

Chief Directorate for the City of Moscow of the Ministry of Justice of the Russian Federation

13, bld.1, Krzhizhanovskogo Str., Moscow

(Place where the Certificate has been drawn up)

December 24, 2014

(Date of the Certificate)

18:00

(Time of the Certificate)

CERTIFICATE OF AUDIT
of a Legal Entity, Individual Entrepreneur
by the State Control (Supervision) Authority, Municipal Control Body

At the address: 13, bld.1, Krzhizhanovskogo Str., Moscow

(Place of the audit)

By virtue of: Order of the Chief Directorate for the City of Moscow of the Ministry of Justice of the Russian Federation No. 8215, dated December 04, 2014.

Off-schedule desk audit of the Regional Public Organization “Public Commission to Protect the Legacy of Andrei Sakharov” (hereinafter, the Organization) was conducted.

Date and time of the audit: from December 12, 2014, 09:00
to December 24, 2014, 18:00

Audit duration: 9 business days

The Certificate has been drawn up by: Chief Directorate for the City of Moscow of the Ministry of Justice of the Russian Federation (hereinafter, the Chief Directorate).

Reviewing officers: Olga Vasilievna Susaleva, Department Head, Department of Non-commercial Organizations’ Affairs; Maria Vladimirovna Kuzmina, Leading Specialist-Expert, Department of Non-commercial Organizations’ Affairs.

In the processes of auditing the charter documents of the Organization, it has been found that:

Decision on the state registration of the Organization was made on July 15, 1999 by the Ministry of Justice of the Russian Federation, and is confirmed by the Certificate of Registration of a Non-Governmental Organization No. 1901 dated July 15, 1999.

Information on the Organization was entered into the Unified State Register of Legal Entities on January 29, 2003 under the Principal State Registration Number 1037700082177 by the Inter-district Tax Inspectorate No.39 for the City of Moscow, Ministry of Taxes and Levies.

Record on the Organization was entered into the Official Register of Registered Non-Commercial Organizations of the Chief Directorate under the number 7712016137.

In accordance with the provisions of the Tax Code of the Russian Federation, the Organization has been registered with Tax Inspectorate No. 9 for the City of Moscow since December 15, 2003, TIN/RRC 7709051150/770901001.

According to p. 1.4 of the Charter and data of the Unified State Register of Legal Entities, the address (location) of a permanent governing body of the Organization (Management Board) is

Ap.62, 48B, bld. 1, Zemlyanoi Val Str., Moscow 103064. The premises with the floor area of 87 sq.m were assigned to the Organization to use free of charge (Moscow Government Certificate No. 022550 dated August 28, 1995).

According to pp. 2.1-2.2 of the Charter, the goals of the Organization are as follows:

- preserve Academician Sakharov's legacy;
- commemorate Andrei Sakharov, study his life and work, research and publicize his social and political legacy;
- promote peace, progress, and human rights;
- preserve the historical memory of the victims of political repression and crimes against humanity committed by the world's totalitarian regimes.

To achieve these goals the Organization performs the following activities:

- archive and museum activities,
- exhibition activities,
- library and public awareness activities,
- information and publishing activities,
- conducting seminars and conferences, and
- setting up information databases.

According to p. 2.3 of the Charter, to achieve its statutory goals, the Organization takes part in joint projects and partnership programs. These activities include:

- carrying out joint projects and programs; engaging in partnerships and collaboration with civil society organizations, human rights organizations and other organizations, archives, museums, and other institutions;
- offering assistance to partner organizations, in particular by donating space for their events, provided that the nature and content of such events are essentially consistent with the Organization's philosophy and objectives.

According to p. 7.6 of the Charter, the Organization works are funded by its own resources. The sources of Organization's assets in monetary and other forms are as follows:

- voluntary contributions and donations;
- other income not prohibited by law.

According to p. 7.8 of the Charter, The Organization cannot accept financial assistance (property) from donors (benefactors) without a written instruction by the donor (benefactor) concerning the terms and conditions whereupon the donor's assistance is granted and may be used.

The Organization maintains its own web-site <http://www.sakharov-center.ru/>, describing itself as “a multifunctional educational space which houses discussions pertaining to relevant cultural, social, and societal issues which are ignored by mainstream Russian media”.

The audit revealed that public educational activities for the period from December 01, 2012 till November 30, 2014 were carried out by the Organization in the following forms:

- discussions, debates, public lectures, seminars, film shows and memorial evenings;
- permanent museum exhibition dedicated to the history of freedom and lack of freedom in the USSR (Soviet ideology and myth, Gulag and political repression, dissident and nonconformist movements) and to the life and works of Nobel Prize laureate Dr. Andrei Sakharov;
- exhibitions of contemporary photography through the FOTODOC initiative;
- temporary fine arts and history exhibitions;
- library with a unique collection of works on contemporary Russian history as well as information on the life and works of Dr. Andrei Sakharov;
- theatrical events;
- media project “Talking Heads” (Gogol.TV); and
- organizing meetings and interactions of a diverse array of non-governmental organizations and advocacy groups, etc.

