

**Max Freidzon**

v.

**AO LUKOIL, LUKOIL NORTH AMERICA, LLC, AO  
GAZPROM, JSC GASPROM NEFT, and GASPROMNEFT-  
AERO**

**soon to be amended to become**

v.

**ALEXEY BORISOVICH MILLER. ALEXANDER  
VALERYEVICH DYUKOV, GRAHAM SMITH, ALI  
IZMAILOVICH BEGLOV, AO LUKOIL, LUKOIL NORTH  
AMERICA, LLC, AO GAZPROM, JSC GASPROM NEFT, and  
GASPROMNEFT-AERO**

**Case Number:** 1:2014cv05445

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**Office** Foley Square Office

**Court** New York Southern District Court

**Presiding Judge** Analisa Torres

**Nature of Suit:** RICO - Racketeer Influenced and Corrupt Organizations

**Justia Dockets Link:** <http://dockets.justia.com/docket/new-york/nysdce/1:2014cv05445/429816>

### Overall Presentation of the case:

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Document 2: Background Information

“Putin's original RICO model: Setting up fuel distribution in Northwestern Russia (Saint Petersburg)”, 3 pages

Document 3: Case: Max Freidzon vs. LUKOIL, Gazprom, Miller, Dyukov, et al.

Executive Summary 2 pages

"MATERIAL FACTS, LOSS & CLAIMS", 11 pages

Document 4: A separate file of Appendixes, 85 pages; upon request

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**Precautionary Comment:** The following documents represent Max Freidzon's interpretation of events to the best of his knowledge. Max actively participated in most of the events of 1993-95 but he was an interested observer thereafter. Feel free to contact Mr. Max Freidzon at tel: (408 771 4450) email: max.freidzon@gmail.com for any follow up questions.

## Case Executive Summary

Max Freidzon is a religious Jew, he lives in Jerusalem and specializes in developing high tech projects. Max was the only certified Mohel in Leningrad over a span of 7 years. In 1989, Max left Leningrad for Israel where he acquired his citizenship and would have gladly enjoyed his religious practices there had he not been summoned back to the Soviet Union to resume his Mohel duties. The Rebbe blessed his endeavor and Max returned to Leningrad and resumed being the only Mohel in the entire Soviet Union.

Seeing the need for weaponry to combat crime, Max turned to his reputable connections in Israel for their experience in dealing with security issues. In collaboration with "Military Mechanical Institute for Weapons" in Leningrad, Max created a company "Rex" and represented, U.S. made Mossberg and Ithaca shotguns to law enforcement agencies, such as FSB (aka KGB), the City's Police Force, and RUOP (Department Combating Organized Crime) from 1993-1996. Overtime, Max took the lead and began negotiating with Leningrad's City Administration to create a Russian manufacturer of shotguns using Ithaca components. In this capacity Max came to negotiate contracts with Vladimir Putin, head of the [Committee for External Relations of Saint Petersburg](#). Putin, then, was responsible for promoting international relations and foreign investments. Alexei Miller, now Chairman and CEO of Gazprom was, at that time, Putin's right hand assistant.

Being an active entrepreneur Max Freidzon partnered with Dmitry Skigin and in 1994 the two founded a company named Sigma, a Russian corporation created to pursue several common business interests. Max owned 29% shares and the remaining 71% shares were owned by Dmitry Skigin. The first common business interest they decided to pursue was the sale of jet fuel to airplanes landing in Pulkovo, the principal airport in Saint Petersburg. To pursue this business opportunity they formed SOVEX, a foreign JV company owned 66% by Sigma, and 34% by Horizon International Trading ("Horizon"). "Horizon" was a company set up by Graham Smith and Markus Hasler in Lichtenstein, which later came under the control of SOTRAMA, Monaco, a company owned by Dmitry Skigin. "Horizon" was both an equity investor in SOVEX, and SOVEX's oil trading agent. Horizon regularly received payments in Lichtenstein from the international airlines for jet fuel deliveries that SOVEX actuated to the airplanes landing in Saint Petersburg.

Since 1991, Alexander Dyukov was Dmitry Skigin's assistant. By 1993 Dyukov ascended to being Dmitry's right hand man handling many of Dmitry's confidential matters, particularly in the area of financial transactions and administrative support. When he was 27-30 years old (1995-97) Dyukov was instrumental in building up two oil distribution start-ups (SOVEX and Petersburg Oil Terminal ("POT")) which were operating under Sergey Vasiliev's protection,) as well as the privatization of the sea port. Sergey Vasiliev and his brother were racketeers who had been in prison throughout the 1980's. SOVEX was the first of Dmitry Skigin's oil distribution companies to generate hard currency as foreign airliners paid directly to an account in Lichtenstein. Skigin needed to establish his money laundering network and he came in contact with Natasha Gurfinkel of the Bank of New York in 1992. Skigin also came to know Alexander Volkov of Torfinex Corp., and then his network was nearly complete. Dmitri Skigin worked with Alexander Volkov of Torfinex Corp, and Natasha Gurfinkel from 1994-99. They opened multiple bank accounts in Lichtenstein with the help of Graham Smith, and created false paper transactions designed to support circular electronic fund transfers through the Bank of New York correspondents' accounts. They were laundering SOVEX's funds and bringing them back to affiliated enterprises. The "cleaned" money was further used to support criminal activities such as the initial funding of POT or Nasdor's acquisitions of the share of JSC "Sea Port of Saint Petersburg". In 1996-98 Dyukov became CFO and then CEO of POT. Later, in an interview to the press Dyukov said that "Deputy Mayor Vladimir Putin gave very substantial help and support" to the new company POT. (appendix 6:3-B).

Soon after starting SOVEX, Dmitry Skigin and Ilya Traber formed POT to control oil distribution in the Seaport. POT became a supplier to SOVEX. POT emerged during the turmoil of the privatization of the Saint Petersburg Seaport supported by the Vasiliev brothers. These gangsters used Ilya Traber and Dmitry Skigin as front man business operators and they used SOVEX, POT and "Horizon" as money laundering channels. Ilya Traber, Dmitry Skigin, and numerous other managers were in regular discussions and negotiations with the City mayoral office including Vladimir Putin and Alexei Miller in 1993-96.

