

BuzzFeed Seeks Hague's Help In Tech Exec's Libel Suit

By Carolina Bolado

Law360 (April 23, 2018, 4:08 PM EDT) -- BuzzFeed is trying to get more information from overseas banks about whether its publication of a dossier alleging ties between Russia and President Donald Trump had any effects on the business of a Russian tech executive named in the dossier, according to requests for international judicial assistance sent to The Hague by a Florida federal judge.

U.S. District Judge Ursula Ungaro on Friday sent two requests for international judicial assistance to The Hague for depositions and documents from De Lage Landen International BV and BNP Paribas Leasing Solutions about their business deals and financing arrangements with Russian executive Aleksei Gubarev and his affiliated companies.

The judge has already sent similar requests to banks in Cyprus, also at the request of BuzzFeed, which is trying to defend against Gubarev's claims that he faced increased bank scrutiny, had bank accounts frozen and lost business because of BuzzFeed's publication in January 2017 of the full 35-page dossier authored by former British intelligence officer Christopher Steele.

The complaint from Gubarev, who is the CEO of Luxembourg-based internet hosting and web development company XBT Holding SA, centers around a portion at the end of the dossier asserting that XBT and Florida-based subsidiary Webzilla Inc. had been transmitting viruses, planting bugs, stealing data and generally conducting "altering operations" against the Democratic Party's leadership. The dossier mentioned Gubarev specifically, calling him one of the "significant players" in the alleged operations, but Gubarev says none of these statements has "any basis in fact whatsoever."

Judge Ungaro requested information about De Lage Landen's and BNP Paribas' scrutiny or review of its business deals or financing arrangements with XBT Holding, Webzilla BV and Webzilla Ltd. after Jan. 1, 2017. She also sought any information about the banks declining business deals or financing arrangements with the companies after that date, and any communications between the banks and Gubarev or his companies regarding the dossier or litigation related to it.

The judge asked for the information "as soon as practicable," noting that the period for taking depositions of fact witnesses is set to end June 15.

The lawsuit in Florida has spawned an ancillary proceeding in the U.K., where Gubarev sought

to depose Steele about his dossier. Steele fought the request, but last month, an English judge said Steele's lawyers had failed to show how the U.K.'s national security would be imperiled by limited questioning of Steele, and approved a new, scaled-back list of topics Gubarev's attorneys can put to him.

BuzzFeed has appealed that decision on the grounds that Gubarev's offer to narrow the scope of Steele's deposition ignores an August 2017 agreement between the parties about the deposition that would allow both sides to question him about the dossier. The new limited scope essentially precludes the defendants from questioning Steele, according to BuzzFeed.

Evan Fray-Witzer of Ciampa Fray-Witzer LLP, who represents Gubarev, said his team did not oppose the requests.

"If they want to seek bank records, that's their right," he said. "They caused our clients significant damages, and the bank records will only support that."

An attorney for BuzzFeed could not immediately be reached for comment Monday.

The plaintiffs are represented in the U.K. by Steven Loble of W Legal Ltd. and in the U.S. by Evan Fray-Witzer of Ciampa Fray-Witzer LLP, Brady J. Cobb of Cobb Eddy PLLC and Valentin D. Gurvits and Matthew Shayefar of Boston Law Group PC.

BuzzFeed is represented by Katherine M. Bolger, Adam Lazier and Nathan Siegel of Davis Wright Tremaine LLP and Roy Black and Jared Lopez of Black Srebnick Kornspan & Stumpf PA.

The case is Gubarev et al. v. BuzzFeed Inc. et al., case number 0:17-cv-60426, in the U.S. District Court for the Southern District of Florida.

--Additional reporting by Christopher Crosby. Editing by Marygrace Murphy.

Update: This story has been updated to include comment from counsel.

Correction: An earlier version of this story misstated Gubarev's financial situation. The error has been corrected.