

SUAL Sues Its RusAl Partners

By [The Moscow Times](#)

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SUAL Partners is suing Oleg Deripaska's En+ Group and Glencore International, fellow shareholders in the world's biggest aluminum producer United Company RusAl, to overturn trading contracts, according to three people with knowledge of the matter.

SUAL, controlled by Viktor Vekselberg and Len Blavatnik, accused En+ and Swiss trader Glencore in a London court of breaching a 2007 shareholder agreement for pushing through new contracts without its consent, said the people, who declined to be identified because the information is not public. The case was filed April 4.

The lawsuit escalates a shareholder conflict over RusAl management's decision to hold on to 25 percent of Norilsk Nickel. Vekselberg quit as RusAl chairman last month, saying the company, where Deripaska is CEO, is facing a "deep crisis" in part because of its refusal to sell the stake and reduce debt.

"We do not expect a quick settlement," Mikhail Stiskin, a Troika Dialog analyst, said in a report Friday. The dispute won't affect RusAl's day-to-day operations, he said.

RusAl dismissed Vekselberg's charges about the company at the time and accused the businessman of failing "to perform his functions as a public-company board chairman."

Under previous contracts in 2010, Glencore handled about 45 percent of RusAl's aluminum sales, according to a RusAl report. The new contracts, whose terms haven't been disclosed, may be valued at about \$47 billion, Interfax reported late last week. Glencore, one of the world's biggest metals traders with a total 11.4 million tons of alumina and aluminum sold last year, is buying mining group Xstrata in a £22.6 billion (\$35.8 billion) friendly takeover.

SUAL, which holds about 16 percent of RusAl, opposed the trading contracts between RusAl and Glencore when they were presented to the board and approved in November. The shareholder agreement requires the consent of all partners for such deals, the people said.

SUAL's press service said such information is confidential, declining to comment. Glencore spokesman Simon Buerk also declined to comment, as did officials in RusAl and En+'s press offices. Deripaska's En+ controls 47.4 percent of RusAl and Glencore owns 8.75 percent, data compiled by Bloomberg show.

The "unacceptably low" price of RusAl shares may keep Vekselberg from selling his stake, Stiskin said.

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