After mayor Sobchak lost his re-election bid in June 1996, Putin moved to Moscow and Alexei Miller joined Vasiliev's organization. In 1996, Miller assisted Dyukov at POT, he also assisted Traber in the formation of OBIP in 1997 and in the effort to buy the employee shares of the privatized JSC "Sea Port of Saint Petersburg". On August 18, 1997 the Vice-Governor Mikhail Manevich who had attempted to keep 29% of those shares under City control, was murdered. On November 18 1997 an extraordinary meeting of shareholders of JSC "Seaport of Saint Petersburg" transferred the management of the port to OBIP. Miller was then reporting to Ilya Traber, as the Director for Developments and Investments at OBIP (manager of the Port of St- Petersburg). Traber was one of the "untouchables" or "too close to the gangsters and Vladimir Putin in the 1990's". From 1999 to 2000 Miller served as Director General of the Baltic Pipeline System and in 2000 he became Deputy Minister of Energy.

Dyukov was appointed Economics Director in 1998 and in 1999 became CEO of OBIP. OBIP was sold in 2000 and Dyukov returned to POT as Chairman.

At the time of SOVEX's registration Putin had requested personal financial support in exchange for the City's cooperation, and he reached a handshake agreement with Dmitry on a minimum of 4% of cash profits and shares. In 1995, SOVEX used the Pulkovo pipeline terminal and storage tanks under temporary agreements, then in May 1996 Putin signed the City resolution approving SOVEX's long term exclusive use of the Pulkovo pipeline terminal (<http://old.lawru.info/base27/part2/d27ru2850.htm>) which gave SOVEX a de-facto exclusive distribution rights of jet fuel from 1995 to 2013. Prior to the sale of SOVEX to LUKOIL in 2007, a sophisticated combination of transactions was set-up to avoid Russian custom duty and income taxes. Whereas by 2001, the untaxed profit accumulated in SOVEX's accounts managed by "Horizon" in Lichtenstein was over \$600 million, we estimate the money laundering through SOVEX & Horizon in Lichtenstein to be greater than \$2 billion by 2007. During the 5 year period from 2007 to 2011, SOVEX's revenues reached \$1.26 billion and Net Income after taxes reached \$131 million. By 2012, the volume of aero fuel SOVEX sold reached 400,000 tons.

Sometime in 1997-98, Sergei Vasiliev ordered Ilya Traber to take the incorporation documents and the corporate stamps from the office of the SOVEX manager. We have no detailed records of their intention at the time, but 4 years later Sigma and Horizon had disappeared from the list of founders-shareholders, and two friends of Mr. Putin and Traber appeared in the list, Mr. Alexander Ulanov (3.2%) and Viktor Korytov (0.8%) an ex KGB officer in Leningrad and now Deputy Chairman of the board at Gazprombank. We believe that Vasiliev and Kumarin reached ownership agreements but all parties recognized Putin's 4% ownership through his friends. This information was only discovered in 2012. The remaining 96% ownership of SOVEX stayed concealed and probably adaptable to future events or pressure from significant players.

In 2003, after the death of Dmitry Skigin, Max filed a complaint in the St-Petersburg court. He received threatening anonymous telephone calls and was attacked on December 21, 2003. His attackers told him to forget about Sigma and SOVEX and his attempts to claim any ownership of these companies. He suffered broken legs, concussion, pierced pancreas, bleeding intestine and woke up in the hospital where doctors operated on him for 6 hours. He stayed at the hospital for 2 months and thereafter, left immediately for Israel. At the St Petersburg airport, he received another threatening telephone call to tell him that they knew where he was and they could get him in Israel anytime. In the police report he gave from his hospital bed Max said that he did not know why he was attacked...

In 2006, Max tried to file another complaint at the St. Petersburg police and at the prosecutor general's office. Again he received threatening anonymous telephone calls and felt physically threatened by the police investigator who told him that the names of Dmitry Skigin and Graham Smith could not be included in the complaint. Again he received anonymous telephone calls when he was at the airport returning to Israel.

On May 6, 2006 Sergei Vasiliev, the recognized owner of POT was attacked in the heart of St Petersburg. A bullet went through his gold plated cell phone before lodging in his head, yet he survived.

On November 23, 2006 Dyukov was appointed Acting President of JSC GazpromNeft and on December 30, 2006 he was elected President. Three months later on March 27, 2007, LUKOIL and GazpromNeft signed an agreement to cooperate in the distribution of jet fuel in the northwest of Russia, by forming a 50/50 joint venture "Refueling North-West" which would acquire 99.2% of the voting shares of SOVEX. Seven months later on October 12, 2007, "TSK Fuel Complex Northwest" (LUKOIL) bought 99.2% of the shares of SOVEX. On December 21, 2007 GazpromNeft Aero petition the Russian Federal Anti-Monopoly Service (FAS) to acquire 50% of the shares capital of "Refueling Northwest", and in February 2008 GazpromNeft acquires 50% of "Refueling North West". By fronting LUKOIL to

acquire SOVEX from concealed owners, Dyukov and Miller (CEO's of GazpromNeft and Gazprom) who knew the history of falsified ownership of the SOVEX's records, were shielded from direct acquisition of SOVEX. Quite possibly, they might also have been beneficiary owners of corporations that might have sold illegal shares of SOVEX to LUKOIL.

Finally in 2012 Max pursued legal procedures in Saint Petersburg, again received threatening anonymous calls and was told that they could hurt him in Israel. Upon his return to Israel he reported the threat on his life to the Israeli police who decided to take a "wait-&-see" attitude until a threat materializes in Israel.

Max Freidzon's asserts that (1) he never sold or assigned his shares in SIGMA and SIGMA's ownership of 66% of SOVEX, (2) LUKOIL knew that SOVEX had a criminal record in money laundering and they deliberately did not try to have the consent of all founders & minority shareholders, (3) Alexander Dyukov knows the details of the illegal capture of Max's shares of Sigma and Sigma's shares of SOVEX. Max's is now suing LUKOIL and Gazprom et al in U.S. courts, for the illegal acquisition of SOVEX. He is seeking an injunction to freeze the assets, and demands compensation for his loss of profits. LUKOIL owns a large number of gasoline stations and other assets in the USA. Max's loss claim is 29% of 66% of \$942 million, or \$180.2 million in compensatory damages and \$360.4 million in punitive damages.

# Material FACTS, LOSS and CLAIMS

## **SIGMA**

In 1994, Max Freidzon, a Russian and Israeli citizen from Leningrad (St. Petersburg), and Dmitry Skigin founded a Russian company "Sigma"; Max Freidzon owns 29% and Dmitry Skigin 71%. Documents confirming this fact are extracts from the register of shareholders, share certificate, registration number in FCSM (Federal Commission of Securities). Additional statement from the tax office and a court order stating what Max Freidzon is a Founder of "Sigma".

