

**To: Chairman of the Investigative Committee of the  
Prosecutor's Office of the Russian Federation  
Bastrykin Aleksandr Ivanovich**

**From: Attorney with Prioritet law firm (No. 38) of the  
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**Outgoing No. 3875**

**Dated 3 December 2007**

**COMPLAINT**

**Dear Aleksandr Ivanovich:**

Blatant violations of law discovered by me while acting on behalf of my client Paul Wrench, a citizen of Great Britain, have forced me to address this complaint to you.

**Documents of commercial companies seized during a search in a criminal case have been used in an attempt to steal funds in the amount of more than 9 billion rubles!**

Paul Wrench, a citizen of Great Britain, is director of **HSBC Management Guernsey Limited (Great Britain)**, managing company for **Glendora Holdings Limited (Cyprus)**, 100% owner of Russian company **LLC Rilend** and managing company for **Global (Russia) Administration (BVI)**, which in its turn manages **Kone Holdings Limited (Cyprus)**, 100% owner of Russian companies **LLC Makhaon and LLC Parfenion**.

Thus, there are three subsidiaries in the Russian Federation, the managing company for which is **HSBC Management Guernsey Limited (Great Britain)**:

1) Makhaon Limited Liability Company, registered on 03 February 2004 under main state registration No. 1047796056406, taxpayer's identification number 7715508532/industrial enterprise classification 771501001, at: 19 Obraztsova St., Bldg. 9, city of Moscow, Russian Federation, 127055 represented by its general director Paul Wrench (shareholder: Kone Holdings Ltd.)

2) Parfenion Limited Liability Company, registered on 03 February 2004 under main state registration No. 1027700105070, taxpayer's identification number 7715398270 / industrial enterprise classification

771501001, at: 19 Obraztsova St., Bldg. 9, city of Moscow, Russian Federation, 127055 represented by its general director Martin John Wilson (shareholder: Kone Holdings Ltd.)

3) RILEND Limited Liability Company, registered on 13 September 2002 under main state registration No. 1020800751322 taxpayer's identification number 0814067290/industrial enterprise classification 771001001, at 13 Staropimenovskiy Ln., Bldg. 2, Floor 6, city of Moscow, 127006, represented by its general director Martin John Wilson (shareholder: Glendora Holdings)

Paul Wrench has been director of LLC Makhaon since 1 December 2005, while Martin John Wilson has been director of LLC Parfenion since 26 July 2006 and of LLC Rilend since 1 December 2005.

### **1. Circumstances of the case.**

On 28 May 2007, by resolution of investigator of the 2<sup>nd</sup> Division of the Investigative Unit of the Main Investigative Department of the Main Directorate of Internal Affairs for the city of Moscow Nesterov O.I., **criminal case No. 151231** was filed against General Director of LLC Kameya Cherkasov I.S., based on elements of crime envisaged under part 2 of Article 199.1 of the Russian Federation Criminal Code.

Under the pretext of identification of tax evasion crimes and investigation of the case against LLC Kameya, documents were seized among others that have nothing to do with the business of LLC Kameya and contain information related to the business activities of HSBC MANAGEMENT (Guernsey) Limited and the following companies under its management in Russia: LLC Rilend, LLC Makhaon and LLC Parfenion. On 4 June 2007 at 30 Krasnoproletarskaya St., Bldg. 1, city of Moscow, on the premises occupied by a branch of a foreign company, Firestone Duncan (CIS) Limited, a search was conducted in the course of which original foundation documents were seized together with financial documents and seals of LLC Parfenion, LLC Makhaon and LLC Rilend, to which companies Firestone Duncan (CIS) Limited rendered legal and accounting services. The protocol of the search is attached to this Claim (Attachment No. 1).

In spite of repeated complaints and appeals from lawyers, the documents have been in the hands of investigators for over six months, which has resulted in the virtual cessation of business operations of all three Russian subsidiaries of HSBC MANAGEMENT (Guernsey) Limited. In spite of all requests, investigator Karpov P.A. still will not return said documents (Attachment No. 44).

In October 2007, upon request from HSBC MANAGEMENT (Guernsey) Limited, representatives of the Moscow branch of Firestone Duncan (CIS) Limited conducted an examination of mail boxes of LLC

Rilend and LLC Makhaon at 13 Staropimenovsky Ln., Bldg. 2, Floor 6, city of Moscow, and of LLC Parfenion at 19 Obratsova St., Bldg. 9, city of Moscow. Nine Claims were discovered in the mail boxes submitted on behalf of CJSC Logos Plus, a previously unknown company located at: 52 Salova St., St. Petersburg, 192102. Those included:

- 1) Claim No. P – 51201-2 against LLC Parfenion for the amount of 1,857,000 rubles; (Attachment 2)
- 2) Claim No. P – 51201-3 against LLC Parfenion for the amount of 4,700,000 rubles; (Attachment 3)
- 3) Claim No. P – 51201-4 against LLC Parfenion for the amount of 1,258,000 rubles; (Attachment 4)
- 4) Claim No. P – 51202-1 against LLC Makhaon for the amount of 2,976,000 rubles; (Attachment 5)
- 5) Claim No. P – 51202-2 against LLC Makhaon for the amount of 1,965,000 rubles; (Attachment 6)
- 6) Claim No. P – 51203-1 against LLC Rilend for the amount of 3,528,000 rubles; (Attachment 11)
- 7) Claim No. P – 51203-2 against LLC Rilend for the amount of 2,235,000 rubles; Attachment 7)
- 8) Claim No. P – 51203-3 against LLC Rilend for the amount of 3,685,000 rubles; (Attachment 8)
- 9) Claim No. P – 51203-4 against LLC Rilend for the amount of 4,562,000 rubles; (Attachment 9)
- 10) Claim No. P – 51203-5 against LLC Rilend for the amount of 1,668,000 rubles. (Attachment 10)

Having received information about said claims, and in spite of the fact that the respondents have not received the orders of jurisdiction or of scheduling of court sessions, I, acting under a power of attorney from LLC Makhaon, LLC Rilend and LLC Parfenion at the Arbitration Court of the city of St. Petersburg and the Leningrad Region, have examined the arbitration files related to said claims.