The Moscow Open School for Human Rights and the Open Civil University are affiliated to the Organization.

Moscow Open School for Human Rights

According to information on the web-site of the Organization (<http://www.sakharov-center.ru/projects/240.html>), the organizers of the Moscow Open School for Human Rights (hereinafter, the School) include: Youth Human Rights Movement, and, starting from 2014, - several international organizations, i.e. Amnesty International and International School for Human Rights and Civic Activities.

The School consists of an integral course of lectures, interactive classes, trainings and practical courses. Among experts and instructors of the School are famous Russian and international human rights activists, researchers and journalists. Education in the School is free of charge. Upon completion of the program the graduates have an opportunity to undertake internship in Russian human rights organizations and get certificates of graduation from the School.

In accordance with the Report under Grant Agreement with the Civil Dignity All-Russian Civic Movement No. 391/2013 dated January 30, 2014, the School offered intramural and extramural programs of study.

The intramural program of the School included studying theoretical basis of the human rights concept, of international and national rights in this area and of practical methods used by human rights activists. The studies were conducted in accordance with the Curriculum. The course of study included an introductory course, basic course as well as trainings and practical laboratory courses.

The introductory course and the basic course provide general overview of human rights; explain their underlying values, how public relations regulate human rights, how human rights activists work. The trainings and practical laboratory courses offer deeper knowledge of international and national human rights laws, of activities of international and national human rights institutes, of specific methods used by human rights activists.

Open Civil University

According to the Report of the Organization to the Agreement on Charitable Donations between the Organization and OSIAF, Lichtenstein, No. OP2013-04720 dated May 24, 2013, for the period of August – December 2013 (hereinafter, the Report to Agreement No. OP2013-04720), the Open Civil University project (hereinafter, the University) consists of the series of lectures on history, sociology and other liberal arts, primarily meant for college students.

According to information on the web-site of the Organization (<http://www.sakharov-center.ru/projects/257.html?perv=yes>) the University program includes 2 series of lectures, consisting of 6 events each. Individuals, who have attended the full course, are entitled to receive participants' certificate.

The University program for 2014 includes the following series of lectures (the lectures have started on November 6).

Series No. 1: Historical Argument in Modern Public Discussion

- History of the Crimea

Lecturer: Leonid Katsva, historian, author of textbooks and manuals on Russian history, teacher of Moscow Gymnasium No. 1543.

- Russian Orthodox Church in 21st Century

Lecturer: Irina Karatsuba, Cand. Sc. (History), church historian.

- How Mass Media Manipulate with History

Lecturer: Gasan Guseinov, Doctor of Philology, Professor, National Research University – Higher School of Economics.

- Who Won the Great Patriotic War?

Lecturer: Nikita Sokolov, Chairman of the Free Historical Society, Editor-in-Chief of the *Otechestvennye Zapisky* Magazine.

- Between Myth and Historical Reality. Issues of Demand for Research and Style of an Historian in Modern Public Space.

Lecturer: Konstantin Morozov, Professor, RANEPa, Deputy Chairman of the Board of the Memorial Human Rights Research Center.

- Radio Version of History. Attempt to Criticize the Source.

Lecturer: Andrei Arkhangel'sky, journalist, editor, Culture Department, *Ogonek* Magazine.

Series No. 2: Russian State and Society in 21st Century

A series of lectures on Russian state model and structure of the Russian society, on differences from European model of a public state, on reasons and nature of these differences, on methods of interaction of the state and society in vertical and horizontal (regional) terms, on the meaning and influence of recent events (such as annexation of the Crimea), and, finally, on intrinsic limits of reproduction of current model of state-society relations.

Lecturers: Tatiana Vorozheikina, independent political scientist; Lev Gudkov, PhD, Director of Levada-Center, Senior Editor of *Vestnik Obshchestvennogo Mneniya* Magazine; Denis Volkov, sociologist, Levada-Center.

In the course of the audit of activities of the Organizations as a non-commercial organization, performing functions of a foreign agent, it has been determined:

1. International Financing of the Organization

The audit revealed that donations of foreign and international organization were the key source of financing for Organization's activities during the audited period.

According to the data from submitted accounting documents (cards of accounts 51, 52, 86) for the period December 01, 2012 – November 30, 2014, target financing of the Organization amounted to:

(thousand rubles)

Revenues	2012 (December)	2013	2014 (Jan-Nov)
Target financing from organizations and individuals, including:	2,273	20,496	34,261
- target financing from foreign sources	187	17,309	30,208
Target financing from foreign sources (% of total revenues)	8%	84%	88%

Therefore, target financing from foreign sources in 2013-2014 exceeded 80% of total financial receipts of the Organization.

