Exhibit 1

Basi, Kaiden

From:	Patrick Mooney <trantor@ship-consult.com>
Sent:	27 April 2015 17:43
To:	Dan Sargeant
Cc:	Preston, Andrew
Subject:	Affidavit of Benjamin Patrick Ogden - partner in Inch & Co - re Sovcomflot case against Ruperti
Attachments:	Tab 2 Affidavit of Benjamin Patrick Ogden with Andy Longhurst evidence dated 17 December 2014.pdf

"Without Prejudice" - " Not for onward dissemination "

Dan/Patrick,
After our conversation on Friday - I managed to get my hands on the attached statement - pls read in particular "Par 62" onwards - this section deals with "Sources of Data" - Andy Longhurst involvement with Sovcomflot.

Extraordinary stuff !!! - initially requested a direct payment for 700 pages of evidence - (stolen material from Ruperti's offices) - then settled for an assignment of his disputed debt to Ruperti for $300,000 & appears to be on a retainer currently with Focus !!!
We have to be very careful of this guy - his interests & ours are not currently aligned !!

After I spoke to Ruperti he requested & I sent him a PDF copy of the settlement agreement signed by Dan - I will press hm on execution of this immediately.

Reverting
Best
Patrick

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THE HIGH COURT OF JUSTICE
QUEEN'S BENCH DIVISION
COMMERCIAL COURT

Claim No. 2006 Folio 1267

B E T W E E N :

NOVOSHIP (UK) LIMITED
CALLY SHIPHOLDINGS INC
VITAL SHIPPING CORPORATION
DAINFORD NAVIGATION INC
TIMASHEVSK SHIPPING INC
TAMAN SHIPPING INC
TVER SHIPPING INC
TROITSK SHIPPING INC
TAMARA SHIPHOLDINGS SA
TUSCANY MARITIME SA
TROGIR SHIPPING LIMITED
FANCY MARITIME SA
CANYON MARITIME CORP
KALUGA SHIPPING INC
KAZAN SHIPPING INC

Claimants

— and —

VLADIMIR MIKHAYLYUK
WILMER RUPERTI
SEA PIONEER SHIPPING CORPORATION
PMI TRADING INC
~~ODIN MARINE INC~~
YURI NIKITIN
AMON INTERNATIONAL INC
HENRIOT FINANCE LIMITED

Defendants

AFFIDAVIT OF
BENJAMIN PATRICK OGDEN

I, BENJAMIN PATRICK OGDEN of International House, 1 St Katharine's Way, London E1W 1AY make oath and say as follows:-

1. I am partner of the firm Ince & Co LLP of the above address. I am the solicitor with conduct of this matter on behalf of the Claimants. I am duly authorised to make this statement on their behalf.

2. I will refer to the entirety of the Claimants as "the NOUK Parties".

3. The facts set out in this statement are derived from my own knowledge or from information provided to me by others. Where the facts are within my own knowledge

I confirm that they are true. Where they are not within my knowledge I state the source of my knowledge and confirm that they are true to the best of my information and belief.

4. Exhibited hereto is a paginated bundle of documents marked "BPO1". References to page numbers herein are references to that bundle.

5. I make this statement in support of the NOUK Parties' application to:

   a. Increase the value of the world-wide freezing order made against the Second to Fourth Defendants ("the Ruperti Defendants") by Mr Justice Gross on 9 November 2009 (see pages 1 to 8 of BPO1) and continued by order of Mr Justice Burton on 12 February 2010 ("the Ruperti Freezing Order") (see pages 9 to 15 of BPO1);

   b. Impose an obligation on the Ruperti Defendants to provide full disclosure of all information and/or documentation within their control relating to all assets directly or indirectly owned by the Ruperti Defendants, including in relation to the bond portfolio managed by Avila and/or Dinosaur, as explained below, from the date such portfolio was purchased to the date the information is supplied, including details as to when the bonds were purchased, in whose name such bonds are held, the identities of the financial institutions which, by virtue of their membership of the relevant clearing system, hold the interest in the bonds on behalf of their client (i.e. the "bond custodians") and any intermediary banks, and the current value of the portfolio, in order to allow effective enforcement of the Judgment against such assets.

   c. Vary the undertaking given in Schedule B, paragraph 8 of the Ruperti Freezing Order that the applicants shall not seek an order of a similar nature, including orders conferring a charge or other security against the Respondent or the Respondents' assets.

6. The trial of the action was held in 2012 and judgment was given later that year. This application relates to certain of the NOUK Parties' enforcement of that judgment against the Ruperti Defendants.

BACKGROUND TO THE APPLICATION

The parties

7. The proceedings were brought by fifteen claimants within the Novoship group of companies and proceeded to trial against seven defendants (the claims against the Fifth Defendant having been compromised).

8. The First Claimant, Novoship (UK) Limited ("NOUK"), is a former ship management company registered in England. When these proceedings were first instigated (December 2006), NOUK carried on business as a shipping manager, principally managing vessels owned by JSC Novorossiysk Shipping Company ("NSC") and its subsidiaries. NOUK's issued share capital is held by Intrigue Shipping Inc, a Liberian registered company ("Intrigue"), and Intrigue itself is a wholly-owned subsidiary of NSC. NSC is a company incorporated in the Russian Federation and is 100% owned by PAO Sovcomflot (formerly OAO Sovcomflot). The Second to Fifteenth Claimants are single-ship owning companies for whom NOUK acted as agent. They are all wholly-owned subsidiaries of Intrigue.

9. The First Defendant, Vladimir Mikhaylyuk ('Mr Mikhaylyuk'), was at all material times employed by NOUK as its General Manager.

10. The Second Defendant, Mr Wilmer Ruperti ('Mr Ruperti'), is a Venezuelan businessman who owns, among other companies; the Third Defendant, Panamanian registered Sea Pioneer Shipping Corporation and the Fourth Defendant, Panamanian registered PMI Trading Inc. The Second to Fourth Defendants are referred to collectively as the "Ruperti Defendants".

11. The Sixth Defendant is a Russian businessman who at all material time was the owner and controller of the Seventh and Eighth Defendants, Amon International Inc and Henriot Finance Limited, both companies registered in the British Virgin Islands. The Sixth to Eighth Defendants are referred to collectively as the "Nikitin Defendants".

12. This application concerns the First to Fourth and Ninth to Tenth Claimants (herein after referred to as the "Ruperti Claimants") and the Ruperti Defendants only.

The claims

13. The claims advanced by the NOUK Parties at trial concerned the activities of Mr Mikhaylyuk during his period as a director of NOUK. It was the NOUK Parties' case

that Mr Mikhaylyuk acted dishonestly and in breach of his fiduciary duties to the NOUK Parties and he and the Ruperti Defendants and the Nikitin Defendants defrauded the NOUK Parties in several transactions. The value of the NOUK Parties' claims against all the Defendants were in excess of $170 million, plus interest.

14. The claims relevant to this application relate to those brought successfully against the Ruperti Defendants. In summary, these claims related to the unlawful conspiracy by Mr Mikhaylyuk with the Ruperti Defendants in respect of secret sub-chartering arrangements for five vessels and the payment of secret commissions and/or bribes (including to the Nikitin Defendants) in respect of such charters ("the Ruperti Charters"). In brief, the NOUK Parties chartered vessels to PMI Trading, the Ruperti controlled company, believing it to be a PDVSA entity. In fact, the Ruperti Defendants sub-chartered from PMI Trading to Sea Pioneer, which in turn sub-chartered to PDVSA, generally at a profit.

15. For the purposes of understanding the current relationship between the Ruperti Claimants and the Ruperti Defendants it is also necessary for me to explain (although not strictly relevant to this application) that the claim brought by the NOUK Parties against the Nikitin Defendants was a result of the corrupt relationship identified between Mr Mikhaylyuk and the Nikitin Defendants in respect of the Ruperti Charters, which placed Mr Mikhaylyuk in a position of conflict of interest when negotiating the charter of a further seven vessels to the Eighth Defendant ("the Henriot Finance Charters"). The NOUK Parties sought an account of the profits on the Henriot Finance Charters from the Nikitin Defendants.

The trial before Mr Justice Christopher Clarke

16. The trial of the proceedings took place between 16 May to 5 July 2012, before Mr Justice Christopher Clarke. Neither Mr Mikhaylyuk nor the Ruperti Defendants attended at trial, Mr Mikhaylyuk citing illness (although no doctor's note was provided) and the Ruperti Defendants citing insufficient funds to secure legal representation (albeit that they had been represented by counsel and solicitors until shortly before the trial) .

17. Judgment was handed down on 14 December 2012 ("the Judgment") (see pages 16 to 171 of BPO1). That was a final judgment. The claims were nearly all established. The Honourable Judge gave judgment against the Ruperti Defendants and ordered payment of $57,847,202.00 in relation to profits made on the Ruperti Charters and $1,362,750.00 in relation to an additional claim regarding the loss of open market hire suffered by the Ruperti Claimants in respect of one of the five Ruperti Charter

vessels as set out in the Order of 14 December 2012 sealed on 21 December 2012 (see pages 172 to 182 of BPO1), bringing the total principal judgment to $59,209,952.00.

18. In addition to the sums identified above, an Order dated 18 January 2013, sealed on 31 January 2013, records the sums payable in respect of pre judgment interest (as well as the rate for judgment rate interest which accrued from 14 December 2012 on the sums ordered to be paid) (see pages 183 to 187 of BPO1). The pre judgment interest due from the Ruperti Defendants to 14 December 2012 was US$27,840,254.81 (see pages 184 to 185 of BPO1).

19. Judgment was also given against the remaining defendants as follows:

    a. As against Mr Mikhaylyuk: the principal sum of $59,234,440.55, and £202,715.00, plus pre and post judgment interest. (Much of this sum represents the same loss which is the subject of the Ruperti Judgment and the Ruperti Claimants have always acknowledged they cannot recover the same sums twice); and

    b. As against the Nikitin Defendants: the principal sum of US$108,087,428.00, plus pre and post judgment interest.

20. In the judgment against the Ruperti Defendants, Christopher Clarke J found that the Ruperti Defendants not only acted dishonestly over a period of time and bribed Mr Mikhaylyuk to breach his contractual duties owed to NOUK and his fiduciary duties owed to all of the NOUK Parties, but that he also produced false documentation in an attempt to legitimise the charter party chain (see Para 151 of the Judgment at pages 59 of BPO1).

21. The explanation for the bribe payments put forward by Mr Ruperti at the trial was that the payments had nothing to do with the Ruperti charters or the NOUK parties' business and that they were made to reward Mr Mikhaylyuk and Mr Nikitin for efforts and/or introductions which were made to facilitate Mr Ruperti doing business with Russian oil traders or producers. Mr Nikitin and Mr Mikhaylyuk gave, in their pleadings and witness statements, similar, although not entirely consistent, accounts.

22. By reference to the contemporaneous documents and the inherent probabilities, the Judge rejected all these accounts as untruthful (see paras 308ff of the Judgment at pages 96 of BPO1) and concluded that Mr Ruperti, Mr Mikhaylyuk and Mr Nikitin had put them forward in order to cover up the real dishonest character of the payments

to Amon International (the Sixth Defendant): (see para 357 of the Judgment at pages 108 of BPO1).

Appeals

23. No application for leave to appeal was made by the Ruperti Defendants and, accordingly, the judgment is now final and unappealable. Mr Ruperti did, however, agree to act as a witness of fact for the NOUK parties in respect of an application to introduce new evidence at the Nikitin Defendants' appeal. For this reason I set out below a short summary of the Nikitin Defendants' appeal.

