposedly did; all of that happened on 6 November.
- Q. And you also don't suggest that you actually recall whether you discussed ORT or not; that's right as well, isn't it? You say:
- "... I believe we probably discussed ORT."
- A. At the moment when I was writing the witness statement I wasn't 100 per cent sure at all.
- Q. And it's also correct that you don't claim to have discussed any sale price for ORT at this meeting?
- A. If I recall correctly, we've agreed the sale price with Mr Patarkatsishvili at my offices.
- Q. So it follows from what I'm saying that you don't claim to have discussed any sale price for ORT at this meeting; that's right, isn't it?
- A. Yes, I do not claim that.

- Q. And you certainly don't say in your evidence that at this meeting Mr Berezovsky told you that he wanted to sell his interests in ORT for \$150 million?
- A. Sorry, I didn't understand. What I do not claim: that Mr Berezovsky wanted to sell for 150 million? No, I don't claim that. I don't remember how it happened. If I recall correctly, it was in the offices of Sibneft company and I discussed the cost of \$150 million with Mr Patarkatsishvili.
- Q. In fact, Mr Abramovich -- and I'm not sure your witness statement suggests anything very much different -- you have no recollection of this particular meeting at all, do you?
- A. This is not so. I do recall that meeting.
- Q. You don't mention whether Elena Gorbunova was there or not; you can't recall, is that it?
- A. I recall Ms Elena Gorbunova; the question is whether she was related to that matter. She sat -- spent some time sitting at the table and left. We didn't discuss any detail -- I'm not sure whether we would have discussed any details in the presence of Ms Gorbunova. From my point of view...
- Q. You don't mention her at all in your witness statement, do you?
- A. I indeed do not mention Ms Elena Gorbunova in my

statement. I usually mention -- or at least my logic is built in such a way -- I mention those who were related to the meeting, to the negotiations, not everyone who was in the chateau. I also do not mention all people who would theoretically have been met along the way; or, for example, people offering a drink of water, I don't mention them either. Ms Gorbunova, for sure, definitely did not take part in any negotiations.

Q. You don't even mention in your evidence whether Mr Patarkatsishvili was there or not. Do you not recall whether he was there or not?

A. I recall that Badri set up that meeting. As usual, he asked me to arrive and meet.

Q. I take it you're aware that until August of this year you had made no reference to this meeting at all in your pleaded case. Do you recall that? Well, perhaps we can look at that.

Can you be given bundle K4, tab 34 and go to page 92 K4/34/92. Just to explain what this is, it is your defence document, but it's your defence document as it stood in April of this year, and if you go to page 134 K2/34/134, you can see the date and your signature. Okay?

Can you go back, please, to page 92 K4/34/92. I want to show you paragraphs D27.1 and D27.2, where

you're describing a meeting, and I will just read those to you and obviously if you need them translated specifically, the translator will help you.

"It is admitted that, on a date prior to 25 December 2000, Mr Berezovsky told the Defendant at a meeting between them and Mr Patarkatsishvili that he could no longer live in Russia, that he wanted to sell his (and, the Defendant assumed, Mr Patarkatsishvili's) indirect interests in ORT and [he] asked the Defendant to purchase those interests for US\$150 million. In order to assist Mr Berezovsky and Mr Patarkatsishvili, the Defendant agreed to do so, although the amount paid was, in the event, increased to approximately US\$175 million, an amount which was greater than the value of those interests.

"Given the passage of time, the Defendant cannot now recall where the meeting took place, although he believes it was unlikely to have been in southern France at that time of year."

So, according to this pleading, Mr Abramovich, where you signed a statement of truth, there was a meeting and it was a meeting attended by Mr Berezovsky and Mr Patarkatsishvili. Do you see that?

A. Yes, I can see that -- I can hear that.

Q. But your evidence now is that you say

Mr Patarkatsishvili was not there; is that right?

MR SUMPTION: No, my Lady, he did not say that.

A. I never said that.

MR RABINOWITZ: Sorry. Then please tell me what your evidence about Mr Patarkatsishvili is, in terms of the meeting that you're talking about in the pleading.

A. That we've discussed Ms Gorbunova in detail, as far as I understand, what you asked before that. And Mr Patarkatsishvili was the person who set up the meeting and certainly there were the three of us there. I don't know at what point it sounded like I said that there was no Mr Patarkatsishvili there.

Q. Well, Mr Abramovich, you do not mention anywhere in your witness statement that Mr Patarkatsishvili was at this meeting on 6 November, do you?

A. May I read the statement about this meeting? From what I can recall, I am writing about this. The ORT shares were discussed by the three of us at that meeting.

MRS JUSTICE GLOSTER: Are we talking about the meeting in the south of France or the meeting in your offices at Sibneft in the autumn?

A. We're talking about the 6 November meeting.

MR RABINOWITZ: In your witness statement, you do not say that Mr Patarkatsishvili was at this meeting that you claim happened at 6 November in Cap d'Antibes.

A. May I read my statement about this, please?

Q. Paragraph 215.

A. I have read this. I indeed do not directly say that Mr Patarkatsishvili was there but it can be seen from the context that we have discussed it with Mr Patarkatsishvili as well. If you read two paragraphs together, you can see that we discussed it together.

Q. You see, when I asked you about Ms Gorbunova and whether she was there, you explained that people who weren't centrally involved in the meeting, people who might have offered you water, wouldn't be mentioned; but people who would be involved in the meeting you would have referred to. And you don't refer to Mr Patarkatsishvili as being at the meeting you claim happened, do you?

A. In that paragraph I do indeed not refer to Mr Patarkatsishvili but I do refer to him in the following paragraph and in the previous paragraph.

In paragraph 215 I'm saying that the question is whether I've met with Mr Berezovsky about this. Yes, I did meet Mr Berezovsky directly. That means that Mr Patarkatsishvili -- we always negotiated with Mr Patarkatsishvili about this and so for me it was natural that Mr Patarkatsishvili was in that meeting. I did not state that specifically in this paragraph but if -- to have -- to read everything that's said by me

about this, that's obvious; at least it is obvious in Russian.

Q. Just going back to your pleading, D27, whenever this meeting was, your pleaded case was that this was a meeting -- so you said here -- at which Mr Berezovsky asked you to purchase his interest for \$150 million; that's the fourth and fifth lines of paragraph D27.1. But your evidence now is that you do not have any recollection of any such request having been made at this meeting in early November. That's right, isn't it?

A. As I said, I indeed do not recall in detail how this happened.

MRS JUSTICE GLOSTER: Right. Choose your moment, Mr Rabinowitz, please.

MR RABINOWITZ: We can stop now, my Lady, and come back to this.

MRS JUSTICE GLOSTER: Very well. 2 o'clock.

(1.02 pm)

(The short adjournment)

(2.00 pm)

MR RABINOWITZ: Mr Abramovich, we were looking at paragraphs D27.1 and D27.2, which you have in front of you K4/34/92. We had just talked about whether or not Mr Patarkatsishvili was in fact at this meeting, which was what you had said in the pleading, but that wasn't

reflected in your witness statement.

Again, just looking at paragraph D27.1, you can see that you said that whenever this meeting was, it was a meeting at which Mr Berezovsky asked you to purchase his interests for \$150 million. Do you see that?

A. Are we talking about my witness statement or are we discussing...

Q. The pleading, the...

MRS JUSTICE GLOSTER: This is an earlier version of your pleading, not your witness statement.

MR RABINOWITZ: Do you see that?

A. Of course my witness statement is much more precise than what was written much earlier than that. So, if I may, I will refer to your opening and you said that the more a person deals with something, the more he remembers, the more comes to him, and this is exactly what was happening to me. The deeper I immersed myself into this matter, the more time I dedicated to it, the more I remembered, the more details came to mind.

Q. You see, Mr Abramovich, it's not just a question of not remembering about the \$150 million purchase price being agreed there; your current evidence is that you positively assert that the \$150 million price was not requested at the 6 November meeting. That's right, isn't it?

- A. In my witness statement I say that the price \$150 million was agreed with Mr Patarkatsishvili in my office.
- Q. And it was at a much later stage than the 6 November meeting; that's right, isn't it?
- A. No, that is not correct. I can't tell you the date; it might have been end of October or it might have been the very beginning of November. I cannot remember the date. From what I remember, it was around 6 November; otherwise there would have been -- there wouldn't have been any point of going there. That's how I see it.
- Q. Well, let's just see what you actually said in your witness statement.