<https://plus.google.com/u/0/photos/100604318833521697039/albums/5764161180154324065>

The ruling of the Russian court confirming that Max Freidzon is the founder of "Sigma"

<https://plus.google.com/u/0/photos/100604318833521697039/albums/5740206536834854257>

**Appendix 3:1-1** is the Extract from the Registry of Shareholders showing that Max Freidzon owns 29 shares of the initial founding shares. **Appendix 3:1-2** is a copy of Max's stock certificate No.4 for his 29% shares of Sigma.

*For more backup information, request sections on:*

*"Max Freidzon before SOVEX and in 1993-1996"*

*"Dmitry Skigin before SOVEX"*

## **SOVEX**

In 1995, "Sigma" and "Horizon Trading International" (Lichtenstein, represented by Graham Smith) founded a Russian Joint Stock Corporation (JSC) «SOVEX». See:

**Appendix 3:2** is the copy of the official registry of stock transactions showing Sigma (66%) and Horizon (34%) owners and founders of JSC SOVEX

- a statement from the tax office (public information on the official web sites);

<https://plus.google.com/u/0/photos/100604318833521697039/albums/5777698244391597249>

- the court's confirmation of Sigma's ownership of 66% of SOVEX

[http://www.lin.ru/db/emitent/5C972EEF4B1E00F6C3256D3D000987CE/discl\\_doc.html](http://www.lin.ru/db/emitent/5C972EEF4B1E00F6C3256D3D000987CE/discl_doc.html)

The founders assigned 66% of the shares of SOVEX to SIGMA, and 34% to « Horizon International Trading » (Lichtenstein) (2). Max believes that at the beginning « Horizon International Trading » was an independent company founded by Graham Smith, but later Dmitry Skigin founded SOTRAMA in Lichtenstein, a company he owned and which bought control of « Horizon International Trading ».

The current operations of SOVEX are well described on their website <http://www.sovex.ru/en/about>

## **Vasiliev's «ROOF»**

Dmitry Skigin suffered serious losses from a business transaction that went sour and had to call Ilya Traber for assistance in getting the support of the Vasiliev brothers (St. Petersburg gangsters during the 1980's). Thus Dmitry began operating "under their roof". Now, with two foreign partners in SOVEX; Max an Israeli owning 29% of Sigma, and a British citizen owning 34% of SOVEX, Dmitry Skigin was hoping to keep SOVEX out of the control and influence of Sergey Vasiliev.

*For more backup information, request section on:*

*« Dmitry Skigin's Partners and Associates in the early days of SOVEX»*

## **LUKOIL and Ali Beglov**

Ali Beglov (Alex Tartar in the criminal world) spent two years in prison in 1990-1992 for racketeer-extortion of the taxi drivers around Pulkovo Hotel. As a member of the criminal community of Saint Petersburg, in 1995-1996 Ali started to negotiate with Vasiliev and Traber for the opportunity to enter the oil bunkering business at the seaport. In 1996-1997, he became the local representative of LUKOIL and in 1998 LUKOIL emerges on the St Petersburg bunker

market. In that capacity he came to know Skigin and SOVEX since 1995 and was well aware of SOVEX's ownership. As of today, Ali Beglov is still the General Director of LUKOIL-Bunkering in Saint Petersburg.  
[http://www.compromat.ru/page\\_19622.htm](http://www.compromat.ru/page_19622.htm)  
<http://www.versiya.org/2006/18/6>  
<http://www.lukoil-bunker.com/ru/about/team/>

## SOVEX's PURPOSE

### 1. Founders objective: sell Aero Fuel

SOVEX was created to distribute jet fuel at the Pulkovo airport, the main airport in St. Petersburg. From the beginning SOVEX had a monopoly on fuel sales which lasted until 2013 and reached 400,000 tons in 2012 according to the SOVEX news release. <http://www.pulkovoairport.ru/en/about/>

### 2. Vasiliev's "roof" objective: Money Laundering

Prior to privatization, the country of Russia was receiving revenue from fuel sales, as rightful owner of Pulkovo airport fuel. Post privatization, SOVEX, became the owner and the revenue from fuel sales started flowing into SOVEX and into its 34% foreign owner and oil trader, "Horizon International Trading" of Lichtenstein. In the mid 1990's some foreign airliners preferred to sign fuel purchasing contracts with a European supplier Horizon rather than with a Russian supplier. For SOVEX's owners, contracts with Horizon allowed them to avoid Russian government licenses and foreign exchange regulations. Subsequently, "Horizon" accumulated the funds in Lichtenstein making SOVEX a perfect channel to launder money from Russia into Europe for the "Vasiliev brothers" and their associated gangsters. If SOVEX or other new ventures needed funds, Horizon could send funds as loans or investment, under different corporate accounts but profits stayed in Lichtenstein.

Approximately in 1994-1999 Dmitri Skigin in cooperation with Alexander Volkov of Torfinex Corp, Natasha Gurfinkel of the Bank of New York, and Graham Smith opened multiple bank accounts in Lichtenstein. The team created false paper transactions designed to support circular electronic fund transfers through the Bank of New York correspondents' accounts. The sole purpose was to launder SOVEX's funds in order to bring them back to affiliated enterprises that could further support criminal activities such as the initial funding of POT (Petersburg Oil Terminal) or Nasdor which became the foreign JV partner in the privatization of the sea port.

Although Graham Smith executed the banking transactions, he did not necessarily know what these payments were for as he received "specific" instructions from Dmitry Skigin. Smith's position was that he did not want to know who was behind the request for fund transfers. During his early years, Graham Smith, printed Soviet documents for the City Government. He was known and was accustomed to receiving funds from City officials. In St. Petersburg, Smith was the person who could execute foreign money transfers in confidence and with discretion. Still to this day, these accounts are managed by Graham Smith.

**Appendix 4:1** details that SOVEX Value Chain and Business Model, which was set-up in 1994-95 by Max Freidzon and Dmitry Skigin, to be a profitable legal business, using the Soviet infrastructure of the airport to build a normal Western business exporting the aero fuel. In 1996-97 SOVEX became progressively more involved in money laundering.

*For more backup information, request section on:  
« Creation of Sigma and SOVEX »*

## SOVEX FINANCIALS

We know that SOVEX started making profits in 1996 but we do not have records for the period 1997 to 2006. For the period of 2007 to 2011 the official records of SOVEX show 5 year revenues of \$1.26 Billion and Net Income after tax of \$131 million. See **Appendix 7** for exact number reported in Rubles and the conversion into dollars.

According to a SOTRAMA employee, hired as a spy agent by Robert Eringer when he was investigating Dmitry Skigin and SOTRAMA's money laundering in Monaco, SOTRAMA was laundering "millions and millions of Euros per

month for Horizon Oil Terminal in St. Petersburg”. see [Appendix 6-2](#) for extracts of the Eringer reports, which have recently been taken off-line after Eringer settled his lawsuit against Prince Albert of Monaco.