24. At the 14 December 2012 hearing Christopher Clarke J granted permission to the Nikitin Defendants to appeal his findings on certain legal grounds. Further permission to appeal on the basis of his factual findings was refused by the trial judge, but leave was subsequently obtained from the Court of Appeal. The hearing of the Nikitin Defendants' appeal was held over six days between the 9 and 17 June 2014 before the Right Hon. Lord Justices Moore-Bick, Longmore and Lewison. The NOUK Parties made an application to adduce fresh evidence from Mr Ruperti in the Nikitin Defendant's appeal, although the application was withdrawn when the Court indicated it might lead to a retrial. Judgment was handed down on 4 July 2014, in which it was held that Christopher Clarke J's judgment in relation to all factual matters was to be upheld. However, the Court of Appeal concluded that the Nikitin Defendants' profits were not caused by the dishonest assistance in relation to the charter and that the profits need not be disgorged. The Court also held that as an account is a discretionary remedy it could be refused where the Court considers it disproportionate. The NOUK Parties' application for permission to appeal the Court of Appeal's decision in relation to causation and proportionality to the Supreme Court was refused on 10 November 2014. The NOUK Parties now face a claim for damages in relation to security provided by the Nikitin Defendants.

25. Mr Mikhaylyuk, despite not participating in the trial, sought leave to appeal the Judgment, but this was refused. He did not renew his application for permission to appeal to the Court of Appeal.

26. For completeness it is appropriate to add that the Court of Appeal also granted permission to appeal two further matters arising from the trial. Neither of these appeals related to the substance of the claims against the Ruperti Defendants nor have any bearing on the current application.

EXISTING FREEZING ORDER AGAINST THE RUPERTI DEFENDANTS

27. The Ruperti Freezing Order was granted in November 2009 and continued in February 2010 in respect of the NOUK Parties' claims against the Ruperti Defendants.

28. The Ruperti Freezing Order was sought by the Ruperti Claimants to replace a "Rule B" attachment in the USA. (At the date the Ruperti Freezing Order was obtained, the Tenth Claimant, being one of "the Ruperti Claimants", was not yet party to the proceedings as this party's claims were only identified after disclosure was given in 2011).

29. The Rule B attachment was obtained from the Southern District of New York on 7 November 2007 ("the New York Attachment"). The New York Attachment was for funds totalling US$17,149,420.00 which represented the value of the Ruperti Claimants' claims against the Ruperti Defendants which were known at the time, calculated in respect of the profits made by Sea Pioneer on the last year of the charters of the vessels then known to be the subject of the fraudulent sub-chartering chain referred to in paragraph 14 above, plus a provision for interest and costs.

30. A Rule B attachment was also obtained in the Southern District of Florida on 14 December 2007 ("the Florida Attachment") again for the purpose of obtaining security for the Claimants' claims.

31. The sums actually attached as a result of the Rule B Attachments were as follows:

    a. New York US$4,244,009.35

    b. Florida US$364,800.00

32. In light of uncertainty of the future of the Rule B attachment in New York due to legal developments in 2009, the Ruperti Claimants applied for an order from the English Court that:

    a. Those funds attached in New York be transferred to England; and

    b. A world-wide freezing order be granted to cover such funds once they arrived in England, along with other identified assets up to the value of the claims then known against the Ruperti Defendants.

33. The Ruperti Defendants were notified of the Ruperti Claimants' intention to make such an application on an urgent basis in the event that the equivalent provisions of the draft order could not be agreed by consent. The Ruperti Defendants confirmed they would not consent and the application for such an order was contested. The Ruperti Freezing Order was subsequently granted against the Ruperti Defendants by Mr Justice Gross on 9 November 2009 and continued by order of Mr Justice Burton on 12 February 2010. The sums attached in New York were transferred to England and held by the Ruperti Defendants' solicitors, Holman Fenwick Willan.

34. In granting the continuation of the freezing order, Mr Justice Burton found that there was a clear case for a freezing order to be granted against the Ruperti Defendants as not only was there evidence which showed that there were assets which might be dissipated with ease, but the Ruperti Defendants might well take steps to dissipate the assets. Burton J cited evidence before him of attempts previously made by the Ruperti Defendants to circumvent the New York Attachment (see paragraph 10 of the Burton Judgment at pages 188 to 202 of BPO1).

Quantum of the Ruperti freezing order

35. The Ruperti Freezing Order currently prohibits the removal of assets located in England and Wales up to the value of US$17,150,000 or the disposal, dealing or diminishing of any assets whether inside or outside England and Wales up to the same value.

36. The Ruperti Claimants only sought a freezing order in respect of this sum, which was equivalent to the profit made by Sea Pioneer over one year of the charters of the vessels then known to be subject to the fraudulent sub-chartering chain referred to in paragraph 14. The value of the freezing order was known to be conservative, not least as the Ruperti Charters were for between three to five years in length. At the time of applying for the Ruperti Freezing Order, the Ruperti Claimants were unable to quantify with any certainty the quantum of their claims which was dependant on the difference between the charter rates agreed by the Ruperti Claimants, and the sub charter rates ultimately agreed by PDVSA, information known to the Ruperti Defendants, not the Ruperti Claimants. The Ruperti Claimants sought not to overstate their claims against the Ruperti Defendants when applying for the New York and Florida Attachment and the Ruperti Freezing Order.

37. The Ruperti Claimants had, as of the date they applied for a freezing order, already made several attempts to clarify the Ruperti Defendants' rates on the sub charters (both paid by PDVSA to Sea Pioneer and also by Sea Pioneer to PMI Trading) in

order to quantify the claim. On 15 December 2008 my firm served a Part 18 Request for Further Information. The response was that the logical and efficient approach would be for the Ruperti Defendants to prepare and serve an amended defence taking the opportunity to add details to their case in that pleading.

38. Subsequently the Ruperti Claimants made numerous written requests for disclosure of the sub-charters and sub-sub-charters referred to in the Ruperti Defendants' Defence pursuant to CPR 31.14 (which provides for the right to inspect a document mentioned in a statement of case). The Ruperti Defendants refused to provide the documents requested, stating that their disclosable documents would be disclosed in the usual way.

39. Copies of the Ruperti Charters were not disclosed until March 2010, following an order of Mr Justice Tomlinson that such disclosure be made. That was after the continuation of the Ruperti Freezing Order. Standard disclosure was then given, in part, in January 2011 when copies of the charter invoices were provided.

40. Following a failure by the Ruperti Defendants to plead a fully particularised case as to quantum, the quantum calculation conducted by the Ruperti Claimants and annexed to the Particulars of Claim (in the sum of $55,679,346.35) was deemed proved as against the Ruperti Defendants in April 2012 by order of Mr Justice Teare dated 30 March 2012, sealed on 3 April 2012 (see pages 203 to 205 of BPO1). In fact, the relevant calculations were still proved at trial as they still needed to be established against Mr Mikhaylyuk.

Ruperti Defendants' disclosure under the Ruperti Freezing Order

41. The Ruperti Defendants were required, within 72 hours of service of the freezing order to inform my firm (to the best of their abilities) of all of their assets worldwide exceeding $10,000. In purported compliance, the Ruperti Defendants' solicitors provided a list of assets on 12 November 2009 (see pages 206 to 207 of BPO1). The Ruperti Claimants considered the list provided to be inadequate and wrote accordingly to the Ruperti Defendants. Six working days after service of the Freezing Order, on 17 November 2009, the Respondents served their affidavit in respect of their assets (see pages 208 to 218 of BPO1). This exhibited an amended list of assets. Further asset schedules were served on 9 December 2009 (see pages 219 to 223 of BPO1) and 4 February 2010 (see pages 224 to 232 of BPO1). Following further orders of the Court, two further asset schedules were served by the Ruperti Defendants on 25 November 2011 (see pages 233 to 236 of BPO1) and 5 April 2012 (see pages 237 to 241 of BPO1). Although the asset schedules

suggested the Ruperti Defendants had a variety of assets, the Ruperti Claimants appreciated that the majority were outside the jurisdiction and held in jurisdictions or in ways which would make attachment or enforcement difficult. In particular, the majority of the assets disclosed by the Ruperti Defendants pursuant to the Ruperti Freezing Order appear to be held in Venezuela and Panama. I understand that enforcement of judgements in Venezuela is difficult. Furthermore, I understand that because of the unstable political situation in that country Judges are regularly replaced on political grounds and Courts sometimes close for indefinite periods for no reason. As such, legal proceedings can be subject to political interference and given the high profile of Mr Ruperti in Venezuela it is difficult to say what impact this may have on any enforcement proceedings. I understand that enforcement in Panama is similarly difficult.

42. In or about August 2011 the Ruperti Defendants began to assert that they were suffering financial difficulties to such an extent that they were unable to afford legal representation to attend interlocutory hearings and, ultimately, to be represented at trial. On several occasions, letters were sent by the Ruperti Defendants' lawyers, Holman Fenwick Willan, to the Court citing the Ruperti Defendants' financial difficulties as the reason for not attending scheduled court hearings (pages 242 to 246 of BPO1), although they did not come off the record.

43. The Ruperti Claimants considered, in light of the asset schedules provided by the Ruperti Defendants and the letters written by their lawyers to both my firm and the Court, that no assets of any value, other than those already caught under the Ruperti Freezing Order were present in the jurisdiction.

44. In the circumstances, no steps were taken to increase the amount of the Ruperti Freezing Order.

STEPS TAKEN TO ENFORCE THE JUDGMENT

45. Subsequent to delivery of the Judgment in December 2012 the Ruperti Claimants took steps to enforce the Judgment against the Ruperti Defendants. The Ruperti Claimants' efforts to enforce the sums payable by the Ruperti Defendants has to date realised $5,119,733.65 recovery against the (significant) judgment debt – less than 6% of what is due. The recoveries have been received from the:

    a. Release of funds held by Holman Fenwick Willan in the sum of US$4,285,294.55 (the value of the New York Attachment);

b. Release of Rule B Attachments in Miami, Florida in the sum of US$364,800.69; and

c. Proceeds from the sale of the Brangbourne Road property owned by Mr Ruperti (referred to in the Ruperti Freezing Order) in the sum of £283,334.40.

46. In addition, in 2011 the Ruperti Claimants obtained summary judgment in related proceedings brought in Nevis against Pulley Shipping Inc, a company owned and/or controlled by Mr Mikhaylyuk. Pulley received bribes from Mr Ruperti in respect of the Ruperti Charters. This judgment was in respect of the charter for the Moscow Kremlin, being one of the vessels which was the subject of the Ruperti Charter claim for the period 11 April 2006 to 23 April 2007 in the sum of $2,676,700.00 together with interest of $614,274.49 (see pages 247 to 249 of BPO1). The Ruperti Claimants have received the sum of $2,787,849.50 in satisfaction of this judgment. In circumstances where these damages were recoverable from both Mr Mikhaylyuk and the Ruperti Defendants credit has been given and the outstanding judgment debt as against the Ruperti Defendants is decreased accordingly. The total that can be said to have been recovered in respect of the claims against the Ruperti Defendants is therefore $7,907,583.15. Despite this, a substantial indebtedness still remains.