I informed my clients that during the period of July 2007 through present **at the Arbitration Court of the city of St. Petersburg, at least 6 cases have been examined in relation to claims from CJSC Logos Plus against LLC Makhaon, LLC Rilend and LLC Parfenion**, the files of which cases are at the office of the clerk, including:

Case No. A56-22459/2007 related to claim filed by CJSC Logos Plus against LLC Rilend, filed with the court on 27 July 2007;

Case No. A56-22470/2007 related to claim filed by CJSC Logos Plus against LLC Makhaon, filed with the court on 27 July 2007;

Case No. A56-22484/2007 related to claim filed by CJSC Logos Plus against LLC Parfenion, filed with the court on 27 July 2007;

Case No. A56-22479/2007 related to claim filed by CJSC Logos Plus against LLC Rilend, filed with the court on 27 July 2007;

Case No. A56-22474/2007 related to claim filed by CJSC Logos Plus against LLC Makhaon, filed with the court on 27 July 2007;

Case No. A56-22481/2007 related to claim filed by CJSC Logos Plus against LLC Parfenion, filed with the court on 27 July 2007;

In addition, in cases A56-22459/1007 (Judge Mukha T.M.) and A56-22470/2007 (Judge Rusakova L.G.), determinations have been made for the return of the claim (Attachments No. 12–13) due to the fact that:

- Documents attached to the claim were submitted in the form of photocopies;
- The address for delivery of the claim to the respondent was indicated incorrectly;
- No original or duly notarized power of attorney in the name of the individual who signed the Claim was presented.

However, in spite of the fact that said violations were identified in all of the six cases related to the claims under examination, examination of other cases went on and for some, rulings have even been issued. Among those:

In case No. A56-22484/2007 (Judge Orlova E.A.) related to claim filed by CJSC Logos Plus against LLC Parfenion of 21 September 2007, a ruling was issued to collect from the respondent 2,800,000 rubles to benefit the claimant and 25,000 rubles as state duty; (Attachment No. 14)

In case No. A56-22479/2007 (Judge Kuznetsov M.V.) related to claim filed by CJSC Logos Plus against LLC Rilend of 03 September 2007, a ruling was issued to collect from the respondent 7,557,858,000 rubles to benefit the claimant and 100,000 rubles as state duty; (Attachment No. 15)

In case No. A56-22474/2007 (Judge Alekseyev S.N.) related to claim filed by CJSC Logos Plus against LLC Makhaon of 07 September 2007, a ruling was issued to collect from the respondent 1,669,479,000 rubles to benefit the claimant and 100,000 rubles as state duty; (Attachment No. 16)

Case No. A56-22481/2007 (Judge Alekseyev S.N.) related to claim filed by CJSC Logos Plus against LLC Parfenion, filed with the court on 27 July 2007, was postponed. (Attachment No. 17)

Thus, Judges of the Arbitration Court of the city of St. Petersburg and the Leningrad Region Orlova E.A., Kuznetsov M.V. and Alekseyev S.N. issued rulings to collect from Russian subsidiaries of HSBC MANAGEMENT (Guernsey) Limited, namely: LLC Makhaon, LLC Rilend and LLC Parfenion, a total of 9,230,137,000 rubles.

**The respondents were not informed of the filing of the claims, scheduling of court sessions in their cases and eventually of the rulings issued on those, did not participate in the examination of the cases and found out by chance that the cases existed.**

**When examining the files of the above arbitration cases, it was determined that all of them are products of the most blatant falsification of evidence.**

## **2. Falsification of Evidence.**

**Rulings issued by the Arbitration Court of the city of St. Petersburg and the Leningrad Region in cases No. A56-22484/2007, No. A56-22474/2007, No. A56-22479/2007 are doubtlessly illegal, they were issued by Judges, who examined these cases, in blatant violation of all rules and regulations of procedural legislation based on falsified evidence and with improper representatives of the parties participating in the trial, whose authority was established through falsified powers of attorney.**

None of the Russian subsidiaries of HSBC MANAGEMENT (Guernsey) Limited has ever done business with CJSC Logos Plus or signed contracts or other documents with that entity or its representatives, and consequently could not have any obligations towards CJSC Logos Plus.

None of the Russian subsidiaries of HSBC MANAGEMENT (Guernsey) Limited has ever authorized its representatives to participate in court sessions at the Arbitration Court of the city of St. Petersburg and the Leningrad Region in any of the above stated cases, the very existence of which only came to light by chance after corresponding rulings had been issued.

**All contracts, powers of attorney, foundation and other documents, photocopies of which are in the files of the above mentioned cases, were falsified.**

In addition, the documents were falsified in a sloppy and crude manner and contain numerous inaccuracies and discrepancies.

*Documents of title.*

Texts of all claims are perfectly identical. The only variables are some numbers and dates, as well as names of the respondent companies.