Before LUKOIL acquired SOVEX, during 1996-2007, Horizon acted as SOVEX’s investor, oil trader, and a representative agent. Horizon was able to get paid in Lichtenstein for jet fuel delivered by SOVEX to foreign airlines. These sales transactions were not reported in SOVEX’s books.

## FUNDS ACCUMULATED IN “HORIZON” ACCOUNTS

Dmitry Skigin told Max, that Horizon had no funds in 1995 but by 1996 small amounts started flowing in, and by 2001, Horizon Funds in Lichtenstein had accumulated approximately \$600 million. Horizon continued to operate in this manner up to 2007. We estimate that Horizon’s fund reached multiple billions in U.S. dollars by 2007. In 2007 SOVEX was sold to LUKOIL.

The Lichtenstein accounts of “Horizon” and SOVEX are managed by Graham Smith (British citizen based in Lichtenstein),

- ▲ first in 1994-1997, under the order of Dmitry Skigin assisted by Alexander Dyukov (1994-1996) or assisted by Igor Zimin (Dmitry’s general manager of SOVEX 1995-1998)
- ▲ starting in 1997-98, money transfers are increasingly controlled by Sergey Vasiliev or Ilya Traber assisted by the new manager he placed at SOVEX, Valery Im., who replaced Igor Zimin (Dmitry Skigin’s manager).
- ▲ In 1996-1998 Alexander Dyukov was Chief Financial Officer, later Chief Executive Officer of JV CJSC Petersburg Oil Terminal (“POT”). POT was another company set up by front men Ilya Traber and Dmitry Skigin. Later, in 2006 Sergei Vasiliev was referred to as being the “principal owner” of POT. During that time period Kumarin attempted to kill him. Kumarin was the founder of the Tambov gang ([http://en.wikipedia.org/wiki/Tambov\\_Gang](http://en.wikipedia.org/wiki/Tambov_Gang)), and was arrested in July 2007. He is presently “accused of attempted murder of Vasiliev, the capture of POT, the confectionery factory, and another nine companies for which he will face new charges”. (reference [Appendix 7-2](#))

*For more backup information, request section on:*

*« Lichtenstein Fund, \$600 mil in 2001, est. >2Bil in 2007 »*

## Max Freidzon's other interest in 1994-1995, and his distance from the Vasiliev brothers

Max Freidzon always wanted to distance himself from Vasiliev brother’s “roof” which extended over Dmitry Skigin’s business. Dmitry hoped that Max’s efforts with high tech products based on intellectual property would lead them to launch businesses outside of Russia, thereby eliminating the need for Vasiliev’s roof in Russia. Starting in 1995 Max spent most of his time developing an internet telephony technology which he patented in 1996.

*For more backup information, request section on:*

*« 1996-1999 Transition to power from Saint Petersburg to Moscow »*

## Higher Framework: The Privatization of the Saint Petersburg Seaport (1994-1998)

The creations of **SOVEX** and **POT** were a mere prelude to what lay ahead, the battle for the privatization of the Saint Petersburg Seaport. This effort was led by Ilya Traber, Dmitry Skigin’s partner. The two men were competing against other proposals. City’s interests were represented by Mikhail Manevich, who was the head of the City’s Property department reporting to Vladimir Putin. In the background, the Vasiliev brothers exerted greater influence on the outcome of these negotiations, and another gangster, Kumarin was forming the Tambovskaya group and cooperated with Ilya Traber.

Although alliances between the “roofs” were changing rapidly as 4 gangster groups were engaged in a turf war of Saint Petersburg Seaport, Max believes that, Dmitry Skigin remained one of Vasiliev’s business front man. Dmitry’s partner Ilya Traber was more independent and acted as an intermediary between Dmitry and Vasiliev. Traber also conducted some negotiations with Kumarin. Allegiances and influence between gangsters were adapting to changes in their battles, but Vasiliev always used SOVEX contracts to launder money for his business and for other

associates' business. Traber represented Dmitry's interest in the privatization of the Seaport, and he led the important negotiations dividing all Seaport interests including the interests of the City government and the Moscow Federal government.

On August 18, 1997, Mikhail Manevich, head of the City's Property department who was opposed to some of the Seaport privatization effort was killed. On November 18, 1997 the shareholder company JSC Sea Port of Saint Petersburg transferred all its managerial powers to "OBIP" funded and controlled by Ilya Traber and partners. The foreign partner in OBIP's equity was NASDOR, a company registered at Graham Smith's address, which had probably been funded by SOVEX's cash flow. Traber also represented Vasiliev in some negotiations with Kumarin as the two gangsters had agreed to work together in the oil distribution business: Vasiliev would control the oil distribution in the Seaport and the airport (POT and SOVEX), and Kumarin would control the oil distribution in the city gas stations and government bus-&-police fleet (PTK Petersburg Oil Company). As Vasiliev's front man, Dmitry Skigin would also launder money for Kumarin.

*For more backup information, request section on:  
« Dossier: Privatization of the St Petersburg Seaport »*

### The "Capture" of SOVEX:

After the fact, Dmitry Skigin told Max Freidzon that in 1997-98, Sergey Vasiliev asked Ilya Traber to take all corporate documents related to Sigma and SOVEX from Igor Zimin (Dmitry Skigin's manager at SOVEX), and later, the name of Valery Im (Korean man, named "Im" in Korean) appeared as Director on official documents of SOVEX, and clean them up. Max Freidzon has never been told what was changed and how the ownership was changed in the documents, except that they had been "cleaned up", but Max never signed any documents agreeing to the transfer of his 29% ownership of Sigma, or Sigma's 66% ownership of SOVEX. From that time, Dmitry Skigin said he could not control SOVEX cash because of Vasiliev's orders to take control of SOVEX and replace Igor Zimin by Valery Vasich.

**Appendix 7:1** is an article "Head of city police turns St Petersburg into the criminal capital of Russia" describing how the Saint Petersburg police, in collaboration with gangster groups, including the Tambovskaya group associated with Ilya Traber, was falsifying corporate documents to steal businesses and real estate. In **Appendix 7:2** are two current articles published February and March, 2013, reporting on the present investigation of Vladimir Barsukov (Kumarin) for his alleged crimes and the illegal capture of 13 corporations in Saint Petersburg.

