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Regarding conduction of an independent investigation of a large-scale crime in Russia: bankruptcy of Atommash OJSC

**To the Chairman  
of the Investigative Committee  
of Russian Federation**

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### **COMPLAINT**

**against the Resolution «not to institute criminal proceedings»  
of the DIA for Volgodonsk city, Rostov region from 13.12.2010  
under Statement of YACONTO LLC to MIA of Russia  
(out. №100726-1 of 26.07.2010) regarding the premeditated bankruptcy  
of Russian nuclear engineering flagship Atommash OJSC**

YACONTO LLC has submitted to the Russian Ministry of Internal Affairs a Statement (out. №100726-1 from 26.07.2010) regarding the resumption of proceedings on the bankruptcy of Atommash OJSC (Volgodonsk, Rostov region) and the facts of usage of websites in the Internet for misinformation, slander, and defamation of YACONTO LLC and its leader. The statement of YACONTO LLC has been submitted to Volgodonsk Internal Affairs office for an inquiry, which resulted in a decision “not to institute criminal proceedings” in accordance with pt. 2, part 1, chapter 24 of the Code of Criminal Procedure of RF, based on the Resolution of the Volgodonsk Internal Affairs from 13.12.2010. **The inquiry was being conducted by a DAEC operative, Acting inquirer of Volgodonsk Internal Affairs, militia Lieutenant S.S. Chub.** At the end of the inquiry, which was based on previously reviewed crime report materials, registered in Crime Report Registry of Volgodonsk IA №517 from 27.10.2003, **acting inquirer S.S. Chub issued the following “Resolution”:**

**1.** Not to institute criminal proceedings against: S.V. Chesskiy, the former director of Atommash OJSC; against T.A. Gramotenko, the former head of Federal Office for Insolvency (Bankruptcy) Proceedings for Rostov region, on the basis of ch. 24 part 1 p. 2 of the Code of Criminal Procedure of RF in the absence of crime component in their actions under Articles 146, 158, 160, 183, 195, 196, 197 and 201 of the Criminal Code of RF.

**2.** Not to institute criminal proceedings against A.Y. Stepanov, on the basis of ch. 24 part 1 p. 2 of the Code of Criminal Procedure of RF in the absence of crime component in his actions under Article 196 of the Criminal Code of RF.

3. Not to institute criminal proceedings against S.P. Yakunin, on the basis of ch. 24 part 1 p. 2 of the Code of Criminal Procedure of RF in the absence of crime component in his actions under Article 306 of the Criminal Code of RF.

4. Submit the copy of the resolution to the Prosecutor of Volgodonsk city.

5. Submit the copy of the current resolution to the complainant S.P. Yakunin, clarifying to the latter that this resolution can be appealed to the prosecutor or the court in accordance with chapters 124 and 125 of the Code of Criminal Procedure of RF.

This Resolution “not to institute criminal proceedings” is signed by a DAEC operative, acting inquirer of Volgodonsk Internal Affairs, Lieutenant S.S. Chub, by Chief of DAEC of Volgodonsk Internal Affairs, Lieutenant Colonel A.V. Chebotarev and “approved” by the Chief of Volgodonsk Internal Affairs, Colonel Y.Y. Sereda. Copies of the Resolution from 13.12.2010 have been submitted to the Prosecutor of Volgodonsk and YACONTO LLC with a Notification №8/11062 from 13.12.2010.

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**YACONTO LLC strongly disagrees with the Resolution “not to initiate criminal proceedings” of Volgodonsk Internal Affairs, Rostov region, from 13.12.2010 on the bankruptcy case of Atom mash OJSC, flagship of Russian nuclear engineering, for many reasons.**

All the previous Resolutions of Volgodonsk IA on the bankruptcy of Atom mash OJSC, which the Resolution from 13.12.2010 is based on, do not reflect the reality and have no noticeable difference between each other. It’s not by accident that a very “swift, flexible and executive” young DAEC investigator of Volgodonsk IA, senior lieutenant of militia V.V. Bulygin was assigned to investigate the bankruptcy of Atom mash OJSC by YACONTO LLC’s appeal, on top and in parallel with the investigation of the bankruptcy of the defense company Salut JSC (Volgodonsk city). Apparently, he figured out everything at once (as if it were an ordinary kiosk) and wrote three judicially casuistic Resolutions of Volgodonsk IA from 03.11.2003, 05.11.2003 and 01.12.2003 of depictive and chronological kind. By doing so, he fully justified the “trust” of his bosses and stepped on the right way to “more stars on shoulder straps”.

A similar Resolution of Volgodonsk IA from 20.02.2004 has been prepared by the investigator (interrogator) of OD DAEC of Volgodonsk IA, lieutenant of militia V.M. Gubarev. But the leadership of Volgodonsk IA seemingly didn’t feel it was sufficient; hence, two more Resolutions, identical nearly as blueprints, from 02.04.2004 and 16.04.2004 have been prepared into the bargain, but this time signed by the OD DAEC investigator (interrogator) lieutenant of militia A.A. Nesterov. The Resolution of Volgodonsk IA from 16.04.2004 “not to institute criminal proceedings” approved by the Chief of Volgodonsk Internal Affairs,

colonel of militia V.P. Potapov, as well as the previous ones, contained knowingly false and distorted information. It also contained a reference to the inquiry materials and Reference OM-2 of Volgodonsk IA from 15.04.2004, according to which the documents of Atomash OJSC have been destroyed in accordance with the Order of Russian Ministry of Internal Affairs №615 from 19.11.1996 “due to expiration date”. Those documents were essential for confirming the crimes committed by the members of the organized crime group (OCG), listed in the appeals from YACONTO LLC. It’s not a coincidence that the Resolution was issued the next day after the documents were allegedly destroyed. It’s also a telling fact that an investigation of the biggest crime in Russia was assigned to young militia trainees, who were backed up by well-trained professionals from law enforcement authorities, who, in turn, were directed, coordinated, and fully controlled by the organized group of interested officials (OGIO).

Not just law enforcement bodies, but also judiciary authorities continue to play an important role in the redistribution of property in Russia. And there are many reasons for that. But the first and foremost of them is a great temptation to obtain material goods, benefits and promotions from the “customers” of the offences and crimes. Can we even speak of justice, equality and socio-economic development in Russia after that?

Two specific examples of leading domestic industrial enterprises destroyed by OGIO and OCG members are: carefully planned bankruptcy of Atomash OJSC, nuclear industry giant, where the State and Concern YACONTO JSC held 30% and 28.5% of the shares respectively, and bankruptcy of defense industry company Salut JSC, where Concern YACONTO JSC held 67% of the shares.

One specific example of an explicit violation of Russian Law by the law enforcement agencies was when Volgodonsk Internal Affairs reviewed the pivotal Statement of YACONTO LLC (out. №1-20714 from 14.07.2002) which reported a bankruptcy fraud of the defense enterprise Salut JSC, seizure of assets owned by YACONTO LLC and huge material damage caused. This Statement has been prepared by General I.G. Poymanov, an ex-Chief of one of Departments of the General Prosecutor’s Office of USSR (now retired), a highly professional and a very principled investigator. According to List of documents №1 to the said Statement, 210 documents on 425 pages and a Reference of YACONTO LLC from 14.07.2002 which described illegal activities of OGIO and OCG were attached. Having reviewed the Statement, the DAEC officer (interrogator) of Volgodonsk IA, lieutenant of militia V.V. Bulygin issued a Resolution dated 01.08.2002 “on the appointment of a documentary audit”, approved by the Chief of Volgodonsk IA colonel of militia A.D. Tokarev. That Resolution was faxed to YACONTO LLC on 05.08.2002. In his Notification from 06.08.2002 ref. №8/9153 to YACONTO LLC, A.D. Tokarev officially announced a start of the auditing of economic activity of Salut JSC, in accordance with the Statement of YACONTO LLC.

In practice, Volgodonsk IA officers did not conduct any auditing of Salut JSC or search for productive capacities owned by YACONTO LLC on the territory of VZRTA JSC whatsoever. In the period of the alleged verification of the facts indicated in the Statement of YACONTO LLC, Volgodonsk Internal Affairs issued only Resolutions of narrative and chronological kind from 02.08.2002, from 04.01.2003, from 07.04.2003 and from 25.06.2003 “not to institute criminal proceedings”, prepared in co-authorship with the very OGIO and OCG members which were to be checked. But what’s most interesting, a Regulation of Prosecutor’s Office of Volgodonsk from 30.12.2002 signed by Deputy Prosecutor V.I. Kozyrev, mentions a Resolution of Volgodonsk IA on the Statement of YACONTO LLC (№1-20714 from 14.07.2002), dated 02.08.2002, unknown to YACONTO LLC and already annulled by the Prosecutor’s Office.

If you **compare the two Resolutions of Internal Affairs** from 01.08.2002 and from 02.08.2002 (one day difference), and compare **two Notifications of Internal Affairs** from 06.08.2002 ref. №8/9153 and from 06.08.2002 ref. №8/9155 (issued on the same day), you’ll find that they are exactly opposite in meaning and content. Moreover, instead of Colonel A.D. Tokarev’s signature on the fake Resolution from 02.08.2002 and fake Notification from 06.08.2008 ref. №8/9155 we find a signature of the same “unknown person”; moreover, instead of DAEC Volgodonsk IA officer’s, lieutenant V.V Bulygin’s signature, both fake documents bear his “modified signature”, certified under a round seal №2. Both falsified documents have been submitted by the Volgodonsk IA (out. №8/1288 from 07.03.2003) to YACONTO LLC after a strong demand was expressed by the latter when the existence of those documents has been “revealed”. It can be stated with confidence that falsified documents with forged signatures were fabricated several months after the dates they bear. These documents were used by the Volgodonsk IA officers in order to discredit YACONTO LLC and prevent a verification of the facts mentioned in the Statement of YACONTO LLC (out. №1-20714 from 14.07.2002), multiple addendums to it and the documents attached thereto, submitted to Volgodonsk Internal Affairs department.