47. The Ruperti Claimants therefore initiated further steps with a view to enforcing the Judgment against Mr Ruperti and the other Ruperti Defendants, including taking steps to have the Judgment recognised in Florida. The Ruperti Claimants instructed Messrs Reed Smith in relation to the planned enforcement steps against Mr Ruperti. In turn the global investigation firm Guidepost Solutions Inc ("Guidepost") were instructed to search for any assets the Ruperti Defendants might own in addition to those disclosed via his asset schedules. Notwithstanding the difficulties in enforcing against assets located in Venezuela, as set out in paragraph 41 above, Guidepost did make preliminary enquiries with a view to then enforcing against the assets known of in Venezuela. The Ruperti Claimants ultimately concluded that there was little to no merit in taking any such steps and so no enforcement action was carried out in that jurisdiction. My knowledge of the enforcement activities against the Ruperti Defendants derives principally from Mr Stephen Kirkpatrick of Reed Smith.

SETTLEMENT AGREEMENT WITH THE RUPERTI DEFENDANTS

48. The attempt to effect recovery from Mr Ruperti resulted in dialogue between the Ruperti Claimants and their advisors and Mr Ruperti and his legal advisors, namely Mr Ruperti's Miami lawyer, Mr Mendia. An initial meeting between Mr Ruperti and

Guidepost took place in February 2013, at which the parties sought to enter into amicable discussions regarding the settlement of the outstanding judgment debt.

49. Following several without prejudice meetings between Mr Ruperti and his legal advisors and the Ruperti Claimants, Reed Smith and Guidepost, (in respect of which privilege is not waived) the parties entered into a settlement agreement on 26 September 2013, a copy of which is attached at pages 250 to 263 of BPO1 ("the Settlement Agreement") upon, inter alia, the following terms:

    a. The Ruperti Defendants were to make staged payments to the Ruperti Claimants totalling $40 million over the period November 2013 to 31 December 2015. If the payments were made, this would then amount to a full and final discharge of all sums owed;

    b. The Ruperti Defendants were to co-operate with the Ruperti Claimants regarding the provision of information and documentation relating to the Ruperti Defendants' dealings with the NOUK Parties, including providing oral testimony at the Nikitin Defendants' appeal, should it be necessary. Pursuant to Clause 6 of the Settlement Agreement, the Ruperti Claimants agreed not to use the documentation against the "Released Parties", meaning the paying Ruperti Defendants;

    c. The Ruperti Claimants agreed a stay of enforcement whereby they would take no further action or proceedings of any nature whatsoever in any jurisdiction to execute or enforce the judgment against the Ruperti Defendants, provided there was compliance with the payment obligations.

50. The Ruperti Defendants have failed to meet any of their payment obligations under the Settlement Agreement. A total of US$15 million should have been paid by the Ruperti Defendants to the NOUK Parties (US$2 million on 20 November 2013, US$8 million on 20 December 2013 and US$5 million on 1 July 2014). Mr Kirkpatrick has confirmed to me that no payments have been made at all in relation to any of the instalments.

51. The Ruperti Defendants have, however, provided the co-operation that was promised as part of the settlement. The Ruperti Defendants provided two witness statements for the appeals. The Ruperti Defendants also provided a substantial number of documents to the Ruperti Claimants. My firm received these documents. Many of these documents had already been disclosed in the proceedings before the lower court or were not relevant to the appeals. I interviewed Mr Ruperti on 23

October 2013 and 23 January 2014 and prepared his witness statements, with assistance from Joanna Brown, an assistant at my firm. In addition, also in accordance with the Settlement Agreement, Mr Ruperti was available at the Court of Appeal hearing of the Nikitin Defendants' appeal. He was prepared to give oral evidence in the appeal, but his evidence was not adduced as the NOUK Parties' application to have his new evidence admitted in the appeal was withdrawn.

The stay pursuant to the settlement

52. In accordance with paragraph 5 of the Settlement Agreement (see pages 253 to 254 of BPO1), the Ruperti Claimants were to take no further actions or proceedings of any nature in any jurisdiction to execute or enforce the judgment against the Ruperti Defendants, provided that the Ruperti Defendants complied with their payment obligations. Paragraph 5 of the Settlement Agreement says:

> "Upon execution of this agreement...the Novoship Companies will take no further actions or proceedings of any nature whatsoever in any jurisdiction to execute or enforce any judgment or order issued in the London Proceedings against any of the Released Parties and agree to refrain from acting against any of the Released Parties, provided Ruperti and the Ruperti Entities comply with the Ruperti Payment Obligation".

53. A stay of all enforcement and execution proceedings, save for those expressly excluded (namely, the order for sale proceedings in respect of the property referred to in paragraph 46(c) above) and for the purpose of enforcing the terms of the settlement agreement, was subsequently ordered by the Court on 2 October 2013 by Mr Justice Eder, which Order was sealed on 4 November 2013 (see pages 264 to 265 of BPO).

54. However, in light of the continued and complete failure by the Ruperti Defendants to meet their payment obligations under the Settlement Agreement, the Ruperti Claimants consider the Ruperti Defendants have failed to comply with all the financial aspects of and have breached the Settlement Agreement. Paragraph 3 of the Settlement Agreement sets out the effect of non-performance as follows:

> "Should Ruperti ... fail to pay any amount in full when due under the Ruperti Payment Obligation, the Novoship Companies shall be released from their obligations under paragraph 5 below (stay of proceedings) ..."

55. Accordingly, the Ruperti Claimants are entitled to enforce the judgment without more. For the avoidance of doubt, having lifted the stay, the Ruperti Claimants will now enforce up to the full value of the judgment against the Ruperti Defendants.

56. In the event, contrary to my construction of paragraphs 3 and 5, the Court considers that a further order is required to lift the stay, the Ruperti Claimants request that such an order be made.

57. For completeness, I should confirm that the Ruperti Claimants have not waived their rights under the Settlement Agreement. I am advised by Mr Kirkpatrick that they have exercised forbearance in relation to the Ruperti Defendants' non-payment and although there have been further 'without prejudice' correspondence/discussions with the Ruperti Defendants and their legal advisers in relation to the Settlement Agreement the Ruperti Claimants have not agreed any variations to the agreed obligations.

INCREASING THE FREEZING ORDER

58. In light of the Ruperti Defendants' ongoing breach of the Settlement Agreement and the undisclosed additional assets the Ruperti Claimants believe exist (see below), the Ruperti Claimants consider it is now appropriate to apply to increase the Ruperti Freezing Order to the value of the judgment debt outstanding and to seek further disclosure from the Ruperti Defendants as to the full extent of their assets given the limitations in their asset disclosure provided to date.

59. Details of the assets which the Ruperti Claimants now believe the Ruperti Defendants to own (whether directly or indirectly) which have not previously been disclosed are set out below, as are the factors which give rise to the Ruperti Claimants' belief that there is a real risk of those assets being dissipated if an increased freezing order is not obtained. As there is a judgment against the Ruperti Defendants, the requirement for a good arguable case is plainly satisfied.

New asset searches

60. In light of the Ruperti Defendants' failure to meet their first payment obligation in November 2013, the Ruperti Claimants, through Intrigue, instructed Focus Limited, a corporate intelligence and forensic investigations firm, to investigate the Ruperti Defendants' assets. Focus' preliminary investigations identified additional assets to those disclosed by the Ruperti Defendants. Accordingly, in February 2014, after further non-payment by the Ruperti Defendants, Focus were instructed by the Ruperti Claimants to continue to research the asset position of the Ruperti

Defendants. Focus have subsequently located additional assets which are the subject of this application

61. I should make clear that at the same time as Focus undertook investigations, Guidepost have continued a dialogue with Mr Ruperti in order to encourage compliance with the Settlement Agreement. Such dialogue with Guidepost has consisted, in essence, in chasing the Ruperti Defendants for payment, either directly through Mr Ruperti or through his lawyer Mr Mendia. In the course of these discussions I am informed by Mr Kirkpatrick that the Ruperti Defendants have proposed or suggested alternative forms of payment, including the variation of the payment dates, payment of the settlement sum in Venezuelan Bolivars and the possibility of a reduced settlement sum in exchange for expedited payment. Mr Ruperti has also indicated that he may face difficulties in meeting the payment obligations under the settlement agreement. However, as indicated above, at no time have the Ruperti Claimants agreed a variation of the Settlement Agreement. Guidepost also liaised with Mr Ruperti in relation to providing evidence at the Nikitin Appeal.

Sources of the Focus Information – Discussions with Mr Longhurst

62. I am advised by Mr Hall, a non-practicing solicitor who is a director of Focus, that the basis of Focus' asset investigations are the public records available in the various jurisdictions in which the Ruperti Defendants are known to operate. Additionally Focus contact potential sources who may be willing to share information which may be relevant or lead to trains of enquiry. These sources may be former or current employees, business contacts or personal friends. Sources are identified through a variety of means, including web based searches on sites such as "LinkedIn", Google and other social networking and recruitment sites. Such enquiries have identified several assets located both inside and outside the jurisdiction (see below).

63. One of the sources identified by Focus was Mr Andrew Longhurst, who is resident in Texas. Information from Mr Longhurst is the basis for much of this application and it is therefore appropriate that I set out in detail the manner in which the information has been obtained.

64. Mr Longhurst was located following a search on LinkedIn for Maroil Trading Inc, a company owned by Mr Ruperti and based in Caracas, Venezuela. A link to Mr Longhurst's profile appears as he was previously employed by Maroil. The details of Mr Longhurst's new employment were contained on his LinkedIn profile and Mr Hall contacted Mr Longhurst via the switchboard of his new employer on the evening of

Monday 4 August 2014. Mr Hall explained he was a London based consultant and wished to speak to him about a Venezuelan matter. Mr Hall is the source of my information concerning Mr Longhurst and the Longhurst documentation.

65. Mr Hall and a colleague subsequently met with Mr Longhurst in Plano, Texas on Monday 11 August, when he explained to Mr Longhurst who Focus were, who the Ruperti Claimants were and asked whether he would be interested in sharing any information he had regarding Maroil or Mr Ruperti. I am advised by Mr Hall that it became evident during the meeting that Mr Longhurst did not think favourably of Mr Ruperti due to the fact that, he says, he is owed a significant amount of outstanding salary from his time with Maroil. Mr Longhurst also told Mr Hall at this meeting that he had in his possession information pertinent to Mr Ruperti's asset position, but he wished to consider overnight whether to assist Focus further.

66. Mr Hall and his colleague met Mr Longhurst again in Plano the next day, Tuesday 12 August. At this time Mr Longhurst said he was in theory willing to assist the Ruperti Claimants, but first he wanted some assurances about the logistics of any help he would provide and to discuss with his wife whether he should get involved. At this meeting Mr Longhurst advised that he had copies of various Swiss bank statements and evidence of Mr Ruperti's "non-Venezuelan investments". No further details were provided but I understand from Mr Hall that by this stage his discussions with Mr Longhurst were distinguishing between 'general' information about Mr Ruperti and Maroil, and more specific asset information, which Mr Longhurst understood was of particular interest to the Ruperti Claimants. He wanted to consider how to deal with the asset information.

67. Mr Hall next met Mr Longhurst on Thursday 28 August, again in Plano, Texas. There had been some email communication between the two meetings, but I am informed these were not substantive and mainly related to arranging the meeting save for one email in which Mr Longhurst gave some outline details about financial statements he held and the headline figures for the value of the assets known about. At this meeting Mr Longhurst confirmed he was willing to provide all the documentation he had in his possession relating to Mr Ruperti and his companies to Focus, but only if he was remunerated for his co-operation. However, Mr Longhurst was advised by Mr Hall that he could not "pay for evidence" from Mr Longhurst, but that he would discuss the matter with his principals to see whether any form of agreement could be reached.