As legal grounds for relief demanded in the complaints, all claims refer to the three contracts allegedly entered into by CJSC Logos Plus with each of the respondents:

- General contract for the delivery of securities;
- Supplement to contract for delivery of shares in OJSC Gazprom indicating quantity, price and terms of delivery;
- Agreement on cancellation of the supplement pursuant to which the respondent assumed obligation to compensate for damages resulting from failure to deliver the shares.

(A complete list of documents of title, references to which are contained in claims, is provided in Attachments No. 18–26)

All said documents were filed as photocopies and contain a large number of discrepancies, including:

a) All claims state that contracts for delivery of securities were signed on 12 April 2005, while case files contain photocopies of agreements on delivery of securities of 12 May 2005 signed by Strazhev A.V. acting under a power of attorney issued by LLC Logos Plus on 25 April 2005. However, references to contracts “dated 12 April 2005” and absent in the case files are reiterated in all court rulings, which proves that *Judges never read case files before issuing their rulings*.

b) The buyer’s bank account (Logos Plus) referred to in all contracts was opened with Ganzakombank. As of the end of 2004, that bank had [illegible] million rubles in assets, while at the end of 2005 it had 494 million rubles of assets and a staff of only 30 people. (For information regarding the bank’s assets—cf. Attachment No. 27)

However, under the fake contracts, CJSC Logos Plus was to pay to LLC Makhaon 1 billion 30 million rubles, to LLC Rilend 4 billion 808 million rubles, and LLC Parfenion 8 billion 400 million rubles. Altogether, CJSC was going to pay 14 billion 238 million rubles under its contractual agreements, i.e., 17 times less [sic] than **all assets** of the bank and its clients in the bank’s accounts. This can only mean that CJSC Logos Plus never intended to pay anyone and could not enter into such contracts.

In the course of examination it was also discovered that said current account of CJSC Logos Plus did not match the BIC of said bank, and consequently there are reasons to believe that the current account of CJSC Logos Plus stated in the documents (BIC044030816, correspondent account 30101810800000000816, and current account 40702810700000010645) **does not exist at all**.

c) In the Contract for delivery of securities with LLC Rilend of 12 May 2005 and the Agreement on Cancellation of the Supplement to this Contract of 21 December 2005, the Republic of Kalmykia is stated as the address of LLC Rilend.

However, in April 2005 LLC Rilend was re-registered in Moscow.

As per Certificate of registration with the tax inspectorate, it occurred on 11 May 2005 (Attachment No. 28—Certificate of registration of a legal entity (LLC Rilend) with the tax agency at the place of residence in the territory of the Russian Federation and assignment of a taxpayer's identification number to that entity on 11 May 2005. Notarized copy of 8 July 2005.)

In other words, on 12 May 2005 the company could not indicate Kalmykia as its registered address. Even less so could that address be indicated in the Supplemental Agreement of 17 May 2005 and it is impossible to imagine that it could be indicated in the Agreement on Cancellation dated 21 December 2005, seeing as the company **had for more than a year been registered in Moscow.**

d) In the Contract for delivery of securities of 12 May 2005 signed with LLC Rilend and indicating the address of LLC Rilend in the Republic of Kalmykia, the seal attached bears the address in the city of Moscow.

But it is not even this evident discrepancy that matters as much as the fact that the seal bearing the Moscow address appeared at LLC Rilend significantly later than the date of the signing of this Contract.

The seal was altered in connection with the change of address, registered with the Moscow Chamber of Registrations and manufactured on **18 May 2005** (cf. Attachment No. 29: Extract from the city registry of seals No. MR/ZP-389/7 of 26 October 2007 and Declaration of the manufacturing of the seal.)

For this reason, an imprint of the Moscow seal of LLC Rilend could not appear in the Contract between LLC Rilend and CJSC Logos Plus dated 12 May 2005, i.e., **six days before it was manufactured.**

e) In the Contract for delivery of securities with LLC Rilend of 12 May 2005 and the Supplementary Agreement to the Contract of **17 May 2005**, account No. 4070281070000120001 with HSBC is stated as part of the banking information.

However, this account was opened on **13 July 2005** in connection with the company's transfer to Moscow (LLC Rilend closed its old accounts and opened new ones) (cf. Attachment No. 30: Letter from LLC HSBC Bank of 13 July 2005 regarding the opening of accounts).

Therefore, the account of LLC Rilend with HSBC No. 4070281070000120001 was not in existence either on **12 May 2005 or 17 May 2005**, when agreements of LLC Rilend and CJSC Logos Plus were allegedly signed.

f) Account No. 40702810300000100214 is provided as part of bank details pertaining to the accounts of the other fake Agreement on Cancellation of the Supplemental Agreement to the Contract for Delivery of Securities with LLC Parfenion, which was opened on 17 June 2004 and closed on **15 December 2005** (cf. Attachment No. 31: Letter from LLC HSBC Bank dated 15 December 2005 on the closing of accounts.)