If you look at paragraphs 215 and 216 E1/03/99, that's where you're dealing with the 6 November meeting, and then in 217 you say: in accordance with what you say was an agreement, which at that stage you were talking about an agreement for \$100 million, you say that Mr Fomichev and Mr Gorodilov dealt with documentation dealing with this.

Then if you go to paragraph 218 on the following page E1/03/100, you claim, and I'm looking at the end of the second line:

"[You] particularly recall a meeting in [your] office in Sibneft where Mr Patarkatsishvili informed

[you] that Mr Berezovsky wanted [you] to pay more for their shares and had required the price now to be US\$150 million."

Now, that is plainly after the 6 November meeting.

That's right, isn't it?

A. No, that's not necessarily so at all.

Initially the price was \$100 million; at some point Mr Patarkatsishvili came and said that Mr Berezovsky doesn't agree to sell for 100 million, 150 million is the price that would satisfy them. To say it was after 6 November, I don't think it's possible to say that on the basis of this witness statement. On 9 October the movement of shares started but I can't remember exactly when the price of 150 was agreed.

Q. Well, in fact, not only is it possible to say that it was after this date but you do say it was after that date. Look at what you say at paragraph 219. You say:

"Accordingly, although the price (US\$150 million) for the ORT deal was agreed by mid or late November... certain aspects of the [transaction] remained outstanding."

So you're suggesting there a date certainly after 6 November: by mid- or late November.

A. It can be read this way. I'm not stating a date; I'm just saying that by mid-November it was already agreed.

6 November, as far as I understand, is prior to mid-November. It is precisely because I don't remember the date I'm saying that by mid-November the price had already been agreed.

Q. Mr Abramovich, I have to suggest to you that this supposed meeting that you say occurred with Mr Berezovsky in early November 2000 simply never happened. Do you understand? Do you want to comment on that?

A. My Lady, I insist that this meeting took place and it took place on 6 November. There's nothing else I can comment. I disagree with the suggestion of the plaintiff.

MRS JUSTICE GLOSTER: Can I just be clear that I understand your evidence. We've got the meeting with Mr Voloshin, the meeting you say occurred with Mr Patarkatsishvili at your office -- or at least one, maybe more -- and then we've got the meeting with Mr Berezovsky which you say happened on 6 November.

Can you put those meetings in any sort of order or are you saying, speaking today, you can't recall the chronology of those three meetings, the order of those three meetings?

A. I cannot give you the chronology. As I understand it, as I imagine, I remember, first there was a meeting with

Badri about \$100 million; then at some point, around 6 November, we agreed 150 million, maybe a bit later, and prior to that, there was a meeting with Mr Voloshin. This is the logic of how I understand this process but I cannot put the dates one after another.

MRS JUSTICE GLOSTER: Right, thank you.

MR RABINOWITZ: Mr Abramovich, I suggest you are right to suggest you met with Mr Berezovsky in a chateau in Cap d'Antibes after he left Russia but in truth this meeting happened later, shortly following the arrest of Mr Glushkov in early December. That is right, isn't it?

A. After arrest of Mr Glushkov we never met with Mr Berezovsky in the south of France. We met once in Megeve.

Q. Can I just ask you next, please, to look again at paragraph 216 of your witness statement. It's at page 200 of the file in Russian E1/03/200, at page 99 in English E1/03/99. You refer in this paragraph to telling Mr Gorodilov of your agreement and asking him to contact Mr Fomichev to arrange the deal.

Do you say you told Mr Gorodilov on the day of the meeting that you say happened on the 6th or do you say it was later on, or do you not remember clearly?

A. Most likely we discussed it on 6 November but I cannot be precise as to what exactly and I cannot really be

sure.

- Q. And in fact would it be fair to say that a lot of what you say here is reconstruction rather than actual recollection?
- A. That is fair to say. Many of these things are reconstruction.
- Q. Mr Gorodilov's evidence seems to be that the conversation you say you had with him which led him to contact Mr Fomichev about an acquisition of ORT shares took place at the end of October, he says at the end of October/early November, but before 6 November.
- A. I think I've said the same. I said that it could have happened at that time. I did not give you the date when it might have happened. On the other hand, it would be strange if I had brought or taken Mr Gorodilov along with me, not explaining to him why it is that he is accompanying me there.
- Q. But the point I'm trying to make, Mr Abramovich, is that according to Mr Gorodilov the time when you told him about your agreement and asked him to contact Mr Fomichev was before 6 November. Do you want me to show you that or do you agree with Mr Gorodilov that that is when you told him about the agreement and told him to contact Mr Fomichev?
- A. I'm not contesting this. I'm saying that I don't recall

when it is -- when it was that I told him. I cannot give you that date.

- Q. You see, if it is right that you told him about the agreement and he should contact Mr Fomichev before 6 November, does that mean that you instructed Mr Gorodilov that he should start working on the transaction structures for this purchase before you discussed it with Mr Berezovsky on 6 November for the first time?
- A. That's quite possible. I can't see any contradiction here.
- Q. So your case is you instructed Mr Gorodilov to prepare these documents even before you had ever discussed purchasing Mr Berezovsky's ORT shares for the first time?
- A. Well, I'm not insisting; I'm just saying that it is quite possible. We were discussing this deal with Badri for quite a long time, so it's quite possible that documents could have been prepared in anticipation. I can't tell you the date. Very likely at some point it could have happened, it could have easily happened before 6 November; I just simply cannot tell you for sure.
- Q. And 6 November is the only occasion on which you suggest in your evidence that you might have discussed buying

Mr Berezovsky's shares in ORT with him before the meeting at Le Bourget; that's right, isn't it?

A. "With him" means with whom?

Q. Mr Berezovsky.

A. Yes.

Q. So if you are wrong about having seen Mr Berezovsky or discussed ORT with him on 6 November, it's pretty clear that you hadn't discussed it with him at all prior to 6 December; that would follow, would it not?

A. I sort of lost the cause-and-effect link. What follows from what, please, again?

Q. If you are wrong about having seen Mr Berezovsky or discussed ORT with him on 6 November, it would follow that you hadn't discussed ORT with him at all prior to 6 December, when you met at Le Bourget?

A. I'm convinced that we met with him and discussed acquisition of ORT shares.

Q. Although you acknowledge that you cannot in fact recall anything about that meeting on 6 November, including whether or not you in fact discussed ORT; that's right, is it not?

A. No, that's not so. The only thing that worried Mr Berezovsky at that time was ORT. So if I went -- I mean, to go to his home, to go to his place, to go to talk to him, or to go to Nice at that time and not to

visit him, or visit him and not discuss ORT, all of these things are totally incredible and impossible.

- Q. Mr Abramovich, the last answer you gave is reconstruction and perhaps, you would say, logical deduction, but you have no recollection of that, which is what I suggested to you.
- A. You are wrong in suggesting that. I don't remember the details of the meeting but I do remember that the meeting took place and on the basis of reconstruction, on the basis of consulting the documents, I then assert that the meeting took place on 6 November.

Q. No one disputes that a meeting took place; the dispute is about the date. You do understand that, don't you?

A. Yes, I do.

Q. Can we go back, please, to paragraph 216 of your statement E1/03/99. We've already looked at where you say you instructed Mr Gorodilov to work on the structure for the ORT transaction and you say that might even have been before you met with Mr Berezovsky.

What you go on to say in the paragraphs that follow is that the complications for the transaction arose from the need to pay the money to Mr Berezovsky and Mr Patarkatsishvili offshore; that's right, isn't it?

A. Yes, indeed. I said that initially the deal was structured in such a way and we planned it in such a way

that it would be a totally Russian transaction and they would pay taxes on the deal at the rate of 13 per cent.

- Q. Now, this concern of Mr Berezovsky and Mr Patarkatsishvili about being paid offshore was a concern that was raised fairly early on; it wasn't a concern which was raised at the last minute, was it?
- A. What do you mean, an early stage?
- Q. Well, certainly before you met at Le Bourget on 6 December.
- A. Yes, indeed. Absolutely.
- Q. Now, you don't suggest that you had any involvement in preparing a structure for the purchase of ORT, do you?
- A. I am not insisting that I took part in preparing the structure, no.
- Q. And you don't claim that you had any discussions with Mr Fomichev, do you?
- A. No, I had -- as far as I remember, I had no discussions with Mr Fomichev.
- Q. And you don't claim to have had any discussions with any of Mr Berezovsky's or Mr Patarkatsishvili's associates about a sale of ORT or about the structure for such a sale before December 2000, do you?
- A. I did not catch it. Are you counting Mr Patarkatsishvili among Mr Berezovsky's associates?
- Q. No, I'm talking about associates -- no, I wouldn't

include Mr Patarkatsishvili as Mr Berezovsky's associate for the purpose of this question. I'm asking you about the people who were their associates rather than either of them.