According to the submitted documents and accounting data (card of account 86, bank statements), the Organization received financing from the following foreign sources during the audited period:

(thousand rubles)

Source of Foreign Financing	2012 (December)	2013	2014 (Jan-Nov)	Target Purpose
Heinrich Böll Foundation (Germany) office in the RF	50	486	-	Projects: <i>Monthly International Politics Jours Fixes</i> ; <i>Böll at Sakharov: International Debates</i>
British Embassy in the RF	-	346	1,172	<i>Gogol.tv</i> project (salaries and administrative expenses)
Embassy of Kingdom of the Netherlands in Moscow	137	46	-	<i>We Are Close By</i> - photo projects competition to protect rights of minorities
Charles Stewart Mott Foundation (USA)	-	1,973	4,142	<i>Development of a Multifunctional Public Center</i> project

OSIAF (Lichtenstein)	-	6,078	7,409	<i>Development of a Multifunctional Public Center; Credibility Gap in Europe</i> (series of debates)
NED (USA)	-	1,715	1,434	<i>Gogol.tv</i> project
The Andrei Sakharov Foundation (USA)	-	2,503	2,811	For statutory activities
Goethe Institute under the Embassy of the Federal Republic of Germany in Moscow	-	162	-	Organizing and conducting <i>Mapping Democracy</i> discussion on April 14, 2013 (honoraria to a moderator and 2 speakers)
European Commission	-	953	2,274	<i>Art Laboratory - New Artistic Forms for Attracting Attention of Youth and Schoolchildren to Issues of Pluralism and Minorities' Rights; Civil Society and the Right for Privacy: New Communication Reality</i> projects
International Institute of Political Processes (Germany)	-	44	-	<i>Moscow Processes</i> creative project
MacArthur Foundation	-	3,003	3,513	Project on Development of an Internet Site as a Mean for Freedom of Speech through Webcast
Polish Institute in Moscow (Embassy of the Republic of Poland)	-	-	155	For services on preparing the <i>Big Terror</i> exhibition
OAK Foundation	-	-	7,298	For statutory activities
TOTAL	187	17,309	30,208	

2. Political Activities of the Organization

Through studying the content of reports on target financing agreements, as well as audio and video materials, information on the web-site of the Organization <http://www.sakharov-center.ru/> and Gogol.TV project web-site (<http://gogol.tv/>), it was determined that some of the events organized by the Organization have signs of political activity carried out by the Organization.

2.1. Discussions, Debates, Seminars, Meetings and Interaction of Public Organization and Advocacy Groups

Throughout the audited period the Organization carried out discussions, debates, seminars, organized meetings and interaction of public organization and advocacy groups.

These events took place in the premises of the Culture and Education Center located at the address: 57, bld. 6, Zemlyanoi Val Str., Moscow, which was granted to the Organization for free of charge use (Agreement for the Right to Use Non-Housing Property Free of Charge No. 0-2 dated January 15, 1997).

Most of the Organization events were broadcasted online at the channel Unstream.tv. Information on the events, as well as audio and video records, texts of discussions, debates, etc.

were posted on the web-sites <http://www.sakharov-center.ru/> and <http://gogol.tv/>, that made them accessible for the general public.

According to the data from the Report to Agreement No. OP2013-04720, the Organization in the audited period carried out discussions, including joint ones with the Independent Resistance School¹ Public Initiative.

Thus, on September 25, 2013, the Independent Resistance School, with support of the Organization, hold a lecture “Judicial Reform as a Way of Dismantling Authoritarian Regime” by Rakhmatullo Sharifovich Mukhamadiev, postdoctoral student of the Institute of Philosophy, RAS, in the Culture and Education Center. Information on this lecture is posted on the Organization’s web-site (<http://www.sakharov-center.ru/discussions/?id=2362>).

The key subject of the lecture “Judicial Reform as a Way of Dismantling Authoritarian Regime” was how to move from the authoritarian regime existing in Russia to modern advanced democracy as well as to election of the judiciary.

In the course of the lecture decisions of the state bodies and their policy were negatively assessed, and the current Russian Federation’s legislation on judicial system was criticized. Therewith the lecturer used such terms as “judicial machine, which now strangles and presses the society like a roller” and “the judicial power today is a monster working against the society”.

Besides, constitutional reform of the judicial system was advocated in the course of the lecture, and it was suggested to support current sign-in for this reform. Calls to overthrow the state power in the Russian Federation using “legal” methods were voiced as well.