68. An "in principle" agreement was reached with Mr Longhurst the next day, 29 August, under which he agreed to provide Focus with copies of those documents in his possession that related to Mr Ruperti.

69. The key elements of the proposed agreement are summarised in an email of 29 August sent to Mr Longhurst by Nick Fairfax, a director of SCF UK Ltd who has participated in all dealings with Mr Ruperti and the Ruperti Claimants, (see pages 266 to 267 of BPO1) and are as follows:

a. In exchange for information in Mr Longhurst's possession relating to the historical activities and financial standing of Wilmer Ruperti and his companies, the Ruperti Claimants would agree to 'ring fence' monies owed to Mr Longhurst by Maroil and by Mr Ruperti in the eventuality that the Ruperti Claimants' net recovery from the Ruperti Defendants were successful due to the information provided by Mr Longhurst;

b. The amount owed to Mr Longhurst by Maroil and by Mr Ruperti would be paid by the Ruperti Claimants in full out of a successful enforcement against the Ruperti Defendants' assets on the basis of information provided by Mr Longhurst;

c. The Ruperti Claimants and Mr Longhurst would work together to ensure that the information provided by Mr Longhurst could be used in a legally adducible manner, whether through conducting a formal deposition and witness statement in the US or elsewhere; and

d. If the Ruperti Claimants made a recovery from the Ruperti Defendants without recourse to the information provided by Mr Longhurst, the Ruperti Claimants undertook to return all information provided by Mr Longhurst to him.

70. Following the email, Mr Hall met with Mr Longhurst on 29 August, at which point Mr Longhurst still remained reluctant to provide the documentation. I am informed Mr Longhurst was concerned the Ruperti Claimants might not honour the terms of the co-operation agreement. However, Mr Hall spoke to Mr Longhurst again that evening and he confirmed he was willing to co-operate.

71. Mr Hall subsequently visited Mr Longhurst's home on 30 August when he provided Mr Hall with 5Gb of electronic data on a hard disk and nearly 700 hard copy pages of bank documentation. This was material which Mr Longhurst had received in the course of his employment by Mr Ruperti and Maroil and which he had retained after

his employment had terminated and which had not been returned to Maroil/Mr Ruperti. The material is explained below.

72. The "in principle" agreement was always subject to final legal and Board approval. In fact the "in principle" agreement has not been concluded. Although an agreement reflecting Nick Fairfax's email was prepared and a copy was signed by Mr Longhurst (see pages 268 to 275 of BPO1), the Ruperti Claimants have subsequently agreed instead to buy for $300,000, Mr Longhurst's salary claim against Maroil and Mr Ruperti by way of an assignment and that agreement was concluded on 5 December 2014 ("the Assignment") (see pages 276 to 292 of BPO1).

73. I should add that I have been informed by Mr Kirkpatrick that the Ruperti Claimants' US legal advisors had raised concerns over whether any testimony (and potentially the disclosed documents) obtained from Mr Longhurst could be used in any actions in the US if the "ring fencing" proposal set out in Nick Fairfax's agreement had been adopted; apparently there may have been an issue with US legal ethics rules. However, I understand from Mr Kirkpatrick that these concerns have been addressed in circumstances where Mr Longhurst has assigned his claim against Maroil / Mr Ruperti to the Ruperti Claimants and that the Assignment ameliorates the concerns.

74. The circumstances in which the documents were obtained from Mr Longhurst, from an English law perspective, have also been considered by the Ruperti Claimants and Reed Smith. My firm has also considered issues which may arise in relation to the Longhurst documentation. That consideration has focussed on whether a) Mr Longhurst himself had obtained the documents through legitimate means (which it is concluded he had as he says they were provided to him during his course of employment) and b) any difficulties which might arise regarding the Computer Misuse Act 1990 (namely from the unauthorised access of computerised information) or the Data Protection Act 1998. These points have been assessed from an English law perspective, although Mr Longhurst is resident in Texas and his contract with Maroil and Mr Ruperti was likely subject to the law of a US State. The Ruperti Claimants have concluded that there is no issue in relation to the Computer Misuse Act or the Data Protection Act.

75. It is also clear that the documents were provided to Mr Longhurst in the course of his employment and accordingly were the property of Maroil or Mr Ruperti and not Mr Longhurst. The Ruperti Claimants therefore recognise and make clear to the Court as part of their obligation to give full and frank disclosure that it may be said that the information obtained from Mr Longhurst may be considered information confidential to Maroil or Mr Ruperti. As a matter of English law it may be considered

that he was in breach of contract in providing it to Focus. However, the Ruperti Claimants have been advised by their lawyers in Florida that this may not be the case in Texas unless the material concerns trade secrets, absent express agreement. I have been informed by Mr Kirkpatrick that Mr Longhurst has stated that he had no such express agreement with Maroil or Mr Ruperti. Prior to receipt of the documentation, the only information Focus had regarding the content of the document was the brief descriptions provided by Mr Longhurst, namely that they contained Swiss bank statements and evidence of Mr Ruperti's "non-Venezuelan investments".

76. It is important to note though that the documentation itself is still relevant and should be viewed in the context that there is a very large outstanding judgment debt owing from the Ruperti Defendants which the Ruperti Claimants are seeking to enforce and that the documentation provided by Mr Longhurst was provided at a time when he himself was seeking recovery from Maroil and Mr Ruperti of a significant amount of unpaid salary.

77. Finally, I should also add, in relation to the source and obtaining of the information, that I am informed by Mr Hall that Focus have a consultancy arrangement with Mr Longhurst in relation to other shipping matters. That is an "arms-length" third party business arrangement between Focus and Mr Longhurst which commenced in August 2014, after Mr Hall met Mr Longhurst in connection with Mr Ruperti for the Ruperti Claimants. Mr Hall has confirmed to me though that this arrangement does not concern the NOUK Claimants or any related parties (and relates to different clients) and is entirely distinct from the assistance Mr Longhurst has provided to the Ruperti Claimants. Mr Longhurst is remunerated for his consultancy services directly by Focus.

The Longhurst documentation

78. Having explained in detail the circumstances in which information and documentation was received from Mr Longhurst, I will now turn to the content and effect of the information. As explained already Mr Longhurst has provided much of the information relevant to this application to increase the Ruperti Freezing Order.

79. During Mr Hall's meetings with Mr Longhurst, Mr Longhurst explained he had been employed by Maroil as its Chief Financial Officer and that he had worked entirely from home during his period of employment, save where he was required to travel for business purposes, predominately to Miami or Europe; he infrequently visited Maroil's offices in Caracas. Mr Longhurst used a Maroil email address, but had no

access to the company's electronic servers during his employment. In the event Mr Longhurst was required to work on any Maroil documents, these were emailed to him on an ad hoc basis and he dealt with them on his own computer. Mr Longhurst's access to his Maroil email address ceased in early 2014.

80. Mr Longhurst informed Mr Hall that he ceased to be employed by Maroil and Mr Ruperti in late 2012 and prior to that, he had not received any remuneration for his work since early 2012. The Ruperti Claimants understand the amount owed to Mr Longhurst by Maroil and Mr Ruperti consists of unpaid salary totalling approximately US$520,000, which sum is documented in the Assignment.

81. As set out above, during one meeting, Mr Longhurst advised that he had both electronic and hard copy documentation obtained during his period of employment with Maroil and Mr Ruperti which demonstrated that Mr Ruperti held substantial assets. Mr Longhurst advised Mr Hall that he had contacted Mr Ruperti to arrange the return of all documents in his possession following his employment and to chase for his outstanding salary but neither issue had been resolved.

82. Although Mr Longhurst was in receipt of much documentation (electronic and hard copy) during his period of employment with Maroil and Mr Ruperti, this was not all retained. He had destroyed some papers when he moved from Houston to Plano, Texas. Conscious of his outstanding claim for unpaid remuneration, Mr Longhurst only retained those hard copy documents which he considered might assist him in securing his unpaid salary. This, along with certain electronic correspondence retained on his computer, is the documentation he provided to Focus. That documentation falls into two categories:

    a. An electronic download of all emails stored on Mr Longhurst's hard drive that were sent and received in connection with Maroil and Mr Ruperti's business during his period of employment. These documents were downloaded by Mr Longhurst onto a hard drive provided to Mr Longhurst by Focus whilst they were present at his home on 30 August 2014. Mr Longhurst had not deleted any of the data; and

    b. Hard copy bank statements for accounts held at Credit Suisse for the following companies: Maroil, Sea Pioneer, Lap Shipping, De Valle Tug Services Inc and Big Shipping Company. These bank statements covered a variety of different time periods, ranging from 2003 to 2011. Such statements had been provided to him directly from Credit Suisse at Mr Ruperti's request as he wanted Mr Longhurst to review the statements to

see whether any unusual transactions had occurred over a period of time. Maroil and Sea Pioneer are known to be owned and/or controlled by Mr Ruperti. In light of the fact that Mr Ruperti had authority to release the bank statements for all five companies to Mr Longhurst, it is reasonable for the Ruperti Claimants to assume that Lap Shipping, Del Valle Tug Services Inc and Big Shipping Company are also companies within Mr Ruperti's ownership and control.

83. The most significant of the documents for the purpose of the current application are certain documents retrieved from the hard drive. These are a series of statements of account headed on Dinosaur GmbH ("Dinosaur") paper and previously headed on Avila Asset Management GmbH ("Avila") paper in relation to a bond portfolio.

84. This bond portfolio is believed to be either directly or indirectly owned by Mr Ruperti. These statements of account cover the period October 2009 to May 2011 and show a portfolio with a fluctuating value of between US$100 million and US$81.8 million ("the Bond Statements") (see pages 293 to 319 of BPO1).

85. No information regarding the portfolio is available post May 2011 and so the current value of the portfolio, or its continued existence, is unknown. It is, however, apparent from the Bond Statements that one of the bonds, issued by PDVSA with the number: E10169249 matured on 28 October 2014, with a value at the date of maturity of $7,078,555.56. Another one of the bonds issued by the Republic of Colombia with the number: 195325BE4, is due to mature on 22 December 2014, and had a value as of the date of the bond statement of $12,412,083.33.

86. The Bond Statements appear to show a very substantial bond portfolio, an asset which was not previously disclosed.

87. I am informed by Mr Hall that the Bond Statements were originally received by Mr Longhurst, in order to do his job, in two separate tranches. The first tranche was made up of the Bond Statements with the heading 'Avila' for the periods October to December 2009 and August 2010 ("the Avila Statements"). These were located on the hard drive provided by Mr Longhurst in a folder called "Wilmer/Condo". Mr Longhurst has informed Mr Hall that they were used to support an application for a loan linked to Mr Ruperti's real estate portfolio. The August 2010 Bond Statement was also used by Mr Longhurst in order to provide supporting documentation to one of Mr Ruperti's banks in relation to a personal guarantee Mr Ruperti was providing in respect of the restructuring of a loan taken out by Maroil in respect of one of Maroil's

vessels, the General Zamora. This document was evidently produced to prove to the bank that Mr Ruperti was a man of substance.

88. The second tranche of the Bond Statements, those produced with the heading 'Dinosaur' for the period February to May 2011 ("the Dinosaur Statements") were located on Mr Longhurst's hard drive as attachments to emails sent by Mr Ruperti in May 2011 and by Mr Ludovico Fontana, one of Mr Ruperti's employees, in July 2011 (see pages 319.1 to 330 of BPO1). Copies of the Dinosaur Statements were also located on the hard drive provided by Mr Longhurst in a folder called "Wilmer/Condo. From the information provided by Mr Longhurst it appears as though these Bond Statements were sent to Mr Longhurst so that they could be provided to one of Mr Ruperti's banks.