Sequence analysis of the document preparation showed that the Resolution of IA from 02.08.2002, issued on the next day after the first Resolution, couldn’t have possibly interposed between the Resolution of Volgodonsk IA from 01.08.2002 and Notification of IA from 06.08.2002 ref. №8/1953. The Resolution of IA from 01.08.2002, faxed to YACONTO LLC on 05.08.2002, was registered by the date of delivery, 05.08.2002. At the same time, Volgodonsk IA never mentions its Resolution from 02.08.2002. Besides, the issue of such document should have excluded the preparation of Notification of IA from 06.08.2002 ref. №8/9153. Of course, coincidences happen, but it’s an interesting fact that the Resolution of Volgodonsk IA from 01.08.2002 has been signed by the DAEC operative of Volgodonsk IA **Lieutenant of militia** V.V. Bulygin, while the Resolution of Volgodonsk IA from 02.08.2002 has been signed by **Senior Lieutenant of militia** V.V. Bulygin. It is therefore necessary to make an official request of

**date and reference number of Order on V.V. Bulygin's promotion to Senior Lieutenant of militia.**

S.V. Chesskiy was the key figurant & executor of the premeditated bankruptcy of Salut JSC. Having been the Deputy Director of Economics of the state defense enterprise "Volgodonsk plant of radio-electronic Equipment", since 1992 Chesskiy deliberately raised the tariffs for public utilities and other services for the industrial complex created on the leased premises of SOE VZRTA and belonging to YACONTO CJSC (Volgodonsk city), where SOE VZRTA itself was the co-founder. This is confirmed by the calculations which S.V. Chesskiy published in an article entitled "Energy: new prices", in "Impulse", the newsletter of the workforce team of "Volgodonsk plant of radio-electronic Equipment", (outgoing №14 (117) from 16.04.1993). Besides, SOE VZRTA never made its founding contribution fee to the authorized capital of YACONTO CJSC. When Firm YACONTO LLP (Moscow) purchased 40% stake in VZRTA OJSC (successor of state-owned SOE VZRTA) on an auction, S.V. Chesskiy began actively opposing YACONTO in entering the legitimate rights of the owner and in obtaining requested documents on the economic activity of the SOE and its successor VZRTA OJSC. And as it turned out, Chesskiy had very serious concerns about providing that information.

With the direct involvement of S.V. Chesskiy, between December 1993 and August 1994, VZRTA OJSC took loans at 153–213% annual interest from "Volgodonsk Gorkombank". The State representatives, shareholders and even the Board of Directors of VZRTA OJSC did not know anything about those loans. And although the total amount payable was insignificant in comparison with the asset value of VZRTA OJSC (renamed to Salut JSC in 1996), this very amount, together with the cumulated interest on the loan became the basis for the commencement of bankruptcy proceedings against Salut JSC in 1998, initiated by T.A. Gramotenko, the head of Rostov regional FSDN.

In late 1994, when S.V. Chesskiy was fired from VZRTA OJSC, the Head of Administration of Volgodonsk V.F. Khizhnyakov took him as his Deputy of Economy, since V.F. Khizhnyakov also used to work on SOE VZRTA as a head of production and therefore knew S.V. Chesskiy as a cynical hypocrite and was fully aware of his unprincipled sense of duty and sordid nature. Once in the city Administration, the "helper" immediately started setting obstacles and sabotaging the VZRTA OJSC's operations. Details of those facts are described in the Statement of Concern YACONTO JSC (Moscow), to the Acting President of Russia V.V. Putin (out. №21-2-PKYA from 21.02.2000) and in other documents posted on the Internet at: WWW.YACONTO.RU.

"Figurants" like S.V. Chesskiy were exactly what T.A. Gramotenko, the head of Rostov regional Federal Office of Insolvency (Bankruptcy) Proceedings, needed to organize bankruptcies of more than 300 enterprises of the region. After S.V. Chesskiy's retirement from the Administration of Volgodonsk, T.A. Gramotenko

eagerly involved him into her criminal activities and turned him into an accomplice of OGIO and OCG. Under T.A. Gramotenko's pressure, the Arbitrary Court of Rostov Region (AC RR) approved the appointment of S.V. Chesskiy, whose actions were directed, controlled and coordinated by OGIO and OCG, bankruptcy trustee for Atom mash OJSC. At the same time, Gramotenko pushed AC RR to appoint Chesskiy bankruptcy referee for Salut JSC as well, which was a brutal violation of the law.

Having been illegally appointed the bankruptcy trustee of Salut JSC, S.V. Chesskiy, utilizing the scheme developed by OGIO and OCG, appealed to AC RR with a knowingly false statement that there is no, and there has never been any leased equipment owned by YACONTO companies on the territory of Salut JSC, and hence, Salut JSC owes nothing to YACONTO. In reality, that particular debt made 92% of the total amount payable to all creditors. But Chesskiy's statements were sufficient for AC RR to issue knowingly illegal court decisions which led to a fraudulent bankruptcy of Salut JSC, its liquidation and seizure of assets belonging to YACONTO companies. Existence of high-tech equipment belonging to YACONTO companies on the territory of SOE VZRTA (VZRTA OJSC after its corporatization in 1993) has been officially confirmed by Y.N. Cherepovich, the former Director of VZRTA OJSC, in his Statements to AC RR from 16.08.1999 and 14.09.1999, which, as well as documented statements of other officials, have been intentionally ignored by the Court. In his Statements, Y.N. Cherepovich also informed the Court that S.V. Chesskiy has been his Deputy for economics and personally supervised the activities of YACONTO CJSC from the SOE (OJSC) VZRTA side.

The investigation of deliberate bankruptcy of the defense industry company Salut JSC would have undoubtedly led to the investigation of premeditated bankruptcy of Atom mash OJSC, where the same participants of OGIO and OCG were involved. If the facts in the Statement of YACONTO LLC to the Volgodonsk Internal Affairs (out. №1-20714 from 14.07.2002) and its addendums were proven, they would have become the cornerstone for a major criminal trial in Russia related to the bankruptcies of Salut JSC and Atom mash OJSC. And since high-ranking officials at federal and regional level were involved, verification of the facts of criminal activity on the said Statement was unlawfully turned down.

As a reward for his active participation in the intentional bankruptcy and liquidation of Atom mash OJSC, the OGIO and OCG members gave S.V. Chesskiy an opportunity to purchase a major stake in "Volgodonsk plant of radio-electronic equipment" JSC (VZRTA JSC). S.V. Chesskiy established this company on the territory of Salut JSC (Volgodonsk) which he had illegally bankrupted and liquidated earlier, having seized all of its property including the industrial complex belonging to YACONTO LLC.

In the Resolution of Volgodonsk IA from 13.10.2010, judicially casuistic and absurd from the content perspective, prepared with the complicity of OGIO and

OCG, its executor, DAEC operative, acting inquirer of Volgodonsk IA, Lieutenant of militia S.S. Chub, made a number of major mistakes. For example, on unnumbered pages: 1, 5, 10, 11, he, like previous “investigators/interrogators/interns-lieutenants”, wrote that S.V. Chesskiy had been a **Director of Atommash OJSC**, which is absolutely false. This only shows that S.S. Chub is not “on top” of the Atommash OJSC bankruptcy case materials, and it’s not by chance that he was appointed to lead this case.

Thus, by serving the “customers” of anti-state activities in pursuit of personal goals, employees of law enforcement and judicial authorities themselves became complicit in the OCG gang which undermines the economic security, defense and statehood of Russia. So, what kind of fair trial in Russia are we talking about, if the State itself contributes to illegal activities of law enforcement and judiciary bodies? Today’s critical socio-economic situation in Russia is a natural consequence of the activity of OGIO and OCG members, who should sit on the dock regardless of their rank, position, and the statute of limitations on their crimes. That is why real potential foreign investors have been so hesitant about investing their capital in the Russian economy, which is so risky from the standpoint of raider attacks. And if the investments still come, it is, to a great extent, merely a return of illegally exported capital which, under the guise of foreign investments, is placed on favorable terms by the “Russian ruling elite” and their “monopoly business partners”. But the “Russian elite” prefers to remain silent about these combinations.

Creating Atommash was one of the priority tasks for the country in 1976–1980, as outlined in the statement of main directions of development of the Soviet economy: “Create and employ the first tier capacities of the Volgodonsk Heavy Machinery Plant and initiate the deployment of the second tier of the plant”. By decision of the Central Committee of CPSU (Communist Party of Soviet Union), deployment of Atommash was proclaimed a “Union-wide Komsomol construction project”. The statement of main directions of the economy and social development of USSR in 1981–1985 clearly sets a priority: “Employ the capacities of Atommash plant”. Production, transport and social infrastructure of an unprecedented scale, including the modern city of Volgodonsk, road, railroad and air communication, large-scale farms, livestock and poultry enterprises were established to support the activities of Atommash. Detailed information of unique capabilities of Atommash OJSC can be found in the Attachment to the Letter of Ministry of Atomic Energy of Russia to a foreign investor (out. №7-24 from 21.01.1997). To build Atommash and equip it with modern high-tech equipment, to create scientific and technical products, and to establish a single integrated infrastructure necessary for its production activities, 12 Billion rubles were spent, which equaled to \$17.8 Billion (seventeen point eight billion U.S. dollars) according to the official exchange rate of the Bank of Russia on 01.01.1981. Taking into account inflation and changes in purchasing power of U.S. dollar over the past 30 years, the funds initially invested in Atommash and its infrastructure total to \$122.8 Billion

(one hundred and twenty-two point eight billion U.S. dollars), with a coefficient of 6.9. It is no accident that Atom mash, the flagship of USSR's nuclear engineering, was named after the General Secretary of the CPSU L.I. Brezhnev during his life.

By the Order of the Government of Russia (from 21.08.1992, №1542-p) State Owned Enterprise Industrial Association "Atom mash" was transformed into an Open Joint Stock Company "Atom mash" (Atom mash OJSC). At privatization of Atom mash the price of its tangible and intangible assets has been set according to a formal accounting residual value, although the real value of this giant was many times higher. Having been transformed into a joint-stock company, Atom mash retained its special status of a federal significance company and its place on the list of strategic objects that are not subject to bankruptcy. Despite this, participants of OGIO and OCG at federal and regional levels carried out an unprecedented operation of deliberate bankruptcy and liquidation of Atom mash OJSC for the benefit of a limited group of officials and foreign competitors of the industrial giant. For this purpose Energomashcorporation OJSC (Moscow) was used. More information about this is described in "Nezavisimaya Gazeta" (outgoing №50 dated 13.05.2000) in the article "A very illusory investor" and in the Regulation of the College of the Audit Chamber of Russia (out. №6(289) from 22.02.2002).