Quotes:

58.26 <...> It is necessary to take the judicial power away from control of the executive power, so that judges were not appointed by the President. At the moment in our Constitution... according to our Constitution, in the chapter dedicated to the President, point eighty-two and point six... there is a paragraph... stating that the President has the right to appoint all judges, all federal judges. He recommends the Head of the Supreme Court, and of the Constitutional Court, and of the Commercial Court. It naturally follows that the judicial... that who is heading the judicial power? The President. Not the Supreme Court, not the Constitutional Court, but the President. This is abnormal per se, and in these conditions the judicial power would do only such things that are ordered by the President and by government officials. It is possible to avoid this situation by way of a judicial reform that consists of moving from nomination of judges to their elections. <...>

01.13.17 <...> **The judicial machine, which now strangles and presses the society like a roller**, will be working for the benefit of the society <...>

¹ The Independent Resistance School project has its group in the Facebook (<http://www.facebook.com/groups/str/art>). According to information on the page, this is an independent project of civic activists for organizing lectures on the most important social and political issues.

01.14.21 <...> **The judicial power today is a monster working against the society**, and our goal is to destroy this monster and make it work for the benefit of the society. And, as I said, this is quite possible <...>

01.17.43 <...> Reform of the judicial power may result in dismantling the authoritarian regime existing in Russia. We are able to achieve this. The most important thing is that we have to understand this, to understand that this is all real <...>

01.18.14 <...> What does it take to collect those 200 thousand signatures? Is this task so impossible? No, this is quite possible, people collect more signatures... This is not a big deal. Ok, we'll spend six month doing this, but we'll launch this mechanism. The authorities will be scared, they won't be able to counteract. Here we'll always be a step or two ahead of the authorities and they won't have a choice but to submit. And Putin, I believe, is not that stupid to make a head-on attack against society, because he cares for his life and he'll make concessions, there is no way round <...>

01.21.20 <...> as soon as we effectuate the judicial reform, carry out elections of judges, we would immediately hold a referendum on no-confidence to President Putin. And as soon as the society votes, it would be possible to ... Putin. And again, you see, that the most important point here is that **everything is done legally**. All of this is **perfectly legal**. There is nothing illegal about it. All of this is written down ...declared in our Constitution. This is the essence and there is no need to use force here.

That is, there is no need to overthrow power using tanks and machineguns. The key thing is to understand that all controls and mechanisms are in our arms. It is necessary to know how to use them. And we can use them – to call for a reform of the judiciary, to insist on conducting a referendum and validation of the referendum. And as soon as we achieve this, we, first of all, raise the question of impeachment against President Putin. <...>

According to the data in the Report to Agreement No.OR2013-04720, among thematic discussions conducted by the Organization, there were debates “On Symmetry of Responses. Boycott of the Olympics: Pro and Contra”, held on October 22, 2013 (<http://www.sakharov-center.ru/discussions/?id=2377>).

In the course of these debates with participation of columnist Stanislav Lvovsky and observer from the Svoboda Radio Alexei Kuznetsov, a question of relevance of boycott of the Olympics as a tool for solving political problems was discussed.

Therewith in the course of this event participants called for “increasing awareness of Western general public about what is happening in Russia just now”, and gave negative assessments to the level of preparation for upcoming Olympics in Russia. In the course of the debates the participants voiced their assessments of decisions made by state bodies and their policy, including using such expressions as “with getting Olympics to happen in Sochi there was something funny, no doubt”, “as the time of the Games approaches, the fatter are the chances of terrorist attacks in one place or another”, “all is left to do is to pray that something does not slide into the sea or collapses”, that shows that the event was aimed at public reaction and shaping negative public opinion towards decisions made by state bodies and their state policy.

Quotes:

<...> To my mind the **Olympics are a perfect occasion for increasing awareness of western general public about what is happening in Russia just now, as the Olympics are the most general public. It is clear that it is pointless to address to the western governments and to hope that the west helps us. However public opinion in the western countries, I believe, has to be made aware as fully as possible about what is happening.** And in this context I think it is quite right to support people and organizations requesting boycott of the Olympics, and to assist them in dissemination of information.

<...>

I do not want to make direct accusations at the address of Vladimir Putin and his government, but I'm quite sure that **with getting Olympics to happen in Sochi there was something funny, no doubt.** I do not want to say they were bought, or not bought, this cannot be proved and I fear this would never be proved.

<...>

Explosion of a bus that has recently happened in Volgograd is a very sad occasions, and most observers have already linked it to the Sochi Olympics. Everybody recollected at once that Doku Umarov declared renunciation of moratorium for terrorist attacks at the Russian territory. **And this is the third terrorist attack for the short time. As the time of the Games approaches, the fatter are the chances of terrorist attacks in one place or another.** When Sochi won the right for Olympics, I then participated in a discussion and somebody said: "Even at that stage bombs would be placed into Olympic venues, into the basements, key places, in order to stay there and wait in the wings."