89. The Ruperti Claimants believe that the Bond Statements were all created by the same individual, German Rivero Zerpa, who the Ruperti Claimants understand to be Mr Ruperti's personal banker, who was the founder of Avila (details of which I provide below). The metadata for the Bond Statements in their pdf form (as located on the hard drive) show the author of all the statements to be Mr Zerpa. The Bond Statements were, however, most likely originally created using software other than pdf, namely word or excel, and on the basis of the pdf metadata alone it is not possible to ascertain who created the original document. However, Mr Zerpa sent three of the Dinosaur Statements to Mr Ruperti by email (see pages 319.1, 320 and 324 of BPO1) and this fact does suggest that he was responsible for the documentation.

90. The Ruperti Claimants are not aware of why the name on the Bond Statements changed from Avila to Dinosaur between the first and second tranches. Nor is it known what connection Mr Zerpa has to Dinosaur.

Avila and Dinosaur

91. Avila is a financial services business.

92. There are several different Avila entities which were incorporated as Delaware corporations and then registered as foreign corporations in other US states. The main entity appears to be Avila Capital Markets Inc ("Avila Inc"), but there is conflicting information as to when this entity was first created. The FINRA (the Financial Industry Regulatory Authority) website states that it was formed in Delaware in October 1999 (see pages 331 to 346 of BPO1). However, the Delaware corporate registry indicates that an entity with this name was incorporated in

February 2008 (see page 347 of BPO1) and the New York Secretary of State website shows that this entity was filed as a "foreign business corporation" in June 2007 (see pages 348 to 349 of BPO1).

93. There is another entity called Avila Capital Markets LLC ("Avila LLC") which was incorporated in Delaware in December 2008 and then registered as a "foreign business corporation" in New York in January 2009 (it changed its name to Avila Capital Markets Group LLC in September 2010). Avila LLC had an office in Miami but it never existed as a Florida corporation. The Florida corporate registry shows that the company existed as a "foreign profit corporation" between May 2011 and May 2012.

94. The Avila Statements show the company name as Avila LLC. The distinction between Avila Inc and Avila LLC is unclear, although Avila LLC is given as an affiliate of Avila Inc on the latter's website (see pages 350 to 351 of BPO1).

95. Mr Zerpa is described in an online profile of him as the founder and Managing Partner of Avila Inc (see pages 352 to 353 of BPO1). One media article dated July 2011 states that Mr Zerpa planned to establish an Avila office in Geneva (see page 354 of BPO1), Switzerland but I am informed by Mr Hall that Focus have been unable to locate any confirmation that this was indeed set up, although it may explain why there are Avila Statements with a Swiss address.

96. Dinosaur is also a financial services business.

97. The Dinosaur Group ("Dinosaur") was founded 15 years ago. It is a small investment bank. The two main Dinosaur entities are the New York Headquarters (Dinosaur Securities LLC), located on Park Avenue, and the London merchant bank (Dinosaur Merchant Bank), located on Moorgate. Both offices have employees working at them. I understand the Dinosaur Group specialises in institutional brokerage, execution, prime brokerage and clearing services, investment banking and advisory services and asset management and private banking (see page 355 of BPO1). I refer to the website www.dinogroup.com which confirms the main offices are in London and New York (see page 355 of BPO1). I am informed by Mr Hall that the New York office of Dinosaur is said to handle all US based clients, with all non US based clients being managed from London.

98. Aside from the main offices in New York and London there are, or have been, a number of "satellite operations", including offices, in Miami and Zurich, Switzerland.

99. The Swiss satellite office, Dinosaur GmbH, is a limited liability company incorporated in Switzerland on 12 April 2006, initial with its registered office at Zürcherstrasse 66, 8800 Thalwil, a town outside Zurich. There is evidence that these premises were occupied by Dinosaur at some time. On 21 July 2009 the registered offices of Dinosaur GmbH were transferred to Tessinerplatz 12, 8002 Zurich, but I do not know if the office location also moved at that time. On 19 October 2012 Dinosaur GmbH changed in name to Park Moorgate GmbH (which I understand to be a reference to the office addresses in New York and London). At the time of the name change the company was still linked to the Dinosaur Group as explained in paragraph 100 below.

100. Park Moorgate GmbH does not appear presently to occupy any offices in Zurich. Its registered office address is in fact the registered address of the trust company Viva Treuhand AG. I understand from information provided by Focus that when the office was active it was made up of a limited number of employees and that it was not licenced to manage assets or control funds. Rather the annual reports filed with FINRA and the Securities Exchange Commission in the US for Dinosaur Securities LLC as of the end of 2007 refer to the Swiss office (in its previous name of Dinosaur GmbH) being a company that serves as a marketing and representative office (see pages 356 to 358 of BPO1). The annual filing as of the end of 2010 and 2011, however, refers to the Swiss office (in its previous name of Dinosaur GmbH) as being "inactive" (see pages 359 to 364 of BPO1). From 2012 there is no longer any reference to Dinosaur GmbH or Park Moorgate GmbH in Dinosaur's annual filings(see pages 365 to 367 of BPO1).

101. In relation to the Dinosaur Miami office, I am also informed by Mr Hall that he has been told by a reliable source, whom he does not wish to name, that this Dinosaur office is said to be a hub for the firm's Latin American clients, although this may be for client relationship purposes rather than the administration of the portfolio. As stated below, Mr Ruperti appears to deal regularly with a broker, Mr Araque, who appears to be based in Miami and be the Dinosaur representative there.

Bond statements

102. Although the statements on their face disclose substantial assets, there are some elements to the documentation which raise questions as to their authenticity. Focus, Reed Smith and my firm have identified the following issues:

a. There are seven different iterations of the portfolio statements, as opposed to one standard form.

b. These different iterations have various typographical or other errors, such as the Bond Statement for April 2011 mis-spells "balance" as "balence" and 'GmbH' as "GMBG" (see page 314 of BPO1);

c. At the time the Avila statements were produced there is no record of Avila existing in Switzerland.

d. The Ruperti Claimants are not aware of any public connection between Avila and Dinosaur which would explain the transfer of the portfolio from one to the other, or why each had the same address in Switzerland. It may be that Mr Zerpa, simply amended a Dinosaur statement to read as though it had been produced by Avila. Focus have not located any connection between Mr Zerpa and Dinosaur.

e. There are oddities within the statements themselves:

   i. the Avila statements, from December 2010 and August 2011 use the Thalwil address – but it is the registered address of Dinosaur before July 2009.

   ii. The Dinosaur Statements, from 2011 also use the original registered address which changed in 2009. As stated above, it is not known whether the Dinosaur office premises were relocated at the same time that the registered address changed.

   iii. The Bond Statements also all contain a London phone number, which is the phone number currently used by Dinosaur's London office. It is not known why Dinosaur's London telephone number is contained in the statements produced in Switzerland, but – as set out below – it may suggest the account is managed in London.

f. The context for the delivery of the documents to Mr Longhurst was in support of various loan restructures in respect of Maroil's business and Mr Ruperti's personal financial dealings. It is a matter of record in the proceedings (see para 152 of the Judgment at page 59 of BPO1) that Mr Ruperti has historically falsified documentation solely for the purpose of facilitating bank payments There is a possibility, therefore, that the Bond Statements may have been generated to create an enhanced image of his wealth;

103. Notwithstanding the above points, which it is right to draw to the attention of the Court, there are also several factors which suggest that the Bond Statements are a true and accurate reflection of assets owned directly or indirectly by Mr Ruperti, namely:

a. Despite the anomalies in the Bond Statements referred to above, the metadata of the documents shows that the statements were produced contemporaneously (i.e. during the period which they cover) during February 2010 and June 2011 (see pages 368 to 375 of BPO1). The statements for October to December 2009 were created on 6 and 7 February 2010, the August statement was created on 19 September 2010, the statements for February to April 2011 were created between 16 and 25 May and the May 2011 statement was created on 18 June 2011. This makes it unlikely such documents were fabricated. In addition, if such documents were fabricated, the timing of their creation suggests that their creator would have had to anticipate the future use of Dinosaur as the portfolio manager when they used Dinosaur's Zurich address on the Avila statements prepared a year in advance of Dinosaur becoming involved;

b. Avila and Dinosaur are actual operating companies.

c. The fluctuation in the portfolio's value suggest the bonds have increased and decreased in value in accordance with market trends;

d. Mr Longhurst has advised Mr Hall that during 2006 to 2010 Maroil was making net profits of US$20-30 million per year, such that Mr Ruperti could well have had a substantial bond portfolio. Mr Longhurst has also suggested that Mr Ruperti's living expenses were only $1-2 million a year, despite him appearing to live a luxurious lifestyle. This would leave sufficient liquidity to invest in the bond market.

e. Mr Ruperti has been a man of substantial means. An article in the well-known shipping industry newspaper, TradeWinds, published on 27 November 2009 reports Mr Ruperti as having said that he either fully or jointly owns 21 vessels and was one of the wealthiest men in Venezuela (see page 376 of BPO1).

f. It is also apparent from the Credit Suisse bank statements provided by Mr Longhurst (see pages 377 to 408 of BPO1) that several payments over this period were made to various Panamanian and Venezuelan broking houses,

presumably for the purpose of purchasing investments. This shows that Mr Ruperti and his companies have a track record of financial investments using brokerage houses. In particular, payments were made to :

i. Actimarket Financial Services Corp, the Panamanian affiliate of Caracas-based securities broker Actimarket Sociedad de Corretaje de Valores CA, received payments from Maroil and LAP Shipping Inc (see pages 377 to 387 of BPO1);

ii. BBO Financial Services Inc, a Venezuelan investment banking boutique, received payments from Sea Pioneer (see pages 388 to 397 of BPO1);

iii. Banexpress Casa de Bolsa CA, a (now-defunct) Venezuelan securities brokerage, received payments from Maroil (see page 398 of BPO1).

g. Mr Hall informs me that he has independent verification that Mr Ruperti has been dealing with Humberto Araque, a broker based with Dinosaur in Miami and who is currently registered with FINRA as an authorised securities broker at Dinosaur Securities in Miami. The Credit Suisse bank statements for Maroil evidence that a payment of $50,046.00 was made to Mr Araque in April 2010 (see page 399 of BPO1), presumably for his services in relation to the bond portfolio.

104. Although Dinosaur has (or has had) offices in New York, Miami and London and Zurich, it is not known for certain from which office Mr Ruperti's investment is managed. However, the following factors point to the management being run out of London:

a. Whilst the Bond Statements show an address in Switzerland, the telephone number on the Bond Statements is a London number;

b. Whilst Dinosaur's Miami office is said to be a hub for the firm's Latin American clients and is also where Mr Araque, the broker with whom Mr Ruperti regularly deals is said to be located, Dinosaur itself decribes its headquarters being in New York and London only. As set out in paragraph 97 above, it is the London office which is understood to manage all non-US based clients.

c. The Swiss office, from which the statements appeared to emanate, is not active.

d. It is a reasonable assumption, therefore particularly given the other information, including the given phone number, that London is the office managing Mr Ruperti's bond holding.

