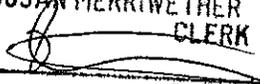


1 Case No.: 14 OC 00286 1B

2 Dept. No.: 1

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SUSAN MERRIWETHER  
CLERK  
BY   
DEPUTY

6 IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA  
7 IN AND FOR CARSON CITY

9 STATE OF NEVADA, OFFICE OF THE  
10 ATTORNEY GENERAL, ex. rel. ADAM  
PAUL LAXALT, Attorney General,

11 Plaintiff,

12 v.

13 VADIM OLEGOVICH KRUCHININ, AKA  
14 DAVID KRUCHIN, and LAPTOP AND  
15 DESKTOP REPAIR LLC,

16 Defendants.

ORDER AFTER MARCH 5, 2015  
HEARING

17  
18 This matter comes before the Court pursuant to a Petition for Order Compelling  
19 Compliance with Subpoena Duces Tecum filed by Plaintiff on December 11, 2014. Defendants'  
20 Opposition to Petition for Order Compelling Compliance with Subpoena Duces Tecum was filed  
21 on January 6, 2015. An Affidavit of Andrew A. August in Support of Opposition to Petition  
22 Compelling Compliance with Subpoena was filed by Defendants on January 6, 2015. An  
23 Affidavit of David Kruchin in Support of Opposition to Plaintiff's Petition for Order Compelling  
24 Compliance with Subpoena was filed by Defendants on January 6, 2015. A Proof of Service was  
25 filed by Defendants on January 7, 2015. A Reply to Opposition to Petition to Compel  
26 Compliance with Subpoena was filed by Plaintiff on January 12, 2015. A Request for  
27  
28

1 Submission of Motion was filed by Plaintiff on January 12, 2015. An Order for Hearing was  
2 issued by this Court on January 23, 2015. A Hearing Date Memo was issued by this Court on  
3 February 4, 2015. Defendants' Objection to Live Testimony at Hearing on Petition for Order  
4 Compelling Compliance with Subpoena Duces Tecum was filed on February 25, 2015.

5 Plaintiff's Reply to Defendants' Opposition to Live Testimony was filed on March 4, 2015. A  
6 hearing was held in regards to this matter on March 5, 2015. Mr. John R. McGlamery, Esq. and  
7 Ms. Laura M. Tucker, Esq. appeared on behalf of Plaintiff. John L. Arrascada, Esq. and Mr.  
8 Andrew A. August, Esq. appeared on behalf of Defendants.

9  
10 First, at the outset of the hearing the Court determined that Defendants' Objection to Live  
11 Testimony at Hearing on Petition for Order Compelling Compliance with Subpoena Duces  
12 Tecum shall be overruled. The Court believed that live testimony would be relevant to the  
13 Court's determination as to whether the Attorney General had reason to believe that a deceptive  
14 trade practice has occurred in order to issue a subpoena. However, after the Court made its ruling  
15 on Defendants' Objection, Defendants stipulated that the attorney general had reason to believe  
16 that Defendants were or have been engaging in a deceptive trade practice based on the  
17 complaints filed by consumers with the Attorney General's office. Therefore, Defendants  
18 stipulated that Plaintiff's First Subpoena Duces Tecum was proper pursuant to NRS 598.0963  
19 and that the Attorney General had the authority to issue and enforce the investigative subpoena.  
20 Defendants also stated at the hearing that they have not complied with the First Subpoena Duces  
21 Tecum, although they made numerous arguments to explain the lack of compliance and to assert  
22 that a compromise on paring the subpoena down had been worked out.

23  
24 Based on the foregoing stipulation and admission of Defendants, the only issue before the  
25 Court at the hearing was how to proceed with the production of the documents. Defendants  
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1 represented that they are prepared to produce a pared down request of six (6) items to Plaintiff.  
2 However, Plaintiff asserted that it would like the full thirty-four (34) items originally requested  
3 in the First Subpoena Duces Tecum. Defendants argued that the full thirty-four (34) items  
4 requested in the First Subpoena Duces Tecum is overbroad. The Court has determined that the  
5 full thirty-four (34) items requested in the First Subpoena Duces Tecum is somewhat overbroad.  
6  
7 Therefore, to start getting documents flowing to Plaintiff, the Court has determined that  
8 Defendants shall produce to Plaintiff the six (6) items that were a part of Plaintiff's pared down  
9 request within ten (10) business days of the date of this Order. Those six (6) items shall be  
10 delivered directly to the Attorney's General Carson City office. Those six (6) items shall only be  
11 for the dates originally listed in the First Subpoena Duces Tecum. Those six (6) items shall be  
12 Bates stamped. If, after reviewing those six (6) items, Plaintiff determines that it needs other  
13 types of documents or more dates relating to the original six (6) items, Plaintiff shall issue a  
14 Second Subpoena Duces Tecum. If Plaintiff does issue a Second Subpoena Duces Tecum,  
15 Defendants must produce any documents to Plaintiff that they have no objection to within ten  
16 (10) business days of the date of the Second Subpoena Duces Tecum. With regard to any  
17 documents that Defendants do have an objection to producing, Defendants must file a Motion  
18 with this Court objecting thereto and setting forth the grounds for said objection. The Court shall  
19 thereafter set another hearing as soon as the Court's calendar allows.