According to the Decrees of the Prime Minister of Russian Federation V.S. Chernomyrdin from 25.03.1994 №378-p and from 08.09.1994 №1437-p, "in order to preserve the unique specialized facilities for nuclear engineering ..." and "... for the restructuring of production ...", Russian Ministry of Finance allocated earmarked loans totaling 22 Billion rubles from the federal budget to Atom mash OJSC, to be returned in a timely manner. But even those funds – insufficient for economy and production of a giant like Atom mash OJSC – didn't serve the intended purpose, but instead were passed to various commercial structures controlled by "nomenklatura elite" who used these funds for their own selfish interests. Under two Additional agreements under the same number and date (out. №1 from 17.03.1995) to two Agreements between Atom mash OJSC and the Russian Ministry of Finance from 01.04.1994 and 15.09.1994 signed by the First Deputy Minister of Finance A.P. Vavilov, terms of return for all loans received by Atom mash were prolonged until 01.07.1995. However, since there were no funds to return the loan from, Atom mash OJSC remained indebted to the state. But the most extraordinary thing about this combination is not that credit allocated to Atom mash had disappeared and could not therefore have been used for its intended purpose, but the fact that the State, being the lender, never required to recover the debt. If the loans, in the end, had been used for their intended purpose, their cancellation by the state could have been at least partially justified. But the usage of loans at the expense of the State and Atom mash is a fraud and an anti-state crime of an unprecedented scale.

That brings us to logical and justified questions: why wasn't the State itself, being the owner of 30% stake and a "golden share" in Atom mash OJSC, interested in the economy and production activities of the industrial giant; why didn't it con-

control the usage of earmarked loans received by Atommas? The answer is simple: corrupt officials from OGIO and OCG groups were personally involved in these tricky transactions and similar criminal schemes with state loans; same officials who were directly involved in the looting and the collapse of the Russian economy of the 1990s, including the deliberate bankruptcy of the nuclear industry giant Atommas OJSC. But no less interesting is the fact that today many of the participants of OGIO and OCG, who bear liability for the premeditated bankruptcy of Atommas OJSC, still retain key positions in the executive and legislative branches of government at federal and regional level. These state criminals are being covered by their accomplices and influential patrons in the Presidential Administration and the Government of Russia. Therefore, investigations conducted by law enforcement and judicial bodies cannot produce serious results, and those responsible cannot be strictly punished for their anti-state crimes, until the President or the Prime Minister of Russia make a hard and principled decision to conduct a thorough investigation of the bankruptcy of Atommas OJSC in the interests of the State.

It is no accident that the OGIO and OCG members used to conceal the truth about deliberate bankruptcy of Atommas OJSC from V.V. Putin as Russian President and Prime Minister of Russia and from D.A. Medvedev as Russian president for a long time. Concealment of truth and misinformation are being carried out by people from their own “inner circle”. The reason is that among the ranks of people involved in this extremely grave anti-state offense we find not only the high-ranking officials of the 1990s, but also those in the Presidential Executive Office of Russia and the Russian Government who cover the state criminals for their own advantage, using the “mutual guarantee” and having private benefits. Because of this “environment” D.A. Medvedev and V.V. Putin have to manage the State in the “manual mode”, so the socio-economic situation in the country remains unstable.

YACONTO LLC (Russia, Moscow) is the full and sole successor of Firm YACONTO SE (LLP), Trade House YACONTO SE and Concern YACONTO CJSC.

Since 1991, YACONTO companies and its affiliates have been establishing their production and economic activities side by side and in cooperation with the state owned industrial enterprises of USSR, and consequently of Russia. Since the very start of operations of YACONTO companies, development of domestic industry, agriculture and science was fully integrated into its business activities.

In 1991, when the whole country, and agriculture in particular, experienced a severe economic crisis, Firm YACONTO SE agreed to the suggestion of officials to participate in the creation and mass production of Biomass Power Generating Units (BEU – biomass energy units) in Russia to address environmental, energy, agro-chemical and socio-economic problems in the country’s agriculture. BEU were to be deployed to agricultural enterprises to speed up processing of livestock and poultry waste into an environmentally friendly fertilizer and biogas, using the latter as a source of energy and heat. Leading experts and designers from Salyut

Design Bureau of Khrunichev State Research and Production Space Center (Moscow) and scientists from Institute of Biochemistry named after A.N. Bach of the Russian Academy of Sciences (Moscow) were involved in the research and development of BEU. By early 1993, a modern product based on high-end science and advanced technology was created.

The production technology of BEU was designed in a way that rocket bodies of ballistic missiles, intended for disposal or destruction at the reduction of armaments under national disarmament program, could be used as reservoirs. This could be a good example of quality disarmament by bilateral agreement between the USSR and U.S. At the same time, Russian missiles would not be “destroyed”, but rather “broken down into components” like it’s done in the U.S. With the mass production of BEU, the funds provided to Russia by the West for the economic conversion of defense industries, could have been used for their intended purpose, ensuring the effective development of industry, agriculture and the economy of the country as a whole. But the “ruling elite” used these funds to establish a class of “monopoly business partners” in Russia, including them in the “privileged caste” and a “group of oligarchs”. Through dubious privatization and subsequent redistribution, they received liquid assets of the state (public) property.

BEU were planned to be produced on SOE IA (later OJSC) Atom mash, because in 1993–1994 all design documentation was fully adapted to this unique multi-profile enterprise, which possessed necessary high-tech equipment. Research and development of BEU (in essence, economic conversion goods) and its adaptation to SOE IA (later OJSC) Atom mash has been fully financed by Russian YACONTO companies without the State’s involvement (on 20.03.1996 Rospatent granted to Firm YACONTO LLP a Patent №2056393 for an invention of BEU, priority of invention since 19.03.1993). However, despite the urgent need in BEU for large-scale development of national agriculture and despite the appeal from Atom mash OJSC to the Russian Ministry of Agriculture (out. №18-5-PYAA from 18.05.1995) asking for assistance in deployment and adoption of the already created and tailored device, this agency declined to support the production of BEU on Atom mash by sending a rather cynical and evasive reply (out. №5-18/267 from 05.06.1995). This led to the disruption of a very promising industrial program for the production of BEU on Atom mash OJSC for the successful development of country’s farms. Thus the Russian Ministry of Agriculture caused great damage to the socio-economic development of agriculture and industry in Russia, as well as its provisions and economic security, as evidenced by today’s realities.

If those plans were implemented, in mid-90s Atom mash could have significantly affected the course of socio-economic development in Russia. Over 80% of equipment on Atom mash was imported, purchased from world’s leading corporations. Usage of high-end domestic and foreign technologies enabled Atom mash OJSC to produce over 1000 new kinds of products, including: non-standard metal equipment of large sizes, various metal containers for energy systems (heat-, hydro-, wind power), metallurgical, mining, oil and gas production and processing

systems, including ready for use plants for deep processing of oil and its residual fractions on the basis of cleaner technologies and processes, compact mini oil refineries with a capacity of 50 to 500 thousand tons per year, and mini-factories for recycling and processing of by-products and waste oil, equipment for the construction industry, including equipment for launch pads for missiles and spacecraft, for sea water desalination plants, containers for transportation and disposal of nuclear waste, railroad tank cars for transportation of liquid gas, and much more.

In early 1994 Firm YACONTO LLP acquired large shares of two companies located in the city of Volgodonsk – Russia’s nuclear engineering flagship Atom mash OJSC and the defense industry company “Volgodonsk plant of radio-electronic Equipment” OJSC (renamed to Salut JSC in 1996; it produced special items of radio-electronic warfare and reconnaissance for surface ships and submarines of the Russian Navy) on voucher auctions, using the company’s own capital. Unfortunately, the products of their specialty they manufactured in the USSR were not in demand in Russia due to ill-considered reforms in economy and politics. Understanding this, YACONTO companies prepared proposals for the development of future long-term economic development programs for Atom mash OJSC and Salut JSC, identified the range of promising new products of purely civilian use, popular in Russia and abroad, and took an active part in the establishment of their production.

In December 1993, a senior official from the Administration of Rostov region addressed me with an earnest request to purchase shares of Atom mash OJSC on a Russia-wide voucher auction. In early 1994 Firm YACONTO LLP acquired a large share of the enterprise. But already since mid-1994 we started receiving alarming information about a sharp deterioration of the Atom mash OJSC business. Not having received the promised dividends in 1994, I decided to introduce Firm YACONTO LLP to the Board of Directors of Atom mash OJSC. On the next Annual General Meeting of shareholders, which took place on 07.04.1995, Firm YACONTO LLP received three seats in the Board of Directors out of nine, after which I was elected Chairman of the Board. Some of the members voted for my appointment only because they expected me to be a “dummy chairman”. Since taking office, I started to actively collect information about real state of things on Atom mash in 1992–1994, which the executive management strenuously concealed from me, the shareholders and the State. Their reluctance to provide requested documents on the activities of the company was clearly not accidental. It prompted me to start a complete reorganization of the management system and control over Atom mash OJSC, including: accounting transparency, analysis and justification of debtor/creditor contracts, personnel changes and ensuring openness and accessibility of information on the activities of Atom mash OJSC and its Board of Directors for many thousands of minority shareholders by the involving mass media of Volgodonsk city.

The main problem to be solved in order to pull Atom mash OJSC out of its economic and production crisis was to load the capacities of the industrial

complex under major long-term contracts. At that time such contracts could only have been obtained outside “collapsing” Russia – in the Asian, African and Near Eastern countries. But it was contrary to the plans of OGIO and OCG members who sought to bankrupt Atomash OJSC for their own benefit and in favour of the “clients” of the destruction of this unique “plant of the plants”. On the meetings of the Board of Directors of 23.06.1995 (Protocol №4) and 31.07.1995 (Protocol №5) I strongly demanded that the executive management of Atomash OJSC submits a detailed report of the production and economic activities and debtor-creditor situation, introduces a new management control system approved by the Board of Directors and solves other equally important issues.

Having understood that I was not going to play the role of a “dummy chairman” and my active involvement goes against their “interests”, the alarmed executive management of Atomash OJSC and corrupt officials of local and federal levels quickly cooked a “proactive group” consisting of their supporters and defrauded shareholders of Atomash OJSC. They addressed First Deputy Prime Minister of Russia A.B. Chubais with an appeal to urgently create a “commission for examination of the status” of Atomash OJSC. Chubais the “Reformer” pretty swiftly signed an Instruction (№99034 from 21.08.1995) and an Order (№364 from 30.08.1995) on the establishment of a regional “commission for examination of the status” of Atomash OJSC.

Due to malevolent activities of specific officials, the financial, economical and production activities of Atomash OJSC were rapidly deteriorating, so I submitted my Statement (out. №5-9-PAYA from 05.09.1995) to the Prosecutor of Volgodonsk city N.P. Volitskiy. The Statement informed about illegal activities of the Atomash OJSC executives and the damage they caused to the State and shareholders. In two days, on 07.09.1995 a meeting of the Board of Directors of Atomash OJSC took place, scheduled by me to review the status update. Members of the Board of Directors who were mentioned in my Statement to the Prosecutor of Volgodonsk, scared by my decisive actions on initiating checks and verification of the industrial, financial and economical activities of Atomash and the commercial structures working on its territory, expressed no confidence in me. Under false pretexts they voted for my dismissal from the post of the Chairman of the Board for an alleged “abuse of authority”. Thus the OGIO and OCG members deprived me of control and opportunity to oppose their illegal activities, and restricted direct access to the documents on the sale of liquid assets of Atomash OJSC for a song. And the verification of specific facts of their criminal activities on terms of my Statement to the Prosecutor of Volgodonsk city (out. №5-9-PAYA from 05.09.1995), in turn, was blocked by the administrative resource and “mutual guarantees” at the disposal of OGIO and OCG.