During the year when Sergey Vasiliev asked Ilya Traber to take all corporate documents related to Sigma and SOVEX from Igor Zimin (1997-98), Alexander Dyukov was first CFO, then CEO of POT a major supplier and creditor to SOVEX. Max believes that Dyukov knows how the change of shareholders in SOVEX was orchestrated. Sigma-Horizon were removed and the shares went to Vasiliev, Kumarin and others. At that time POT was a major creditor and Dyukov was CFO of POT. **Appendix 8** is an article discussing the relationships between Dyukov, Traber and crimes related to St Petersburg seaport.

The new records discovered in 2012 show that among the owners of SOVEX were Ulanov who owned 3.2% and Korytov who owned .8%. Ulanov is a contact of Vladimir Putin and a friend of Traber. Korytov had been a contact of Vladimir Putin since they were both KGB agents. **Appendix 9** is an article on the relationships between Ilya Traber, Ulanov, Korytov and Vladimir Putin.

Dates / periods	SIGMA	Horizon (Smith)	Ulanov	Korytov	Others (suspected)	Corporate
1995-1997 or 1998	66.00%	34.00%				
1997/98 - 2002					Vasiliev + Kumarin + Traber + several others	Possibly several ownership changes in that period
17/07/2002			3.20%	0.80%	Vasiliev	Discovered in 2012

2007-2008 5 months process to sell to LUKOIL				0.80%		LUKOIL 99.2%
February 2008 +						LUKOIL – GazpromNeft

SOVEX registration shows new founders on 17/07/2002 with share capital of 490,000 rubles: Ulanov 15,980 rubles. Korytov 3920 rubles. This was discovered in 2012.

References [Appendix 7](#)

1:7 Statements "SOVEX" from the tax office, with new members – Ulanov, Korytov

<https://plus.google.com/u/0/photos/100604318833521697039/albums/5780316476601970689>

Contact us to request access permission to this link.

The team of Ulanov and Korytov have small percentages of many deals structured by the Saint Petersburg managers close to Vladimir Putin or Traber, See [Appendix 9](#).

Recent ownership records dated 19.06.2012 and 21.01.2013 show :

## Co-owners

in the Incorporation date: 19.06.2012

Name	Location	Stake in share capital, USD	share in the UK, Ulanov%
<a href="#">Alexander</a>		15,680	3.20
<a href="#">Korytov</a>		3920	0.80
<a href="#">Victor B.</a>			

## Co-owners

in the Incorporation date: 21/01/2013

Name	Location	Stake in share capital, Rest.	Share in the authorized capital,%
<a href="#">Gazprom Neft-Aero, LUKOIL-AERO, LLC</a>	Inc., the PETERSBURG, STREET gallery, 5 liter A (Russian Federation)	50 000	50
	d Moscow, Pokrovsky Blvd., d 3, pp. 1 (Russian Federation)	50 000	50

## History

Name	Location	Stake in share capital, Rs.	Share in the authorized capital,%	<a href="#">date in EGRUL</a>
<a href="#">LUKOIL OJSC</a>	Mr. Moscow, Blvd. Candlemas, d 11 (Russia)	100	0.10	07/04/2008
<a href="#">LUKOIL-AERO, LLC</a>	d Moscow, Pokrovsky Blvd., Dr. 3, pp. 1 (Russian Federation)	99,900	99.90	11/06/2007

## Attempts to separate Max Freidzon from his interest in Sigma and SOVEX.

In 2000-2001, Skigin was extradited from Monaco. Skigin's wife, Albina, divorced him and was awarded a \$20 million euro settlement by the French court. Dmitry told Max, that since he had to abandon his role in SOTRAMA and in IPP (a business he developed jointly with Gennady Timchenko of Gunvar), he will have to focus his work in

Russia. He explained that Graham Smith would take care of his yacht and other interest in Monaco. Soon after, Skigin becomes seriously ill of pancreatic cancer.

Also around 2000, Dmitry Skigin informs Max that the power center is moving from Saint Petersburg to Moscow and many of his friends and acquaintances are taking important roles in the government and in industry under the "Putin-FSB roof" and Dmitry wanted Max to join the Moscow power group. Max never operated the "Vasiliev's roof" and most certainly did not intend to begin operating under "Putin-FSB roof". Once an individual falls under the protection of the "roof," individual freedom is lost and complete allegiance is expected. Instead, Max wanted to pursue his efforts in developing Hi-Tech business in internet telephony outside of Russia and be independent of any "roofs."

In 2000-2001, both Graham Smith and Dmitry Skigin tried to convince Max to forget about his ownership in Sigma and SOVEX, and concentrate his efforts on other business interests. Graham Smith made clear that Max's life was in danger should he try to assert his interest and ownership in any business related to Sigma and SOVEX (see [Appendix 10:1](#)). The rejection by the St. Petersburg partners reached the apex when the following day Max attempted to enter the offices of "Metro-Plus", a joint venture he created between the City of St. Petersburg and Sigma, and the guards prevent him from entering the offices. A few months later, in 2002, Max sued the "Metropolitan Subway", a part of the Saint Petersburg city administration that was a partner "Metro-Plus" business, for violation of his patent.

## **2012 Conversations and emails with Mikhail Skigin [Appendix 10:2](#)**

### **Tentative summary:**

Mikhail Skigin, presently Chairman and CEO of the Petersburg Oil Terminal (POT) is Dmitry Skigin's oldest son. In 1995, Dmitry was released from administrative incarceration and in order to avoid imprisonment he had to flee. Max brought Dmitry and his son Mikhail, then 12 years of age, to Israel, while Dmitry's attorney Sharikov negotiated his case with the Saint Petersburg police.

While in Russia in the summer 2012, Max had several telephone discussions and email exchanges with Mikhail Skigin.

### **CONFIDENTIAL**

## **SOVEX, HORIZON and SOTRAMA's ROLE in the Laundering of Russian Oil Funds Accumulated in the "HORIZON" Bank Accounts, and links to the management of the Sea Port**

Dmitry met Natasha Gurfinkel of Bank of New York for the first time in 1992 in Newport NJ. The two immediately began to devise ways to test electronic funds transfers. Dmitry happily offered the assistance of Graham Smith in Lichtenstein. During this time, Dyukov, played the role of Dmitry' confidential financial manager in Saint Petersburg. Once the scheme was developed and SOVEX's Lichtenstein accounts began to receive hard currency, Skigin with the assistance of Dyukov, began working with Alexander Volkov of Torfinex Corp.

Skigin, Gurfinkel, Smith, and Volkov artfully devised ways to create false paper transactions designed to support circular electronic fund transfers through the Bank of New York's correspondents' accounts. The purpose of these transactions was to launder SOVEX's funds and bring the money back to affiliated enterprises. The "cleaned" money further supported criminal activities such as the initial funding of POT (Petersburg Oil Terminal) and Nasdor's acquisitions of the share of JSC "Sea Port of Saint Petersburg".