Thus, as of the time of the signing of the Agreement on Cancellation of the Contract between said companies allegedly signed on **21 December 2005, said account had not existed for six days already.**

g) Not only are bank details a mandatory part of all alienation contracts (of sale or purchase) of shares in OJSC Gazprom, but also **DEPO account details** (i.e., accounts with the Gazprombank depository out of which or into which Gazprom securities are delivered.) In other words, it is not the name of the depository with which the buyer's account was opened that must be stated in Contracts, as it was done in all fake Contracts presented to the court, but the number of the depository and the number of the account, and that for each of the parties: for the buyer and for the seller. These account details are missing in absolutely all documents presented to the court.

h) In the files of case No. A56-22479/2007 related to claim filed by CJSC Logos Plus against LLC Rilend, the interests of the respondent were represented by lawyer Pavlov Andrey Alekseyevich, lawyer's ID No. 5440 dated 09 April 2003, acting under a power of attorney issued on 24 August 2007 by general director of LLC Rilend Kurochkin V.N. However, pursuant to the decision of the only shareholder of LLC Rilend represented in office No. 25 of the Inspectorate of the Federal Tax Service for the city of Moscow, Mr. Kurochkin V.N. was only appointed General Director of LLC Rilend on 3 September 2007 and consequently had no authority to sign a power of attorney on behalf of LLC Rilend. However, in the course of the examination Judge Kuznetsov M.V. was unscrupulous to say the least in performing his duties and failed to verify the authority of the so called director of LLC Rilend or his representative, and on the contrary accepted an application from that fake representative stating his consent to all relief demanded in the complaint and issued a favorable decision on a fraudulent claim.

i) When examining case No. A56-22479/2007 related to claim from LLC Logos Plus against LLC Rilend, Judge Kuznetsov found the claimant's request to increase relief demanded in the complaint



valid, accepted an application from LLC Rilend through a representative of general director of LLC Rilend Kurochkin V.N. and on 28 August 2007 issued a favorable decision on the claim in spite of the fact that the decision to appoint Kurochkin V.N. was made on 3 September 2007, i.e., one week after said decision had been made.

j) Pursuant to absolutely all contracts presented to the court by CJSC Logos Plus, said bank details: current account 40702810700000010645 with OJSC Ganzakombank BIC 044030816 are not acceptable for payment transaction pursuant to the PROCEDURE FOR CALCULATION OF THE CONTROL KEY IN CLIENT'S ACCOUNT NUMBER established in a letter of the Central Bank of the Russian Federation dated 8 September 1997 No. 515 (D). Pursuant to that procedure, the calculated value for the key, i.e., the 9<sup>th</sup> digit in the company's account number, must be equal to 5 so as to make it possible to carry out payments, while in the attached bank details this digit is equal to 7. This means that CJSC Logos Plus submitted contracts with bank details that were invalid by definition and could not be used to make any payments whatsoever.

*The authority of the claimant's representative.*

All claims were signed by representative of CJSC Logos Plus Strazhev A.V., acting either under a power of attorney or as general director of CJSC Logos Plus.

However, the response to inquiry No. 414262 of 26 October 2007 regarding the validity of passport 7804 No. 368347 issued to Strazhev Aleksandr Valeryevich, Automated Information Service for Verification of Issued Passports of the Federal Migration Service of the Russian Federation [automated service for the processing of applications from citizens] stated "not valid."

Notifications and resolutions of the Arbitration Court of the city of St. Petersburg related to case No. A56-22479/2007 dated 07 August 2007, A56-22474/2007 dated 03 September 2007, contained in case files and mailed by the court to the claimant, LLC Logos Plus, for delivery at its registered address, were returned to sender stamped "Entity not found" or "Term of storage expired" (Attachment No. 32).

*The authority of the representatives of the respondent when signing agreements.*

Case files contain evidence of the involvement of representatives of the respondents, as well as documents bearing signatures of representatives of the respondents. All documents supporting the authority of said individuals are falsified.

a) All documents of title (contracts for delivery of securities, supplemental agreements to those and agreements on cancellation of supplemental agreements) have been signed on the part of the seller by a "**regional representative Kozlov V.M.**" acting under powers of attorney received from LLC Makhaon, LLC Parfenion and LLC Rilend.

However, none of said legal entities has ever had regional representatives, or has ever issued a power of attorney in the name of Kozlov V.M., or has ever authorized him to sign documents on their behalf.

Moreover, all agreements on behalf of LLC Parfenion in the year 2005 were signed by regional representative Kozlov V.M. under a general power of attorney dated **17 January 2005**.

However, LLC Parfenion, as a legal entity, **was established on 12 April 2005** as a result of a merger of several companies.

**Consequently, there could be no power of attorney issued to Kozlov V.M. in January of 2005 on behalf of LLC Parfenion, seeing as there was no such entity as LLC Parfenion** (cf. Attachment No. 46).

*The authority of representatives of the respondents in court.*

All rulings issued by the court are based on the recognition by those representatives present at the court session of the full scope of relief demanded in the complaint.

The case files demonstrate that the following representatives of the respondents participated in the case under powers of attorney:

1) For LLC Makhaon, Mayorova Yu.M. acting under a power of attorney dated 24 August 2007, signed by General Director Khlebnikov V.G. (Attachment No. 33)

2) For LLC Parfenion, Maltseva E.A. acting under a power of attorney dated 10 September 2007, signed by General Director Markelov V.A. (Attachment No. 34)

3) For LLC Rilend, Pavlov A.A. acting under a power of attorney dated 24 August 2007, signed by General Director Kurochkin V.N. (Attachment No. 35)

However, not only did any of the respondent companies never authorize any of said representatives to represent them in court, but even the information about individuals issuing powers of attorney to those representatives is falsified:

Khlebnikov V.G. is not General Director of LLC Makhaon because the General Director of LLC Makhaon is Paul Wrench. (Attachment No. 37)

Markelov V.A. is not General Director of LLC Parfenion, because the General Director of LLC Parfenion is Martin John Wilson. (Attachment No. 39)

Kurochkin V.N. is not General Director of LLC Rilend, because the General Director of LLC Rilend is Martin John Wilson. (Attachment No. 41)

Powers of attorney issued to the representatives of the respondents in court are fake and their claims to recognize relief demanded in the complaint are false.