The key initiators and participants of the bankruptcy fraud of Atomash OJSC were: the General Director of Atomash OJSC A.I. Golovin; First Vice President (as of 1996, General Director) of Energomashcorporation OJSC (Russia, Moscow) A.Y. Stepanov; T.A. Gramotenko, the head of Federal Office

for Insolvency (Bankruptcy) Proceedings for Rostov region; head of Administration of Rostov region V.F. Chub and other OGIO and OCG participants on federal and regional levels. They covered this crime and illegally used law enforcement agencies to prevent the appropriate investigation. It was practically impossible to oppose the mayhem and lawlessness that took place on Atomash OJSC without an involvement from the most senior government of the State, as YACONTO LLC communicated in its Letter to the President of Russia V.V. Putin (out. №1/15-10-PYA from 15.10.2000) which, as well as the Letter from YACONTO LLC (out. №80116-1 from 16.01.2008) never reached him due to active resistance of the corrupt officials in the structures of power.

During the 1990s, Russian government and people close to it were diligently involved in distribution and redistribution of property and national resources of the country, and didn't have much time for the development of domestic industry, agriculture and science. Having carved up natural resources, especially the production and processing of oil and gas, they got themselves engaged in exporting of those to the great detriment for the economy, but with personal profit. Help that was provided to the country's businesses was selective and conditional, so "the rescue of the drowning was the business of the drowning". It was during this difficult time that the heads of several large foreign companies have shown keen interest and established business contacts with the management of the YACONTO Corporation, seeing in it a real, trustworthy and proper business partner which owns large stakes in Russian industrial companies and is capable of establishing mutually beneficial long-term cooperation with all responsibility.

Destruction of planned economy and financial system without developing a real plan of transition to market economy in Russia in the 90s resulted in a situation when funding for domestic industry, agriculture and science became a priori unprofitable and unpromising, which paved the way to undermined defense, security, genocide of the people (in a veiled form, of course), and, ultimately, to elimination the State itself. All this happened at a time when the efforts of the "reformers" of the Russian economy and their "advisors", not always impartial, led to chaos, and in the higher echelons of power lawlessness reigned. At the same time, capitalist states with developed market economies learned from the experience of planning in the USSR and utilized it for their own development, since the prosperity of a civilized society is impossible without long-term economic planning. This is particularly important during a financial and economic crisis.

In 1995 a subdivision of YACONTO Corporation was opened in one of the leading countries of the Persian (Arabian) Gulf. The unit's tasks included conduction of market research and establishing contacts with business and political circles of the Middle East in order to ensure their long-term and mutually beneficial cooperation with Atomash OJSC, with YACONTO companies and their affiliated entities. The YACONTO program assumed participation of Atomash in co-production of advanced technology equipment for large regional industrial, transport and energy facilities, including desalination plants, oil and gas

production and processing enterprises, with equity participation in profit sharing from sales of the finished product.

Moreover, Russia and the countries of the Middle East could have set agreed prices for hydrocarbons and derived products on world markets. This opened up great opportunities for Russian companies and their western partners to participate in major long-term programs aimed at economic collaboration with countries of the Middle East in cooperation with Atommash OJSC. In 1995–1997 YACONTO companies could (under tough competition on the world market) guarantee signing and fulfillment of orders (contracts) with these countries for the production of high-tech equipment worth at least \$15 Bln (fifteen billion U.S. dollars), corresponding to approximately \$72 Bln (seventy-two billion U.S. dollars) at the beginning of 2009 with an inflation factor of 4.8.

Unfortunately, the crisis of the 1990s in Russia has affected not only the industrial, but also the country's defense businesses, the plight of which was exacerbated by non-professional management of Rosoboronexport, which sought to retain its monopoly on military equipment supplies. Russian defense companies were on the brink of survival and elimination, because there were no contracts for military goods for the Russian Armed Forces, and Russian arms exports fell to a critical minimum. Western competitors, former socialist states and CIS countries immediately took advantage of it by starting actively supplying arms to all interested countries, including the hot pockets of the planet and dictatorial regimes.

YACONTO Corporation had real opportunities to operate as an official intermediary in the sale of military equipment. From one side, some Russian defense enterprises offered to supply any required quantities of military equipment through YACONTO companies. From the other side, the subdivision of YACONTO in the Middle East received large orders for the purchase of military equipment, including armored personnel transporters, infantry fighting vehicles, tanks, aircraft, helicopters, ships, submarines, missile systems, small arms, ammunition, etc. The volume of actual orders was so great that they could meet the needs of armed forces of Asia, Africa and the Middle East. But due to the irresponsibility and improper conduct of the functionaries of Rosoboronexport, YACONTO companies, having no desire to be deceived in the role of a mediator, were forced to abandon the contracts profitable for Russia itself.

In the 1970s the U.S. planned to build more than 20 nuclear power plants (NPPs) in Iran in exchange for the supply of quality crude oil at bargain prices. However, because of political opposition of the parties (after the overthrow of Mohammad Rezā Shāh Pahlavi in Iran) these plans cannot be implemented to the present day. Russia has decided to occupy the resulting promising market niche. Atommash got involved in the production of equipment for nuclear power plant in Bushehr. Atommash OJSC was supposed to receive an order worth 27% of the total contract amount, but only got about 7%, which also had a negative

impact on industrial and economic activities of the industrial giant on the construction of Bushehr NPP in general.

On confidential agreements with authorized representatives of the Russian Federal Space Agency (RSA) from 1995 to 1997, Firm YACONTO LLP and subsequently Concern YACONTO JSC focused efforts on the selection of the most effective platform for the construction of a new international Space Launch Complex (SLC) near the equator. One of the “relevant parties” interested in this large-scale collaboration, offered to YACONTO Corporation a choice of areas for the promising new SLC, which were geographically and economically more beneficial than the existing launch pad in Baikonur in Kazakhstan. According to calculations, same launch vehicles would be able to carry 2.4 times more cargo to the orbit from the new SLC rather than from Baikonur, thus increasing payload greatly.

The International space program would allow using the new SLC more effectively for the exploration of outer space for scientific and commercial purposes, and an in-depth study of the Moon, as well as for production, processing and delivery to Earth of extremely valuable raw materials (helium-3) in order to solve the energy and environmental problems of our planet in the near future. During thermonuclear fusion, when 1 ton of helium-3 reacts with 0.67 tons of deuterium, energy equal to burning of 15 million tons of petroleum is released. Despite the planned expenditure amount of U.S. \$1.2 Trillion at the exchange rate at the beginning of 2008, the Moon Program, based on the intensive development of aerospace and other advanced industries, justifies itself completely, having very high cost-effectiveness. As for the non-renewable hydrocarbon resources on earth, the volume of production of raw materials and prices will be eventually adjusted, without prejudice to the interests of exporting countries for the benefit of the future generations.

All expenses for the work on space related topics in the Middle East were covered solely by YACONTO enterprises. A new international SLC could have given not only tremendous economic and political, but also military and strategic benefits to all parties of this ambitious Program. Countries of Middle East were, and still are capable of providing complete funding for the construction of the new SLC with the respective infrastructure. YACONTO Program assumed engaging Atomash OJSC for the creation of large-size and bulky high-tech equipment and metallic constructions. Implementation of promising large-scale international projects and programs with the involvement of countries of the Middle East would have contributed to the development of the world economy, science, culture and human civilization in general, as well as the peaceful settlement of the Arab-Israeli conflict. But the intentional bankruptcy of Atomash disrupted the implementation of YACONTO Program.

Unfriendly countries and OCG members, acting in the interests of the opponents of industrial, agricultural and scientific development of Russia, deliberately destroyed Atomash OJSC to thwart it and many other industrial enterprises of

the country from carrying out industrial programs aimed at long-term, large-scale economic partnership between Russia and the countries of the Middle East. Same people, who actively opposed the convergence of YACONTO enterprises with business and political circles of the Middle East in the 1990s by smearing them hypocritically and cynically, today shamelessly establish contacts with them for cheap loans, markets for products and access to natural resources.

Russian hydrocarbons, which they, having destroyed their industry, cannot even process any longer, are not anymore enough to satisfy their insatiable hunger. Exorbitant greed pushes them to employment, processing and, what's most important, selling of natural resources of the Middle East and Latin America, under the guise of mutually beneficial partnership, where domestic industrial enterprises are placed "in the rear of the global business". Despite that, "Russian nomenklatura elite" and their "monopoly business partners" acquire real estate and liquid assets there through cunning schemes. Those assets will bring them fabulous profits, while Russia itself will become a guarantor for their large-scale "commercial operations" but will only receive a "donut hole" from it. But what's interesting, "Russian tricksters" will not be able to achieve anything without modern foreign equipment.

The collapse of the Soviet Union led to a shortage of port capacity in Russian Black Sea, since several major commercial ports moved under the jurisdiction of Ukraine and Georgia. Loss of sea ports annually causes great damage to Russia and holds it dependent on political and economic interests of the former Soviet republics that host naval bases and commercial ports. Insufficient capacity of Russian ports is particularly acute in the Azov-Black Sea Basin, which has an advantageous geographical location and favorable conditions for sea and river transportation.

In 1993, YACONTO Corporation has developed a nongovernmental investment program to build a large new dry cargo and container port complex together with a new modern city in the free economic zone in the Black Sea coast of Krasnodar region. The program took into account the interests of the Russian Navy. YACONTO companies and their business partners had a real opportunity to bring major financial and material resources to this project. For successful implementation of the proposed program, as well as today, political and administrative support from the senior management of the State was needed. Atommash OJSC, possessing most advanced Western technologies, was considered by YACONTO companies as the primary producer of custom oversized metal equipment, steel, containers and other products for the objects of YACONTO Program. Besides, Atommash OJSC, possessing its own special berth on Tsimlyansk Reservoir, could ship the production through River Don, Azov and Black seas to the construction site of this promising Program, via Atommash's own water transport facility. But because of the bankruptcy of Atommash OJSC, which dragged on for four years – from 29.11.1995 to 25.11.1999, the Program activities have been put to a halt. Information about that has been stated in a letter from YACONTO LLC to the President of Russia V.V. Putin (out. №80116-1 from 16.01.2008), which has been concealed from him.

