

Press Release

Dutch Supreme Court throws out the Russian Federation's last appeal against seizure of iconic Russian vodka brands by the former Yukos shareholders

THE HAGUE, MARCH 22, 2024 – Today, the Supreme Court [dismissed the Russian Federation's last appeal](#) against the seizure of the Benelux trademarks of the iconic Russian vodka brands, Stolichnaya and Moskovskaya. This means Russia has exhausted its last possibility to prevent the former majority Yukos shareholders from putting the rights up for sale in the process of execution of their Arbitral Awards of more than \$50 billion in damages for the illegal and politically motivated expropriation of their investments in the Russian oil giant.

“This ruling of the Supreme Court paves the way for the sale of the Russian Federation’s assets in satisfaction of the arbitral awards,” says GML's CEO Tim Osborne. *“The day when the Russian Federation will finally have to pay for the expropriation of Yukos is getting nearer”.*

The Russian Federation expropriated Yukos starting in 2003. After lengthy proceedings spanning almost 10 years, an independent Arbitral Tribunal unanimously concluded in 2014 that the expropriation was illegal and politically motivated and awarded its former majority shareholders more than \$50 billion in compensation. The Hague Court of Appeal upheld the Awards in February of 2020 and declared that they were immediately enforceable. The Dutch Supreme Court affirmed the substance of that ruling in November 2021. Last month, the [Amsterdam Court of Appeal dismissed](#) Russia's last remaining challenge against the Arbitral Awards.

The seizure the Supreme Court approved today relates to eighteen Benelux trademarks -- and international trademarks to the extent they apply to the Benelux region -- held by FKP Sojuzplodoimport on behalf of the Russian Federation. These include trademarks for the iconic vodka brands Stolichnaya and Moskovskaya.

As the Russian Federation has refused, and continues to refuse, to pay the Arbitral Awards, the former Yukos majority shareholders will sell the trademarks at a public auction.

About GML

GML, through its wholly-owned subsidiaries, Yukos Universal Limited and Hulley Enterprises Limited, together with Veteran Petroleum Limited were the majority shareholders of the former Yukos Oil Company. In 2014, an independent Arbitral Tribunal in The Hague [awarded them more than \\$50 billion](#) in compensation for the illegal expropriation of their investments by the Russian Federation.

In its Final Award, the independent Arbitral Tribunal concluded that:

- *“Russian courts bent to the will of Russian executive authorities to bankrupt Yukos, assign its assets to a State-controlled company, and incarcerated a man who gave signs of becoming a political competitor”;*
- *“... [T]he State’s campaign of intimidation and harassment not only disrupted the operations of Yukos but also contributed to its demise”;*
- *“... [T]he primary objective of the Russian Federation was not to collect taxes but rather to bankrupt Yukos and appropriate its valuable assets.”*

The Russian Federation appealed the decision in the Dutch court system. In 2016, the District Court of The Hague set aside the Arbitral Awards on grounds of jurisdiction. In February 2020, the [Court of Appeal of The Hague quashed the decision](#) of the District Court, denied all other claims raised by the Russian Federation against the Awards and reinstated the Arbitral Awards.

The [Dutch Supreme Court affirmed the substance of that ruling](#) in November of 2021, referring one minor remaining issue to the Court of Appeal in Amsterdam. The [Amsterdam Court of Appeal dismissed Russia's final setting aside claim](#) on February 20th, 2024.

You can find more information on our website: www.gmllimited.com