

# Lebedev Accuses GE Subsidiary of Fraud

By [The Moscow Times](#)

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Alexander Lebedev has accused a General Electric subsidiary of fraud and is demanding compensation, the businessman told the weekly publication Profile.

"From 2006 to 2008, General Electric Capital Aviation Services, through its affiliated company PK Airfinance, gave us loans for the purchase of three new and seven five-year-old — nearly new — Airbus A320 aircraft for the German airline Blue Wings, in which we were shareholders," Lebedev said.

But in 2009, the German regulator stopped Blue Wings, and PK declared that the planes were being seized since they were under bond, Lebedev said, though he was certain that the planes would simply be sold at open auctions and a difference of 75 million dollars would be returned to his company. PK declared that the planes were in poor condition, however, and said they required major maintenance work. The maintenance work on each plane was estimated at 10 million dollars.

"After that, a fake auction was held, where General Electric Capital Aviation Services bought

the planes for 171.5 million dollars, although they actually cost much more. In this way, through maintenance work and a strange auction, my money was siphoned out of my wallet by GE's daughter company and put into the wallet of its niece," Lebedev said.

A London court began hearings into the case last week.

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