Other assets

105. In addition to the bond portfolio with Dinosaur, Focus and Guidepost have uncovered significant other assets owned directly or indirectly by Mr Ruperti that were not included in the asset schedules or affidavit of assets provided pursuant to the Ruperti Freezing Order. Such assets include:

a. In Miami:

i. Bank accounts with Espirito Santo Bank in the name of Wilmer Ruperti. In a letter of 24 May 2011, the bank indicated Mr Ruperti was an excellent customer and had maintained balances of at least $1 million (see page 400 of BPO1). The letter evidencing the maintained balance was located amongst the electronic data provided by Mr Longhurst;

ii. Bank accounts with Regions Bank in the name of Maroil Trading, Interpetrol Trafigura de Venezuela (now known as Interpetrol SA) and an account in the name of Sea Pioneer Shipping with US Century Bank in Florida (see pages 401 to 404 of BPO1). It is clear from documents disclosed in the proceedings that Mr Ruperti is the ultimate beneficial owner or controller of all three companies (see pages 405 to 418 of BPO1); and

iii. Four apartments in the Ritz Carlton Coconut Grove as follows:

1. Apartment 902 held in the name of Grove Apartments Inc (Panama), the purchase price of which was paid by Del Valle Tug Services Inc, a company understood to be owned and/or controlled by Mr Ruperti as set out in paragraphs 82(b) above and 105(b)(ii) below (see page 419 of BPO1);

2. Apartment 1002 held in the name of Grove Properties Investment Corp and identified as an asset of Maroil trading

Inc in the company's 2006 financial statement (see pages 420 to 426 of BPO1);

3. Apartment 1402 held in the name of Investments in the Grove 1 Inc (Panama), a company understood to be owned and/or controlled by Mr Ruperti (see pages 426.1 to 426.3 of BPO1); and

4. Apartment 1403 held in the name of Investments in the Grove 2 Inc (Panama)), a company understood to be owned and/or controlled by Mr Ruperti and of which Mr Ruperti is named as a director (see pages 426.4 to 426.8 of BPO1)

In addition, Focus have identified additional assets in relation to which the source of the information, which Focus consider to be reliable, cannot be named. Corroborating evidence regarding the company ownership is not, therefore, available. The Ruperti Claimants are not, however, aware of any reason to doubt that the information provided is correct. The assets in this category are:

i. Bank accounts with Banco Espirito Santo in the name of OTG Shipping Corp, Lap Shipping Inc, El Puma Televisions LLC and AIPEC Asian International Petroleum Co Corp. I am advised by Mr Hall that Focus' investigations have revealed each of the holding companies to be beneficially owned by Mr Ruperti.

ii. Additional bank accounts in the name of Maroil Trading with Banco Espirito Santo and US Century Bank in Florida. I am advised by Mr Hall that Focus' investigations have revealed each of the holding companies to be beneficially owned by Mr Ruperti.

b. In Switzerland:

i. Bank account in the name of Mr Ruperti at Credit Suisse, Geneva (account number unknown) (see page 427 of BPO1);

ii. Bank accounts with Credit Suisse in the names of LAP Shipping Inc, Del Valle Tug Services and the Big Ship Company (see pages 428 to 430 of BPO1). Each of these companies is understood by the Ruperti Claimants to be owned and/or controlled by Mr Ruperti. Bank statements for each of these accounts have been provided by

Mr Longhust as set out at paragraphs 82(b) above, which he himself received from or on behalf of Mr Ruperti during the course of his employment with Maroil.

iii. Bank account in the name of Latin American Petroleum Inc with CBH Compagnie Bancaire Helvetique SA. It is known from the information provided by the Ruperti Defendants in their asset disclosure schedules that Mr Ruperti owns, controls or is substantially connected to the companies Latin American Petroleum Transport Limited, Latin American Bunkering Services and Latin American Petroleum Services de Venezuela. Given the similarities in the companies names it is reasonable to assume that Mr Ruperti is also connected to Latin American Petroleum Inc.

iv. A bank account has also been identified in the name of Mr Ruperti at Schroeder and Co Bank AB, Zurich However, I am advised by Mr Hall that the information as to the existence of the bank account itself has been provided to Focus from a source considered to be reliable but who cannot be named. Corroborating evidence regarding the existence of this bank account is not, therefore, available.

106. In addition to the above, the Ruperti Claimants are aware of certain bank accounts as a result of disclosure given by the Ruperti Defendants in the English proceedings, but which were not been identified by the Ruperti Defendants in their assets schedules served pursuant to the Ruperti Freezing Order and subsequent orders of this Court. Such accounts include:

a. In Miami: An account in the name of Mr Ruperti with Regions Bank in Florida, and an account in the name of Aldeco Holdings with UBS in Miami;

b. In New York: An account in the name of the Venezuela Oil Shipping Company LLC with Citibank in New York; and

c. In Switzerland: Accounts in the names of Sea Pioneer Shipping and Maroil Trading with Credit Suisse and an account in the name of Mr Ruperti with BNP Paribas.

The Ruperti Claimants are aware from disclosure provided in the proceedings that the Venezuelan Oil Shipping Company and Aldeco Holdings are also companies ultimately owned and/or controlled by Mr Ruperti. The Ruperti Claimants are not

aware of what the account balances are for these accounts, but consider the fact that Mr Ruperti has failed to disclose the existence of these accounts pursuant to his Court obligations to do so to be indicative of the manner in which he has striven to conceal his assets from them during the life of the proceedings.

107. There is also a possibility that additional assets of the Ruperti Defendants may be located in England as Focus' enquiries continue. Mr Ruperti himself is known to have previously owned a property in Bromley, South East London in his own name (although it was the property previously owned by Mr Mikhaylyuk and is referred to at paragraph 307 of the Judgment (see page 95 to 96 of BPO1)). As a leading financial centre, and one that is familiar to the Ruperti Defendants (Mr Ruperti attended college in Plymouth, and visits London regularly) it could well be a possibility that further assets will be located in the jurisdiction which the Ruperti Defendants have previously failed to disclose. In none of the five asset schedules, nor the affidavit of assets, did the Ruperti Defendants refer to the bond portfolio being managed by Avila/Dinosaur, or the assets located in Switzerland or Miami.

INCREASE TO THE RUPERTI FREEZING ORDER

108. In light of the failure of the Ruperti Defendants to comply with the terms of the Settlement Agreement and the new information that has come to light in relation to the bond portfolio, the Ruperti Claimants now wish to increase the Ruperti Freezing Order to:

a. Increase the Ruperti Freezing Order to:

i. a value of $98,000,000.00. This figure is to cover:

1. the full value of the judgment debt as currently outstanding, namely $79,150,452.95 (inclusive of pre judgment interest and less the recoveries);

2. post judgment interest at the rate set by Clarke J in the 18 January 2013 order (which has a current balance of $4.47 million);

3. costs of the proceedings (which the Court has ordered should be paid by the Ruperti Defendants on an indemnity basis) and interest on those costs. The Ruperti Claimants have undertaken a high level review of the costs incurred during the Court proceedings in respect of the numerous

claims brought against multiple defendants. The anticipated apportionment of such costs to the claims brought against the Ruperti Defendants and which are recoverable from them is approximately $12.3 million. This dollar figure is calculated having taken the estimated costs for the Ruperti Defendants of £7,869,316 and converting it to dollars at a rate of 1 : 1.5642. Annual interest accrues on these unpaid costs at a rate of approximately $980,000 a year (using the same sterling-dollar conversion rate) . These costs have been outstanding now for two years, giving a current outstanding interest balance of $1.97 million. The $12.3 million costs figure has been arrived at by my firm considering the overall costs of the NOUK Parties in pursuing the proceedings and then preparing an apportionment of such costs as between the different defendants. No bills of costs have yet been prepared by the Ruperti Claimants (due to an agreed stay pending the outcome of the Nikitin Defendants appeals) and the exercise undertaken has therefore necessarily been of a preliminary nature. The total costs incurred dealing with the action against all the Defendants were in the region of $21 million and an apportionment has been made in relation to the time particular Defendants were parties as well as in relation to time spent addressing particular issues. As a consequence the $12.3 million is believed to be the costs of dealing with the allegations for which Mr Ruperti could be liable. credit has also been given for various costs recovered by the claimants during the life of the litigation as a result of interim costs orders awarded against various of the defendants.

4. an amount to cover the costs of this application, should they be awarded in the Ruperti Claimants favour.

b. ensure that it specifically covers the bond portfolio managed by Dinosaur (upon whom the order will be served);

c. impose an obligation on the Ruperti Defendants to provide full disclosure of their assets worldwide and in particular information and/or documentation

within their control relating to the bond portfolio, as managed by Avila and/or Dinosaur from the date such portfolio was purchased to the date the information is supplied, including details as to when the bonds were purchased, in whose name such bonds are held, the identities of the financial institutions which, by virtue of their membership of the relevant clearing system, hold the interest in the bonds on behalf of their client (i.e. the "bond custodians") and any intermediary banks, and the current value of the portfolio; and

d. Allow action to be taken abroad as set out below.

109. For the sake of completeness, I should inform the Court that the Ruperti Claimants were released from their undertaking, given pursuant to Schedule B, paragraph 2 of the Ruperti Freezing Order, to maintain the sum of £40,000 in a bank account controlled by my firm pending a further order of the Court. Following the Judgment, an order releasing these funds to the NOUK Parties was made by Mr Justice Christopher Clarke on 14 December 2012. Such funds were subsequently released to the NOUK Parties on 28 December 2012.

110. The First Claimant is no longer actively carrying on business as a shipping manager and the Second to Fourth and Ninth and Tenth Claimants are or were all one-ship owning companies. As set out in paragraph 8, the First to Fourth and Ninth and Tenth Claimants are, however, all wholly-owned subsidiaries of Intrigue, a Liberian registered company ("Intrigue") which is itself a wholly owned subsidiary of NSC. NSC is a company incorporated in the Russian Federation.

111. I have been authorised by Intrigue to offer an undertaking, should the Court consider it appropriate, that if the Court later finds that the order sought has caused loss to the Ruperti Defendants, and decides that the Ruperti Defendants should be compensated for that loss, it will comply with any order the Court may make. Essentially this means that Intrigue will stand behind the Ruperti Claimants for the purposes of the cross undertaking. Copies of Intrigue's financial statements for the nine months ending 30 September 2014 of the current financial year are exhibited at pages 431 to 437 of BPO1. From these it can be seen that as at 30 September 2014, Intrigue had total assets of $1,802,106,000.

Real risk of dissipation of assets

112. In addition to the judicial findings of dishonesty against the Ruperti Defendants, and the earlier finding of a risk of dissipation by Burton J, there appears to be clear

evidence that they have failed to provide full disclosure of their assets in either their asset schedules or their affidavit of assets provided pursuant to the Ruperti Freezing Order. The production of the asset schedules spanned some two years, were prompted by three separate Court orders and were challenged in some depth by the NOUK parties. In the circumstances, any attempt to explain the discrepancies as mere errors would be difficult to entertain.

113. Similarly, the Ruperti Defendants have been engaged in discussions with the Ruperti Claimants over the Judgment and Settlement Agreement for almost two years and at no point have they sought to correct any disclosures previously made regarding their financial position, although they have regularly relied on an alleged lack of funds. This is notwithstanding the fact that, despite having advised the Ruperti Claimants and the Court that they were suffering such financial difficulties they were unable to afford legal representation or to attend trial, a little more than year later the Ruperti Defendants were committing to pay the Ruperti Claimants US$40 million in cash over a period of two years, with the first payment scheduled for November 2013.

114. In addition to their history of dishonesty in relation to financial transactions, the Ruperti Defendants are also well acquainted with the use of off-shore companies and the movement of funds internationally. Mr Ruperti himself is linked to approximately ninety separate companies, registered in a wide variety of jurisdictions, including Panama and Venezuela, both of which are jurisdictions where it is known to be difficult to enforce judgments and where the publicly available information in relation to ownership of companies within that jurisdiction is severely limited. This application is limited to steps to be taken in England, Switzerland and Miami.

115. In addition to the above, the Ruperti Defendants are outside the jurisdiction. Mr Ruperti is a Venezuelan business man who appears to move between Venezuela, the United States and Europe regularly. The Third and Fourth Defendants are based in Panama, a jurisdiction which is renowned for its opaque corporate structures and in relation to which it is extremely difficult to obtain information. The Ruperti Claimants have therefore had difficulty in locating and identifying assets against which any judgment could be enforced despite significant resources being devoted to the task, including the instructing of private investigators to undertake investigations within various jurisdictions, and continued discussions with Mr Ruperti as to his financial circumstances.

116. The Ruperti Claimants rely upon the details set out in the above paragraphs to evidence that the Ruperti Defendants are proven a) to operate dishonestly, b) to

have provided inaccurate and misleading evidence to both the NOUK Parties and the Court regarding their financial circumstances, c) to be well versed in the operation or multiple companies and d) to be sophisticated at moving substantial sums of money between numerous overseas jurisdictions with relative ease. Once the Ruperti Defendants become aware that the Ruperti Claimants have identified further assets and are seeking to enforce the full judgment sum, I believe that there will be a real risk of dissipation unless the freezing order is increased to cover the totality of the outstanding judgment debt and, in particular, the bond portfolio.

FURTHER STEPS TO BE TAKEN ABROAD

117. The Ruperti Claimants wish to take steps to enforce the judgment against the Ruperti Defendants in those jurisdictions in which assets have been identified, namely England, the United States and Switzerland. The measures are to be co-ordinated so as to avoid the Ruperti Defendants becoming aware of the move against their assets and so as to limit the risk that they may take steps to dissipate their assets before the Ruperti Claimants' legal action can take effect.

118. Contained within the Ruperti Freezing Order at Schedule B, paragraph 8 is the undertaking that the Ruperti Claimants shall not, without permission of the Court seek an order of similar nature to the freezing order, including orders conferring a charge or other security against the Ruperti Defendants or the Ruperti Defendants' assets. Given the limited ability of the Ruperti Claimants to enforce the Judgment to date and what is now known about the Ruperti Defendants' asset position, the Ruperti Claimants request a release of this undertaking in order that they may take the steps identified in the draft order. I believe that it is a relevant factor that the Ruperti Claimants now have a judgment and should be entitled to take such steps as necessary so as to ensure that their judgment is enforced. The Ruperti Claimants are happy to provide an undertaking to withdraw any foreign proceedings arising from this application, in so far as such withdrawal remains within their control, should it ultimately be found by the Court that such proceedings should never have been brought.

119. The specific measures the Ruperti Claimants wish to undertake are as follows:

a. In Florida: An injunction will be sought against the Ruperti Defendants from the Circuit Court of the Eleventh Circuit in and for Miami-Dade County Florida, Civil Circuit Division to a) freeze those assets known to be owned by the Ruperti Defendants, whether directly or indirectly, within the jurisdiction of the Miami Court and b) subpoena information from a variety

of sources, namely those banks with whom it is known or suspected the Ruperti Defendants have accounts with, by requesting the Miami Court to grant comity with the order sought in this Court. Steps have already been commenced to seek recognition and enforcement of the English Court Judgment against the Ruperti Defendants in accordance with Florida's Uniform Out of Country Foreign Money Judgment Recognition Act;

b. In Switzerland: The Ruperti Claimants intend to file a criminal complaint in Geneva against Mr Ruperti and those persons who are believed to have committed the fraud or who laundered its proceeds, including Mr Ludovico Fontana for fraud, criminal mismanagement and money laundering. Mr Fontana is known to be a close business associate of Mr Ruperti who signed several of the transfer instructions regarding the bribes paid in respect of the Ruperti Charters and who is suspect of having laundered the proceeds of Mr Ruperti's fraudulent activities. Pursuant to Swiss law the Ruperti Claimants will be civil plaintiffs in the criminal action.

c. As part of the criminal proceedings, the Ruperti Claimants will also ask the Attorney General Office of Geneva to order:

    i. The freeze of all assets of which Mr Ruperti or his known associates, namely his family members and business associates, are account holders, signatories or beneficial owners, as representing the proceeds of crime, or as assets to guarantee the execution of the claim;

    ii. The production of all documents pertaining to the accounts of Mr Ruperti or his known associates, namely his family members and business associates, are account holders, signatories or beneficial owners;

    iii. The search of the offices of Park Moorgate GmbH, the (former) Swiss office of the Dinosaur Group and previously named Dinosaur GmbH. A search of this office is being requested despite a suspicion that it is just a registered office and potentially (as indicated above) inactive and that there may be no occupants, as there is a possibility, in light of the fact that Dinosaur was involved in the management of Mr Ruperti's bond portfolio, that there may be some information about the Ruperti Defendant's assets at this

address. The Ruperti Claimants understand a search of this nature is a fairly routine procedure in this kind of criminal complaint.

d. As civil plaintiffs, the Ruperti Claimants will be entitled to receive information as to the assets caught by the actions taken in the Swiss criminal proceedings. They shall then be able to launch civil attachment applications ancillary to civil proceeding for recognition and enforcement of the English judgment pursuant to the Lugano Convention.

e. The Swiss prosecutor may also forfeit and release to the civil plaintiff the assets caught by the criminal action against the Ruperti Defendants if there is a positive result in the criminal proceedings. Alternatively, if the civil proceedings in respect of recognition and enforcement reach a conclusion first, any frozen assets could be made available to the Ruperti Claimants for enforcement, provided there were no competing claims against the assets.

120. I believe that the above steps are reasonably necessary in order to ensure that the Judgment can be enforced. Although the current (and proposed) freezing order is on a worldwide basis, it explicitly does not affect third parties (such as banks) outside the jurisdiction save to the extent that the release of the undertaking not to take similar measures in other jurisdictions is requested to be lifted to allow action to be taken in the US and Switzerland. Given the real risk that the Ruperti Defendants will continue to seek to avoid meeting their obligations under the judgment debt, I believe that coordinated action in the places where the various assets are located is essential. The proposed steps are proportionate given the sums involved and complement the current and proposed freezing order. There is no doubt that the debt is owed, and any proceedings will fall away if the judgment debt is paid. Accordingly, I do not believe that this causes the Ruperti Defendants any undue prejudice or is unjustifiably oppressive.

121. Whilst certain of the assets located in the US and Switzerland are held in names other than those of the Ruperti Defendants, I am advised by Mr Kirkpatrick that the foreign Court actions will only be brought against the Ruperti Defendants themselves on the basis that they are the indirect and beneficial owners of the assets identified or those persons known to be personally or professionally associated with Mr Ruperti and who are believed to have received the proceeds of the Ruperti Defendants fraudulent activities. As such, it is apparently not necessary to join the asset owning companies to the Court actions proposed at the moment. They will, however, be joined after recognition of the judgment through a supplementary proceeding. I am

further advised by Mr Kirkpatrick that, following receipt of appropriate foreign legal advice, the Ruperti Claimants are satisfied that they will be able to establish a right to enforce the Ruperti Defendants' outstanding judgment debt against the assets held in the names of those companies identified in both the Swiss and US actions.

DELAY SERVICE OF FREEZING ORDER

122. The Ruperti Claimants are concerned to ensure that the steps to be taken in the various jurisdictions are co-ordinated in order to avoid the Ruperti Defendants becoming aware of the legal action and then taking steps to dissipate their assets prior to them being attached. With that in mind, the Ruperti Claimants request that the Court grant them permission to delay service of the English freezing order and this evidence until such time as all practical arrangements are in place in the United States and Switzerland. The Ruperti Claimants consider the relevant arrangements shall be in place in the immediate future and the Ruperti Claimants propose a long stop date to serve the freezing order of 22 December 2014.

SERVICE ON RUPERTI DEFENDANTS

123. The Ruperti Claimants wish to be able to rely on the penal notice contained within the freezing order in the event the Ruperti Defendants fail to comply. However, the Ruperti Claimants consider that personal service of the freezing order on the Ruperti Defendants may not be practical for the reasons set out below. The Ruperti Claimants therefore request permission to serve the freezing order and any documentation connected with this application and the application to continue the freezing order at the return date on the Ruperti Defendants by an alternative method. I shall deal with service on each of the Ruperti Defendants below.

Service on Mr Ruperti

124. The current known addresses for Mr Ruperti are a) Edificio Aldaba, 8TA Transversal de los Palos Grandes, Municipo Chacao and b) Calle Antonio Nicolas Briceno, Sector Cantarrana, Municipio el Hatillo, Estado Miranda, Caracas. These are both different addresses to that provided in the Settlement Agreement of Avenida Francisco Miranda, Edificio Parque Cristal, Torre Oeste, Piso 3, Oficina 3-1 Caracas. It is unknown whether these are business or personal addresses or whether Mr Ruperti still resides and/or operates his business from there.

125. Notwithstanding the uncertainty over whether Mr Ruperti still resides at these addresses and therefore whether the documentation will be received by him, should service of the freezing order be attempted on him at the above addresses in

Venezuela I understand this is likely to take a significant amount of time. Service on a party in Venezuela must be effected through the Court under the Convention on the service abroad of judicial and extra-judicial documents in civil or commercial matters signed at the Hague on 15 November 1965 (the Hague Convention) and the Court clerks employed by my firm have been advised by the Foreign Process Section of the Royal Courts of Justice that service in Venezuela is a lengthy process and can take approximately eight months. Service of the freezing order on Mr Ruperti in Venezuela is therefore likely to take a significant period of time, during which there will be no obligation to provide disclosure of assets allowing such assets to be dissipated, and the Ruperti Claimants have no certainty that the address they could use for service is still Mr Ruperti's address.

126. The Ruperti Claimants are also aware that Mr Ruperti frequently visits Miami and often stays at a property he is understood to beneficially own at the address 1402 – 1403 3350 SW 27th Ave, Miami, Florida 33133. It is likely to be possible to arrange for service of the freezing order on Mr Ruperti at this address. However, the Ruperti Claimants do not know how frequently Mr Ruperti attends at his Miami property or when his next visit is planned. Considering the nature of the document to be served and the need to arrange a return date within a short period of time, the Ruperti Claimants do not consider service in Miami to be appropriate.

127. Furthermore, throughout the duration of the proceedings it has not been necessary to serve any documents on Mr Ruperti in Venezuela as the initial service of the Claim Form was effected via alternative personal service (authorised by the Commercial Court) via service on his, then, wife in Miami.

128. Following service of the Claim Form on him, Mr Ruperti instructed Holman Fenwick Willan in London to act for him in the proceedings. All documents (including the Ruperti Freezing Order) were then served on Holman Fenwick Willan as his solicitors on the record.

129. Holman Fenwick Willan have taken no steps to be removed as the solicitors on record for the Ruperti Defendants. The freezing order is to enforce the judgment in respect of the proceedings in relation to which they remained on the record. I should mention, however, that on 10 April 2013, my firm wrote to Holman Fenwick Willan and sought confirmation from them they were authorised to accept service of a Part 8 Claim Form on Mr Ruperti's behalf in respect of the order for sale for the Brangbourne Road property. Holman Fenwick Willan responded the same day to say that they did not presently have any instructions, whether to accept service of

documents or otherwise. This letter was written in relation to separate, albeit related, proceedings.