*Falsification of data in the Unified State Registry of Legal Entities*

In connection with the discovery in the case materials filed with the Arbitration Court of the city of St. Petersburg and the Leningrad Region of false information about general directors of LLC Parfenion, LLC Makhaon and LLC Rilend, who allegedly issued powers of attorney to the representatives of these companies, a request to provide extracts from the Unified State Registry of Legal Entities was forwarded to tax authorities servicing places of registration of these companies.

Extracts received from the Unified State Registry of Legal Entities prove that the information about owners and CEOs of LLC Makhaon, LLC Parfenion and LLC Rilend was falsified.

From the falsified extract from the Unified State Registry of Legal Entities in regard with LLC Makhaon (Attachment No. 36), it follows that the only shareholder of the company is LLC Pluton, and the General Director of the company is Khlebnikov Vyacheslav Georgievich.

This information was falsified because the only shareholder of LLC Makhaon is Kone Holdings Limited (the Republic of Cyprus) and its director since 1 December 2005 has been Paul Wrench (Great Britain) (cf. Attachment No. 37: Protocol No. 2 of the general meeting of the shareholders of Makhaon Limited Liability Company of 28 November 2005).

Kone Holdings Limited never sold shares in LLC Makhaon to any other company and never appointed Khlebnikov Vyacheslav Georgievich to be General Director of LLC Makhaon. All information about the change of the owner and General Director of the company was falsified.

From the falsified extract from the Unified State Registry of Legal Entities, it follows that the application for reregistration of data was filed with the tax authority on 6 September 2007. The new information was entered into the registry on **11 September 2007**.

However, the court session in case A56 – 22474/2007, in which a representative of LLC Makhaon participated under a power of attorney signed by Khlebnikov V.G., was held on **3 September 2007**, i.e., before Khlebnikov V.G. was registered as General Director of LLC Makhaon.

From the falsified extract from the Unified State Registry of Legal Entities in regard with LLC Parfenion (Attachment No. 38), it follows that the only shareholder of the company is LLC Pluton, and the General Director of the company is Markelov Viktor Aleksandrovich.

This information was falsified because the only shareholder of LLC Parfenion is Glendora Holdings Limited (the Republic of Cyprus) and its director since 26 July 2006 has been Martin John Wilson (Great Britain) (cf. Attachment No. 39).

Glendora Holdings Limited never sold shares in LLC Parfenion to any other company and never appointed Markelov Viktor Aleksandrovich to be General Director of LLC Parfenion. All information about the change of the owner and General Director of the company was falsified.

From the falsified extract from the Unified State Registry of Legal Entities it follows that the application for re-registration of data was filed with the tax authority on 17 September 2007. The new information was entered into the registry on **20 September 2007**.

However, the court session in case A56 – 22484/2007, in which a representative of LLC Parfenion participated under a power of attorney signed by Markelov V.A., was held on **17 September 2007**, i.e., before Markelov V.A. was registered as General Director of LLC Parfenion.

From the falsified extract from the Unified State Registry of Legal Entities in regard with LLC Rilend (Attachment No. 40), it follows that the only shareholder is LLC Pluton, and the General Director of the company is Kurochkin Valeriy Nikolayevich.

This information was falsified, because the only shareholder of LLC Rilend is Glendora Holdings Limited (the Republic of Cyprus), and its director since 1 December 2005 has been Martin John Wilson (Great Britain) (cf. Attachment No. 41).

Glendora Holdings Limited never sold shares in LLC Rilend to any other company and never appointed Kurochkin Valeriy Nikolayevich to be General Director of LLC Parfenion. All information about the change of the owner and General Director of the company was falsified.

From the falsified extract from the Unified State Registry of Legal Entities, it follows that the application for re-registration of data was filed with the tax authority on 6 September 2007. The new information was entered into the registry on **11 September 2007**.

However, the court session in case A56 – 22479/2007, in which a representative of LLC Rilend participated under a power of attorney signed by Kurochkin V.N., was held on **27 August 2007**, i.e., before Kurochkin V.N. was registered as General Director of LLC Rilend.

### **3. Assistance on the part of law enforcement officers and court officials.**

**The large scale falsification of documents of title, authority of representatives, information in the Unified State Registry of Legal Entities and court rulings is virtually impossible without a deliberate or accidental assistance of law enforcement officers and arbitration court officials.**

Individuals who falsified documents for the court could not have done it successfully without access to the original founding documents, seals and information about accounts and financial operations of LLC Makhaon, LLC Parfenion and LLC Rilend seized in the course of the investigation of criminal case **No. 151231**.

Starting from 2006, representatives of agencies of the Main Directorate of Internal Affairs began to manifest interest in the business of said companies.

In particular, starting from the summer of 2006, Major Kuznetsov A.G. of the operations department of the Main Directorate of Internal Affairs began delivering inquiries to various banking and financial institutions with requests to provide as detailed information as possible pertaining to cash flow and asset status of these companies. What these requests all have in common is that Mr. Kuznetsov is stated therein as the executor of the request, each request was personally delivered by him to the corresponding institution and he also personally collected all responses to the requests.