In 1996-98 Dyukov was the CFO and later became the CEO of POT. In an interview to the press Dyukov said that "Deputy Mayor Vladimir Putin gave very substantial help and support" to the new company POT ([Appendix 6:3-B](#)).

From 1995 to 2013, SOVEX was enjoying a monopoly power in supplying jet fuel to the Saint Petersburg Pulkovo airport. Some contracts with airliners were placed through Horizon International Trading in Lichtenstein and paid there in dollars. Occasionally the purchase of fuel was done in Russia at artificially low prices, with down payment, and extended terms for the balance to be paid. Some of the funds parked at "Horizon" could then be transferred to

gangster groups who provided loans in Russia to purchase more fuel. These funds would re-enter Russia as foreign investments and would be used to buy shares from employees of companies being privatized, and control new joint ventures in Russia.

SOVEX's hard currency from the sale of jet fuel primed the pump to fund Cyprus based companies. Those companies then bought POT's shares during the privatization period. The shares were used to fund Nasdor and to buy more shares of JSC Sea port of Saint Petersburg and transfer its management operations to OBIP. Once the cash flow was established, SOTRAMA was set up in Monaco as an oil trading firm with control over "Horizon". SOTRAMA and Horizon then became direct customers of LUKOIL, "Tatneft", TNCs and "Sibneft" (GazpromNeft).

According to a report referenced in [Appendix 6:3-A](#) "the profit from the resale of Liechtenstein oil for only three months amounted to more than \$ 9 million, and among the provider indicates LUKOIL, "Tatneft", TNCs and "Sibneft", which at that time de facto belonged to "Gazprom" and prepared change the name to "GazpromNeft". Among the buyers of oil trade Liechtenstein were also the world's largest companies - BP, Total, Glencore, Statoil....

[Appendix 6:3-A](#) is titled "A First Class Laundry Service"; "The former director of Monaco's Intelligence Service accuses Russian businessmen of money laundering for leaders of organized crime groups, senior officials and Prime Minister Vladimir Putin."

[Appendix 6:3-B](#) is titled "Friends so Close that Oil Fails to Split Them – How are the Prime Minister's Friends Linked to Those who are Suspected by the Monegasque Police of Money Laundering. [Appendix 6-1](#) shows the connections of these companies to Vladimir Putin according to the Monaco Police files, while [Appendix 6-2](#) is a list of companies formed by Vladimir Putin's friends in 1991-1996, and [Appendix 4:2](#) shows how SOVEX fits in the overall money laundering cash flow from Russian oil.

[Appendix 6:4-A](#) shows the extracts that mention SOTRAMA in Eringer's investigation of Russian money laundering in Monaco, and [Appendix 6:4-B](#) shows extracts from Eringer's claim filed in a law suit in California on October 5, 2009.

### **2003: Efforts to Collect Proof of Ownership Results in an Attack on Max's Life**

During the fall of 2003, in the city of Nice, Dmitry passed away from pancreatic cancer. The hope for an agreement clarifying the ownership issues with SOVEX for Max perished with Dmitry's death.

Max started to request copies of the official records regarding the creation and registration of Sigma and SOVEX from the City of St. Petersburg. Max received anonymous telephone calls telling him not to investigate the ownership of SOVEX because it would be dangerous for his life. Still, Max persevered in contacting the courts and assembling relevant documents.

In December 2003 Max received another anonymous telephone call by someone who claimed he had copies of the corporate documentation of SOVEX, along with the new shareholder agreement, and copies of the notes of the shareholder meeting including Max's falsified signature. The anonymous caller was offering these documents for sale. The meeting was set up at a coffee house. Max waited for a long time, during the wait, the anonymous caller called 3 times to excuse himself for his delay. Finally, an individual, already in the coffee house approached Max and asked whether he was waiting for "Sasha". He then told Max that Sasha has the documents and is in a restaurant nearby. Max was then escorted to the restaurant. Upon entering the secluded table area, Max was violently attacked by 5 or 6 men. The men shouted at him to "forget about SOVEX," or "do you want to die?" The men continued yelling other personal obscenities until Max was left unconscious on the floor. Max regained consciousness only in the hospital. He was found to have a hole in his head, broken legs, pierced pancreas and intestinal tubes, and was operated on for 6 hours. He stayed in the hospital for two months. Once released he immediately left for Israel. At the airport, he received another anonymous telephone call telling him to stop the investigation because he could not hide in Israel and they could get him there as well. A police report was written up but Max was careful not to mention SOVEX or Sigma in this report. The beating took place on December 21<sup>st</sup>, 2003.

Max believes that the attack was orchestrated by a criminal group which included Mikhail Skigin, Graham Smith, Sergei Vasiliev, and Alexander Dyukov. Max believes that the specific initiators of the attempted assassination were Mikhail Skigin and Graham Smith and his opinion is detailed in his 2012 statements to the police and the prosecutor's office (see link hereunder):

[https://docs.google.com/file/d/1MdvM0CUsRZmINusX2F8FE1yt-QHSSo7ecrUR82s00T\\_LsT0jDhWfjB7WJTKm/edit](https://docs.google.com/file/d/1MdvM0CUsRZmINusX2F8FE1yt-QHSSo7ecrUR82s00T_LsT0jDhWfjB7WJTKm/edit)

<https://plus.google.com/u/0/photos/100604318833521697039/albums/5795824378807899457>

<https://plus.google.com/u/0/photos/100604318833521697039/albums/5821746483035865953>

<https://plus.google.com/u/0/photos/100604318833521697039/albums/5821746483035865953>

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## **Max's 2006 Attempt to Verify his Property Status**

In 2006, Max tried again to assert his claims over his shares of Sigma and SOVEX.

He asked the District Fruzenski Prosecutor of St Petersburg and the Sigma Director Svetlana Obertas for copies of incorporation documents of Sigma and its subsidiaries (SOVEX, Metro-Plus, and others). Svetlana responded that she was not permitted to give this information to Max. The court prosecutor contacted Svetlana who in turn connected him to Sigma's director. The prosecutor was derisively told to "go away," which he obediently did, surrendering his power to the gangster group. Realizing to what end an open pursuit of his efforts would lead, Max temporarily suspended the effort and returned to Israel.

## **2007-2008 Sale of SOVEX to LUKOIL, and Entry Point for the "Putin-FSB roof"**

On November 23, 2006 Dyukov was appointed Acting President of JSC GazpromNefit and at the end of 2006, LUKOIL started the process of acquiring SOVEX. Annual fuel supply contracts were renewed. At the end of 2006, Alexander Dyukov was appointed President of GazpromNefit. In 2007, LUKOIL's subsidiary, TSK Northwest, purchased 99% of SOVEX shares. The Russian State government was a creditor for approximately 1.5 Billion Rubles (\$59 million) of fuel purchased by Aeroflot.

