

UniCredit Bank GmbH (Respondent) v RusChemAlliance LLC (Appellant)

Case ID: 2024/0015

Case summary

Issues

Are the courts of England and Wales the proper place for UniCredit to bring its claim for an anti-suit injunction against RusChemAlliance, or should the claim have been brought in France? Are the arbitration agreements between the parties governed by French law or English law?

Facts

RusChemAlliance ("RCA") is a company incorporated in Russia. UniCredit is a German bank with assets in Russia.

RCA entered into contracts with a third party for the construction of gas processing plants in Russia. Under the contracts, RCA was obliged to pay the contractor approximately EUR 10 billion. The contractor was entitled to advance payments of EUR 2 billion, which RCA made.

UniCredit issued seven on-demand bonds in favour of RCA to a total value of approximately EUR 420 million, four of which were to guarantee the performance of the contract and three of which were to secure repayment of the advance payments. The bonds each included a clause stating that: "This Bond and all non-contractual or other obligations arising out of or in connection with it shall be construed under and governed by English law". They also included a clause stating that disputes are to be resolved by an International Chamber of Commerce arbitration seated in Paris.

The contractor subsequently wrote to RCA to say that it could not continue to perform the contracts because of EU sanctions imposed after Russia's invasion of Ukraine. The contractor also said it could not return the advance payments. (RCA itself is not designated under or otherwise subject to EU or UK sanctions.)

RCA brought proceedings against UniCredit in the Russian courts seeking recovery of EUR 448 million under the bonds. UniCredit then issued a claim in this jurisdiction. UniCredit alleges that the proceedings commenced by RCA in Russia were in breach of the arbitration agreements in the bonds and seeks among other things an anti-suit injunction requiring RCA to discontinue the Russian proceedings.

The High Court initially granted UniCredit an interim injunction on ex parte basis. However following trial, the High Court declared it had no jurisdiction to hear the claim on the grounds that the arbitration agreements were governed by French law, and that in any event England was not the proper place for the claim.

The Court of Appeal allowed UniCredit's appeal and granted an injunction requiring RCA to discontinue the Russian proceedings. RCA now appeals to the Supreme Court.

Judgment appealed

[\[2024\] EWCA Civ 64](#)

Parties

Appellant(s)

RusChemAlliance LLC

Respondent(s)

UniCredit Bank GmbH

Appeal**Justices**

Lord Reed, Lord Sales, Lord Leggatt, Lord Burrows, Lady Rose

Hearing start date

17 April 2024

Hearing finish date

18 April 2024

Watch hearing

17 April 2024 [Morning session](#) [Afternoon session](#)

18 April 2024 [Morning session](#)