In particular, such requests were made in regard with LLC Parfenion, LLC Makhaon and LLC Rilend (requests to CJSC Commercial Bank Citibank No. 55/6-6536 of 8 June 2006, to LLC Commercial Bank HSBC BANK (RR) No. 55/6-6373 of 19 June 2006, to LLC Parfenion No. 55/6-6315 of 16 June 2006, to LLC Rilend No. 55/6-6316 of 16 June 2006, Attachment No. 43). In addition, in his discussions with representatives of a branch of Hermitage Capital (Russia) Services Limited, Mr. Kuznetsov justified his interest in these companies by the fact that they were paying large amounts of taxes.

On 4 June 2007 officers of the Main Directorate of Internal Affairs, including Mr. Kuznetsov A.K., who had been promoted to lieutenant colonel, conducted a search on the premises of Hermitage Capital (Russia) Services Limited and Firestone Duncan (CIS) Limited, which provided legal and accounting assistance to our companies, and confiscated all original documents of a large number of companies, including LLC Parfenion,

LLC Makhaon and LLC Rilend, using the criminal case against the management of LLC Kameya as a pretext.

In June/July of 2007, under the pretext of identifying tax crimes and investigating the case against LLC Kameya, they conducted a purposed search for and seizure of information pertaining to the business of **other** companies, in regard with which no criminal case had been opened.

Requests were made for all contracts with attachments and supplements, extracts from DEPO accounts, reports, applications, correspondence, powers of attorney, accounts, commission contracts, reports, banking and payment documents in regard with the following companies:

1. Hermitage Capital MGMT Ltd..
2. Hermitage Capital Services Ltd..
3. Hermitage Capital Asset MGMT Ltd..
4. Apricus Investments Ltd..
5. HSBC MANAGEMENT (Guernsey) Limited
- 6. LLC Rilend**
- 7. LLC Parfenion**
- 8. LLC Makhaon** and others.

On 27 July 2007 claims were filed with the Arbitration Court of the city of St. Petersburg and the Leningrad Region based on falsified evidence that was created with the use of information on LLC Makhaon, LLC Parfenion and LLC Rilend obtained in the course of investigation.

In the end of August/beginning of September 2007, an application was filed with the tax authorities to amend data entered in the Unified State Registry of Legal Entities pertaining to the owners and CEOs of LLC Makhaon, LLC Parfenion and LLC Rilend.

In order to register these amendments, the originals of the following documents of title had to be provided:

1. Copies of the founding documents of the company (Bylaws, Articles of Incorporation)
2. A copy of the registration certificate (Certificate of entry made in the Unified State Registry of Legal Entities)
3. A copy of the certificate of registration with tax authorities
4. Copies of the certificate and notifications of registration with extra-budgetary funds
5. Information about the current CEO of the company (Order of Appointment)

#### 6. Personal data for the new CEO

- Photocopies of his passport
- Mailing index of his home address
- Taxpayer's identification number
- Telephone

Said documents of title and seals of LLC Rilend, LLC Parfenion and LLC Makhaon were confiscated on 4 June 2007 in the course of the search at Firestone Duncan (CIS) Limited.

The Protocol of search (seizure) conducted at the office of Firestone Duncan (CIS) Limited located at 30 Krasnoproletarskaya St., Bldg. [sic], city of Moscow dated 04 June 2007 (Attachment No. 1) refers to the following documents that are required among others for registration of amendments to management bodies of companies:

1. Certificate of entry made in the Unified State Registry of Legal Entities for LLC Rilend (seized from room No. 3, No. 41 in the Protocol)
2. Certificate of Registration of LLC Rilend on 1 page (seized from room No. 3, No. 55 in the Protocol)
3. Certificate of entry made in the Unified State Registry of Legal Entities for LLC Rilend (seized from room No. 3, No. 56 in the Protocol)
4. Certificate of entry made in the Unified State Registry of Legal Entities LLC for Rilend, series 77 No. 008891332 (seized from room No. 3, No. 67 in the Protocol)
5. Bylaws of LLC Rilend (version No. 5) in 33 pages (seized from room No. 3, No. 68 in the Protocol)
6. Articles of Incorporation of LLC Parfenion stored in a grey and black folder (seized from a desk in room No. 6, No. 6 in the Protocol)
7. Black folder containing documents M 421 Makhaon with documents (seized from room No. 3, No. 1 in the Protocol)
8. Grey and black folder containing documents M 165 Makhaon with documents (seized from room No. 3, No. 3 in the Protocol)
9. Grey folder containing documents M 165 Parfenion with documents (seized from room No. 3, No. 30 in the Protocol)
10. LLC Parfenion 3+1 folders (room No. 1, Accounting)
11. LLC Makhaon 4+1 folders (room No. 1, Accounting)
12. Seal of LLC Parfenion (p. 43 of the Protocol)
13. Seal of LLC Rilend (p. 43 of the Protocol)
14. Seal of LLC Makhaon (p. 43 of the Protocol)

There are reasons to believe that the falsified documents were manufactured with the direct use of electronic copies of the original

Articles of Incorporation seized during the search at the office of Firestone Duncan (CIS) Limited dated 4 June 2007.

Resolutions to change the directors and the adoption of the new version of the Bylaws of all three companies, LLC Rilend, LLC Parfenion, and LLC Makhaon, are identical in their contents, bear the same date—that of 3 September 2007—and were signed by Markelov V.A. on behalf of the shareholder of LLC Pluton registered at 22 Dementyeva St., city of Kazan, Republic of Tatarstan, 420127.

The new version of the Bylaws of all three companies has common features:

- All three Bylaws are on 28 pages;
- The last paragraphs in all Bylaws are numbered as 37.5;
- The text of all Bylaws is identical except for Articles 1.2-1[illegible] stating the name and address of the company.