Some of the details of the sale transaction are revealed in a subsequent court case ([Appendix 10:3](#)) discovered in 2012. It appears that LUKOIL and GazpromNefit colluded to divide the supply of jet fuel to Pulkovo airport at 50% each. Together they intended to replace the Kirishy refinery, now part of the Surgutneftegaz group.

Gazprom's 50% of SOVEX's ownership went to GazpromNefit division. Alexander Dyukov headed GazpromNefit, hence was responsible for the 50% of newly acquired SOVEX's shares. Max knew Dyukov personally since 1993, back when Dyukov was Skigin's assistant. Naturally, Dyukov knew that Skigin and Max were friends and partners. He was well aware that Max and Skigin founded Sigma and knew that Max had 29% ownership in Sigma. He also knew of Sigma's 66% ownership in SOVEX. Further Dyukov played a major role in the seizure of "SOVEX" by a group of bandits, since he worked for them in the Port ("OBIP" or "ABIP"). Later, Dyukov, as CEO of GazpromNefit, and Alexei Miller, CEO of Gazprom, purchased SOVEX from the gangsters for whom they worked in the St Petersburg port (OBIP). Dyukov also knew that under the law protecting minority shareholders, the buyer (LUKOIL & GazpromNefit) had to gain the support of the minority shareholders.

The acquisition of SOVEX by LUKOIL & GazpromNefit was staged over time, and in coordination with their new supply contracts for delivery of aviation fuel:

On 03/27/2007 "NK LUKOIL" and GazpromNefit signed an agreement on cooperation in the field of aviation fuel, which was later challenged under the anti-monopoly regulations, (see section in blue in [Appendix 10:3](#)) Under this agreement they form a new corporation "Refueling North-West" and each owned 50% of its shares.

They agreed to acquire 99.2% of SOVEX shares and executed an agreement committing themselves to an identical jet fuel supply at an agreed price and on identical terms

12/10/2007 LUKOIL acquires 99.2% of 99.2% of SOVEX

12/21/2007 FAS (Federal Antimonopoly Service) authorizes the future acquisition of 50% of the capital of "Refueling North-West"

GazpromNefit acquired 50% of "Refueling North West" in February 2008.

**Appendix 10:3** is a copy of a 2010 court decision on the Appeal of the **Federal Antimonopoly Service** on the decision of the Arbitration court regarding LUKOIL's case. **Appendix 10:34** shows LUKOIL's deep involvement with the gangsters of St Petersburg to this day.

SOVEX purchased most of its jet fuel from the Kirishy refinery, which was connected to the airport by a pipeline and was only a few miles away from it. The Kirishy refinery is part of the Surgutneftegaz corporation. After the sale of SOVEX to LUKOIL, and the subsequent transfer of 50% of SOVEX shares to GazpromNefit, SOVEX sent a letter to Surgutneftegaz announcing the suspension of its purchase agreements. SOVEX began purchasing 50% of its jet fuel from "LUKOIL NK", and 50% from "GazpromNefit".

After evaluation of the joint venture agreement between LUKOIL and GazpromNefit, and after comparing their prices to those offered by Surgutneftegaz, the FAS (Federal Antimonopoly Service) determined that LUKOIL and GazpromNefit "came to an agreement on the supply of jet fuel to this entity in the shares of 50 per cent each, have implemented such an agreement, which led to some structural changes in the market - its section on suppliers and may also lead to economic changes as the price of kerosene is formed in the absence of competition."

Max Freidzon does not know who was on the Board of SOVEX representing Sigma's and Horizon's shareholder interest, nor who was on the board of SIGMA, or if SIGMA received any compensation from the sale of its shares of SOVEX to LUKOIL.

LUKOIL ([www.lukoil.com](http://www.lukoil.com)) had revenues of \$133 Billion in 2011 and Net Income of \$10.4 Billion.

LUKOIL North America: <http://www.lukoilamericas.com/>

LUKOIL's Board of Directors:

<http://www.lukoilamericas.com/index.php/lukoil-press-release/132-board-of-directors-of-oao-lukoil-approves-lists-of-candidates-for-elections-of-board-of-directors-and-audit-commission0204>

## **Minority Shareholder Protection in Russia:**

**Appendix 2** shows the main portions of the Russian Corporate Laws' Article 79 (approval of major transactions of Joint Stock Companies), Article 81 (Definition of Minority Interest), Article 82 (Procedure for approval of the deal, in which there is a minority interest), and Article 84 (The consequences of non-compliance to the deal, in which there is a minority interest).

SOVEX shares were the last assets of Sigma in 2007 and therefore they represented well over the minimum 25% of Sigma's value. Moreover, Max Freidzon's ownership of 29% of shares in Sigma must have triggered the Sigma Board to get a specific approval from Max on the proposal to sell their shares to LUKOIL.

Under the Russian law, 25% constitute a blocking minority interest. Max owned 29% of shares in Sigma and could not be voted out. Consequently in order to sell SOVEX's shares to LUKOIL, other shareholders had to either falsify documents or falsify his signature of new stock issuance which would dilute his shares under the 25% level.

## **2012 Max's Attempts to Claim his Property Rights**

Max made numerous requests to investigate the December 2003 attack and the continuous threats on his life. However, out of fear, he never mentioned SOVEX or SIGMA in his declaration or the police reports.

By 2011, Max noticed many of his adversaries were making the newspapers for the many wrongs that they did. A glimpse of hope surfaced that the free press began to curtail the corrupt regime. Max decided to try his case in a court of law.

In 2012, Max Freidzon returned to Russia to file a lawsuit in St Petersburg, to demand the incorporation documentation related to Sigma, SOVEX and MetroPlus. This time the court confirmed that Max is a founder of Sigma. When he requested that the sale of SOVEX be nullified he was told to file such a complaint with the

Commercial court.

In the Spring 2012, Max asked the court to direct the Director of Sigma (Obertas, Svetlana) to give him the corporation's documents ([Appendix 11:1-A](#)) and in ([Appendix 11:1-B](#)) is the June 20<sup>th</sup> 2012 verdict by the St. Petersburg district court refusing to consider the case and telling Max to file his lawsuit with the Arbitration Court of St Petersburg and Leningrad Oblast.

