

Calvey Civil Case Settled for \$32M Raising Hopes of Criminal Proceedings Being Dropped

Lawyers for the detained American investor say the deal should convince Russian authorities to drop the criminal case.

October 28, 2020



U.S. investor Michael Calvey was detained in February 2019 in a case many in the business community have criticized. **Yaroslav Chingayev / TASS**

Warring parties in one of Russia's most high-profile corporate disputes of recent years have struck a \$32 million agreement to settle civil claims related to the so-called Calvey case.

U.S. investor Michael Calvey, founder of the Baring Vostok investment fund, and several of his colleagues were [arrested](#) in February 2019 on embezzlement charges relating to a dispute with businessman Artem Avetisyan's Finvision over the ownership of Vostochny Bank.

The case triggered uproar among Russia's business community and international investors, who said the case was a commercial dispute which was being dealt with in arbitration courts.

Critics said the criminal proceedings launched against Calvey were an attempt to force a better deal.

In a joint [statement](#), Vostochny Bank announced Wednesday morning it had reached an agreement with debt collection agency First Collection Bureau, which is owned by Baring Vostok, to settle the civil case in the dispute.

First Collection Bureau will pay 2.5 billion rubles (\$32 million) to Vostochny Bank, and in return the bank has pledged to drop the ongoing civil claims which were filed in relation to the criminal case.

The criminal proceedings are in the hands of Russia's Investigative Committee. Calvey's lawyer Timofey Gridnev [told](#) the RBC news site that while this settlement does not immediately mean the criminal case will be dropped, he hopes it will prompt the authorities "to reconsider their attitude toward the criminal case against Calvey and his colleagues, and decide to terminate it."

He added the deal showed corporate disputes "can be settled between parties through negotiations and not by arresting businessmen on farfetched criminal charges."

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