<...>

As for entirely hypothetical things that may hamper Sochi Olympics, I believe there is no point to speak about terrorists here. **I talked to geographers I know personally, and all of them, who understand more or less what Sochi is and how everything is made there, would tell you off record that all is left to do is to pray that something does not slide into the sea or collapses.** They explain that all this area is absolutely unsuitable for such large-scale construction, and this construction is of poor quality. Everything is under constant monitoring there, some groups come there all the time, and **the situation is known to the Russian government, that is about to held the Games there, they have no illusion about that. But evidently it was somehow decided that these are acceptable risks.** I am not a geographer and can't tell you all the details, but people who understand how geology of the region is structured, are filled with horror.

<...>

2.2 Gogol.tv Media Project

During the audited period the Organization also received target financing from foreign sources for developing Gogol.tv Media Project – video dialogues of experts on a wide range of pressing social issues.

According to the Report, attached to Agreement between the Organization and the National Endowment for Democracy (NED, USA) No. 2012-1043 (hereinafter, the Report) Gogol.tv project is a part of the discussion program of the Organization. The program consists of discussions, debates, seminars, film shows and other talks.

Gogol.tv web-site is an online medium for publishing video reports on the events of the discussion program. All project materials were announced at the Organization's Facebook account (<http://www.facebook.com/talks.sakharov?fref=ts>). Apart from that, the video materials were accompanied by text transcripts, allowing not only see, but also read the discussions.

According to the data of the Report one of the most interesting dialogues of the Gogol.tv project in July-September 2013 included the following summary:

In the evening of July 18, after Alexei Navalny's sentencing was read, thousands of Moscovites went to Manezhnaya Square. The fabricated verdict resulting in withdrawal of the only viable alternative candidate from mayoral elections in Moscow united not only people who are "for" Navalny, but also those who are "against" the very procedure of elections with predetermined results...

In the course of studying this dialogue, in which journalist Andrei Arkhangelsky and economic observer Maxim Blant participated, it was determined that it had been dedicated to upcoming elections of the Moscow Mayor and running of opposition activist Alexei Navalny. Therewith in the course of the dialogue the participants voiced their attitudes towards decisions of the state bodies and their policy, and upcoming elections were assessed as "originally fraudulent and foul", so their results were predicted beforehand.

Audio, video materials and the text of the dialogue were published on the project web-site on August 01, 2013 (<http://gogol.tv/video/890#playAll>).

Quotes:

<...> Nevertheless, the situation remains unchanged. Firstly, **the state institutions are destroyed, there are no free elections nor the institute of non-violent power shift in Russia, there is no independent court in Russia.**

<...>

... as the **very choice of the date of elections – September 6 – is a foul game, and there are good reasons to declare that the elections are originally fraudulent and foul**, not giving chances to head the city to anyone except to the authorities' appointee.

<...>

.. Therefore, **whatever we do, we'll have Sobyenin anyway**, I have not a bit of doubt about that. Moreover, I have no doubt that Navalny won't be given more than 10% of votes, irrespective of how many people vote for him.

According to the data of the Report attached to Agreement between the Organization and the National Endowment for Democracy (NED, USA) No. 2013-957 (the goal of the Agreement is to finance Gogol.tv media project), it is specified that in October – December 2013, 52 up-to-

date day videos were posted on the web-site, including the one about the discussion on November 05, 2013 - “We needed a headman...” - with participation of Alexei Levinson, sociologist from the Yuri Levada Center, and Dmitry Oreshkin, political analyst. Audio, video materials and the text of the discussion were published on the project web-site on November 23, 2013 (<http://gogol.tv/video/1002>).

The audit revealed that in the course of the discussion elections of the Moscow Mayor – 2013 were discussed and analyzed, including the procedure for distribution of votes between the candidates: Sobyenin and Navalny. Discussion participants referred to opinions of certain “people who consulted Sobyenin’s staff” to justify their conclusions. In the course of the discussion participants claimed that at presidential elections 2011 there was “mass use of vote rigging” and that elections to the Moscow City Duma in 2009 were “heavily fabricated”.

Quotes:

<...>

We can see an interesting discrepancy. At those polling stations, where there were observers, it turned out that Sobyenin got 49.9%. But at those 1,342 stations, where there were no observers, Sobyenin got 54.3% in total. When the big population with observers and relatively small population without observes were combined it turned out that Sobyenin got 51.4%. Navalny got 28.5% with observers and 24.8% without observers. As the samples are very large, 4% discrepancy for Sobyenin is definitely significant. This is not a play of random numbers but a reflection of a certain pattern. **We cannot claim that at those stations where there were no observers, the elections were fraudulent, but we can claim that this meaningful discrepancy is not random.**