22           Additionally, at the hearing, Plaintiff requested that the Court include the following  
23 remedy in its Order: "Defendants are hereby ordered to immediately return any device or  
24 merchandise to the consumer if David Kruchin or Laptop and Desktop are unable or unwilling to  
25 honor the original offer presented on the websites." Defendants argued that including the  
26 foregoing remedy in the Court's Order is unfounded, as that is potentially the ultimate remedy  
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28

1 that will be sought by Plaintiff if Plaintiff decides to file suit against Defendants. The Court has  
2 determined that the foregoing remedy is not a remedy before the Court at this point in time. The  
3 hearing held on March 5, 2015 was on Plaintiff's Petition for Order Compelling Compliance  
4 with Subpoena Duces Tecum. The Court believes it is limited at this time to ruling in regards to  
5 the Subpoena Duces Tecum.

6  
7 Based on the foregoing and good cause appearing,

8 IT IS HEREBY ORDERED that Defendants are enjoined from the violation of any  
9 provisions of NRS Chapter 598, which is the existing law.

10 IT IS FURTHER ORDERED that Defendants are enjoined from making false  
11 representations in the course of business in violation of NRS 598.0915(15), which is the existing  
12 law.

13  
14 IT IS FURTHER ORDERED that Defendants are enjoined from engaging in any act of  
15 false advertising in violation of NRS 207.171, which is the existing law.

16 IT IS FURTHER ORDERED that Defendants are enjoined from making false statements  
17 to induce consumers to deliver any device or merchandise in violation of NRS 205.0832(1)(c),  
18 which is the existing law.

19  
20 IT IS FURTHER ORDERED that Defendants shall produce to Plaintiff the six (6) items  
21 that were a part of Plaintiff's pared down request within ten (10) business days of the date of this  
22 Order. Those six (6) items shall be delivered directly to the Attorney's General Carson City  
23 office. Those six (6) items shall only be for the dates originally listed in the First Subpoena  
24 Duces Tecum. Those six (6) items shall be Bates stamped.

25  
26 //

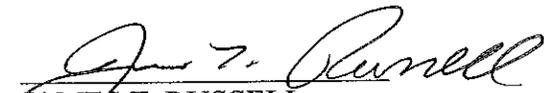
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1 IT IS FURTHER ORDERED that if, after reviewing those six (6) items, Plaintiff  
2 determines that it needs other types of documents or more dates relating to the original six (6)  
3 items, Plaintiff shall issue a Second Subpoena Duces Tecum.

4 IT IS FURTHER ORDERED that if Plaintiff does issue a Second Subpoena Duces  
5 Tecum, Defendants must produce any documents to Plaintiff that they have no objection to  
6 within ten (10) business days of the date of the Second Subpoena Duces Tecum. With regard to  
7 any documents that Defendants do have an objection to producing, Defendants must file a  
8 Motion with this Court objecting thereto and setting forth the grounds for said objection. The  
9 Court shall thereafter set another hearing as soon as the Court's calendar allows.  
10

11 **IT IS SO ORDERED.**

12 Dated this 5<sup>th</sup> day of March, 2015.

13  
14   
15 JAMES T. RUSSELL  
16 DISTRICT JUDGE  
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**CERTIFICATE OF MAILING**

The undersigned, an employee of the First Judicial District Court, hereby certifies that on the 5<sup>th</sup> day of March, 2015, I served the foregoing to counsel of record, as follows:

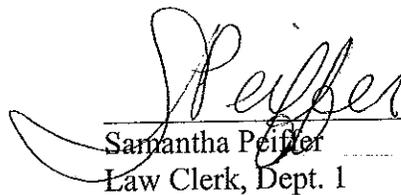
By depositing a copy thereof in the United States Mail at Carson City, Nevada, postage paid, addressed as follows:

John L. Arrascada, Esq.  
145 Ryland Street  
Reno, NV 89501

Andrew A. August, Esq.  
177 Post Street  
Suite 700  
San Francisco, CA 94108

Robert J. Angres  
2650 Friesian Court  
Reno, NV 89521

John P. McGlamery, Esq.  
Laura M. Tucker, Esq.  
100 North Carson Street  
Carson City, NV 89701-4717

  
Samantha Peiffer  
Law Clerk, Dept. 1