In November 2000, YACONTO LLC resumed the development of the previously halted YACONTO Program, but under a different name – nongovernmental investment YACONTO Integrated Program on construction of the “Black Sea Trade Port YACONTO” in the Tuapse district of Krasnodar region. The new port has been designed for handling over 100 mln tons of freight per year. The Program also included a creation of a Tuapse Naval Base as a basing and repair point for the Black Sea Fleet of Russia; the port and the base were designed to have single production, transport and social infrastructure. The Program was aimed at socio-economic development and bolstering of Russia’s defense in the Azov-Black Sea basin, solution of energy security issues in the industrial world, strengthening Russia’s position in the international division of labor, prevention of: military threats, acts of terrorism, smuggling of goods, weapons and drugs. Implementation of the large-scale multi-integrated YACONTO Integrated Program will significantly increase trade with Asia, the Americas, Africa, Australia and Europe, including CIS and Middle East, and strengthen long-term mutually beneficial cooperation with them. More information about the YACONTO Integrated Program can be found in the Explanatory Note of YACONTO from 09.05.2008 to the YACONTO List of Projects from 09.05.2005.

Construction of the large “YACONTO Port” fully corresponds to the construction of a new 45–60 km long waterway canal in Turkey, along the narrowest section of existing water transport artery through the Bosphorus, the Sea of Marmara and the Dardanelles. Plans to build this canal date back to the Byzantine and Ottoman Empire times. This will dramatically increase the capacity of maritime transport and thereby increase the volume of transit goods, reduce the delivery time and provide significant economic benefits to all stakeholders.

The YACONTO Integrated Program, claimed to be realized in Russia, is a part of the YACONTO International Program, a much bigger program which spans across multiple industries and includes progressive, highly profitable, interrelated, complementary and synergistic projects and programs. For the time being, YACONTO LLC refrains from exposing the Program details due to a risk of seizure and appropriation of the Program by “Russian nomenklatura elite” and its “monopoly business partners”.

In line with existing practice in Russia, Federal Targeted Programs (FTP) are being designed at the expense of the federal budget and with the support of the state, but the country’s officials are not responsible for the implementation of FTPs, as well as their intermediate and final results. The development of nongovernmental investment YACONTO Integrated Program of federal and national importance is funded fully by YACONTO LLC which takes the responsibility for the economic effectiveness of the Program (including the risks) under the condition of having administrative support on highest level. Innovative development of Russia requires Public-Private Partnerships (PPP), which would ensure balance of interests between the State and the business. YACONTO Integrated Program provides an example of such partnership.

In January 2008, State Duma Deputy V.P. Komoedov addressed the Chairman of the Committee of Industry of Russian State Duma Y.D. Maslyukov with a request to evaluate the nongovernmental investment YACONTO Integrated Program. Admiral V.P. Komoedov was the Commander of the Russian Black Sea Fleet and was fully aware of the problems with the deployment of the Black Sea Fleet warships in Ukraine due to the Agreement of 1997 on their stay in Sevastopol until 2017, an onerous and humiliating treaty for Russia. Therefore, as a professional he understood the naval part of the Integrated Program very well. Having passed numerous documents and materials on the subject to Y.D. Maslyukov, V.P. Komoedov wanted to receive an independent assessment of the civil part of this program.

My first meeting with Y.D. Maslyukov happened after he became acquainted with the documentation and materials for the YACONTO Integrated Program. He expressed a very positive opinion of the program and noted that implementation of such a large program required involvement of industrial design institutes and enterprises for the production of various equipment, and it will provide huge economic impact and help solve social issues in the South of the country and beyond. With this, Maslyukov noted that implementation of the Program was not possible without the support of senior leadership of the state and the “ruling party”. And if the “United Russia” officially supported the program, the Communist Party, possessing considerable professional staff reserves, would be able to support the implementation by providing highly qualified professionals of different profiles.

One of the important prerequisites for a confidential talk with Maslyukov was that he has been contacted by V.V. Dementsev, former First Deputy and Acting Minister of Finance of USSR. Dementsev was fully aware of the YACONTO Integrated Program and consulted me on related funding topics. Y.D. Maslyukov had great respect for V.V. Dementsev, besides, they had a mutual contact – a legendary figure of N.K. Baibakov (1911–2008), Deputy Chairman of the Council of Ministers, Chairman of the State Planning Committee of USSR who, in turn, was the closest colleague of A.N. Kosygin himself, the Chairman of the Council of Ministers of USSR. Dementsev, who was transferred from a managerial position in Yaroslavl region to Moscow in the 1960s by Kosygin’s decree, believed that Maslyukov is a political and public figure whose opinion cannot be disregarded even by his current ideological rivals.

At my meeting with Maslyukov on the YACONTO Integrated Program, I inquired him about his opinion about Atommash. He answered that the decision to build the industrial association Atommash was made on the highest possible level of power – the Politburo of Central Committee of the Communist Party of the Soviet Union. Maslyukov and Dementsev knew the costs of the nuclear engineering giant with its infrastructure to the state, and what it took to build it, very well. Moreover, Maslyukov mentioned that on top of colossal material resources and funding, Atommash attracted huge scientific potential and high-end technologies. Tens of thousands of high qualification workers and specialists have been attracted from the entire Soviet Union, and worked not only on Atommash, but also on

other enterprises of the new Volgodonsk city, created together with modern social infrastructure for the successful development of Rostov region and the country itself.

I also asked Maslyukov, why he didn't reply to the appeal of Concern YACONTO JSC (out. №9-11-PKYA from 09.11.1998), addressed to him personally, when he used to be the First Deputy Prime Minister of Russia. This letter described the critical situation on Atommash OJSC, but back then it was still possible to save the company from the intentional bankruptcy and liquidation. Moreover, the appointment of E.M. Primakov the Prime Minister of Russia provided a real opportunity to prevent the bankruptcy of Atommash and to prosecute the OCG participants who took a part in it. Y.D. Maslyukov replied that, regrettably, he didn't see the letter from the Concern, and couldn't have possibly seen it because he received hundreds of letters with complaints from all over the country every day.

I told Maslyukov that Concern YACONTO received a cynical reply from G.K. Tal – Head of the Federal Office for Insolvency (Bankruptcy) Proceedings of Russia (out. №GT-04/3468 from 23.12.1998), where this “functionary” counterfeited something hardly intelligible by distorting the facts. Based on documents forged by his accomplices from OCG, G.K. Tal indirectly accused me of complicity in the bankruptcy of Atommash, however, not OJSC, but JSC. In response for this knowingly false letter from FOIP of Russia, I wrote an additional appeal to the Government of Russia (out. №12-2-PKYA from 12.02.1999) regarding the criminal anti-state activity of Georgiy Tal himself, as well as his accomplices in anti-Russian reforms – Alfred Koch and Peter Mostovoy, who contributed to the bankruptcy of Atommash OJSC. In my appeal I asked to conduct a very thorough investigation of the process leading to intentional bankruptcy of Atommash OJSC – however, using alternative sources of information.

The investigation took place, but, unfortunately, only a year after the liquidation of Atommash OJSC. The basis for the inspection was an appeal from the State Duma Committee on Industry, Construction, Transport and High Technology (out. №3.11-21/1312 from 21.10.2000) headed by Y.D. Maslyukov, to the Audit Chamber of Russia. The results of the auditing conducted by the Audit Chamber of Russia proved the facts of anti-state activities of the OCG group, aimed at undermining of economic and energy security of Russia. The auditing showed that with the complicity of specific officials the State suffered enormous material damage. In particular, the State lost 30% stake in Atommash OJSC. Based on the auditing results, the College of the Audit Chamber of Russia issued a Resolution №6(289) from 22.02.2002. Y.D. Maslyukov also informed me that the bitterest opponents of the investigation of the bankruptcy fraud of Atommash OJSC did everything to ensure the materials received from the Audit Chamber of Russia are disregarded in the State Duma of Russia, the Government and the Presidential Executive Office of Russia.

Having discussed the topic of the bankruptcy of Atommash OJSC, we both came to a consensus that it is necessary to come back to the question of restoring

the status quo of Atom mash OJSC. Therefore, for the rule of law and justice, it's necessary to deliver accurate information to the most senior leadership of the State so they can take specific actions.

Many companies of Rostov region were forced to take ruinous loans in order to lead them to bankruptcy. The promises of the regional authorities to support domestic producers turned out to be bluff and deceit. Moreover, those authorities initiated a massive redistribution of property rights in the region through intentional bankruptcy of joint-stock companies via hostile takeovers and fiscal stranglehold to paralyze their industrial and economic activity.

In order to accomplish the synthetic bankruptcy of Atom mash OJSC and give it an appearance of legitimacy, in 1994 the company was forced to take loans at 216% interest per annum in the Volgodonsk branch of Commercial Bank "Doninvest". From June to September 1994, VB CB "Doninvest" issued a large amount of suspicious loans to Atom mash. This is confirmed by an Act of Reconciliation of the debt settlement between Atom mash OJSC and VB CB "Doninvest" from 22.07.1995 and the Letter from VB CB "Doninvest" to the Board of Directors of Atom mash OJSC (out. №1891 from 31.07.1995). As a result of these manipulations, the company's total debt reached 243.1 billion rubles by 01.10.1995. In this way, participants of OGIO and OCG achieved rapid growth in accounts payable by "Atom mash" to the creditors-intermediaries for leading the nuclear industry giant to intentional bankruptcy.

Some of the companies involved in those schemes were: CB "Yauza-bank", "Veles" CJSC, Concern "Sibir-Zoloto" CJSC, CB "Megastarbank", VB CB "Doninvest" and other dishonest banks and enterprises. Although the amount of debt to VB CB "Doninvest" was a tiny fraction of the net book value of assets of Atom mash OJSC, it served as a pretext for initiation of a bankruptcy procedure for the industrial giant by the Federal Office for Insolvency (Bankruptcy) Proceedings for Rostov region. It's important to mention that the market price of Atom mash was tens of times greater than its book value.

A topic of special interest is the "inexhaustible sources" of financial assets at the disposal of CB "Doninvest", their conditions of issue, earnings from financial transactions on loans, transactions of funds to foreign bank accounts, as well as the names of "mysterious almighty benefactors" of CB "Doninvest" who supplied it with unlimited funds at low interest rates and covered anti-state crimes. When the State had no funds to lend to domestic industry and agriculture, commercial banks had plenty. Their origin is a matter of an in-depth investigation. But what's equally interesting is the fact that the chief executive of CB "Doninvest" was M.Y. Paramonov, who attempted to settle in Western Europe after the collapse of the economy of Rostov region.