On July 17, 2012, Max filed a demand letter with the tax office for the corporate documents of Sigma and subsidiaries and to nullify the sale transaction of SOVEX and Metro Plus. Max also sought to fine the Director for failure to provide information ([Appendix 11:2-A](#) and [11:2-B](#)). In a response dated August 1, 2012, the court refused to accept Max's complaint

[Appendix 12-1](#), dated August 2, 2012 is a request filed under No. 3122 on the website of the Russian prosecutor in St Petersburg asking for an investigation and a reinstatement of Max's rights. During their meeting the police investigator said that Traber and Vasiliev are untouchable persons and thereafter Max was told repeatedly that he should understand the limitations of what the police can do.

[Appendix 12-2](#), dated September 9, 2012 is a request filed under No. 4416 on the website of the Russian prosecutor in St Petersburg confirming the request made in a meeting on September 6, and the lack of response from the police, then ending with the request to reopen the investigation of criminal case N697 997 30.12.03.

[Appendix 12-3](#), dated September 14, 2012 is a request filed with the Russian prosecutor in St Petersburg to present new evidence regarding the attackers on Max's life, and requesting the suspended investigation be resumed. No. 697007.

[Appendix 12-4](#), dated September 30, 2012 is a request filed under No. 5096 on the website of the Russian prosecutor in St Petersburg requesting an investigation of the attempts on his life, the illegal capture of Sigma and SOVEX.

Max wrote and went to the St. Petersburg police. At the police station, he was told that it was his problem and they could not do anything. Max then wrote a letter to the St Petersburg and the government prosecutors, as well as an open letter to the prosecutor of Russia on his blog. The local police then started to investigate the 2003 attempt to his life and his exposure to danger in 2012. When he finally met the investigator at the police offices, the investigator engaged his pistol to be ready to shoot, and laid it on his desk. He then told Max, "we decided that Skigin and Smith were not involved in the 2003 crime neither will they be in future crimes so we cannot mention the names Skigin or Smith in the police report ..."[Appendix 12-5](#) gives a detailed report of Max's meeting with the police investigator in St. Petersburg (English translation attached), including the complaint filed with the prosecutor's office on October 4, 2012 under No. 5254.

Max received a letter from the Prosecutor saying they were investigating his complaints. Simultaneously, he noticed that his car was followed on few occasions. Police and Gazprom cars are easy to identify in St. Petersburg, and gangster cars are private cars hence Max is confident that whoever followed him was from one of those institutions.

Also, Max began receiving threatening anonymous calls, asking him if he wanted to die. Realizing that the corrupt government was thriving and succumbing to fear for his life, Max stopped pressing for the police investigation. He moved back to Israel on November 7, 2012.

While at the airport on the way back to Israel, Max received another anonymous call telling him that he could not hide in Israel. Two days after his return, Max went to the Israeli police to file a report and start the investigation process. The Israeli police considered Max to be safe in Israel. Off the record they mentioned that since Israel/Russia relationship was on friendly terms, they would not want to aggravate it, especially where the accusations lie with the high political echelons. Their official response was to simply wait for further developments. See [Appendix 13](#).

## Overall Scheme: The same RICO team from 1994 to present-day Kremlin

### **First Step: Business creation and the deal with Putin & Timchenko, is “guaranteed” by Vasiliev**

SOVEX fuel distribution to airliners is planned and created by Dmitry Skigin and Max Freidzon. Dmitry negotiates with Putin for the support of the City in exchange for 4% rights. In 1996 Putin signs the order for exclusive use of the pipeline terminal equipment. Putin introduces Timchenko to bring the technical expertise, and Vasiliev to provide protection. Alexander Dyukov was Dmitry Skigin's personal assistant and right hand man handling most financial transactions. Alexey Miller is Vladimir Putin's deputy and handles his bribes. After June 1996, Alexey Miller joins Vasiliev's organization first assisting Dyukov at POT, then assisting Traber with OBIP and the capture of the Sea Port Management contract (November 1997).

### **Second Step: SOVEX is captured by gangsters who falsify corporate records and officially register Putin's 4% under friend's names**

SOVEX comes under control of criminals (Sergey Vasiliev and Kumarin) possibly in 1997-98, and by 2002 records show the 4% ownership belonging to Putin's friends. The other 96% ownership is concealed. Vasiliev is using SOVEX to accumulate hard currency in Lichtenstein, Monaco et al. This facility was used to launder money through circular electronic fund transfer through Bank of New York's correspondent banks and fund other criminal activities in Russia. Miller moves under the Kremlin's RICO branch in 2000. Dyukov does the same in 2003.

### **Third Step: Gangster Vasiliev & Traber sell SOVEX to Russian Government (LUKOIL then GazpromNeft)**

The Kremlin positions Dyukov as President of GazpromNeft and he contracts with LUKOIL to jointly buy SOVEX from Sergey Vasiliev, who legitimizes his gains (2006-2008).

### **Fourth Step: The Russian Government recovers 50% of SOVEX under control of GazpromNeft,**

Vladimir Putin and the St Petersburg leaders reposition the company under the umbrella of Alexander Dyukov (2008 to present) who originally managed the SOVEX-HORIZON-POT-OBIP cash flow model for Dmitry Skigin, Sergey Vasiliev and Ilya Traber with the assistance of Graham Smith. The records of transactions involving Putin's friends are kept under cover.

## Max Freidzon claims:

1. Russian courts have confirmed that Max Freidzon is a 29% owner and founder of SIGMA, and that SIGMA owns 66% of SOVEX. Max Freidzon never sold or assigned his shares in SIGMA, and 29% is higher than the minority blocking of 25% under Russian law.
2. LUKOIL purchased SOVEX knowing that SOVEX had a criminal record in money laundering by Skigin, Smith, and Vasiliev. They deliberately did not try to have the consent of all the founders. Max Freidzon's ownership in Sigma and Sigma's ownership in SOVEX were known. A simple check on the database of the tax inspection authority would have confirmed this. They deliberately left Max's interest out of the purchase transaction, probably misguided by Smith who could say that he “explained everything to Max”, and Dyukov who could say that “Max will be concerned for his life, and not try any court action”. LUKOIL did not conduct appropriate due diligence. This transaction is illegal because the shares owned by SIGMA could not be sold without Max Freidzon's agreement.
3. Alex Dyukov, Chairman of GazpromNeft knows the whole series of events in detail. In 1994-1995 he was Dmitry Skigin's financial arm and worked at the creation of SOVEX and POT. In 1997-1998, he was CFO then CEO of POT, a major creditor to SOVEX, when SOVEX was captured by Vasiliev in 1997-1998, and in 1999-2000 he was CEO of OBIP, funded by Nasdor of Lichtenstein through money laundered from SOVEX's hard currency accounts with the help of Graham Smith.