- A. It's unlikely that I would have talked to any of them about it.
- Q. The arranging of the sale and the arranging of the structure for the sale was something that you say you left entirely to Mr Andrey Gorodilov; that's right, isn't it?
- A. The structure of the deal, the arrangement of the deal, yes, indeed, I left entirely to Gorodilov; but I discussed this with Badri as well.
- Q. In terms of the structure and what was done in relation to the structure, you cannot give any first-hand evidence about what, if any, specific steps were taken to prepare a structure for a transfer of shares in ORT; that's right, isn't it?
- A. Well, it depends on what we call direct evidence. I didn't deal with the structure myself; I was informed, I knew a little bit, I understood a little bit, but indeed I wasn't engaged in it personally. So it is obvious that I am not a direct source for this information.
- Q. And you aren't able to give any first-hand evidence

about when any specific step was taken in terms of putting the structure together, are you?

- A. I can talk about the final structure but I can't talk about the initial structure. I remember that the movement of shares started on 9 November but which steps preceded and which steps followed that, I don't know, I don't remember.

And the final structure was agreed on 6 December in Le Bourget. If you read the transcript, you see all the steps as they went along because Badri and I keep recalling who was guilty of what, as it were, whose fault was what action and what we had to pay for and which action was done and not done.

- Q. You don't suggest that either Mr Berezovsky or Mr Patarkatsishvili personally had any involvement in preparing a structure for the transfer of the ORT shares, do you?
- A. I maintain that Mr Berezovsky and Badri, and in particular Badri, took part in organising the structure.
- Q. Do you suggest there was any contact between Mr Gorodilov and either Mr Patarkatsishvili or Mr Berezovsky personally in relation to the preparation of such a structure?
- A. If a telephone conversation is not a personal contact, then I don't remember anything else. I don't remember,

when I was discussing this 150 million, whether Andrey came into the office whilst I was talking to Badri or later. But most likely, no, there were no direct contacts.

Q. Can I ask you, please, to go back to paragraph 217 of your witness statement E1/03/99. You say at paragraph 217:

"In accordance with this agreement, and consistently with the documents I have recently reviewed relating to this agreement, I understand that, as a result of a number of transactions arranged by Mr Andrey Gorodilov and Mr Fomichev, in the period 9 November to 12 November 2000, the shares [in ORT-KB]... were transferred out of all but one of the companies and into the personal names of Mr Berezovsky and Mr Patarkatsishvili."

And you can see, Mr Abramovich, in that sentence that you are avowedly giving evidence on the basis of the documents you have recently reviewed. Do you see that?

A. Yes, I can see these words and I did say that mainly this is reconstruction.

Q. That suggests that you don't yourself have any first-hand knowledge of these matters and that you were relying on the documents in order to piece together what

you say happened. That's right, isn't it?

A. In some cases, that is so. Some things I remember. But on the whole, you're right, I am relying on documents.

Q. And you say that the transactions which you were referring to and which you have used the documentation to put together were arranged by Mr Gorodilov and Mr Fomichev.

Now, Mr Abramovich, there are no documents whatever relating to these transactions which were produced by Mr Fomichev or even which were amended by Mr Fomichev. Is that something that you're aware of?

A. The question is whether I know that Mr Fomichev has not amended or edited any documents? No, I don't know that.

Q. Presumably when you conducted the review you say you conducted, you would have noticed that there are no documents either produced by Mr Fomichev or which were even amended by Mr Fomichev; or did you not notice that on your review?

A. I've already said that I'm not a man of detail, so I'm not -- I didn't read the documents all that attentively. But I'm not insisting that Mr Fomichev amended the documents. In no way am I insisting on that.

MRS JUSTICE GLOSTER: Mr Rabinowitz, if you look at paragraph 217, the reference is to "as a result of a number of transactions arranged by... Gorodilov and...

Fomichev".

MR RABINOWITZ: Well, he says that it's consistent with the documents he's reviewed.

MRS JUSTICE GLOSTER: Well, I'm not quite understanding the point that you're putting but I don't think it matters anyway.

MR RABINOWITZ: There are not only no documents which carry Mr Fomichev's involvement; there is also no correspondence to or from Mr Fomichev in which he sent documentation relating to these transactions to Mr Gorodilov or anyone else. Would you have noticed that in your review of these documents?

A. I've already mentioned that I didn't notice it, but it's quite possible. First of all, Mr Fomichev is not involved in these proceedings, so we can only get documents from one side: we can only get our disclosure. So it's not correct to insist that there are no documents from Mr Fomichev.

Q. I'm suggesting to you that the documents themselves do not show that the transactions were arranged by Mr Fomichev.

A. I can't either -- I can neither refute or agree with this. On the basis of these documents I have no understanding. That's all I can say.

Q. Can you go next to paragraph 219 of your witness

statement, please E1/03/100. You say in the last sentence of paragraph 219:

"I understand that Mr Andrey Gorodilov and Mr Fomichev continued to discuss these issues..."

You're talking about the mechanics of the structure.

"... between themselves."

Now, again, there are no documents relating to the structuring of an ORT transaction produced in November or early December which were produced by Mr Fomichev. Are you aware of any document that was produced by Mr Fomichev at this time relating to the structuring of the transaction?

A. I am not asserting that we have documents that come from Mr Fomichev. In Russian practice it is not customary to document meetings, to have protocols or minutes after every meeting. If a meeting took place, that doesn't mean that it would give rise to a document; not at all.

Q. So what is the source of your understanding here as to what occurred in this period in relation to structuring, if it's not documentation?

A. Documents which is part of these proceedings, which has been disclosed; number 1. Number 2: my absolute understanding that the only person in the organisation of Mr Patarkatsishvili and Mr Berezovsky who even theoretically could have taken part in such a deal is

Mr Fomichev.

Q. Yes, but, Mr Abramovich, if there are no documents which either come to or were sent to Mr Fomichev, it appears that the only basis for your understanding is an inference that it must have been Mr Fomichev who was involved because he was the only person in the organisation of Mr Patarkatsishvili and Mr Berezovsky who even theoretically could have been involved. Is that what you're saying?

A. Well, not quite so. What I'm saying is given that the fact that the other side has not disclosed any documents for these proceedings, I cannot say for sure that these documents don't exist. Therefore we're forced to work with the documents that have been disclosed, that we have disclosed for the purposes of these proceedings.

Q. And none of those suggest that Mr Fomichev had any involvement at all. Do you understand what I'm saying to you?

A. Yes, I understand what you're saying. It doesn't follow from the documents in these proceedings that Mr Fomichev had anything to do with these documents but in fact, in reality, this is exactly what happened: he was involved.

Q. Can you then go back to paragraph 217 of your witness statement E1/03/100. I want to look at the second-last sentence of that paragraph. You're

referring here to corporate notices and you say:

"In addition, corporate notices were then served of Mr Berezovsky's and Mr Patarkatsishvili's intention to sell their shares to a company that was associated with me."

And then in the last sentence you say:

"It is possible that I was told about this at the time but I cannot now recall."

Again, you don't suggest that you were personally involved in producing or serving any such corporate notices, do you?

- A. In fact I am saying that I did not participate personally.
- Q. And you don't suggest that you remember being shown these corporate notices before they were sent, do you?
- A. I think that it's very unlikely that I was shown these corporate notices.
- Q. And you don't suggest that you would have known when those corporate notices were produced or served?
- A. In my evidence I say that I have now seen these documents and on the basis of that, I'm giving evidence. If you ask me whether I remember that corporate notices were served, of course I don't remember it.
- Q. So all your evidence is based upon a reconstruction of what you see in documentation in the case; is that

right?

A. The question is: just what do you mean by "all", "all your evidence"? If you're asking me when shares started moving, then yes, that's on the basis of documents I have seen. Whether all my -- if you're asking me whether all my recollection, all my memory is based on these documents; no, of course not, not all my evidence and not all my recollection.