Corrupt officials, being formally under Russian Government's control, actively supplied foreign companies, which were direct competitors of Atom mash OJSC, with massive profitable orders for the manufacture and supply of equip-

ment for industrial enterprises in Russia. This equipment has been designed primarily for mining and processing of natural resources of the country. With appropriate funding, Atomash OJSC could have produced same equipment in a shorter time, with high quality and 30–40% cheaper than their foreign counterparts. Alliances like Areva / Siemens, Toshiba / Westinghouse, General Electric / Hitachi would have been key competitors and partners for Atomash.

In 1996 I had a meeting with Russian the Minister of Atomic Energy V.N. Mikhailov and his First Deputy L.D. Ryabev to formulate common policies and joint action plan aimed at preservation and development of Atomash OJSC as a single production facility. To achieve this goal, I offered to consolidate the shares of Atomash OJSC owned by the State and YACONTO companies. But agreements from V.N. Mikhailov and L.D. Ryabev were not enough because the State-owned stake in Atomash OJSC was at the disposal of the State Property Committee of Russia. OGIO and OCG members from the Government of Russia and the State Property Committee of Russia strictly refused to pass the control over 30% shares of Atomash OJSC to the Ministry of Atomic Energy.

YACONTO Explanatory Note on necessary measures for overcoming the industrial and economic crisis on Atomash OJSC provided the basis for the Letter by L.D. Ryabev (out. №03-2739 of 12.09.1996) addressed to: General Director of the Federal Office for Insolvency (Bankruptcy) Proceedings of the Russian State Property Committee P.P. Mostovoy, the First Deputy Minister of Finance of Russia A.P. Vasilyev, First Deputy Minister of Economy of Russia J.M. Urinson, Head of Administration of the Rostov region V.F. Chub and the Chairman of the Federation of Trade Unions of Rostov Region V.P. Voronin.

However, Governor V.F. Chub utilized the suggestions of Ministry of Atomic Energy of Russia in the interests of OGIO and OCG, who took over management of Atomash OJSC in the autumn of 1995 and engaged in markdown and sale of its property for a pittance. V.F. Chub addressed P.P. Mostovoy (out. №1/6049 from 19.09.1996) with a request to assist him in the implementation of a program for stabilizing the financial and economic situation of Atomash OJSC. This program, according to the letter, has been allegedly “developed” according to “Orders” of the Government of Russia by the Federal Office for Insolvency (Bankruptcy) Proceedings of Rostov region “in co-authorship” with the bankruptcy referee A.Y. Stepanov and the management of Atomash OJSC. In particular, V.F. Chub asks to allow “writing off”, reducing the capital surplus, of crucial fixed assets and “under construction” sites of Atomash OJSC (according to the list) worth 878 Billion rubles. And that’s while the value of those objects has already been repeatedly discounted and later “sold for a song” in the interests of OGIO and OCG members, dealing colossal material damage to the State, Atomash and its shareholders.

T.A. Gramotenko, the head of Federal Office for Insolvency (Bankruptcy) Proceedings for Rostov region (FOIP, former FUDN), was the initiator of the

premeditated bankruptcy of Atomash OJSC in 1995. Being the trusted person of the “Rostov celestial” Chub, she carried out his will, aimed at mass bankruptcy of major industrial and defense enterprises. Under T.A. Gramotenko’s “leadership”, the Territorial Agency of FOIP in Rostov region has deliberately bankrupted more than 300 large companies; this fact has documented evidence. However, T.A. Gramotenko managed to avoid an investigation of her criminal activities due to her “high patronage” and a hasty liquidation of the Territorial Agency of FOIP in Rostov region in March 2002.

If we conduct a thorough investigation and calculate the damage dealt by OGIO and OCG members to Rostov region, its inhabitants and Russia as a whole, we see a crime of a gargantuan scale. The investigation will confirm the facts of crimes committed against the state, including treason, which, combined, deserve capital punishment.

Prime Minister M.M. Kasyanov, by his Order from 15.03.2001 №349-p, awarded T.A. Gramotenko with a Diploma of the Government of Russia “For great personal contribution to solving the issues of financial recovery and preventing bankruptcy of the Rostov region enterprises ...” In March 2002 the head of Russian Federal Service for Financial Recovery (FSFR) T.I. Trefilova was actively trying to organize for T.A. Gramotenko a transition to a “gainful” assignment as Head of Inter-Regional Territorial Authority of Russian FSFR for Far East Federal District (FEFD) – as a reward for a successful economic collapse of the Rostov region.

Having learned about the antics of T.A. Gramotenko in the Rostov region, K.B. Pulikovskiy, the Plenipotentiary Representative of the President of Russia, categorically rejected her transition to FEFD. Then T.I. Trefilova and high patrons of T.A. Gramotenko, violating the established order, found her a place of the deputy head of Territorial Authority of FSFR of Russia in Moscow. Upon hearing this, YACONTO LLC appealed to the Central Federal District, Moscow City Duma and the law enforcement agencies urging them to investigate criminal actions of T.A. Gramotenko. In order to avoid the investigation, that “combat friend of the Rostov celestial” hastily resigned on 12.09.2002 and fled from Moscow – in a direction ostensibly unknown to Russian FSFR management. As it turned out later, she successfully settled down in Rostov region.

Carrying out a raider seizure of the assets of Atomash OJSC and its subsequent elimination, Energomashcorporation OJSC (abbreviated EMK OJSC) accumulated 10.8% of the shares and over 40% of the debt of Atomash OJSC, including those to VB CB “Doninvest”, in 1995 and 1996. Under the fictitious plan of the external management of Atomash OJSC, approved by the Arbitration Court of the Rostov region, EMK OJSC, gradually stealing the tremendous assets of Atomash OJSC for 4 years, brought it to bankruptcy and official termination on 25.11.1999. On the basis of the liquid assets of Atomash OJSC, EMK-Atomash JSC was established, 100% stake in which was received by EMK OJSC. Later EMK OJSC was re-registered into Energomashcorporation JSC

(EMK JSC) from Moscow to Velsk town of Arkhangelsk Oblast (region), and then withdrew the assets in an offshore zone.

M.E. Fradkov, while being the First Deputy Secretary of the Security Council of Russian Federation, addressed the Deputy Prime Minister of Russia V.B. Khris-tenko with an important Letter (out. №A21-1175 from 28.03.2001), proposing to conduct an investigation of the premeditated bankruptcy of Atom mash OJSC and other enterprises of Volgodonsk city. However, proper investigations of Atom-mash OJSC, Salut JSC and other industrial enterprises of the city were deliberately never conducted, and all “verifications” and “replies” were formally bureaucratic.

As a result of their anti-state activities, OGIO and OCG participants destroyed Atom mash, the most modern enterprise in Russia, designed to produce complete sets of equipment for nuclear power plants, and the State was deprived of its 30% stake. Because of the deliberate elimination of this “plant of the plants”, Russia has to purchase complex, high-tech, massive and oversized equipment abroad, while Atom mash OJSC could have successfully manufactured all of that. At the same time, none of the OGIO and OCG members has paid for the crimes yet. More detailed information can be found in the Letter of YACONTO LLC to President of Russia V.V. Putin (out. №80116-1 from 16.01.2008) which was concealed from him.

Already in 1996, in his Letter to the Russian State Duma (out. №D-M-27/4-01 from 21.05.1996), Russian Minister of Atomic Energy V.I. Mikhailov placed the entire responsibility for the consequences of bringing Atom mash OJSC to deliberate bankruptcy on the State Property Committee of Russia, and specifically, the Federal Office for Insolvency (Bankruptcy) Proceedings for Rostov region. This is fully confirmed, in particular, by the Resolution of the College of the Audit Chamber of Russia (out. №6(289) from 22.02.2002), issued based on an appeal from the Russian State Duma (out. №3.11-21/1322 from 21.10.2000). However, the OGIO and OCG participants prevented a thorough investigation and an initiation of criminal proceedings on the fact of intentional bankruptcy and elimination of this nuclear industry giant of strategic importance to Russia.

After it became apparent that Atom mash OJSC is being led to an inevitable bankruptcy and liquidation, Concern YACONTO JSC (Russia, Moscow) addressed the bankruptcy trustee of Atom mash OJSC S.V. Chesskiy with a Letter (out. №19-7-PKYA from 19.07.1999), demanding to return the patented scientific and technological design documentation, which was an intellectual property of Firm YACONTO LLP (Russia, Moscow) and had been handed over to SOE PA Atom mash under contracts №13-7-DYA from 13.07.1992 and №17-02-DYA from 17.02.1993 for the production of 16-program woodworking machines for households mark “YACONTO DK-1” and Biomass Energy Units BEU-10 for waste processing from livestock and poultry farms. But Chesskiy returned nothing and provided no response to our demands.

In 2008, while planning the itinerary of the candidate for President of Russia D.A. Medvedev's visit to Rostov region, his arrival to Volgodonsk city and visit to the former nuclear engineering giant Atommash OJSC were excluded from the agenda. All assets of this enterprise, as a result of the premeditated bankruptcy, were moved to EMK-Atommash JSC, of which the State didn't receive a single share. Many former and current officials on federal and local level were dissatisfied with and frightened by the resignation of V.F. Chub from the post of Governor of Rostov region, since a political decision of the Russian Government can lead to a total verification of the "fruitful work" of the "Rostov celestial" since the fall of 1991, when he was appointed to the post by President of Russia B.N. Yeltsin – and not his alone. And who would dare to touch the "supervisor" who enabled the capture and redistribution of property in the interests of "nomenklatura elite" and their "business partners" and knew a great deal about backstage intrigues and negative activities of the "ruling elite".

On the initiative of the head of State Corporation "Rosatom" S.V. Kiriyyenko, S.S. Sobyanyin, the Deputy Chairman – Head of the Presidential Directorate visited Volgodonsk in March 2009. They examined the production capacities which used to belong to Atommash OJSC and discussed its future fate and plan to save it. The reason for this was the statement made on 26.04.2007 by Russian President V.V. Putin that: "In our country for the entire – can't stress this enough – for the entire Soviet period, we built 30 nuclear power units. Now, over the next 12 years, we also plan to build 26 units, and – based on the most advanced technologies".