130. Notwithstanding that correspondence, it seems likely that should the freezing order be served on Holman Fenwick Willan it will be brought to the attention of the Defendant as:

a. whilst Holman Fenwick Willan do not presently have instructions from their clients, they have not indicated an intention to remove themselves as solicitors on the record; and

b. all documents relating to the Part 8 claim for the order for sale have been served on Holman Fenwick Willan. My firm has received no notification that the documents have not been (or could not be) brought to the Ruperti Defendant's attention.

131. It is also clear Mr Ruperti has strong links with Miami, as he owns property there. The Ruperti Claimants are also aware that Mr Ruperti has instructed the Florida based lawyer, Mr Henry Mendia, to advise him in relation to various matters during the life of the proceedings. Mr Mendia has been in regular communication with Mr Kirkpatrick, as referred to above regarding the negotiation of the settlement agreement. Mr Mendia continues to act for Mr Ruperti in on-going matters arising out of the Judgment and as far as the Ruperti Claimants are aware he is in regular contact with him. Mr Ruperti has also previously instructed the Miami lawyer Mr Luis M O'Naghten of Akerman Senterfitt to represent him in relation the steps already taken by the Ruperti Claimants to have the Judgement recognised in Miami. The Ruperti Claimants believe that if they provide a copy of the freezing order to Mr Mendia and Mr Luis M O'Naghten via email using their known email addresses: 'hmendia@hemesq.com' and 'luis.onaghten@akerman.com' it will be brought to Mr Ruperti's attention.

132. In addition to the above, the Ruperti Claimants' advisors, Reed Smith and Guidepost, have been in regular contact with Mr Ruperti using the email address 'wilmerruperti777@gmail.com'. This is also the email address that the Ruperti Defendants have listed in paragraph 14 of the Settlement Agreement as being the email to which all notices, demands or documents should be delivered.

133. In order to ensure the freezing order is served efficiently and comes to the attention of Mr Ruperti, the Ruperti Claimants request permission that the freezing order is deemed personally served via alternative service by:

a. emailing a copy of the freezing order to the Partner at Holman Fenwick Willan who had conduct of the matter on behalf of the Ruperti Defendants, namely Mr Alistair Feeney at the following email address: 'alistair.feeney@hfw.com'; and

b. emailing a copy of the freezing order to Mr Mendia, Mr Luis M O'Naghten, and Mr Ruperti at the following email addresses: 'hmendia@hemesq.com', 'luis.onaghten@akerman.com' and 'wilmerruperti777@gmail.com'.

and that the deemed date of service be the date the last of the emails to Mr Feeney, Mr Mendia, Mr Luis M O'Naghten, and Mr Ruperti was sent.

Service on PMI Trading / Sea Pioneer

134. At the time that the Ruperti Defendants were joined to these proceedings my firm and the Ruperti Claimants carried out various investigations to try to establish the location of the Third to Fourth Defendants and whether it would be possible to serve them.

135. The Third and Fourth Defendants are both located in Panama where they share the same registered address at Edificio World Trade Center, Piso 5, Calle 53 – Marbella, Panama City, Panama.

136. My firm has previously instructed a Panamanian law firm (De Castro & Robles) to advise on the procedure for service on a Panamanian company under Panamanian law when originally considering how to effect service of the Claim Form. The advice received was that a Panamanian company should be served by service on the Legal Representative of the company. Following their review of the company information available in relation to the Third and Fourth Defendants, De Castro & Robles advised that Mr Ruperti, as a director of both companies is also one of the Legal Representatives of those companies.

137. We are not aware of any other Legal Representative for the Third or Fourth Defendants. It is not practical to serve the Third or Fourth Defendants personally via Mr Ruperti as the companies Legal Representative for the reasons already given.

138. The Third and Fourth Defendants also instructed Holman Fenwick & Willan to represent them in these proceedings. The Claim Form and Particulars of Claim were served on the Third to Fourth Defendants via Holman Fenwick Willan. As set out above in relation to Mr Ruperti, it is understood that Holman Fenwick Willan have taken no steps to remove themselves from the record.

139. In light of this and the fact that service on the Third to Fourth Defendants will ultimately be made via service on Mr Ruperti as the companies' Legal Representative, the Ruperti Claimants request permission that the freezing order is deemed personally served on the Third to Fourth Defendant via alternative service by:

a. emailing a copy of the freezing order to the Partner at Holman Fenwick Willan who had conduct of the matter on behalf of the Ruperti Defendants, namely Mr Alistair Feeney at the following email address: 'alistair.feeney@hfw.com';; and

b. emailing a copy of the freezing order to Mr Mendia , Mr Luis M O'Naghten, and Mr Ruperti at the following email addresses 'hmendia@hemesq.com', 'luis.onaghten@akerman.com' and 'wilmerruperti777@gmail.com'.

and that the deemed date of service be the date the last of the emails to Mr Feeney, Mr Mendia Mr Luis M O'Naghten, and Mr Ruperti was sent.

140. As set out above, effecting personal service on the Ruperti Defendants is likely to prove both practically difficult and be extremely time consuming. It is anticipated the freezing order will be served on third parties, namely Dinosaur GmbH. In circumstances where third parties are involved the Ruperti Claimants consider it appropriate for service to be effected in as efficient a manner as possible in order that the return date for the freezing order may be held promptly.

SERVICE OUT OF THE JURISDICTION

141. Given the location of the Ruperti Defendants in Venezuela and Panama, the Ruperti Claimants also request that in granting the application for alternative service the Court also grant permission for service of the freezing order on the Ruperti Defendants out of the jurisdiction pursuant to CPR 6.38. The court has jurisdiction over the substantive claim (on the basis that the Ruperti Defendants were the proper or necessary parties. Jurisdiction may also be founded on the basis that the tort and dishonest assistance claims brought in these proceedings were made on the basis that the damage sustained by the Ruperti Claimants and the conduct giving rise to the Ruperti Defendants' liability resulted from substantial and efficacious acts committed in the jurisdiction (namely the acts of Mr Mikhaylyuk), notwithstanding that acts in all likelihood also took place overseas (namely Venezuela and/or Panama). Similarly, at the heart of the case lay the allegation that the Ruperti Defendants bribed Mr Mikhaylyuk (domiciled in England) to breach his (English law)

contractual and fiduciary duties to the Ruperti Claimants. As such, although some of the events giving rise to the wrongs and/or breaches took place overseas, I believe that the case has its most real and substantial connection with England and that England is the natural forum. I also believe that England is the proper place to bring the application against the Ruperti Defendants and is the place most suitable in the interests of all the parties and for the ends of justice.

142. Indeed the Ruperti Defendants did not dispute jurisdiction . The court's jurisdiction necessarily, I believe, includes dealing with the enforcement of its judgments and the amendment of existing orders. For completeness I would add that there would also appear to be jurisdiction on the basis that the an application is made to enforce a judgment of the English Court (CPR 6 PD B para 3.1(10)). I therefore believe that it is clearly appropriate to permit service out of the application and any order made.

WITHOUT NOTICE

143. This application is made without notice to the Ruperti Defendants as I believe that notice of the application will frustrate the purpose of the order. In particular, as set out above, once the Ruperti Defendants become aware that the Ruperti Claimants have identified further significant assets and are intending to enforce the entirety of the judgment I believe that there is a very real risk that the Ruperti Defendants will take steps to move or dissipate their assets before enforcement action can be taken against those assets.

144. This is particularly the case in relation to a bond portfolio which is a readily tradeable asset.

145. It is clear from the above that Dinosaur operates both as the provider of financial services advice and as an investment bank, and as an asset manager dealing with sales and trading. It is not clear from the information available to the Ruperti Claimants whether Dinosaur only advised Mr Ruperti or had execution authority over his investments. However, in circumstances where Dinosaur's principal offices are in London and New York and where its website refers to its execution authority in relation to trading and asset management it seems likely that Dinosaur may have had, and in the event the portfolio still exists, continue to have execution authority over the bond portfolio.

146. In such circumstances it is appropriate to ensure that any Freezing Order is served not only upon Mr Ruperti and the Ruperti Defendants but also upon Dinosaur in London. Given that the bond statements all reference a London telephone number

and London is one of the stated headquarters of Dinosaur it seems likely that arrangements in respect of the Ruperti bond portfolio are handled out of London and that London is the appropriate Dinosaur office for service of the Freezing Order.

147. That is particularly the case where the bond in relation to the Republic of Columbia will mature on 22 December 2014 and the bondholders may then expect payment. The Ruperti Claimants wish to ensure, to the extent possible, that asset is subject to the Freezing Order.

THE APPLICATION

148. In light of the above, the Ruperti Claimants respectfully request that the Court:

a. In so far as the Court considers necessary, lift the stay upon the enforcement and execution of the judgment against the Ruperti Defendants;

b. Increase the Ruperti Freezing Order to:

i. a value of $98,000,000.00.

ii. ensure that it specifically covers the bond portfolio managed by Dinosaur (upon whom the order will be served); and

iii. impose an obligation on the Ruperti Defendants to provide full disclosure of their assets and all information and/or documentation within their control relating to the bond portfolio, as managed by Avila and/or Dinosaur from the date such portfolio was purchased to the date the information is supplied, including details as to when the bonds were purchased, in whose name such bonds are held, the identities of the financial institutions which, by virtue of their membership of the relevant clearing system, hold the interest in the bonds on behalf of their client (i.e. the "bond custodians") and any intermediary banks, and the current value of the portfolio in order to allow effective enforcement of the Judgment against such assets.

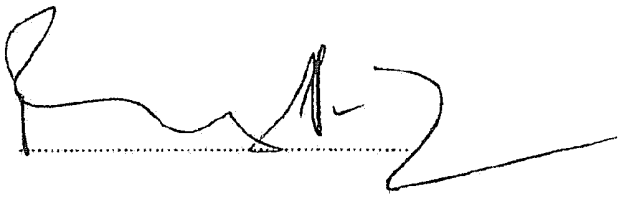
c. Vary the undertaking given in Schedule B, paragraph 8 of the Ruperti Freezing Order that the Ruperti Claimants shall not seek an order of a similar nature, including orders conferring a charge or other security against the Ruperti Defendants or the Ruperti Defendant's assets;

d. Order that the freezing order and any related documents be deemed personally served on the Ruperti Defendants in accordance with the alternative methods of service set out in paragraphs 133 and 139 above; and

e. Order that the service of the freezing order on the Ruperti Defendants may be delayed until such time as the NOUK Parties are in a position to proceed with legal action in the United States and Switzerland, or by the latest Monday 22 December 2014.

149. The Ruperti Claimants do not consider it necessary to provide fortification for any undertaking in damages given in respect of the increased freezing order sought as it is only a variation to an existing order, against which the Court has already ordered that the funds held pursuant to such an undertaking be released. Further, in the event the Court ultimately decides the freezing order should not have been increased in accordance with the current application, any loss that may have been suffered by the Ruperti Defendants is highly unlikely to exceed the value of the outstanding judgment sum, such that any loss ordered to be compensated by the Ruperti Claimants may be set off against the sums due to them. That said, should the Court consider such fortification necessary, the Ruperti Claimants are willing to provide it as the Court considers fit.

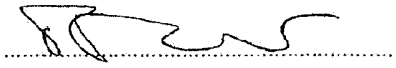
150. I confirm that the Ruperti Claimants and NOUK parts have given full and frank disclosure of all matters known to be relevant to this application.



BENJAMIN PATRICK OGDEN

SWORN this 17 day of December 2014

BEFORE ME



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