<...>

In 2008, when Sobyenin was the Head of Presidential Administration, elections in the Tyumen Region shared the Chechen scenario: turnout about 80% and, I think, 78% percent of votes for Medvedev. Falsification was flourishing. Why? Because the Tyumen Region did not have and could not show resource resistance. The result was drawn up by the administrative resource, the majority of experts understood that the result was drawn up. No one wanted to take to the streets. **In 2009 Moscow witnessed heavily fabricated elections to the Moscow City Duma.** It was a one-day scandal, three parties, if you remember, came protesting in the State Duma. Than about 10% were added to the turnout and about 15% to votes for “United Russia”. I had the pleasure, I was given two minutes, and I managed to tell this to Medvedev, and he answered: “Yes, the elections were not sterile”. The wording was born. Now Sergei Ivanov says: “These elections were sterile”. And what was the reality? We tend to oversimplify the authorities. **As I had the pleasure to informally communicate with people who consulted Sobyenin’s staff, they, naturally, would never say anything directly, but in the course of our discussion a situation occurred to me and I tell it to you as I understand it. In the early summer it became clear that it was not worthwhile to postpone the elections, as the situation was going downhill, life worsened, and the farther it went the messier it got. Point two. It was necessary to remove Prokhorov. At the last Moscow elections he made a good showing, he had money and a party structure, so we need to call early elections in**

order that he does not have time to pull his assets in three months and, consequently, withdraws from elections. But the most interesting thing, and nobody knows about it, is that: at presidential elections after scandals in December 2011 Moscow authorities, represented by the same Sobyenin, facing mass opposition of volunteers and street demonstrations, decided not to ask for trouble. And so such falsification mechanism as re-writing of election commission protocols at night was eliminated. The simplest and the most reliable mechanism. Observers, and we should be endlessly thankful to them for it, have almost completely killed such night falsification since December 2011. What remained was a day one: carousels, voting by absentee voting certificates, by production cycle enterprises – that all remained. All these mechanisms are much less efficient. You stuff ballot-box with 50 bulletins as a result of enormous headache. And re-writing of protocols allows adding 300 or 500 votes at one polling station. This variant was cut off. **As a consequence, Putin, with mass use of day falsification, got just 47% in Moscow. And by data from polling station with observers – 45%. And the observers often recorded facts of day falsification but were unable to prevent them. Someone came, staffed ballot-boxes, they saw this, but the bulletins were already in the box, and would be calculates, there was nothing one can do about this. So, in reality Putin got less than 45% of votes.** How much less, I can't tell. Consequently the real politician, and Sobyenin is the real one, had to solve two tasks: the first one – to win in the first round, and the second one – not to get more than 47%, for Putin not to harbor. They are courtiers, this is Byzantine. Were Sobyenin to get 60% support and Putin just 47% (being brought in by head and shoulders), he would have found himself in a worse situation in the long run.

2.3 Declarations of Political Nature

During the audited period the Organization published on its web-site declarations aimed at influencing the decisions made by the state bodies in order to change the state policy pursuit by them, as well as at tuning public opinion for these purposes.

Thus, on March 02, 2014, the Management Board of the Organization published an official statement on invasion of troops into the territory of Ukraine (<http://www.sakharov-center.ru/news/2014/481.html>).

Quote:

On March 1 the Federation Council satisfied the request of President Putin to allow bringing the troops into Ukrainian territory. This decision puts Russia at the edge where irreversible effects, not only for our future relationships with Ukraine and its people, but also for the future of our country, start.

1956 in Hungary, 1968 in Czechoslovakia, 1979 in Afghanistan are among the most shameful events in our recent history. Such interventions sow the seeds of hatred, leave open wounds, as an eternal guilt lie at the door of not only those who makes the decision or becomes voluntary or involuntary player, but also of all citizens of the country.

Military intervention into the territory of the neighboring country, an attempt to annex a part of its territory, is a dangerous undertaking, which may cost lives to thousands or even

millions of people. The most terrible wars began with threatening declarations and armed provocations in border regions. And always triggered collapse of aggressors.

Russia shall stop before it's too late!

On September 05, 2014 the Management Body of the Organization published an announcement on the situation about the conflict in southeast Ukraine (<http://www.sakharov-center.ru/news/2014/509.html>).

Quote:

In the last weeks we are witnessing escalation of conflict in southeast Ukraine. A growing number of facts speak for direct participation of Russian soldiers in the military actions that can result in a full-scale war between our countries.

We believe that Russian involvement into military and political events in Ukraine is unacceptable and demand that Russian government stops any actions encouraging such developments.

We insist: immediate cease-fire at any cost and without any preconditions. It is still possible to avoid horrible tragedy for our people.

