

15.10.2000 № 1/15-10-PYA**To the President
of Russian Federation****V.V. PUTIN****On the destruction of the Russian nuclear
engineering flagship Atommash OJSC
(Volgodonsk city) and its Russian investors –
Moscow-based YACONTO companies****In addition to YACONTO's appeals
№21-2-PKYA of 21.02.2000, №26-3-PKYA of 26.03.2000,
№1/1-9-KFYA of 01.09.2000, №1/6-10-PYA of 06.10.2000.****Dear Vladimir Vladimirovich !**

YACONTO LLC, being the sole and full legal successor of Moscow-based companies Firm YACONTO LLP, Trade House YACONTO SE and Concern YACONTO JSC informs you that the artificial bankruptcy and liquidation of Russian nuclear engineering flagship Atommash OJSC (Volgodonsk city, Rostov region) is a planned action of officials of different rank, with the participation of the Governor of Rostov region V.F. Chub.

Atommash Production Association has been created for the mass production of complete sets of equipment for nuclear power plants (NPP), under construction or reconstruction, both in our country and abroad. By early 1980s, USSR has spent more than 12 billion rubles on the construction of the company.

After the Chernobyl NPP accident, development of nuclear engineering in our country was suspended. A drastic decrease in amount of contracts of the company's core competence led to financial, manufacturing and economical instability on Atommash OJSC. Despite that, Atommash had every chance to survive early 1990s, when market relations were being established in Russia. Its unique equipment allowed producing, on top of NPP equipment, goods for chemical, metallurgical, space, mining, oil & gas, processing and other industries. However, goods that Atommash was able to produce for domestic industry, were purchased by those industries abroad - at a higher price.

In 1993 Atommash became a joint stock company.

In early 1994, Firm YACONTO LLP purchased a large share in Atom mash OJSC on a Russia-wide voucher auction, but, not having received the promised dividends in 1994, decided to enter the Board of Directors of Atom mash OJSC on the following annual meeting of the shareholders on 07.04.1995. I was elected as the Chairman of the Board. It must be noted that the Board members Alexey Golovin, Viktor Molchanov, Valentin Egorov and Tatyana Savenkova voted for me because they wanted me to be a “dummy chairman”. Instead, having been appointed Chairman, I started working actively to gather executive information about the state of affairs on Atom mash OJSC in 1992–1994, which the executive management of the company meticulously concealed from me. Their reluctance to provide the documents I demanded had a reason. That prompted me to initiate a process of reorganization of the management and control system on Atom mash OJSC. Having understood that I’m not OK with sitting and nodding my head as a “dummy chairman” and that my activity did not correspond to the interests of the small circle of people listed in this appeal, on 07.09.1995, at the meeting of the Board of Directors, the frightened executive management urgently took a decision to remove me - Chairman of the Board - from the office, in order to prevent my access to the requested documents which confirmed the sale of Atom mash OJSC property for a pittance, so that I couldn’t oppose reckless and lawless actions perpetrated by the company’s executive management.

The financial support that Atom mash OJSC received in 1994 from the Russian Government was negligible. Moreover, the main amount of the allocated funds was lost due to a fraud planned and facilitated by the executive management.

As per 1997, the shares of Atom mash OJSC were distributed in the following way: 30% stock (+ one “golden share”) owned by the State, 28.5% owned by Concern YACONTO JSC, another 11% at the disposal of Energomashinostroitel'naya Korporatsiya JSC (short name EMK JSC), the rest spread among nearly ten thousand minor shareholders.

One of the facilitators of the liquidation of Atom mash OJSC was Vladimir Chub, who couldn’t have possibly been unaware of the state of affairs in this company. The elimination of the company has been directly facilitated by:

- Head of the Territorial agency of the Federal Department for insolvency (bankruptcy) proceedings in Rostov region, T.A. Gramotenko (a person enjoying special trust of V.F. Chub, P.P. Mostovoy and G.K. Tal);

- Head of EMK JSC, A.Y. Stepanov, appointed external manager (bankruptcy referee) of Atom mash OJSC (enjoys special trust of T.A. Gramotenko);

- General Director of Atom mash OJSC and, subsequently, of EMK-Atom mash JSC, A.I. Golovin (a trustee of T.A. Gramotenko and A.Y. Stepanov);

- Bankruptcy trustee of Atom mash OJSC and, subsequently, of the defense industry company Salut JSC (Volgodonsk city), S.V. Chessky (a trustee of T.A. Gramotenko and V.F. Khizhnyakov).

Peter Mostovoy, Alfred Koch, Georgy Tal, Anatoly Chubais and other high-ranking officials of that period were involved in the destruction of Atomash OJSC and seizure of its property and the state-owned 30% share in it. We believe that significant amounts of money were used to “reward” individual unscrupulous officers of law enforcement and judicial authorities in order to accomplish that. Ex-Mayor of Volgodonsk, currently Representative of the Russian President in the Federation Council, V.F. Khizhnyakov (a special trustee of Vladimir Chub) also played his negative role.