One month prior to V.V. Putin's statement, YACONTO LLC mentioned in its Report on YACONTO Integrated program, presented in Tuapse city on 21.03.2007 on the "offsite" session of the Commission for National Maritime Policy of the Federation Council, the following: "Currently there's a question raised on the federal level – question of the necessity of returning the assets of the former Atommash OJSC to state property through their purchase at market prices from the current actual owners, who deliberately destroyed, bankrupted, and obtained this a unique venture for a pittance in 1995–1999" (p. 22). The Report contained compromising information that "nomenklatura", their accomplices and cronies didn't want to hear. It's not by chance that at this so-called "offsite" session of the Commission, "chairing" Senator V.A. Popov prematurely interrupted the speaker, so most of the report was not presented. Details of this "session" were described in a letter from YACONTO LLC to the Chairman of the Federation Council of Russia S.M. Mironov (out. №1-70416 from 16.04.2007) and in other documents.

Those OGIO and OCG members who profited from the bankruptcy fraud of Atommash OJSC, wanted even more profit, this time from the purchase of the industrial complex from its current "owner" A.Y. Stepanov by the State, employing corporation "Rosatom". Therefore S.V. Kiriyyenko, very interested in the "bargain", deliberately organized S.S. Sobyanyin's visit to the former Atommash OJSC;

Sobyenin hardly knew the required information and most likely was not ordained to the true intentions of that “man of action”.

On 18.03.2010 the second power unit of Rostov NPP was launched. Prime Minister V.V. Putin attended this ceremony personally, due to its importance for the country amidst the financial and economical crisis. But they didn't show the former nuclear engineering flagship Atommash OJSC to Putin, even though it was just 14 km away from the Rostov NPP. As a matter of fact, that NPP was primarily constructed for the sake of ensuring uninterrupted energy supply to Atommash even when it's working on full capacity.

OGIO and OCG participants decided to protect their interests in Russia in advance by another bankruptcy – this time, of EMK-Atommash JSC itself which, together with Energomash-Atommash LLC, is an integral part of Energomash Group. To make this happen, OGIO and OCG members do their best to prevent the return (via a legal confiscation) of illegally seized Atommash OJSC industrial complex to the State. For this, OGIO and OCG, utilizing administrative resource, intend to come to an agreement with A.Y. Stepanov on the buyout of the assets previously owned by the State, by a “state entity” on terms favourable for corrupt officials. Confidential negotiations on a “retrocession” of the Atommash OJSC industrial complex to the OGIO members are conducted, led by “Rosatom”. But at the same time, the government will yet again suffer economic damage and it will, as always, receive the “donut hole”, while the “donut” itself and the super-profit will be obtained by the OGIO and OCG members.

Understanding the importance of a company like Atommash OJSC to the State and taking into account the public interest in its fate, Russian State Duma Deputy A.I. Lisitsyn addressed Russian Prime Minister V.V. Putin with a Letter (out. №LIS-767/GD from 25.12.2009), asking to investigate the bankruptcy of Atommash OJSC on the basis of the audit conducted by the Audit Chamber of RF and the Resolution from 22.02.2002 №6(289) issued by its College. The appeal was distributed to respective authorities. The responses received have uncovered much interesting and strange in the positions of certain agencies on the protection of the state interests. The reasons for the ambivalence of the positions of the officials are understandable and explainable in general. A meticulous and objective investigation of the process of deliberate bankruptcy of Russia's nuclear industry giant will inevitably unveil unpleasant facts of criminal activity of a number of officials, some of which even today occupy very high positions in the state hierarchy or in highly profitable commercial entities.

In particular, the top management of State Corporation “Rosatom” occupied a clearly ambivalent position. On one hand, it seemingly “shares our concern” about the fate of Atommash, but on the other hand it is markedly reluctant to come back to the topic of its bankruptcy, claiming that “Rosatom” has no right to apply for review of the decision of the Court on recognition of Atommash OJSC bankrupt according to the Arbitration Procedure Code of RF. At the same

time, “Rosatom” functionaries apparently decided that it’s their duty to “strongly indicate” to other state authorities their ‘opinion’ that none of those authorities, allegedly, has the right to initiate a review of the decision of the Arbitrary Court of Rostov region either – due to the expiration of statute of limitations for review of those judicial acts in force. In addition, they say, the expiration of period of limitations allegedly prevents the State from reviewing the decision of the Court despite newly discovered evidence, even if the criminal investigation reveals criminal actions of specific individuals in bankruptcy of Atom mash OJSC.

“Rosatom” as a State Corporation should have been pushing hard for returning the illegally seized property to the State, and the same applies for Federal Agency for State Property Management, which has significant authority over the management of state property. Hence, the excuses for anti-state crimes and crimes against state property (with respect to state-owned 30% shares of Atom mash OJSC) provided by “Rosatom” officials through judicially incorrect references to expirations of the statute of limitations are nothing but a testimony to the desire of hypocritical and cynical functionaries to close the ‘scandalous’ problem of illegality of bankruptcy of Atom mash OJSC and illegal appropriation of its assets by certain “beneficiaries”. The reason for that is a desire of the management of “Rosatom” to carry out a “yet another carving up” of the industrial complex previously owned by Atom mash, for the benefit of the OGIO group.

Because of deliberate bankruptcy of Atom mash OJSC, Russia lost a big number of very profitable orders for the construction of nuclear power plants (NPP) abroad, with the West trying to eliminate Russia as a competitor wherever possible. China alone plans to construct more than 100 NPPs in a short period. Mass construction of NPPs is planned in Asia, Africa, Latin America, Middle East, as well as in Europe and CIS. Against this background, Russia’s agreements for the construction of nuclear power plants around the world look ridiculous. But State Corporation “Rosatom” headed by S.V. Kiriye nko has its own reasons for those agreements. The plan is to engage major Western companies in the mass production of high-tech equipment for NPPs. Why does “Rosatom” need the West in those combination, is a “murky mystery” and an altogether “another story”.

As a result of the anti-state activity of OGIO and OCG members, the unique industrial complex of Atom mash OJSC, as well as multiple industrial enterprises of the Energomash Group in cities of Barnaul, Belgorod, Yekaterinburg, Chekhov, Engels, found itself owned by Company “Energomash” UK Ltd., registered in the United Kingdom. The company has an authorized capital of 158.000 U.S. dollars, while the real value of Russian industrial enterprises, which belong to it, is tens of Billions of U.S. dollars. Over 90% of the company shares are owned by a single Russian citizen A.Y. Stepanov – the former bankruptcy referee of Atom mash OJSC who directly participated in its bankruptcy case, seizure of the assets and the liquidation of the nuclear industry giant.

**For reference:** the Arbitration Court of Rostov region appointed A.Y. Stepanov bankruptcy referee of Atomash OJSC. At the same time A.Y. Stepanov was the head of Energomashkorporatsiya OJSC. Hence, this appointment violated the antimonopoly policy and legislation of Russian Federation, since Energomashkorporatsiya OJSC was a direct competitor of Atomash OJSC. With the deliberate connivance of corrupt officials the State has suffered tremendous damage, while the functionaries of “Rosatom” arch-cynically refer to the State’s lack of “abstract” rights and powers to find and punish the perpetrators, who are already long known to law enforcement and intelligence agencies of Russia. What is it – incompetence of the functionaries or interests of corrupt officials?

In contrast to State Corporation “Rosatom”, Russian Ministry of Economic Development demonstrated a more constructive attitude in its Letter to the Russian State Duma (out. №1824-AP/D06 from 11.02.2010). In particular, the letter stated that, since the State has been deprived of its 30% interest and the “golden share” in Atomash OJSC, the prosecutor may appeal to the Court with a claim to recognize the transactions by state companies null and void. The letter also explains the consequences of the invalidity of a void transaction. If the Court recognizes the transactions related to receiving loans and sale of Atomash’s property invalid, the decision to recognize it bankrupt may be revised by new circumstances. Functionaries of “Rosatom” stubbornly ignore the fact that the statute of limitations on grave crimes against the interests of the state (15 years) has not yet expired. Moreover, the period of limitations in the case of deliberate bankruptcy of Atomash OJSC could not have possibly expired because no criminal proceedings were instituted in the first place; all attempts to initiate criminal proceedings were clogged in the most stringent manner based on fake documents, and the results of auditing conducted by the Audit Chamber of Russia have been concealed as if they had never existed. That’s why it is essential that the Investigative Committee of Russia conducted an independent investigation of the Atomash bankruptcy fraud using the materials of the Account Chamber of Russia, which conducted the auditing upon the orders of the Committee for industry, construction, transport and high-end technologies of the State Duma of Russia (out. №3.11-21/1312 from 21.10.2000).

EMK-Atomash JSC (the key beneficiary of the bankruptcy of Atomash OJSC), together with Energomash Group, having received loans of over 30 billion rubles allegedly for an implementation of promising projects and programs, used them inappropriately, at the discretion of some “interested persons”. Therefore, the loans were not intended for funding of production activities of the enterprises, under the assets of which those loans have been received. The bigger part of the earmarked loans has been issued by Sberbank of Russia. Oddly enough, but it’s the management of “Sberbank” (with a controlling stake held by the State) and “Rosatom” (which is actively preparing for corporatization in the interests of its “creators”) that showed no interest in investigating the bankruptcy of Atomash OJSC. And the loan of U.S. \$365 Million issued by the Kazakh “BTA-Bank”

to A.Y. Stepanov in 2008 through an offshore structure “Rolls Finance” Ltd., also didn’t serve the declared purpose. It’s no wonder that the High Court of England and Wales sentenced A.Y. Stepanov in absentia to two years in prison for contempt of Court, which was presented false documents in the proceedings at the suit of the Kazakh “BTA Bank”. Unfortunately, there is no respective agreement on extradition between Russia and UK.

In its response (out. №16/2-4315-07 from 01.02.2010) to the Russian State Duma, the General Prosecutor’s Office of Russia informs that the Investigative Department of Volgodonsk Internal Affairs has conducted an inquiry on the Atommash bankruptcy case. But the Internal Affairs disregarded the materials of the Audit Chamber of Russia, so the Resolution of the Internal Affairs “not to institute criminal proceedings” has been annulled and an additional inquiry was prescribed. However, the latter gave no results either, which speaks for a necessity to conduct a thorough, independent investigation of the bankruptcy fraud of Atommash OJSC. Unfortunately, the General Prosecutor’s Office of Russia and the Ministry of Economic Development of Russia have different interpretations of article 52 of Arbitration Procedure Code of RF. It gives comfort to the OGIO and OCG members who interpret the law in their own interests.

Another artificial bankruptcy is being carefully planned – this time, of the Energomash Group itself. It’s planned with the involvement of “mighty patrons” who remain in the shadow, being inaccessible to Russian law enforcement agencies due to their status and position in the hierarchy of power. Liquid assets of the Energomash Group and huge loans taken against those assets are actually taken away from state control through crafty combinations and schemes. And this is despite the fact that the competent authorities have accumulated quite a number of questions on the activities of Energomash Group.

