

Commercial Court grants post-judgment worldwide freezing order for US\$306 million

20/12/2017 (*Commercial*)

On 20 December 2017, Teare J granted a worldwide freezing order for US\$306 million in aid of enforcement of a judgment entered in the terms of an LCIA arbitration award.

In May 2016, an LCIA arbitral tribunal ordered a group of companies owned by the businessman Konstantin Grigorishin (the “Grigorishin Respondents”) to pay US\$306 million to a group of companies owned by the businessman Vladimir Lukyanenko (“Great Station”). The underlying dispute arose from the breakdown of a joint venture between the Grigorishin Respondents and Great Station, concerned with the manufacture of gas compressors.

Great Station made claims against the Grigorishin Respondents under an option agreement and in respect of an illicit scheme whereby the Grigorishin Respondents had covertly diverted profits away from the joint venture. The tribunal found for Great Station.

In October 2017, the Court dismissed the Grigorishin Respondents’ challenge to the award under section 68 of the Arbitration Act 1996, and gave Great Station judgment in terms of the award.

Great Station applied for a post-judgment freezing order. Teare J emphasised the importance of the English courts assisting the enforcement of a judgment which itself enforced an arbitration award made in London. He noted that the Court may more readily make a freezing orders after judgment than before because it may be easier to infer a risk of dissipation post-judgment. Where a judgment had been given and there was solid evidence of a real risk of dissipation, then there would have to be particularly strong grounds for refusing freezing order relief.

The judgment is [here](#).

Daniel Jowell QC and Richard Eschwege appeared for the Claimants, instructed by Skadden Arps Slate Meagher & Flom LLP.

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