

**UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

FEDERAL TRADE COMMISSION
and STATE OF GEORGIA,

Plaintiffs,

v.

LAPTOP & DESKTOP REPAIR, LLC,
a Nevada limited liability company, also
d/b/a cashforiphones.com,
cashforlaptops.com, ecyclebest.com,
smartphonetraders.com, sell-your-
cell.com; and VADIM OLEGOVICH
KRUCHININ, also a/k/a Vadim
Kruchin, David Kruchin, David Vadim
Kruchin, Dave Kruch, as the owner and
an officer of Defendant Laptop &
Desktop Repair, LLC,

Defendants.

Case No. 1:16-CV-3591-AT

**ORDER GRANTING RECEIVER'S SECOND MOTION TO EXPAND THE
RECEIVERSHIP**

This matter is before the Court on the Receiver's Second Motion to Expand the Receivership filed April 7, 2017 (the "Second Motion to Expand") (ECF No. 38). The Motion to Expand seeks to expand the Receivership established in the

Stipulated Preliminary Injunction Order (ECF No. 14) (the “Preliminary Injunction”) entered on October 5, 2016 to include certain real property, building and assets located at 5390 Vista Ridge Way, Reno, Nevada 89523. Title to this real property is held by David Kruchinin, a named Defendant herein (the “Kruchinin Residence”)

The Plaintiffs in this case, the State of Georgia and the Federal Trade Commission (the “FTC”), do not oppose the relief sought in the Motion. The Defendants have not filed any opposition to the Motion.

This Court has considered the Motion to Expand, and the attached Declaration of Scott Askue (the “Askue Dec.”), the exhibits attached thereto, the memorandum of law filed in support thereof and the arguments of counsel for the Receiver and finds that:

1. This Court has jurisdiction over the subject matter of this case and there is good cause to believe it has jurisdiction over the parties;
2. This Court is proper venue for this case.
3. This Court initially appointed Hays Financial Consulting LLC and S. Gregory Hays as the Receiver herein (the “Receiver”), pursuant to the Temporary Restraining Order [ECF No. 9] entered on September 26, 2016. This Court

appointed the Receiver for the business activities of the receivership defendant Laptop & Desktop Repair, LLC (“Receivership Defendant”). The Court reappointed the Receiver as the Receiver for the Receivership Defendant in the Preliminary Injunction. On November 17, 2016, this Court entered an Order (“First Order Expanding Receivership”) (ECF No. 28) granting the Receiver’s prior Motion to Expand Receivership filed on November 3, 2016 (ECF No. 23).

4. Prior to the filing of this action, Defendant David Kruchinin maintained his residence and held legal title to the Kruchinin Residence.

5. The Kruchinin Residence was frozen by virtue of the both the TRO and Stipulated Preliminary Injunction, however, it was not part of the assets included in the Receivership Estate and was not included in the First Order Expanding Receivership. (Askue Dec. at Paragraph 4).

6. On November 15, 2016, Valeria Campos Fuentes, acting under a claimed power of attorney from David Kruchinin, executed a deed purporting to convey an interest in the Kruchinin Residence to Valeria Campos Fuentes. (Askue Dec. at Paragraph 6; Exhibit A).

7. The attempted conveyance to Ms. Fuentes took place after the entry of the Stipulated Preliminary Injunction.

8. After learning of the conveyance to Ms. Fuentes, the FTC demanded

that Ms. Fuentes void the conveyance and return Mr. Kruchinin's title to the residence.

9. Ms. Fuentes subsequently retained counsel. Ms. Fuentes' counsel subsequently confirmed to the FTC and counsel for the Receiver that Ms. Fuentes was not legally married to David Kruchinin and that she would execute a deed voluntarily returning title to the Kruchinin Residence to David Kruchinin which she subsequently did. (See Exhibit "B" to the Askue Dec.)

10. According to public records and information obtained by the Receiver, the Kruchinin Residence is subject to an existing mortgage of approximately \$168,000. (Askue Dec. at Paragraph 10);

11. According to information obtained by the Receiver, the Kruchinin Residence could be worth between \$310,000 and \$320,000. (Askue Dec. at Paragraph 9). The potential equity in the Kruchinin Residence could be between \$110,000 and \$140,000.

12. The Receiver has inspected the Kruchinin Residence and found it to be in good condition. (Askue Dec. at Paragraph 8).

13. Ms. Fuentes has advised the Receiver that (i), to her knowledge, David Kruchinin was no longer in the United States; (ii) she could not afford to pay the mortgage on the Kruchinin Residence or to purchase it from the Receiver;

(iii) David Kruchinin was no longer making mortgage payments on the Kruchinin Residence; and (iv) she would cooperate with the Receiver in the sale of the Kruchinin Residence. (Askue Dec. at Paragraph 9 -12).

14. It appears that Defendant Kruchinin has abandoned the Kruchinin Residence, that the mortgage against the Kruchinin Residence may go into default and any equity in the Kruchinin Residence may go to waste unless steps are taken to preserve such equity.

15. The Receiver has recommended that the Receivership Estate established in the Preliminary Injunction be expanded as set forth in the Second Motion to Expand to include the Kruchinin Residence.

16. The Second Motion to Expand was served upon Defendant David Kruchinin at his last known address, Ms Fuentes and her counsel and was also served upon the party asserting a lien against the Kruchinin Residence.

17. No opposition has been filed to the Second Motion to Expand.

18. Due and adequate notice of the Second Motion to Expand has been provided to the Defendants.

ACCORDINGLY, and for good cause shown, it is hereby

ORDERED, that the Second Motion to Expand is GRANTED; and it is

FURTHER ORDERED, that Receivership established in the Preliminary Injunction, including, but not limited to, Paragraph X (Appointment of the Receiver), Paragraph XI (Duties of the Receiver), Paragraph XII (Receiver's and Plaintiff's Continued Access to Business Premises and Records), Paragraph XIII (Cooperation with the Receiver), Paragraph XIV (Delivery of Receivership Property), Paragraph XV (Compensation for Receiver), Paragraph XVI (Receiver's Reports), Paragraph XVIII (Stay of Actions) and Paragraph XIX (Preservation of Documents), is hereby expanded to include the Kruchinin Residence as defined in this Order; and it is


FURTHER ORDERED, that the Receiver is expressly authorized and directed to exercise any or all of the duties and powers of the Receiver set forth in the Preliminary Injunction with respect to the Kruchinin Residence, including, but not limited to, preserving the value of the Kruchinin Residence and employing a real estate broker to seek to sell the Kruchinin Residence; and it is

FURTHER ORDERED, that the Preliminary Injunction and First Order Expanding Receivership shall remain in full force and effect without

any modification except only for the expansion of the appointment of the Receiver as set forth herein; and it is

FINALLY ORDERED, that the Receiver shall serve this Order upon the Defendants at their last known addresses and email addresses within three (3) business days of the date of this Order and to file a Certificate of Service with this Court evidencing such service.

IT IS SO ORDERED this 2nd day of May, 2017.


Amy Totenberg
United States District Judge