Q. I'm just talking about the documentation relating to the movement of shares, corporate notices and the like.

A. And I said that from the very beginning. Why did we need to go over it? I said from the very beginning that I cannot remember this. My evidence here is based on documents and is reconstruction.

Q. And then at paragraph 18 --

MRS JUSTICE GLOSTER: 18 or 218?

MR RABINOWITZ: Sorry, 218.

Can I ask you to read paragraph 218 to yourself,

Mr Abramovich. (Pause)

A. Yes, I have read that.

Q. So you here are talking about a meeting that you say you had with Mr Patarkatsishvili in Moscow in late autumn 2000 and if you go down to paragraph 219, you appear to be more specific about this. You say, I think, that it was in mid- or late November; is that right?

- A. This is what is written, yes.
- Q. Mr Gorodilov in his evidence says that the meeting may well have been after 28 November 2000. I don't suppose you would disagree with that, would you?
- A. May I read Mr Gorodilov's evidence, please, on this subject?
- Q. If you go to bundle E2, tab 4, it's at page 67 of the Russian E2/04/67 and page 26 in the English E2/04/26. It's paragraph 64, I think I may have said that. He refers to this meeting about eight lines from the bottom. He says:
- "It is possible... that the meeting in Mr Abramovich's office took place after 28 November."
- A. Yes, I can see this.
- Q. And as I understand your evidence about this meeting in late November, you suggest that whilst you discussed possible structures for buying shares in ORT at that meeting, there was still no decision about what structure should be used. Is that right? It seems to be what you're saying at paragraph 219.
- A. The final decision on structure, the absolutely final decision was taken on 6 December.
- Q. Just so that we're clear about this then, I think you're accepting that by the time of the Le Bourget meeting on 6 December, the position remained that, while structures

had been discussed, you had still not decided on the structure for the transfer of the shares from Mr Berezovsky and Mr Patarkatsishvili to you?

- A. That is not so. Everything was discussed and agreed. The actual arrangement for the deal hasn't been ready; the arrangement of how money should be paid and in what form has not been taken. Everything else was decided, including the price.
- Q. You see, I don't think you understood the question. I was in fact following on from what you had said, which was that the final decision on structure was taken on 6 December. And all I said to you was that prior to 6 December there hadn't been a final decision on structure and that must follow from what you had said, Mr Abramovich?
- A. Well, the problem is that on the one hand you're using the word "structure" and on the other hand you're using the word "arrangement". The arrangement for payment was agreed on 6 December. The structure for the deal had been discussed ages ago and agreed.
- Q. Well, we'll see if that can possibly be right when we look at the Le Bourget transcript.

But would you accept this: that before the meeting at Le Bourget, given that there were still outstanding issues relating to the arrangement or structure,

whichever word you prefer, it would not have been possible to execute any transactions for the transfer of shares in ORT from Mr Berezovsky and Mr Patarkatsishvili to you?

A. Of course I don't agree with that.

Q. If you had not yet agreed the final arrangements or structures under which this transaction was to take place, how could it have made any sense to execute any transactions for the transfer of shares, given that you hadn't finally concluded the structure that was to be put in place?

A. Well, the structure had in fact already been agreed and there is a big difference between an arrangement for payment, how money should be paid and received legally in London, and the structure of share transfer. These are two different things. This is a very obvious business logic.

I've already mentioned, before lunch, there is a difference between -- and, I mean, we have to agree what we call termination of the deal, the end of the deal, what is a scheme, what is an arrangement. For me the essence of a deal and the end of a deal, the deal is closed when we agree that one is selling and the other one is acquiring the shares and when we discuss the structure. The rest is an arrangement to transfer the

cash, and that can take as long as it must.

Q. Can we go back to the Le Bourget transcript, please, at bundle E6 and E7. Can you go to box 206, page 81 of the English version E6/01/81.

A. Yes.

Q. Now, could I ask you please, can you read to yourself boxes 206 to 211, please. (Pause)

A. I beg your pardon, until which box?

Q. 206 to 211.

A. I've read. I've read them.

Q. And what is discussed in boxes 206 to 211 relates to the announcement which you made to the Kremlin press pool that you would be willing to act as an intermediary in the sale of Mr Berezovsky's shares in ORT; that's right, isn't it?

A. No, no, no, this was not my statement. This was a closed meeting over lunch with editors-in-chief of various newspapers. It was devoted to my election campaign to the position of governor and at the meeting I was asked: is it true that I was planning to acquire ORT shares? First of all, I wasn't expecting that. Secondly, Badri asked me never to tell anyone about that. That's why I open -- that's why I answered in such a way that, "No, I have no plans, and even if I were to buy them, I would most probably act as an

intermediary to resell later". It was not an official press conference; it was a lunch with journalists.

Q. Whether it was a lunch with journalists or an open meeting, you were telling them that you would be willing to act as an intermediary in the sale of Mr Berezovsky's shares in ORT; that's right, isn't it?

A. I gave them this version, yes, that is so. Moreover, if after I had acquired those shares I had managed to sell them to anybody at all, I would have been delighted to do so.

Q. And it wasn't a question of you acting as an intermediary for resale afterwards. If you look at your commentary at box 207, what you said was:

"I... said... I was not buying ORT but that I could theoretically act as a trusted intermediary between Mr Berezovsky and the Government..."

That is not what you have just claimed you were saying, is it?

A. I think that's exactly what I've just said. I just extrapolated the sentence a little bit.

Q. Right. And when you say this, at the end of box 207, that you are willing to act as an intermediary, Mr Berezovsky asks:

"Intermediary in what?"

And you reply:

"Should the question of selling shares arise. But currently, as it were, this is not being discussed."

That's at page 84 of the English E6/01/84.

A. Yes.

Q. So what you were telling the journalists then is that, in relation to ORT, should the question of selling shares arise, you would act as an intermediary, but that this had not yet arisen?

A. I'm using these Russian words, "kak by" --

THE INTERPRETER: The witness is asking the interpreter to translate this into English because it's an important phrase, "kak by": "as it were", "as if", "as it were".

MR RABINOWITZ: Well, it says:

"But currently, as it were, this is not being discussed."

That is to say a sale of the ORT shares is not being discussed. That is what you told the journalists?

A. No, that's not the same. That's not what I said to the journalists. I said to the journalists, "I don't want to buy and most likely I'll be an intermediary", but here I'm saying, "as it were", hypothetically.

Q. Okay. You see, I suggest to you that when you were telling the journalists that the question of selling shares had not yet arisen, you were telling them the truth.

- A. Your statement is not right. It's not something I do, talk about something before the deal is done. There would have been rumours, there would have been a lot of noise around and then there was still nothing happening, no movement. So telling the journalists, who are curious, of course, to tell them something before it had happened, that's not something I do. Once the deal is done, we make a press release. This is the way to act.
- Q. Mr Abramovich, on your case there was already an agreement in principle and if that were the truth, you could have told the journalists that, could you not?
- A. Of course not. What is the point of telling something to the journalists before the deal is concluded? What, just to have attention attracted to that, for the deal to be jeopardised? What is the point of talking to the press before the transaction is finalised? None at all.
- Q. Let's just go back to the transcript. If you can go to box 211 E6/01/85, you'll see from box 211 and following there is a discussion between you and Mr Patarkatsishvili about the possible sale of ORT shares and this goes on for a while.

Can I ask you, please, to go to box 237 E6/01/96. At this point you start discussing with Mr Patarkatsishvili the methods of structuring the transaction; do you see that? 237.

A. Yes.

Q. Thank you. And then if you go to box 249 at page 99 of the English E6/01/99, you say that you had spoken to President Putin and he had said that if you --

A. May we -- I beg your pardon, may we dwell a little bit on 237? I would like to add a few words on 237.

MRS JUSTICE GLOSTER: Right. Make the point.

A. In 237 I'm saying that overnight from the 5th to the 6th, Gorodilov told me about this arrangement, and on the 6th I am reporting on this arrangement to Mr Patarkatsishvili and Mr Berezovsky. From my point of view it proves that I wasn't -- or hadn't planned this trip beforehand. I came there on request of Mr Patarkatsishvili, on the 5th, in fact. My plan was to fly to Chukotka.

Q. Box 249, page 99 E6/01/99, you say that you have spoken to President Putin and he has said that if the sale of ORT could be achieved quietly and he was kept out of it, then he would not stand in the way of money being paid to Mr Berezovsky; that's correct, isn't it?