The question remains unanswered: which government authority will bring a lawsuit for the deliberate bankruptcy of Atommash OJSC and for the enormous material damage dealt to the State, and who exactly will be sued, if the Energomash Group is artificially bankrupted and its real proprietors, not “dummy” owners, are released from liability? Therefore, the Investigative Committee of Russia, under the supervision of the General Prosecutor’s Office of Russia, and the subordinate structures of both should use the materials and professional assistance of the Audit Chamber of Russia during their investigation of the bankruptcy of Atommash OJSC. Only joint actions of the officials who intend to conduct an objective investigation will bring to justice those responsible for causing multi-billion dollar damage to the State, Atommash and its shareholders.

We have to ask seemingly obvious questions. Who if not the State itself is supposed to stop the crimes against the State? Why do the officials and the “ruling elite”, who are obliged to protect Russia’s interests, instead avoid taking action to restore the rule of Law and justice? Why have the officials been doing everything possible to oppose the revision of the bankruptcy case of Atommash OJSC, allow-

ing the production complex to move from one supposedly “bona fide” purchaser to another, for more than ten years? And why should such officials even bother about fighting corruption, if nobody coerces them to abide Law?

For 11 years since the date of liquidation of Atom mash OJSC, participants of OGIO and OCG actively opposed the investigation of this major crime. And this lawlessness continues to this day.

A.Y. Stepanov’s illegal activity and his seizure of Atom mash OJSC and other businesses of the country were only made possible with the help of OGIO and OCG members and their “patrons”. Even today they, who brutally violate the Law, remain “invincible”. A.Y. Stepanov has inflicted colossal material damage to Russia. Besides, not everything can be measured by faceless numbers which OGIO and OCG members can manipulate masterfully. How can we explain the fact that A.Y. Stepanov received enormous loans against the obscenely discounted assets of the already bankrupted Atom mash OJSC, using devious schemes and scams? And that’s while there’s much talk with obvious indignation going on about foreign countries applying “double standards” for Russia. The fact that same “double standards” have become a norm of Law and morality in Russia itself, is being ignored. Deliberate bankruptcy of the nuclear engineering flagship Atom mash OJSC is a crime against public interests, unparalleled in its scale. It’s a matter of economic, energy and national security – therefore, a political will and involvement of the most senior leadership of Russia is required to take necessary actions for investigating the bankruptcy of Atom mash OJSC.

It’s no accident that the validity of conclusions provided in the Regulation of the College of Audit Chamber of Russia (out. №6(289) from 22.02.2002) has been “challenged” by a DAEC operative, Lieutenant of militia S.S. Chub, Acting inquirer of Internal Affairs for Volgodonsk and his management who approved the Resolution of Volgodonsk Internal Affairs from 13.12.2010.

There are legitimate questions. Why hasn’t any OGIO or OCG member been incurred administrative and criminal penalties for extensive damage dealt, especially to the State, through repeated devaluation, discarding, selling for a song and diverting huge assets of Atom mash OJSC in the process of intentional bankruptcy? In whose interests Atom mash OJSC has been destroyed and its multi-thousand team of highly qualified workers and specialists lost their jobs?

Unfortunately, today anti-state activities of the officials are not “rewarded” with capital punishment without any red tape. But for the sake of saving Russia from the destructive activities of the traitors of the fatherland there should come a time of imminent retribution for state criminals with capital punishment (not yet abolished in the U.S.). Otherwise, instead of the fatherland, its defenders will actually protect an army of corrupt official and their “business partners”, fortune-hunters and rogues, who, being in power or close to it, cynically seized the national wealth and subsoil of Russia, which belong to its multinational folk. Successfully developing China is a compelling example of a real fight against corruption.

Premeditated bankruptcy of Atommash OJSC, conducted with the assistance of OGIO and OCG of Rostov region, has been carried out in the interests of corrupt officials on federal level. They also provided cover for lawlessness and cynical disregard of Russian Laws. Investigation of a large scale anti-state crime like the bankruptcy fraud of Atommash OJSC will inevitably lead to the same people, who are either in power or close to it and continue to leverage power. And this is the main reason why the highest leadership of the State, being under the influence of very “influential and interested parties”, still avoids making a political decision to resolutely deal with the crime of an unprecedented scale in Russia. The investigation will bring a lot of senior officials and corrupters, who serve the authorities, to the dock.

There’s an urgent need in Russia to make the officials liable for the performance of their departments, organizations, agencies and subdivisions. Today we hear hysterical voices of those who wrought lawlessness in Russia; they appeal to the legal norms of “period of limitation for the crimes they previously committed”, which can save them from the retribution. They scream about “undermining the democratic achievements”, although in fact the society seeks to restore justice in a completely democratic and legal way, judging those “servants of the people” according to their merits. Therefore, in principle, the question is not about the expiration of the statute of limitations for crimes committed, but rather about the inevitability of punishment for committing them, especially when it comes to large scale anti-state crimes.

Point 3 of the Resolution of the Volgodonsk IA from 13.12.2010 “not to institute criminal proceedings”, prepared by DAEC officer, Acting inquirer of Volgodonsk IA operative, Lieutenant of militia S.S. Chub, indicates a refusal to initiate criminal proceedings against me according to p.2, part 1, chapter 24 of the Code of Criminal Proceedings (“Knowingly false statement”), due to the absence in my actions of crime component under ch.306 of the Criminal Code of RF. This essentially means that my statements about the premeditated bankruptcy of Atommash OJSC, organized by OGIO and OCG members, are true. Then why didn’t the law enforcement agencies name who exactly is guilty of the bankruptcy fraud of Atommash OJSC and undermining the economic safety of the country?

Understanding the actual reasons for the bankruptcy of Atommash OJSC, which resulted in the liquidation of the nuclear engineering giant, is the cornerstone of the investigation. The State which owned 30% stock of the enterprise was never sufficiently involved in stabilizing of its industrial, economic and financial-economic activity, and never used the “golden share” of Atommash OJSC for its intended purpose – to block illegal actions and decisions of OGIO and OCG, aimed at bankrupting the company. Thus, the corrupt officials on behalf of the State have seized control over the enterprise. That control was expressed in leading the enterprise towards bankruptcy and a consecutive liquidation for the benefit of “customers” of this crime.

Essentially, the Internal Affairs authorities conducted no serious inspections under YACONTO LLC's appeals from the moment of the forced liquidation of Atom mash OJSC. Accounting reports and contracts of the enterprise have not been adequately audited. Otherwise, police would have uncovered the sale of 1500 tons of stainless steel of highest quality abroad. That steel came from "strategic reserves" of the enterprise and was intended to be used for production of high-tech equipment for nuclear power plants, and was sold at \$60–80 per ton, which was tens of times lower than its actual price in Russia and in global markets.

The Deputy of the Legislative Assembly of Rostov region (also Director of Economy and Planning of Atom mash OJSC) V.V. Miroshnikov addressed the Chairman of the Russian State Duma G.N. Seleznev with an appeal (out. №VM-025 from 18.07.1996) regarding the fate of Atom mash OJSC. Deputy General Prosecutor of Russia V.I. Davydov replied to this appeal (out. №7/3-1-276-96 from 25.12.1996), informing, in particular, that DAEC of Internal Affairs of Rostov region has conducted a verification of certain aspects of the financial-economical activity of "Production №1" of Atom mash OJSC and "APP – 1" LLP. The verification found that the "APP – 1" LLP sold its production to a Bulgarian company "Eurotour – GT" and a Russian-Bulgarian joint venture "ETAM Ltd" at an inadequately low price, which inflicted damage of 165 Billion rubles to Atom mash OJSC. All the materials of the verification were submitted to the Department of investigation and crime detection of the Department of Internal Affairs of Rostov region on 29.11.1996, where they were being reviewed. In his reply, V.I. Davydov also informs that the General Prosecutor's Office of Russia supervised that review. However, the law enforcement agencies did not do anything to investigate this crime, which dealt colossal damage to Atom mash, its shareholders and the State. They provided coverage to the bankruptcy, illegal write-offs, sale of the assets of Atom mash OJSC for a pittance and liquidation of the company for the benefit of OGIO and OCG.

Other facts of criminal activities of OGIO and OCG are plentiful and equally interesting. It is necessary to verify the doubtful loans (and the very fact of their existence), barter operations, pricing policy, securities trading, etc. Therefore, an independent and meticulous investigation of the bankruptcy of Atom mash OJSC must be conducted by the Investigative Committee of Russian Federation and supervised by the General Prosecutor's Office of RF, thus completely excluding participation of employees of law enforcement and judicial authorities, which were formed during the period of "ruling" of V.F. Chub, the ex-Governor of Rostov region, from the ranks of his trusted people and who still remain under his control.

It's not just a matter of selecting appropriate articles in the Arbitration Code and Criminal Code for participants of OGIO and OCG found guilty of premeditated bankruptcy of Russia's nuclear engineering Atom mash OJSC, but also a matter of the inevitability of punishment. Although tens of thousands of enterprises all over Russia suffered from bankruptcy frauds, and many of them never recovered, the case of Atom mash OJSC is absolutely unprecedented in Russia and beyond.

This indicates a corruption that covered entire Russia in the 90s like a “metastasis”, crippling its economy. If not for the export of hydrocarbons at high prices in the international markets, Russia would have been doomed to extreme hardships and truly tragic consequences. And the guilty are still in power or close to it. Therefore, they must be neutralized and punished to the fullest extent of the Law, so that others would know better than to destroy Russia. United States and China are good examples of countries where the situation with Atomash OJSC could have hardly occurred.

Documents and materials mentioned in this Complaint of YACONTO LLC are published on WWW.YACONTO.RU in folders of different sections to confirm the provided facts and information. It is dictated by a necessity to dispel streams of lies and disinformation spread around YACONTO LLC by participants of OGIO and OCG, who use all available means and media, including the Internet, in order to discredit YACONTO LLC and conduct information warfare against it.

If necessary, YACONTO LLC is ready to provide the original scripts of the documents and materials published on WWW.YACONTO.RU.

**Based on the above, I ask you** to instruct the central office of the Investigative Committee of Russian Federation to conduct a thorough investigation of the bankruptcy of Atomash OJSC and protect legal interests of the State and other shareholders. **I also ask you** to report the progress and outcome of the investigation to the President of Russia D.A. Medvedev and inform Prime Minister V.V. Putin, so that a political decision on the bankruptcy of Atomash OJSC can be made.

**Attachment:** documents on 290 pages.

*(Original text is in Russian.)*

**President of YACONTO LLC**



**S.P. YAKUNIN**