Thus, the interim report of the Organization for 2013 under Agreement with MacArthur Foundation No. 12-100739-000-ИИП states:

A special focus of Organization's activities is online work. In this sphere the Organization worked in five directions:

- *Dissemination of information and work with audience.* The Organization disseminates information through its web-site (about 7,500 visitors per day), e-mail circulation (2,000 addresses), accounts in social networks (the biggest audience is in the Facebook – 6,500) and web portals of events announcements, where it is possible to publish announcements free of charge (theoryandpractice.ru, exchang.es, newcipi.wmtest.ru, nahalyavu.cim). Announcements of events of the Organization were also regularly published in the calendar section on Slon.ru, and sometimes on Radio Svoboda and *Bolshoi Gorod* web-sites.

- *Activities during an event.* Events are video broadcasted online on Unstream channel and in Twitter.

- *Publishing materials in the Internet.* For a few days after the event its video record can be found on Unstream channel. Then it is moved to Youtube. The most interesting records are published within the *Gogol.tv* project frameworks. Videos of Organization's events on Youtube were viewed 14,000 times in 2013. Organization's web-site traffic where, among other things, announcements of events, text and video materials are published, in 2013 amounted to 7,500 visitors per day.

- *Gogol.tv project* was viewed 94,000 times by 35,000 unique visitors. The project audience grew up by 6% in 2013. As of year-end 2013 it was decided to develop a new project web-site aimed at better compatibility of *Gogol.tv* video links with other web-sites and ensure deeper indexation of web-site materials by search engines.

- *Dissemination of Organization's materials on other Internet sources.* One of the most efficient means of working with the audience is publication of materials about Organization's

events in the Internet mass media. The Organization, since January till June 2013, maintained a blog at Publicpost.ru project that was viewed more than 40,000 times, the blog was in Top-10 of the most popular blogs. Simultaneously Slon.ru web-site also published materials about Organization's events. During 2013 they were viewed 81,865 times. Since January 2014 the Organization has a permanent blog at Slon.ru.

Documents inspected in the course of the audit (copies): Certificate of Record Entry into the Unified State Register of Legal Entities (USRLE); Certificate of Registration with Tax Authorities; Statistic Codes; Contract No. 0-27/96 dated March 05, 1996; Agreements No. 0-2 and 0-3 dated January 15, 1997; Agreement and Certificate on Sales and Purchase of an Apartment dated November 14, 2005; Certificate of State Registration of Title; Charter dated June 01, 2012; Certificate of Registration of an NGO dated June 09, 2012; Minutes of the Management Body Meetings and General Meetings for 2011 – 2014; Financial Plans for 2011 – 2013; Regulations of the Organization; Order on Accounting Policy dated May 06, 2012 and addenda therewith; Findings of Audit Commission for 2011 – 2013; Substantive Reports of the Executive Director for 2011 – 2013; Data on Sources of Funds for 2011 – 2013; Accounting Reports for 2013; Data on Current Accounts; Trial Balances for 2011 – 2013; Cards of Accounts 20, 50.1, 51, 52, 76.5, 86, 90, 91 for 2011 – 2013; Booklets on Sakharov and Sakharov Center; Organization Charts for 2011 – 2013; Agreements (Letters) with donors, being the basis for target financing of the Organization in 2011 – 2013; Reports by the Organization on fulfillment of target financing agreements in 2011 – 2013; letter from Rosinformmonitoring No. 06-02-03/17523 dated August 21, 2014; letter from the Organization dated December 08, 2014; Extract from the USRLE; List of the Highest Governing Body; Minutes of the Management Body Meetings for January 15, 2014 – October 03, 2014; Orders for February 01, 2014 – September 01, 2014; List of Events for January 01, 2014 – November 30, 2014, Order on Approval of Accounting Policy, as amended; Data on Sources of Funds for January 01, 2014 – November 30, 2014; Trial Balance for January 01, 2014 – November 30, 2014; analysis of accounts 20, 50.1, 51, 52, 86.1.1, 90, 91; Trial Balance for accounts 60.1, 76.4, 76.5; Donation Agreement with Dynasty Non-Profit Foundation, Agreement with Global Networks OOO; Grant Agreement with Civil Dignity OOD; Donation Agreement with TK Maxima OOO; Donation Letter from the Andrei Sakharov Foundation (USA); Donation Agreements with OSIAF (Lichtenstein) No. OP2014-13907; No. OP2014-15294; Services Agreement with the Polish Institute in Moscow; Agreements with the National Endowment for Democracy No. 2013-957, 2014-1200; Report of the Institut Problem Grazhdanskogo Obshestva ROO; Report on Implementation of a Work Plan of the Institut Problem Grazhdanskogo Obshestva ROO; Report to OSIAF (Lichtenstein) No. OP2013-04720, Report to National Endowment for Democracy No. 2013-957; Report to the OAK Foundation under Agreement No. 13-573; Reports to Civil Dignity OOD; and Organization Charts No. 15, 16, 17.