A. Well, I'm telling them in great detail about my conversation so there's nothing much I can add.

Q. What you can do is to tell me whether what I summarise as being your conversation is correct.

You say you have spoken to President Putin and he

has said that if the sale of ORT could be achieved quietly and he was kept out of it, then he would not stand in the way of money being paid to Mr Berezovsky; and that is correct, is it not?

A. That's part of it. He said that he didn't want to participate. He said, "It's nothing to do with me. Do it between yourselves. This is your private business".

Q. And the issue that you are discussing with Mr Berezovsky and Mr Patarkatsishvili here related to the fact that, if there was going to be a sale, Mr Patarkatsishvili and Mr Berezovsky wanted to be paid in England and not Russia; that's right, isn't it?

A. Yes.

Q. And President Putin was focused upon getting ORT from Mr Berezovsky but at this time not so concerned about Mr Berezovsky receiving some money; that's correct, isn't it?

A. No.

Q. Mr Abramovich, it's just not right to say that President Putin had no interest in whether or not Mr Berezovsky gave up his interest in ORT. Can I ask you, please, to go back to box 449 at page 154 E6/01/154.

A. Yes, I can see that.

Q. This is an exchange that arises after you have been

discussing ways of structuring any transaction and, as we see, you say here:

"What, then, should we sign then so that I could take it to Vladimir Vladimirovich, show it to him and say: here you are, the deal is done..."

That plainly shows, Mr Abramovich, that President Putin was interested in ensuring that the deal was done.

A. That's not so. I got involved in this deal: I said that I was going to acquire it, I don't know directly or through Voloshin. Since I got involved and I'm taking part, then of course I have to explain at what point I will finalise the deal. And in 450 Badri says:

"... we have signed everything [already]."

Q. You see, Mr Abramovich, if President Putin had no interest then why would you be talking about rushing back as soon as you could to show him a piece of paper to show that you had done the deal? That's not the way you would have behaved if President Putin had no interest in whether this deal was done.

A. At that point, after I had already explained, that was concerning me; I was concerned and worried. If I promised the president that I would do the deal, that I'm planning to make this deal, then I of course have to inform him that I have finalised the deal.

If I may add, ORT shares, the 49 per cent, in particular they are valuable only in the hands of Mr Berezovsky because he influences content. Not a single normal businessman who thinks about the financial aspects, he doesn't need ORT shares because this is a loss-making enterprise capable of creating only problems and would never bring any profit to anyone, at least in the foreseeable future.

- Q. Did you promise President Putin to do the deal to acquire ORT shares?
- A. No, I didn't promise. I just promised that if I buy them, I'll inform him. In fact I don't even remember whether I promised it to him directly or through Mr Voloshin. I can't be precise here.
- Q. In the course of the meeting at Le Bourget you suggested that on a number of occasions that a deal for you to buy 49 per cent of ORT should be closed at that meeting; that's right, isn't it?
- A. It was closed at this meeting in fact. Well, the arrangement -- in fact the deal was done earlier but the arrangement was finalised at the meeting.
- Q. Can you go to box 428, please. It's at page 148 of E6 E6/01/148. You see you say there:

"We could now close this deal as it is, and later -- I promise -- we shall always find understanding on this

matter..."

So that's one occasion on which you refer to closing the deal.

Can you look then at 430. You say again:

"(So then) we shall finalise this deal, so that I could report on it without further ado, (that) the deal is done..."

And you say that would be reported to President Putin or Mr Voloshin.

I suggest to you it's clear from this that at this point you obviously didn't think that the deal had been done.

A. 428 is where I say that I promise that we will anticipate find a solution later: that means that I promise to pay some of the money for legalisation that Mr Berezovsky had achieved earlier. That's nothing to do with this. But in 430 years, in fact I would agree with you.

Q. And can you next go to box 449, please. It's on page 154 of the English E6/01/154. This is the third occasion in a fairly short space of time where you talk about the need still to complete the deal. You say:

"What, then, should we sign then so that I could take it to Vladimir Vladimirovich, show it to him and say: here you are, the deal is done..."

- A. I've already commented that in 450 Badri says we've already signed everything.
- Q. You expected that when the deal was done, it would be put in writing; that's right, isn't it?
- A. From the legal point of view, a concluded deal, a closed deal, if that's we mean, then that's when all the documents are ready; I agree with you.

But at the meeting we were discussing a different thing. I meant this thing but Badri was waiting for instructions in ORT-KB for shares to be transferred. That's what Badri meant.

- Q. I think we can agree, Mr Abramovich, that no agreement was signed at Le Bourget; that's right, isn't it?
- A. Yes, we can agree on that. No agreement was signed in Le Bourget. Moreover, I had no text of any agreement with me. There was nothing to sign, there was nothing prepared.
- Q. And Mr Berezovsky, in the course of the meeting, did not once say anything to indicate even that he would be willing to sign an agreement at that stage, did he?
- A. That's not true.
- Q. Where do you say Mr Berezovsky said anything that he would be willing to sign an agreement at that time?
- A. There are references to -- well, not references but there are replicas made by Mr Berezovsky. Moreover, at

the time 408, 410, when I am on the phone, the two of them, Badri and Mr Berezovsky, are discussing between themselves. If you would like to go back to that, we can read it, then I'll explain to you. It's difficult for me to quote from memory, it's difficult to remember the text and the number of boxes that the text refers to.

Q. When the meeting ended you had nothing signed to take to President Putin to show him you had completed the purchase of ORT, did you?

A. I, at that point, didn't have to bring anything. I already said I went over there to discuss the arrangement. I didn't go there to conclude the deal in a legal sense and this is why there was nothing to sign, nothing to be signed and nothing to be taken back.

Q. And since you had agreed to keep President Putin informed, you would have had to tell him that no sale had been agreed and certainly that you had been unable to get an agreement in writing; that's right, isn't it?

A. You're absolutely wrong. I left with a firm understanding that the deal is done, finalised. We discussed the arrangement and all the final issues have been resolved. We have resolved how payment could be made for them to receive the money in the bank that they wanted to receive it in.

- Q. I suggest to you you would have gone back to Moscow and reported back to President Putin that you had been unable to close the deal and President Putin would have been very disappointed about that. That's right, isn't it?
- A. That is not right. I did not meet President Putin at that time. In fact, immediately after Le Bourget, on the 7th, I was planning to leave. On the 6th, after the meeting I went straight to Moscow and from Moscow I was planning to leave for Chukotka immediately.
- Q. And it was precisely because you had been unable to produce a concluded deal with Mr Berezovsky and Mr Patarkatsishvili, that is what led to Mr Glushkov being arrested the next day; this is right, is it not?
- A. Of course not. We have discussed already that Glushkov's arrest was envisaged. The Deputy Prosecutor General has already declared or announced that on the television to him. So there was a -- and to link these events, that's quite wrong.
- Mr Glushkov, if I understand it correctly, was arrested on charges related to Aeroflot; nothing to do with ORT.
- Q. Mr Abramovich, I'm not going to go around this one again but in fact we saw an exchange between you and Mr Berezovsky in which you said you did not think

Mr Berezovsky would be arrested the following day. Do you remember that?

A. Yes, I remember I said that I didn't think he will be arrested but in the following box I say that Krasnenker phoned me and told me that problems could be expected. But, again, I was only putting forward my guesses.

Q. Now, again -- stay with Le Bourget and the transcript -- one of the things that was discussed were possible transaction structures so that, in any transaction, the purchase price for ORT could be paid offshore outside of Russia.

With that in mind, can I ask you please to go to paragraph 216 again of your witness statement. That's at page 200 of E1, tab, 3 in Russian E1/03/200, page 99 in English E1/03/99.

In the second sentence you say that Mr Berezovsky and Mr Patarkatsishvili "were very keen to receive their money in their personal names in foreign personal accounts", and that this complicated the transaction.

Do you see that?

A. Yes, I can see that.

Q. And if you then go back to the Le Bourget transcript at [box] 364. In bundle E6 it's at page 130 E6/01/130.

Can I ask you to read boxes 364 to 367.

A. I think something is wrong in pagination. We have --

okay, sorry, I've found it.

MRS JUSTICE GLOSTER: I don't think you've been given the Russian pagination, I think that's the problem.

MR RABINOWITZ: Page 127, please, in the Russian E7/01/127.

A. I need to read 364; yes?

Q. 364 to 367, please. (Pause)

A. Yes.

Q. Mr Patarkatsishvili is talking to Mr Gorodilov about the need for contractual documentation for a payment of money to him and Mr Berezovsky offshore.

And then if you go to box 379: page 132 of E6 E6/01/132 and 129 of E7 E6/01/129. 379, you can see that Mr Patarkatsishvili is explaining that the contractual documentation is needed because he and Mr Berezovsky now have personal accounts, bank accounts in the west to which the money needs to be transferred. Do you see that?

A. Yes, I can see that.

Q. And you were in fact aware that those bank accounts were in London? I think you may have mentioned that earlier.

A. Today I know that they were in London. At that time I didn't quite understand it. I might have guessed. I cannot be 100 per cent sure at that time that I knew they were in London.

Q. Can you go back to box 400, please. It's at page 135 in E6 E6/01/135 and 134 in E7 E7/01/134.

Do you see Mr Patarkatsishvili is talking about receiving the money in London in the accounts?

A. On 394 Mr Berezovsky said, "I'm ready to do all this".

Q. Mr Abramovich, can you answer my questions, please.

MRS JUSTICE GLOSTER: You have to go down to read box 400, where Mr Patarkatsishvili refers to receiving the money in London.

MR RABINOWITZ: And then if you go also to box 402 E6/01/136, again you'll see that he refers to the accounts in London.

A. Do I need to confirm? Yes, he's talking about accounts in London.

Q. If you go to box 412, page 141 E6/01/141, you actually say in the commentary that the money will be -- you're talking about money being transferred to "Mr Berezovsky's accounts in London". Do you see that?

A. So 412, am I right?

Q. I referred you to 412.

A. Yes, I have read that.

Q. 412, yes? And if you go to box 234 on page 95 of E6 E6/01/93 and if you look at your commentary at the end of 234 -- page 90 -- again, in your commentary you're talking about them receiving "proceeds of the ORT sale

in England".

A. Yes, I can see that.

MR RABINOWITZ: My Lady, that may be a convenient moment.

MRS JUSTICE GLOSTER: Very well. Ten minutes, please.

(3.15 pm)

(A short break)

(3.30 pm)

MRS JUSTICE GLOSTER: Yes, Mr Rabinowitz.

MR RABINOWITZ: Mr Abramovich, do you recall that at the

Le Bourget meeting you told Mr Berezovsky and

Mr Patarkatsishvili about a proposal that Mr Gorodilov

had for a structure for you to purchase the ORT shares?

A. Yes, I recall that at Le Bourget meeting we've discussed that arrangement, the way we shall make the payment for ORT.

Q. And if I can ask you, if you still have bundle E1 in front of you, to go to your witness statement at paragraph 235: it's at page 207 in the Russian E1/03/207 and 106 in the English E1/03/106.

You say, just reading the first few lines, talking about Le Bourget, you say in the first sentence:

"We therefore discussed a possible plan proposed by Mr Andrey Gorodilov whereby companies associated with me would purchase the shares for a relatively small amount (US\$20 million) paid in Russia, and then companies not

associated with me would make a separate (larger) payment of the remaining amount to Mr Patarkatsishvili and Mr Berezovsky's designated foreign bank accounts."

And then in footnote 76 on this page you refer back to boxes 261 to 305 of the Le Bourget transcript. And what in fact happened at Le Bourget was that you explained Mr Gorodilov's proposal to Mr Berezovsky and Mr Patarkatsishvili; that's right, isn't it?

A. I started to explain that but I got quickly confused and Gorodilov was explaining that himself.

Q. Indeed. And Mr Patarkatsishvili and Mr Berezovsky did not know about the proposal before you explained it to them at Le Bourget; that's right, isn't it?

A. Yes. Yes, that was the initial time they've heard it.

Q. And this is reflected in Le Bourget at box 339 but we don't need to turn it up.

At some point, as you say, you needed Mr Gorodilov to help to explain the proposal; that's right, isn't it?

A. Yes, that's right.

Q. At no point in the conversation relating to Mr Gorodilov's proposal do either Mr Berezovsky or Mr Patarkatsishvili suggest that they already know of Mr Gorodilov's plan; that's right?

A. Yes, that's right. Their initial plan was related to an auction (sic) and then Andrey made his proposal, perhaps

a more elegant scheme.

- Q. Now, can I ask you to go back to the Le Bourget transcript at box 261. At E6 it's at page 103 E6/01/103. And this is the box where you start explaining Mr Gorodilov's plan for a structure for you to purchase ORT. Do you see that?
- A. Yes, I do.
- Q. And then at boxes 263 to 266 E6/01/104 you can see that there is a discussion about that plan.
- A. Yes, I can see this.
- Q. Yes. And if you look at the last sentence of box 263, you are explaining that although some money will be paid in Moscow, the remainder of the money will be transferred to Mr Patarkatsishvili and Mr Berezovsky in the west. Do you see that?
- A. Yes.
- Q. And Mr Patarkatsishvili checks with you that this will be a transfer made under a contract; that's in box 264, do you see that?
- A. Yes.
- Q. And then at box 265 you explain that the transfer will not be done under a shares sales contract and that the offshore transaction will be done under a more complicated contract. Do you see that?
- A. Yes.

- Q. And it's clear from this that this isn't something that had previously been discussed with Mr Patarkatsishvili; that's right, isn't it?
- A. He did not discuss this very scheme. He discussed an option scheme. Therefore it's saying either about shares or options here.
- Q. Well, if we just look at box 266, we can see that Mr Patarkatsishvili expresses his concern that it must be clear that the money comes from the sale of their shares. Do you see that?
- A. Yes, I do.
- Q. And just to be clear, Mr Abramovich, you accept that the money that you were talking about transferring was in reality to be the purchase price for the shares in ORT; that's right, isn't it?
- A. How do you mean "the purchase price"?
- Q. Well, you were buying the shares in ORT from Mr Berezovsky and Mr Patarkatsishvili and the money that Mr Patarkatsishvili is concerned about is the money that he is going to receive for the sale of those shares; that is to say the purchase price, what you are paying him for those shares.
- A. Yes.
- Q. And so what Mr Patarkatsishvili is asking is that the contractual documentation should show the true position

that the money is the purchase price for the sale of the
ORT shares; that's right, isn't it?

A. One could look at this point in this way. In actuality,
the way they worded -- the way they wanted that are two
phrases which are mutually exclusive. A Russian citizen
selling Russian company shares can get his money in
Russia. They were worried about not being able to get
the money in Russia; therefore this complicated scheme
has come about.

Q. Well, if you look at box 269 E6/01/105, you can see
that you are responding to Mr Patarkatsishvili at 266
saying:

"... it will be seen that these are the monies we
receive for the sale of shares?"

And you say:

"Yes, shares or options."

So you are saying that it will be seen that the
origin of the money is the sale of either shares or
options; that is right, is it not?

A. Yes, this is right. As I said, I got confused in these
matters quite quickly and I asked them to speak to
Andrey Gorodilov, who understood the matters better.

Q. And just again to be clear, Mr Abramovich, this is the
first time in the conversation at Le Bourget that anyone
has mentioned the possibility of a sale of options;

that's right, isn't it?

- A. As far as I know, it was not. That was the original idea, the idea involving an option, and here it's mentioned the first time. So the sale of the shares is being -- has been mentioned for the first time in this way.
- Q. I think we're talking about the sale of the options being mentioned for the first time at Le Bourget at this point in the conversation.
- A. If I understand correctly, the initial transaction, ie initially, we decided to do it using an option; and later we decided to go down this road, as it was done at the end.
- Q. You see, this idea of using both the possibility of a sale of shares or options really reflects the point that you made at box 265, where you explained to Mr Patarkatsishvili that the transaction would not be by way of a simple sale contract for shares; that's right, isn't it?
- A. After all, the transaction was done in a very simple way: in one bank the money was transferred from one account into another account. Or am I answering the wrong question?
- Q. I'm not at all sure about that. Maybe if I repeat the question. I don't want to take up too much time over

this but let me repeat the question and you can see if this was the question you thought you were answering.

My question to you was that this idea of using both the possibility of a sale of shares or options really reflects the point that you made at box 265, where you explained to Mr Patarkatsishvili that the transaction would not be by way of a simple sale contract for shares.

A. I'm not quite sure how to answer this question because I'm not sure at which point the question arises here, in your question. Where is the question?

MRS JUSTICE GLOSTER: Yes, I think the question is too complicated.

MR RABINOWITZ: Let me ask it in this way. The reality is --

MRS JUSTICE GLOSTER: Just a second, Mr Rabinowitz. Asking him to answer whether it reflects an answer he has given is just too difficult, for me anyway.

MR RABINOWITZ: What is happening here is that you are proposing that a sale of an option should be the alternative transaction structure for the sale of the ORT shares. You're introducing this as an alternative structure. That is right, is it not?

A. No, this is quite the opposite. The initial idea was using the options. But since I always -- it wasn't my

strong point, these schemes. When I arrived there, thinking about all these ideas, I already forgot what the conversation was about. Therefore I asked -- I put Badri in touch directly with Andrey, Mr Gorodilov, and they discussed how it should be done.

Q. Can I ask you to look at box 325, please. It's at page 118 in the English version E6/01/118 and 116 in E7 E7/01/116.

You see, in box 325 we have Mr Patarkatsishvili -- do you have it? -- having spoken to Mr Gorodilov saying:

"We shall have a contract for an option, which we sell to a western company, and in return for that we get a minimal share of the money, and separately for the sale of the shares. Do I understand it correctly?"

Do you see he says that?

A. Not quite. I'm still looking for it. (Pause)

Yes, I've found it.

Q. So just read to yourself box 325 then, please. (Pause)

A. I have read it.

Q. So Mr Patarkatsishvili is asking a question here: he's asking you whether he has understood the proposal. Do you see that?

A. Yes.

Q. And it's clear from your commentary that this is Mr Gorodilov's proposal?

A. This is not quite the way it was. I have already explained: since I was talking how it should be done, I already forgot what I started talking about, what was the start, because it's not my strong point, these schemes. So when I start talking about the end of the plane, this is not because I had a problem with my head; it's only because I was dialling the number to connect Badri with Mr Gorodilov.

Q. Okay. Can we put away bundle E6 for the moment. I want to move on from Le Bourget.

Can I ask that you please be given bundle K2 and go to tab 12. Now, this is a copy of Mr Berezovsky's particulars of claim as they stood in June 2008. Can I ask you, please, to go to page 137 K2/12/137 so that we can look at paragraph 22, please.

The first sentence of paragraph 22 of Mr Berezovsky's claim says this:

"On 7 December 2000, Russian State authorities arrested Nikolai Glushkov... Mr Glushkov is and was at all material times a close... friend of Mr Berezovsky and Mr Patarkatsishvili."

And just so that there is no confusion about this, it's clear that the pleaded date of Mr Glushkov's arrest is 7 December. That's right, isn't it?

A. Yes, that's right.

Q. Can I then ask you to go to page 138 and look at paragraph 27, please K2/12/138. Now, the first sentence of paragraph 27 says:

"Soon after Mr Glushkov's arrest, in December 2000, Mr Abramovich met Mr Berezovsky and Mr Patarkatsishvili at Mr Berezovsky's home in Cap d'Antibes, France."

It's clear from that that the pleaded period in which Mr Berezovsky is saying the meeting took place is from 7 December, which is when Mr Glushkov got arrested, to 31 December 2000. And that's right, isn't it?

A. The question when was Mr Glushkov arrested or is the question about the time period we are discussing here?

Q. Mr Glushkov, we know from the pleading, was arrested on 7 December. Mr Berezovsky says that:

"Soon after Mr Glushkov's arrest [7 December], in December 2000, Mr Abramovich met Mr Berezovsky and Mr Patarkatsishvili... in Cap d'Antibes..."

So it's clear that what Mr Berezovsky is saying is that the meeting was somewhere between 7 and 31 December 2000. Do you agree?

MRS JUSTICE GLOSTER: Well, that's what Mr Berezovsky is saying, okay? Mr Berezovsky is pleading here that sometime between Glushkov's arrest until the end of December you met him and Mr Patarkatsishvili in Cap d'Antibes, okay? That's what he's saying; you don't

need to agree with it or not. That's what he's saying.

Okay, go on, Mr Rabinowitz.

MR RABINOWITZ: Can you go to tab 13 in the same bundle.

This is your defence which you put in in response to Mr Berezovsky's pleading. Can I ask you, please, to go to page 164 K2/13/164, where we can see what you say in response to the suggestion that Mr Glushkov was arrested on 7 December.

Look at paragraph D22. You see that it says:

"... the first sentence is admitted..."

So you're admitting there that Mr Glushkov was arrested on 7 December. Okay?

A. Yes.

Q. And then if you go to page 165 and look at paragraph D27.1, we'll see what you say in response to what Mr Berezovsky had said in paragraph 27.1. You say:

"It is admitted that, on a date prior to 25 December 2000, Mr Berezovsky told the Defendant at a meeting between them and Mr Patarkatsishvili..."

And then you go on to say what was discussed there, including about the sale of ORT.

So you are admitting here that the meeting was before 25 December 2000; that's right, isn't it?

A. Yes, that's right. It is strange if the meeting would have happened after 25 December if we've signed the

documents before that date, if we have already signed the documents. I was based on the following: I looked at the documents and the dates and at the signatures and the meeting must have clearly happened before that.

Q. What I'm going to suggest, Mr Abramovich, is that this pleading makes clear that you instructed your lawyers in June 2008, when this was produced, that the meeting did take place between 7 and 25 December. Do you understand what I'm suggesting?

A. No, I don't understand what you're suggesting. If I have heard correctly, it doesn't follow from this document. Again, what I managed to understand, it said here that the meeting was before 25 December.

Q. Mr Abramovich, if it was your case that in fact the meeting took place before Mr Glushkov's arrest, why did you not say that in your defence, rather than just saying only that it was prior to 25 December?

A. At that point in time I don't -- I didn't remember when we met. I just thought what I recalled, I looked at the documents that were shown to me. If the document was shown on 25 December, I asked: is it possible to suppose that we met after 25 December? No, not at all; it's a very illogical statement. And it's not connected in any way to Mr Glushkov's arrest.

Q. You see, the first time that you ever suggested that the

meeting that you say took place in Cap d'Antibes to discuss ORT in fact took place before Mr Glushkov's arrest was in your third witness statement, which you served at the end of May this year; that's four years after the proceedings commenced. And I suggest to you that if the position was that there had been a meeting before Mr Glushkov's arrest, you would have identified that fact a long time earlier.

A. The thing is that for me the arrest of Mr Glushkov was not a landmark. I was just based -- basing myself on the documents. I do not link the sale of ORT shares with arrest of Mr Glushkov. That is a completely made-up, trumped-up position, that one thing was linked to another, unfortunately.

Q. Now, I think you agree that you did meet with Mr Berezovsky and Mr Patarkatsishvili at Mr Berezovsky's chateau at some stage between the beginning of November 2000 and the end of December, but there is a dispute about the date. Correct?

A. I indeed agree that we did meet but the dispute is about the date and this is the problem; or rather there is no dispute.

Q. Well, there is a dispute because you say it was on 6 November and Mr Berezovsky says that it is sometime in early December. (Pause)

Okay. Now, in order to try and establish that the meeting could not have been in December, you have in fact produced a great deal of evidence, and I want to go through that evidence with you just to see if it does in fact establish what you would like it to establish, namely that there couldn't have been a meeting in December. Do you understand?

A. Yes.

Q. Can we start from this: can we take it that you do not dispute that it is perfectly possible for a person with your resources to leave Moscow mid-morning, travel to the south of France and be back again that evening?

A. No, I do not dispute this fact.

Q. I think it's your own evidence that, provided one has access to a private jet from a supplier such as Global Jet, one could get from Moscow to Nice in just over three and a half hours' flying time; that's right, isn't it?

A. That's right. If the plane is ready, indeed one can fly there for three and a half hours -- in three and a half hours.

Q. And you explain that there would be a handling time of 15 minutes at the airport and then a 15-minute journey from Nice Airport to Cap d'Antibes?

A. Well, it depends on the day. If it's the 7th or 8th,

then I think there was some sort of summit going on, so the nearest airport that would in theory be able to accept planes would be Marseilles Airport and that would take two/two and a half hours to get from there by car, or was it an hour -- it would have been an hour and 15 minutes' travel by helicopter.

- Q. By helicopter, that's right. But in any event, you could get from Moscow to Cap d'Antibes and back -- certainly if you left Moscow by mid-morning, you could be back in Moscow that evening?
- A. It would have rather been quite late. Maybe you could call that an evening.
- Q. Okay. And do you also accept that when travelling to Cap d'Antibes, there are a number of airports nearby which one could travel to and from where one could take an onward helicopter flight: Nice, Marseilles, Lyon and Cannes?
- A. Cannes is unlikely. Possibly Lyon or Marseilles.
- Q. And in the year 2000 it was not unknown for you to fly between Russia and Western Europe and back on two successive days; that's right, isn't it?
- A. I wouldn't dispute that.
- Q. All right.

Now, can I then ask you some questions about evidence which you haven't made available to the court

which might have assisted for determining your location in the period 7 to 9 December.

First, are you aware that you and indeed your team have produced no diaries or calendars at all for yourself for the period December 2000?

A. I certainly didn't keep any diaries ever.

Q. Would anyone in your team have kept a diary for you?

A. For me? Unlikely. Perhaps someone will keep their personal diary but they didn't do it for me.

Q. And in --

MRS JUSTICE GLOSTER: So who kept your business meetings?

Who kept records of when you were going to be having business meetings or meetings with people?

A. At that point in time it was either secretaries of -- or some of my assistants. Usually it would be a secretary.

MRS JUSTICE GLOSTER: So they would keep some sort of diary recording where you were going to be and what meetings you were going to?

A. I would not call it a diary. It wasn't like a book where they would write down who I'm going to meet. I was planning that myself. Everything was organised. I didn't take -- I didn't keep a diary. Usually they would pass on phone [calls] to me and the rest I kept myself.

MR RABINOWITZ: Mr Abramovich, at this time you were

obviously a busy person, you had a series of businesses with which you were involved; that's right, isn't it?

- A. Yes, one could assert that. Yes, I was a busy person.
- Q. And you were involved -- by this stage you were becoming involved with politics, with the Duma?
- A. At that point in time I was already a deputy and I was starting my gubernatorial campaign. I was taking part in an election campaign.
- Q. Indeed. So in addition to being in the Duma in Moscow, you were starting to campaign to be the governor of Chukotka.

Now, someone must have been trying to keep track of what your engagements were in this period. You say it was your secretary?

- A. The secretary had nothing to do with my locations, my relocations across Chukotka. I had two assistants in the Duma, Ponomareva and Morozova; and Chukotka, I had my own assistants; and in the Moscow office, that was mostly connected to business meetings.
- Q. Yes, but someone, your secretary or someone else, must have kept a record of your appointments; that's right, isn't it?
- A. Meetings, if they happened in my office, yes, they kept a record of those.
- Q. They wouldn't keep a record of you having to be at

a meeting in someone else's office?

- A. I think that's unlikely, although that's possible.
- Q. Wouldn't there have to be some coordination between the people who were responsible for keeping track of the various aspects of your life, that is to say the people who were dealing with your political responsibilities and the people who were dealing with your business responsibilities, so that you could be sure you didn't have a clash between engagements relevant to each?
- A. Sorry, I did not understand the question. Did they coordinate it between themselves so I would not have a double booking, two meetings in different places? Did I understand the question correctly? Perhaps -- I think I was coordinating that myself.
- Q. What, without writing anything down ever?
- A. I myself never make any notes. Usually if I write something down, I can't read it afterwards. I haven't got the most beautiful handwritings, the tidiest of handwritings.
- Q. The secretary that you currently have, Marina, is she the same secretary that you had in this period, December 2000?
- A. I think so. I think then she was an assistant and I had another two or three secretaries. They worked from 9.00 until -- 9.00 am to 1.00 in the morning. And apart from

the secretaries, there were other people that assisted me.

- Q. Now, I take it that you do not dispute that in December 2000 you had and made use of a mobile telephone?
- A. Sorry, what is the basis of that assertion, that I did not use a mobile phone?
- Q. No, the assertion is exactly the opposite: that you had and did use a mobile telephone.
- A. Surely I must have had a mobile phone but I used it very rarely. One couldn't call me on my mobile phone and all the calls were connected mostly via the office, although perhaps some of my friends were able to call me directly.
- Q. Whether they were connected via the office, you did use a mobile telephone in this period. Are you able to provide any explanation for why you haven't disclosed a single mobile phone bill for any date, including the period we're presently looking at, December 2000?
- A. Because the company that operates in Moscow doesn't keep records of mobile phone bills. We did try to find them.
- Q. But you haven't disclosed any; that's right, isn't it?
- A. This is not a question to me. We just simply couldn't find them. We tried all telephone operators. We looked everywhere, but no documents were preserved and this is

unintentional. Simply the thing is I think they keep records for four years and that's all.

- Q. Presumably you also had and used credit cards in December 2000?
- A. I had credit cards but I usually didn't use them.
- Q. Well, again, can you explain why you failed to disclose any credit card records for this period?
- A. This is only linked to the document storage period and then I used them very rarely. I could perhaps pay by credit card two or three times a year and sometimes I didn't use them at all.
- Q. So that is some of the evidence that has not been put forward before the court. What I'd like to do now is look at some of the evidence you have put before the court. Just so you are clear about this, I'm going to suggest that none of this evidence actually establishes what you say it establishes.

Now, the first category of evidence you have produced are photographs. I take it, though, that you accept that you haven't been able to produce even a single photograph of you in the period of 7 or 8 December that would put you somewhere other than in Cap d'Antibes?

- A. Indeed, from 7 to 8 December I was not photographed. That's true.

Q. So that puts the photographs to one side.

Now, you have also assembled evidence from a number of people claiming to have been with you or seen you in December 2000. A lot of this evidence relates to the period after 9 November, where it's agreed you were not in Cap d'Antibes. But I do want to look at a small part of that evidence because I will be submitting that it demonstrates that you have been willing in this case to procure evidence to support your case that simply cannot be taken at face value. Do you understand?

MRS JUSTICE GLOSTER: Do you want to start that tomorrow morning?

MR RABINOWITZ: I would very much prefer to start that tomorrow morning.

MRS JUSTICE GLOSTER: Yes, because it seems silly to start it now at 4.15.

Thank you, Mr Abramovich. That's all for today. Don't talk to anybody about your evidence or the case.

Discussion re housekeeping

MRS JUSTICE GLOSTER: I've got one or two housekeeping matters, Mr Sumption and Mr Rabinowitz.

On Wednesday, there's going to be apparently a student demonstration which may result in the closure of Fetter Lane for vehicular access. I'll let you know tomorrow what the arrangements are. We'll still be able

to get to the court and hopefully get along Breams Buildings but one may need to walk from somewhere and I'm not sure when Fetter Lane is being closed, but I'll let you know that tomorrow.

The other thing is that no courts are sitting in this building on Wednesday, 7 December, so that's going to be a non-day. We've got Mr Allen, somebody has got Mr Allen coming provisionally on that day, and Mr Bean, question mark, the day before. But you'll have to rearrange Mr Allen.

MR SUMPTION: My Lady, Mr Allen of course is my learned friend's witness but I'm sure that can be done.

MRS JUSTICE GLOSTER: Yes. He's the expert in --

MR RABINOWITZ: The valuation expert.

MRS JUSTICE GLOSTER: -- valuation. Two days is necessary to cross-examine him, is it?

MR SUMPTION: Probably a bit less.

MRS JUSTICE GLOSTER: Right. Well, anyway, I tell you that because it may impact on whether Mr Bean is called or not.

MR SUMPTION: Yes.

MRS JUSTICE GLOSTER: Right.

MR SUMPTION: I don't know whether my learned friend can give us an update on how long he expects to be cross-examining Mr Abramovich for.

MR RABINOWITZ: Well, I hope to finish as planned on Wednesday. If it runs over, it will not run over for very long into Thursday. It's very hard to predict, as your Ladyship will appreciate, because one doesn't know --

MRS JUSTICE GLOSTER: I appreciate that. It's impossible to predict in these circumstances.

Therefore whether or not we sit on Friday is another matter, is it?

MR RABINOWITZ: Indeed. I think we should just keep that under review.

MRS JUSTICE GLOSTER: Play it by ear. Very well.

Okay. 10.15 tomorrow.

(4.14 pm)

(The hearing adjourned until
Tuesday, 8 November 2011 at 10.15 am)

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