Artificial bankruptcy and liquidation of Atomash OJSC, as well as seizure of the state-owned 30% stake, became public. Having understood that the Governor can be held liable, Vladimir Chub decided to lay all the blame on Alexander Stepanov. At the same time (as we happen to know), Vladimir Chub counts on the help of “his” people in the Presidential Executive Office and Russian Government. He understands all too well that a serious inspection of the economic activity of Rostov region would uncover other malicious deeds, including the undermining of the region’s industrial capability and agriculture.

The moment the control over Atomash OJSC and its assets have been transferred to EMK JSC, Vladimir Chub started actively supporting the bankruptcy referee Alexander Stepanov and his new hybrid company EMK-Atomash JSC, created on the premises of liquid, if already 6 times devaluated, assets of Atomash, where the state didn’t hold a single share anymore.

Vladimir Chub was against the completion of construction of the Rostov NPP. Vyacheslav Khizhnyakov, at the time Mayor of Volgodonsk, supported the “master” of the region. This position, certainly, was not shared by the heads of industrial and defense companies of Rostov region, including those Volgodonsk-based, who suffocated from exorbitant electricity costs, which was sold in the region with Chub’s direct interest.

On preliminary meetings with G.S. Koryakov, a responsible employee of the Ministry of Atomic Energy, in 1997 I persuaded him to talk to the new Mayor of Volgodonsk S.V. Gorbunov regarding a reopening of the Rostov NPP and completion of its construction, taking into consideration demands of the Volgodonsk city and its citizens, and talk to the deputies of the Legislative Assembly of Rostov region, including V.V. Miroshnikov. This work has been conducted completely. After that, Sergey Gorbunov and Valentin Miroshnikov met the leadership team of the Ministry of Atomic Energy of Russia and took active part in finding solution to the issued around the commissioning and launch of the Rostov NPP.

One of the most responsible employees in Rostov region was the Deputy Head of the regional Administration, A.A. Khomyakov, who, being one of 13 Vladimir Chub’s deputies, supervised more than a half of all economical tasks

which the regional Administration was responsible for. At the same time he never sought cheap glory and laurels, understood the hardships of the industry, supported it, was at the forefront in addressing the problems of the region's miners and didn't hide behind other people's backs.

Having said that, I kindly ask you to:

- instruct the Russian Government to inspect the activity of the Russian Federal Service for financial recovery and bankruptcies, and its Rostov region Territorial agency;

- instruct the General Prosecutor's Office of Russia to conduct a thorough inspection of the bankruptcy of Atom mash OJSC, provide legal assessment and prosecute those found guilty in the premeditated bankruptcy and liquidation of the company;

- instruct the Federal Security Service of Russia to conduct a verification of the facts set forth in the appeals of YACONTO companies regarding the artificial bankruptcy of Atom mash OJSC;

- instruct the Audit Chamber of Russia to conduct an audit of the use of budget funds, allocated by the Russian Government to Atom mash OJSC, and find out the fate of the state-owned 30% share in the latter;

- instruct the Russian Ministry for anti-monopoly policy and support of entrepreneurship to provide information about the legal basis for EMK JSC's actions during the creation of EMK-Atom mash JSC on the premises of liquid assets of Atom mash OJSC;

- instruct the Ministry of Atomic Energy of Russia to provide an expert evaluation of production and technology capacities of EMK-Atom mash JSC when it comes to the production of the goods of its main profile.

YACONTO LLC is ready to provide materials and information at our disposal to the federal agencies, so that a decision on the merits can be made.

Reinstatement of rights of all shareholders of Atom mash OJSC - and, above all, the State - will allow us to resurrect this unique company and fully employ its production capacity in the interests of the entire Russia, not specific individuals.

(Original text is in Russian.)

**President
of YACONTO LLC**



S.P. Yakunin
S.P. Yakunin

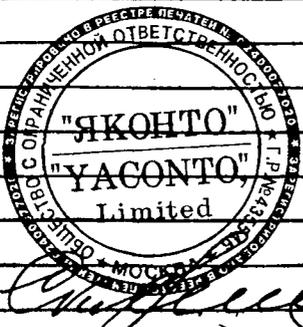
Копия реестра № _____

на местную корреспонденцию, направленную через Управление
фельдъегерской службы

« 19 » октября 2000 г.

Отправитель:

ООО "ЯКОНТО"

№ п/п.	Кому адресован пакет	Номера, указанные на пакете	Важность	Примечание
I	Президенту Российской Федерации Путину В.В.	Письмо № I/I5-IO-ПЯ от 15.10.2000	сл	
		 <p><i>Один</i> <i>Мурманцев</i> <i>19.10.2000</i> <i>1700</i></p>		 тел 952-0809

Всего пакетов один Сдал: Якунин С.П.
(количество прописью)

Принял: _____
(количество прописью)

« _____ » _____ г. « _____ » час. « _____ » мин.

Оформленные расписки на _____ пакетов
(количество прописью)

получил: _____