

**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 MOTION TO EXPAND THE  
RECEIVERSHIP**

This matter came on for hearing before this Court on November 17, 2016 (the "Hearing") on the Receiver's Motion to Expand the Receivership filed November 3, 2016 (the "Motion to Expand") (ECF No. 23). 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 an entity named Coney Island 84 which may be either or both a corporation and a limited liability company, and any and all assets of that or those entity(ies) including, but not limited to, real property, claims, causes of action, contract rights, leases, bank accounts and cash. In particular, the Receiver requests that the Receivership be expanded to include real estate located at 84 Coney Island Drive, Sparks, Nevada which is the Receivership Defendant’s primary place of business, which was acquired by Coney Island 84 and which is where its assets and business records are currently housed (the “Coney Island Drive Building”).

The Plaintiffs in this case, the State of Georgia and the Federal Trade Commission, do not oppose the relief sought in the Motion. The Defendants have not filed any opposition to the Motion and did not appear at the Hearing.

This Court has considered the Motion to Expand, and the attached Declaration of S. Gregory Hays, the exhibits attached thereto, the memorandum of law filed in support thereof and the arguments and proffers of evidence made at the Hearing by 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.

4. The Receivership Defendant conducted business from the Coney Island Drive Building and utilized approximately 75% of the space at the Coney Island Drive Building. (Hays Dec. at Paragraph 4).

5. The Coney Island Drive Building was acquired by an entity known as “Coney Island 84, LLC” on July 19, 2012. The records of the Nevada Secretary of State indicate that David Kruchinin, a named Defendant herein and the owner of the Receivership Defendant is the sole officer and registered agent for Coney Island 84. (Hays Dec. at Paragraph 5).

6. The books and records of the Receivership Defendant indicate that the Receivership Defendant advanced \$118,594.74 to Coney Island 84 for the express

purpose of acquiring the Coney Island Building and that a note payable was issued by Coney Island 84 to the Receivership Defendant in the amount of \$116,294.74. The Receiver has not located any evidence that this note payable was paid in whole or in part. (Hays Dec. at Paragraphs 7 – 10).

7. The Receivership Defendant made regular monthly rental payments to Coney Island 84 for the use of the Coney Island Building. (Hays Dec. at Paragraphs 13 – 14).

8. Coney Island 84 maintained a bank account at Western Alliance Bank in Reno, Nevada for which the signatory is Defendant David Kruchinin and for which the mailing address is Defendant David Kruchinin's residence. (Hays Dec. at Paragraph 15).

9. The Receiver has assumed the burden of maintaining the Coney Island Building since his appointment including, but not limited to, using assets of the Receivership Estate to pay for insurance. (Hays Dec. at Paragraph 18)

10. The Receiver has represented to the Court that he requires continued use and access to the Coney Island Building in order to liquidate the assets of the Receivership Defendant. (Hays Dec. at Paragraph 17)

11. Based on the information currently available to the Receiver, the Receiver believes that the value of the building may exceed the amount liens

against the building, the validity of which are still being investigated by the Receiver. (Hays Dec. at Paragraphs 19 – 20).

12. The Receiver has recommended that the Receivership Estate established in the Preliminary Injunction be expanded as set forth in the Motion to Expand.

13. The Motion to Expand was served upon Defendant David Kruchinin at his last known address and was also served upon parties asserting liens against the Coney Island Building.

14. On November 8, 2016, this Court issued its Order to Show Cause (ECF No. 25) wherein it directed the Defendants to file any response in opposition to the Motion to Expand by November 14, 2016. This Order was served upon the Defendants at their last known address.

15. No opposition has been filed to the Motion to Expand.

16. Notice of the Hearing was given by the FTC to the Defendant at his last known address and all email addresses known to the FTC pursuant to the Order Setting Hearing entered on November 15, 2016 (ECF No. 26).

17. Due and adequate notice of the Motion to Expand and of the Hearing has been provided to the Defendants.

ACCORDINGLY, and for good cause shown, it is hereby

ORDERED, that the 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 entity named Coney Island 84 which may be either or both a corporation and a limited liability company, and any and all assets of that or those entity(ies) including, but not limited to the Coney Island Drive Building, other real property, claims, causes of action, contract rights, leases, bank accounts and cash of Coney Island 84; and it is

FURTHER ORDERED, that the term "Receivership Defendant" as used in the Preliminary Injunction shall also apply to the entity named Coney Island 84 which may be either or both a corporation and a limited

liability company, and any and all assets of that or those entity(ies) including, but not limited to the Coney Island Drive Building, other real property, claims, causes of action, contract rights, leases, bank accounts and cash of Coney Island 84; 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 entity named Coney Island 84 which may be either or both a corporation and a limited liability company, and any and all assets of that or those entity(ies) including, but not limited to the Coney Island Drive Building, other real property, claims, causes of action, contract rights, leases, bank accounts and cash of Coney Island 84; and it is

FURTHER ORDERED, that the Preliminary Injunction 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.

**SO ORDERED** this 17th day of November, 2016.

  
**Amy Totenberg**  
**United States District Judge**