Of utmost importance is the fact that the texts of the new Bylaws are perfectly identical to the texts of the previous versions of the Bylaws prepared by Firestone Duncan (CIS) Limited upon request from the legitimate shareholders of LLC Rilend, LLC Parfenion, and LLC Makhaon during the course of 2007 and registered with the appropriate tax agencies.

The presence of conspicuous identical spelling mistakes of the kind that is virtually impossible to make three times in a row when typing proves that the documents were falsified using electronic versions of the Bylaws prepared by Firestone Duncan (CIS) Limited.

Thus, para. 6.4 of the last electronic version of the Bylaw prepared by Firestone Duncan (CIS) Limited contains a spelling mistake that is repeated in all the falsified Bylaws.

In particular, para. 6.4 of the falsified Bylaws of LLC Parfenion registered with tax inspection office No. 28 of the Inspectorate of the Federal Tax Service for the city of Moscow contains the following phrase with a spelling mistake: “Additional contribution [the original spelling mistake is not translatable] to the registered capital....” Absolutely identical mistakes are found in paras. 6.4 of the Bylaws of LLC Rilend and LLC Makhaon.

**ALL** said versions of the Bylaws were stored on the corporate server of Firestone Duncan (CIS) Limited seized in the course of the search at the office of Firestone Duncan (CIS) Limited, and together with the rest of the seized documents were kept at the Main Investigative Department of the Main Directorate of Internal Affairs of the city of Moscow in custody of senior investigator of the Division of Taxes and Fees of the Main Directorate of Internal Affairs for the city of Moscow, Karpov A.N., at the time when the falsified amendments were made.

In August/September of 2007, Judges of the Arbitration Court for the city of St. Petersburg, and the Leningrad Region Orlova, Alekseyev and Kuznetsov issued



rulings on three out of 9 falsified cases, the files of which do not contain the originals of either documents of title or documents establishing the authority of the individuals participating in the case, and all declarative parts contain repeated references to non-existing documents stated in the claim documents filed by the claimants.

The above facts and circumstances require that an audit and an appropriate legal evaluation be conducted.

In view of the above, I am asking you to initiate an audit of the above facts and provide a legal evaluation thereof in accordance with the current legislation.

Lawyer

Khayretdinov E. M.

(Acting as requested by my client)

**Attachments:**

1. Protocol of search (seizure) conducted at 30 Krasnoproletarskaya St., Bldg., city of Moscow, office of Firestone Duncan (CIS) Limited, dated 04 June 2007 (in 18 pages);
2. Claim No. R – 51201-2 filed by CJSC Logos Plus against LLC Parfenion for the amount of 1,857,000 rubles (case No. A56-22481/2007) (in 4 pages);
3. Claim No. R – 51201-3 filed by CJSC Logos Plus against LLC Parfenion for the amount of 4,700,000 rubles (in 4 pages);
4. Claim No. R – 51201-4 filed by CJSC Logos Plus against LLC Parfenion for the amount of 1,258,000 rubles (in 4 pages);
5. Claim No. R – 51202-1 filed by CJSC Logos Plus against LLC Makhaon for the amount of 2,976,000 rubles (case No. A56-22474/2007) (in 4 pages);
6. Claim No. R – 51202-2 filed by CJSC Logos Plus against LLC Makhaon for the amount of 1,965,000 rubles (in 4 pages);
7. Claim No. R – 51203-2 filed by CJSC Logos Plus against LLC Rilend for the amount of 2,235,000 rubles (in 4 pages);
8. Claim No. R – 51203-3 filed by CJSC Logos Plus against LLC Rilend for the amount of 3,685,000 rubles (in 4 pages);

9. Claim No. R – 51203-4 filed by CJSC Logos Plus against LLC Rilend for the amount of 4,562,000 rubles (in 4 pages);
10. Claim No. R – 51203-5 filed by CJSC Logos Plus against LLC Rilend for the amount of 1,668,000 rubles (in 4 pages);
11. Claim No. R – 51203-1 against LLC Rilend for the amount of 3,528,000 rubles (case No. A5 6-22479/2007) (in 3 pages);
12. Determination of the Arbitration Court of the city of St. Petersburg and the Leningrad Region to return the claim related to case No. A56 – 22459/2007 (Judge Mukha T.M.) (in 1 page);
13. Determination of the Arbitration Court of the city of St. Petersburg and the Leningrad Region to return the claim related to case No. A56-22470/2007 (Judge Rusakova L.G.) (in 1 page);
14. Ruling of the Arbitration Court of the city of St. Petersburg and the Leningrad Region related to case No. A56-22484/2007 of 21 September 2007 (Judge Orlova E.A.) related to claim filed by CJSC Logos Plus against LLC Parfenion (in 2 pages);
15. Ruling of the Arbitration Court of the city of St. Petersburg and the Leningrad Region related to case No. A56-22479/2007 dated 03 September 2007 (Judge Kuznetsov M.V.) related to claim filed by CJSC Logos Plus against LLC Rilend (in 2 pages);
16. Ruling of the Arbitration Court of the city of St. Petersburg and the Leningrad Region related to case No. A56-22474/2007 dated 07 September 2007 (Judge Alekseyeva S.N.) related to claim filed by CJSC Logos Plus against LLC Makhaon (in 2 pages);
17. Determination of the Arbitration Court of the city of St. Petersburg and the Leningrad Region related to case No. A56-22481/2007 (Judge Alekseyev S.N.) related to claim filed by CJSC Logos Plus against LLC Parfenion (in 1 page);
18. Contract for delivery of securities No. 2005-51201 of 12 April 2005 (on 1 page);
19. Supplementary Agreement No. 2 of 18 May 2005 for the delivery of 113,500,000 shares OJSC Gazprom for the amount of 8,487,530,000 rubles (in 1 page);
20. Agreement on Cancellation of Supplemental Agreement No. 2 of 21 December 2005 (in 1 page);
21. Contract for delivery of securities No. 2005-51202 of 12 May 2005 (in 1 page);
22. Supplementary Agreement No. 1 of 17 May 2005 for the delivery 13,850,000 shares OJSC Gazprom for the amount of 1,035,703,000 rubles (in 1 page);
23. Agreement on Cancellation of Supplemental Agreement No. 2 of 21 December 2005 (in 1 page);

24. Contract for delivery of securities No. 2005-51203 of 12 May 2005 (in 1 page);
25. Supplementary Agreement No. 2 of 18 May 2005 for the delivery of 62,700,000 shares of OJSC Gazprom for the amount of 4,688,706,000 rubles (in 1 page);
26. Agreement on Cancellation of Supplemental Agreement No. 2 of 21 December 2005 (in 1 page);
27. Information pertaining to assets of Ganzakombank (in 26 pages);
28. Certificate of registration of a legal entity with tax authorities at the place of residence in the territory of the Russian Federation and assignment of a taxpayer's identification number to that entity dated 11 May 2005 (LLC Rilend). Notarized copy dated 8 July 2005 (in 1 page);
29. Extract from the city registry of seals No. MR/ZP-389/7 of 26 October 2007 in regard with the seal of LLC Rilend, and Declaration of the manufacturing of the seal (in 2 pages);
30. Letter from LLC HSBC Bank of 13 July 2005 regarding the opening of accounts for LLC Rilend (in 1 page);
31. Letter from LLC HSBC Bank of 15 December 2005 regarding the closing of accounts for LLC Parfenion (in 1 page);
32. Notifications and determinations of the Arbitration Court of the city of St. Petersburg in cases No. A56-22479/2007 dated 07 August 2007, A56-22474/2007 dated 03 September 2007, forwarded to LLC Logos Plus at its registered address stamped "Entity not found," "Term of storage expired" (in 2 pages);
33. Power of attorney from LLC Makhaon 24 August 2007 in the name of representative Mayorova Yu.M. signed by General Director Khlebnikov V.G. (in 1 page);
34. Power of attorney from LLC Parfenion of 10 September 2007 in the name of representative Maltseva E.A. signed by General Director Markelov V.A. (in 1 page);
35. Power of attorney from LLC Rilend of 24 August 2007 in the name of representative Pavlov A.A. signed by General Director Kurochkin V.N. (in 1 page);
36. Falsified extract from the Unified State Registry of Legal Entities of 18 October 2007 in regard with LLC Makhaon indicating that the only shareholder of the company is LLC Pluton and the General Director of the company is Khlebnikov V.G. (in 26 pages);
37. Protocol No. 2 of the general meeting of shareholders of Makhaon Limited Liability Company of 28 November 2005 confirming that the director of LLC Makhaon since 1 December 2005 has been Paul Wrench (in 1 page);

38. Falsified extract from the Unified State Registry of Legal Entities of 18 October 2007 in regard with LLC Parfenion indicating that the only shareholder of company is LLC Pluton and the General Director of the company is Markelov V.A. (in 22 pages);
39. Agreement of Accession of LLC Orient-K to LLC Parfenion dated 1 December 2005 confirming that the only shareholder of LLC Parfenion is Glendora Holdings Limited (the Republic of Cyprus), Resolution of the only shareholder of LLC Parfenion to appoint Martin John Wilson as General Director of LLC Parfenion starting from 26 July 2006 (in 7 pages);
40. Falsified extract from the Unified State Registry of Legal Entities of 18 October 2007 in regard with LLC Rilend, indicating that the only shareholder of the company is LLC Pluton, and the General Director of the company is Kurochkin V.N. (in 20 pages);
41. Resolution of the only shareholder of LLC Rilend of 28 November 2005 confirming that the only shareholder of LLC Rilend is Glendora Holdings Limited (the Republic of Cyprus), and its director since 1 December 2005 has been Martin John Wilson (in 1 page);
42. Valid extract from the Unified State Registry of Legal Entities of 21 December 2007 in regard with LLC Rilend (in 17 pages);
43. Requests addressed to investigator Karpov R.A. to return the original documents seized in the course of the search at the offices of Firestone Duncan (CIS) Limited and Hermitage Capital (Russia) Services Limited, and responses to those (in 3 pages);
44. Inquiries from the Department of Tax Police of the Main Directorate of Internal Affairs of the city of Moscow addressed to CJSC Commercial Bank Citibank No. 55/6-6536 dated [illegible] June 2006, to LLC Commercial Bank HSBC BANK (RR) No. 55/6-6373 dated 19 June 2006, to LLC Parfenion No. 55/6-6315 dated 16 June 2006, to LLC Rilend No. 55/6-6315 dated 16 June 2006 (in 8 pages);
45. Merger Agreement between LLC RIFL and LLC Saturn Investments dated 9 February 2005 confirming the creation of LLC Parfenion and Certificate of entry made in the Unified State Registry of Legal Entities for LLC Parfenion of 12 April 2005 (in 8 pages).

Attachment contains a total of 224 pages.