Findings:

On the basis of materials inspected in the course of the audit, it has been determined that the Organization, that is predominantly financed from foreign sources, in the inspected period organized events in the form of discussions, debates, seminars, online discussions with invited experts, as well as organized meetings and interactions of public organizations with advocacy groups, where criticism towards current legislation of the Russian Federation was voiced and

negative assessments of decisions of the state bodies and their policy were given. Therewith in the course of some events their participants assessed decisions made by the state bodies and their policy using such expressions as “the state institutions are destroyed, there are no free elections nor the institute of non-violent power shift in Russia”, “elections are originally fraudulent and foul”, “the judicial power today is a monster working against the society”, “with getting Olympics to happen in Sochi there was something funny, no doubt”, that shows that the events were aimed at public reaction, shaping specific public opinion and attracting attention of the state authorities and/or civil society.

The majority of events were broadcasted online on Ustream.tv channel. Audio, video and text follow-up materials were disseminated by the Organization via Internet, including through its web-site (<http://www.sakharov-center.ru/>) and Gogol.TV project web-site (<http://gogol.tv/>).

Besides, the Organization, on its web-site <http://www.sakharov-center.ru/>, published statements of political nature regarding conflict in southeast Ukraine, in order to influence decisions made by state bodies and their state policy, and aimed at public reaction and attracting attention of the state authorities and/or civil society.

According to point 6, Article 2 of the Federal Law No. 7-FZ, a non-commercial organization performing functions of a foreign agent shall be understood as a Russian non-commercial organization that receives funds and other assets from foreign countries, their state bodies, international and foreign organizations, foreign citizens, persons without citizenship or persons authorized by them and/or from Russian legal entities receiving funds and other assets from the above-mentioned sources (except for joint stock companies with the state participation and their subsidiaries), and that participates, including in favor of foreign sources, in political activities carried out at the territory of the Russian Federation.

A non-commercial organization, except for a political party, is recognized as participating in political activities carried out at the territory of the Russian Federation, if, irrespective of tasks and goals stated in its constituent documents, it participates (including by providing financing) in organizing and conducting political actions in order to influence decisions made by state bodies, aimed at changing their state policy and shaping public opinion for these purposes.

As the Constitutional Court stated in p. 3.3 of Ruling No. 10-II dated April 08, 2014 “... apart from meetings, rally, demonstrations, marches and vigils, political actions may take the form of pre-election and pre-referendum campaigning, of public appeals to the state bodies, **of dissemination, including using modern information technologies, of its assessments of decisions of state bodies and their policy, as well as of other actions, exhaustive legislative setting of which is not possible.** While attributing certain events, which were organized and conducted with participation of non-commercial organizations, to political activities, coming within the purview of the above-mentioned legal provisions, **the fundamental significance shall be assigned to their focus – direct or through shaping public opinion – on influencing decisions made by state bodies and their state policy, and on public reaction and attracting attention of the state authorities and/or civil society**”.

Thus, to consider a non-commercial organization being the one performing functions of a foreign agent, it is required:

- 1) presence of financing from foreign sources;
- 2) participation in political activities carried out at the territory of the Russian Federation (i.e. carrying out political actions in various forms to influence decisions made by state bodies and their state policy, as well as to attract attention of the state authorities and civil society).

The audit revealed that the key (exceeding 80%) source of financing of the Organization during the audited period were receipts from foreign and international organizations (for instance, in 2014 the amount received from foreign sources was RUB30,208,000).

During the audited period the Organization systematically carried out political activities by organizing political actions in the form of discussions, debates, seminars, online discussions with invited experts, and other similar events containing assessments of decisions made by state bodies and their state policy as well as criticism towards current legislation of the Russian Federation. These materials were disseminated through Internet and by publishing public letters concerning conflict in south-east Ukraine at the Organizations' web-site, in order to influence decisions made by state bodies and their state policy, and aimed at public reaction and attracting attention of the state authorities and/or civil society.

On the basis of the above, as well as in consistency with point 6, Article 2 of the Federal Law No. 7-FZ, it is possible to conclude that the Organization receives funds and other assets from foreign sources and participates in political activities carried out at the territory of the Russian Federation, including in favor of foreign sources, and therefore is a non-commercial organization performing functions of a foreign agent, and the data of the Organization shall be included into the relevant register.

This Certificate is made in two copies of equal legal force.

/signed/

O. V. Susaleva
Department Head,
Department of Non-commercial Organizations' Affairs

/signed/

M.V. Kuzmina
Leading Specialist-Expert,
Department of Non-commercial Organizations' Affairs

I have read the Certificate of Audit

Received (on the basis of a PoA) on December 25, 2014

Natalia Olegovna Tiurina

(position of the Head of the audited entity, or another authorized person, including full name of the audited entity)

L.S. /signed/
(signature)

Objections to the Certificate of Audit: