

DADDY'S POOR LITTLE RICH GIRL: The heiress at the heart of the world's biggest divorce took her father's side and his gifts, writes Vanora Bennett

Bennett, Vanora. **Sunday Times**; London (UK) [London (UK)]01 June 2014: 24.

Abstract

According to claims in court documents filed by Elena, Katia was the victim of a campaign of ruthless manipulation by her father to hide the extent of his philandering.

Full Text

Katia Rybolovleva, the 25-year-old daughter of the Russian "Fertiliser King" Dmitry Rybolovlev, seems at first glance to be the rich girl who has it all.

She is the owner of Palm Beach's most expensive seaside estate (\$95m), New York's priciest apartment (\$88m) and the Greek island of Skorpios, where Aristotle Onassis married Jackie Kennedy (\$150m).

Yet she also appears to be a pawn caught up in the bitter recriminations over the break-up of her parents' marriage, which ended with a Swiss court ruling last month that Dmitry must pay his ex-wife nearly Pounds 2.7bn, the largest divorce settlement in the world so far.

The scale of the settlement made global headlines but Katia remains an enigmatic figure.

Lawyers for her mother, Elena, who has been fighting Dmitry in court since 2008, claim Katia's vast property holdings are a sham to prevent her father's wealth from falling into her mother's hands.

According to claims in court documents filed by Elena, Katia was the victim of a campaign of ruthless manipulation by her father to hide the extent of his philandering.

The court papers claim that Dmitry confided in Katia, then aged 19, about a sex trip in summer 2008 with girls no older than herself on his \$72m yacht (called My Anna after his younger daughter). He supposedly told her that his sex drive was out of control and offered her a horse worth almost Pounds 1m and a car if she would keep his secret.

Elena claims the stress of being aware of her father's deceptions put Katia into a "serious nervous depression".

She claimed that burden was lifted only when she finally discovered her husband's double life and confronted him. He apparently did not deny the accusations.

When Elena said she was worried about contracting a sexually transmitted disease, Dmitry allegedly said the girls who had partied on his yacht were all virgins and had been given medical tests.

DMITRY, who until 2010 ran the Russian fertiliser giant Uralkali, is ranked No 147 on Forbes.com's list of billionaires and is said to be worth \$8.8bn.

At the heart of the feud is the question: who really owns the property he has given to Katia? "For him, it's all about control," said David Newman of Day Pitney, Elena's New York lawyer. "Any suggestion that Mr R doesn't control these properties is rubbish. He bought the properties -- they resulted from his amassing the fortune. You can call a horse a cow, but it's still a horse."

Katia, who has sided with her father, lives with him in a Pounds 200m Monaco apartment (since he moved to the principality and bought the football team AS Monaco, the media have called him the "Fertiliser King" a little less and the "Russian Prince of Monaco" a little more).

Newman believes Katia is either her father's passive patsy or is perhaps helping him to do her mother down by accepting gifts that should have been part of the divorce settlement.

"If I were in my early twenties and said, 'Daddy, I want a horse,' and Daddy gets you that, I guess you become a bit beholden to Daddy if he asks for your assistance. She doesn't have any independent means that I know of. She's not getting up in the morning and going to McDonald's and flipping burgers," Newman said.

"I don't know of anything she's doing in terms of going to a job. She doesn't have the wherewithal to do anything, so she pretty much does what Dad tells her to do."

Dmitry's lawyers say that the billionaire's transfers of assets to trusts they insist are not under his control are simply "succession planning" for Katia and her sister, Anna, who is now in her mother's custody.

Dmitry's Geneva lawyer, Tetiana Bersheda, who confirmed that her client will appeal against the divorce settlement -- and predicted there might be another 10 years' battling in court -- said Dmitry thinks it "indecent" for the wealth he has built up to benefit only one generation.

In a rare interview, Dmitry told Paris Match that his former wife's court battles to grab money from her children had distressed them and was "the worst thing of all".

"Clearly Katia is closer to her Dad and Anna closer to her Mom," said Newman.

"I guess if you have that, they might tend to work together, do things together."

Despite the glitz of her current lifestyle, Katia was born into humble circumstances two years before the collapse of the Soviet Union. Her parents were 22-year-old graduates living in a modest two-room flat in Perm, a provincial city where her father worked as a cardiologist.

Then capitalism blossomed. Katia's first memories would have been of a life under the protection of bodyguards. As soon as state-run factories came up for sale in the 1990s, Dmitry went into business, first acquiring a fund, then a bank, then the region's potash mines. Wearing a bulletproof vest, he started running Uralkali. It was a tough world and disputes with local heavies persuaded him to relocate his wife and six-year-old Katia to Geneva in 1995.

For the next two years mother and daughter lived in a lakeside mansion with an army of staff. In 1996 Dmitry was accused of ordering the killing of a factory boss whose business he had taken over. He spent 11 months in prison.

The case was dropped for lack of evidence and Dmitry was released. Reunited with her adored father, Katia became his confidante after Anna was born in 2001 and the couple's marriage began to crumble.

In 2005 after another Russian oligarch, Mikhail Khodorkovsky, was imprisoned and had his business empire broken up, creating panic among Russia's superrich, Dmitry transferred most of his wealth to a variety of discreet Cyprus trusts without telling his wife.

On the surface, family life continued serenely even though, in 2008, the Russian government began to threaten Uralkali with record fines because of an old mining flood. This led the Moscow financial class to speculate whether Dmitry could become the next oligarch to have his assets stripped.

In a show of unity and defiance, the Rybolovlevs planned to upgrade their property on Lake Geneva. In the summer of 2008 they sent in bulldozers to knock down the family home because Elena wanted to build a mini-Versailles on the plot.

In an ever more hectic spending spree, they visited New York and tried to buy a palatial flat overlooking Central Park. That fell through but they moved on to Palm Beach in Florida and snapped up an estate being sold by the tycoon Donald Trump.

Yet the whispers in the press about Dmitry's double life -- orgies on giant yachts and young models swapped between partying oligarchs -- persuaded Elena to file for divorce on December 29, 2008, in Geneva and Palm Springs, outlining every alleged scandal.

Dmitry found out about it only on New Year's Eve, when his lawyers told him his bank accounts had been frozen. His wife was the person he trusted most in the world, his supporters have often said, and he was stunned by the move.

For Elena, the fact that he had supposedly confided his sexual secrets to Katia was the final straw. Since the family home had been demolished and could not now be rebuilt because Dmitry's assets had been frozen, Elena moved to another Geneva property. Katia took her horse and followed her father.

IN Russia Dmitry was squeezed out of Uralkali and ended up walking away with \$6.5bn. He then bought the vast Monaco flat where the banker Edmond Safra had died in an arson attack in 1999.

Mother-daughter rivalry could be sensed in the first properties Katia acquired: the Palm Beach estate her mother had chosen and a New York flat in the same building that Elena had wanted to live in.

By demolishing the Geneva house, had Elena set a pattern? Katia, who has visited Palm Beach only once, spent her trip talking to builders about demolishing that house. After buying the New York apartment, supposedly for stopovers while she was at university, Katia stripped it down to the bare bricks and left it empty.

She appears confident in her close relationship with her father and unshaken by the Geneva ruling in favour of her mother. As it came out, she announced that she was planning a party for 100 people on her new island, Skorprios.

Sadness hangs over the island where Onassis, his daughter Christina and his son Alexander, who died in a plane crash aged 24, are all buried in the family plot.

In an echo of Katia's life, Christina inherited a vast fortune that seemed to bring her little joy in a life marked by depression. Married and divorced four times, she died alone in her bath, aged 37.

Vanora Bennett's novel *The White Russian* will be published by Century/ Random House on June 5

HE SAID THE GIRLS ON HIS YACHT WERE ALL VIRGINS AND HAD HAD MEDICAL TESTS

Credit: Vanora Bennett

Illustration

Caption: Father Dmitry has a luxury yacht, while daughter Katia owns a Palm Beach estate and the island of Skorprios, top; Katia Rybolovleva with her father, Dmitry, who has been locked in a court battle with her mother, Elena, below left, since 2008

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