

City of Almaty, Kazakhstan and BTA Bank JSC, Plaintiffs, -v- Mukhtar Abyazov, Viktor Khrapunov, Ilyas Khrapunov, and Triadou SPV S.A., Defendants

Court: United States District Court for the Southern District of New York

Docket No: 1:15-CV-05345 (AJN) (KHP) (filed 9 July 2015)

Simplified timeline of hearings in the proceedings:

- 24 June 2016 – Almaty and BTA Bank successfully obtains writ of attachment of Triadou’s assets as Triadou attempts to enforce its \$10.5m judgment against the Chetrit Entities. After taking testimony from both sides the Court found that:
 - the transaction at issue bore the “badges of fraud” and
 - BTA was likely to succeed on the merits of its claims “because Triadou, Like SDG an dTelford, was ‘used to conceal the movement and investment’ of Khrapunov and Abyazov funds.”

- March 5, 2018 – BTA obtains sanctions against Ilyas Khrapunov for leaking the deposition transcript of Kenges Rakishev in violation of the Court’s Confidentiality Order. The Court found Ilyas Khrapunov to be “not credible” and noted that he “has played games with this Court in the past, and his violation of the Confidentiality Order here is simply another example of his behavior.”

- 3 July 2019 – BTA and City of Almaty obtain an Order for sanctions against Abyazov for his continued failure to comply with disclosure obligations. The Court ordered Abyazov to pay BTA and City of Almaty’s attorneys’ fees in connection with the application and found:
 - “Attorneys’ fees and costs alone, however, are insufficient sanctions for Abyazov’s conduct in this action. Additional sanctions are appropriate due to Abyazov’s willful disregard of his discovery obligations...”
 - Abyazov “is a sophisticated actor who has faced multiple litigations around the world, been found in contempt by other tribunals for failing to comply with court orders, and who has fled from legal authorities and is now currently hiding in France.

- 19 May 2020 – BTA and City of Almaty obtain an Order for sanctions against the Khrapunovs for failure to comply with discovery obligations. The Court Ordered the Khrapunovs to pay BTA and City of Almaty’s Attorneys’ fees and costs incurred in connection with their numerous motions to compel discovery and also barred the Khrapunovs from introducing any documents into evidence that have not been produced in this matter. In its Order, the Court found that:
 - The Khrapunovs “have approached discovery as a game of cat and mouse, and there is strong evidence that their non-compliance has been willfull and that they, in fact, have engaged in the spoliation of evidence.”

- o “there is no excuse for the Khrapunovs’ intentional misconduct during discovery.”
 - o An adverse inference against the Khrapunovs was appropriate “given the Khrapunovs’ utter disregard for court rules and obvious ducking of their obligations.”
- 3 September 2020 – court held that even though claims against the Khrapunovs have now been dismissed, imposition of sanctions for non-compliance with discovery, is permissible to deter further non-compliance from other parties and non-parties in this case, and parties in other cases more generally.
 - 29 March 2021 – Court denies Triadou's motion for summary judgment as to BTA's claims finding that it has demonstrated evidence “embezzled from BTA to Triadou’s investments...”
 - October 18, 2021 – Court overrules objections submitted by Ablyazov and Ilyas Khrapunov to the prior Orders sanctioning them for discovery misconduct.
 - May 4, 2022 – Court Orders Ilyas Khrapunov to pay BTA and City of Almaty \$221,285.31 in attorneys’ fees resulting from his discovery violations.
 - Court Finds Ablyazov in Contempt
 - o August 19, 2022 – Recommendation of Contempt against Ablyazov for failure to pay sanctions imposed by prior Orders;
 - o October 21, 2022 – Court finds Ablyazov in Contempt and directs a judgment entered against him for \$140,115.60 plus a \$1,000 per day fine for every day the judgment is unpaid after November 1, 2022.

Ablyazov Judgement Recognition proceeding in NY State Court

- March 3, 2022 – New York Supreme Court recognizes UK judgments against Ablyazov and enters Judgment in New York against him in the amount of \$7,100,347,862.12 with interest to accrue.