

**IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL
CIRCUIT IN AND FOR MIAMI-DADE COUNTY, FLORIDA**

CASE NO: 2023-027148-CA-01

SECTION: CA11

JUDGE: Spencer Eig

Avtomoll Trading House LLC

Plaintiff(s)

vs.

Matsenko, Zhanna Valdimirovna

Defendant(s)

_____ /

FINAL JUDGMENT BY JUDGE

DOCKET ENTRY #1

THIS MATTER came before the Court on a 2-day Non-Jury Trial commencing March 28, 2025 and continuing on April 11, 2025. Pursuant to the findings of fact, and evaluating the evidence and testimony before the Court, the Court respectfully DENIES to Domestication of Foreign (Russian) Judgment. The Plaintiff shall take nothing from this action and the Court reserves jurisdiction to enforce this Order and rule on the issues of attorney's fees.

THE NATURE OF THE RUSSIAN "JUDGMENT" SUBJECT TO THESE PROCEEDINGS

The purported judgment subject to these proceedings imposes "subsidiary liability" in the bankruptcy proceeding (Russian case number A19-925/2016) on the several individuals, one of whom was the Defendant Zhanna Matsenko.

In Russian law, subsidiary liability refers to situations where a person is held liable for the debts or actions of another, typically a company.

In the instant case, under the Russian law, subsidiary liability refers to the situation where Defendant Zhanna Matsenko, along with other parties, found responsible by a Russian bankruptcy

court and was held personally liable for ProdTreyd, LLC's debts to its bankruptcy creditors.

The ProdTreyd's bankruptcy trustee brought an action in case number A19-925/2016 to hold several individuals, one of whom was the Defendant Zhanna Matsenko jointly and severally liable to ProdTreyd's creditors for ProdTreyd's debts under the theory of subsidiary liability.

On August 3, 2021, the Russian bankruptcy court found Defendant Zhanna Matsenko subsidiary liable for ProdTreyd's debts.

On January 24, 2023 ProdTreyd assigned to the Plaintiff, Avtomoll Trading House LLC (Avtomoll) the right to recover from the several individuals, one of whom was the Defendant Zhanna Matsenko, the amounts ProdTreyd supposedly owes to its creditors as a result of the bankruptcy in the Russian case number A19-925/2016.

The Plaintiff brought this Action under § 55.601, et seq. Fla. Stat. seeking to enforce a purported Russian bankruptcy judgment rendered in the case number A19-925/2016 for the amount of 841,818,469 rubles, 08 kopecks.

APPEARANCES FOR THE PARTIES

Present at the trial were: Edward Davis, Esq., Maria Cortesi, Esq. and Juan Mendoza, Esq. of Sequor Law who represented the Plaintiff, Avtomoll Trading House LLC and Bruce Prober, Esq, of The Law Offices of Bruce Prober P.A., who represented who represented Defendant Zhanna Valdimirovna Matsenko.

TESTIFYING WITNESSES

On March 28, 2025, after being duly sworn, the following witnesses testified before the Court: Defendant Zhanna Valdimirovna Matsenko and the Defendant's Russian Bankruptcy Law Expert, Professor, Doctor of Law, Svetlana Karelina.

It should be noted that on March 28, 2025, the Plaintiff introduced into evidence the judgment it was attempting to domesticate against the Defendant and an assignment of this judgment in the Plaintiff's favor issued by the Russian bankruptcy court. The Plaintiff rested immediately after introducing these two exhibits without introducing any witness testimony.

On April 11, 2025 after being duly sworn, the following witnesses testified before the Court in the Plaintiff's rebuttal case: the Plaintiff's corporate representative Aleksey Artyukhov and the Plaintiff's Russian Bankruptcy Law Expert, Mr. Oleg Zaitsev.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. Grounds for Non-Recognition:

This Court, in evaluating the grounds of Non-Recognition Fla. Stat. § 55.605, finds that the following grounds for non-recognition of the judgment the Plaintiff attempted to domesticate against this Defendant as these grounds were plead by the Defendant, tried before the Court and the Defendant sustained her burden as to the following [\[1\]](#):

1. In accordance with Florida Statute 55.605(2)(c), the cause of action or claim for relief on which the judgment is based is repugnant to the public policy of this state.

The Court finds that the Russian concept of “subsidiary liability” is akin Florida’s concept of piercing the corporate veil. “Judgment Creditor [in Florida] must prove *three elements* in order to pierce any alleged corporate veil between Judgment Debtors and Impleaded Third Party. First, Judgment Creditor must show that Impleaded Third Party dominated and controlled Judgment Debtors to such an extent that their independent existence was in fact non-existent. Second, Judgment Creditor must show that the corporate form of Judgment Debtors was used fraudulently or for an improper purpose. Third, Judgment Creditor must demonstrate that the fraudulent or improper use of the corporate form caused injury to him.” Harbaugh v. Greslin, 436 F. Supp. 2d 1315, 1321 (S.D. Fla. 2006), *aff’d*, 218 Fed. Appx. 950 (11th Cir. 2007), applying Florida law and

citing Seminole Boatyard, Inc. v. Christoph, 715 So.2d 987, 990 (Fla. 4th DCA 1998) (emphasis added).

The Court finds the Plaintiff failed to demonstrate that Defendant Zhanna Matsenko 1) dominated and controlled ProdTreyd to such an extent that their independent existence was in fact non-existent 2) that ProdTreyd's corporate form was used fraudulently or for an improper purpose and 3) that the fraudulent or improper use of ProdTreyd's corporate form caused injury to Avtomall to warrant the piecing of the corporate veil under Florida law. The Court finds that a judgment Avtomall is attempting to enforce what would not be a bankruptcy judgment in Florida and that under Florida law, it would not be legal to pierce ProdTreyd's corporate veil. See In re Fundamental Long Term Care, Inc., 507 B.R. 359, 375 (Bankr. M.D. Fla. 2014) (applying Florida law) (Under Florida law allegations that defendants engaged in fraudulent or improper use of the corporate form by creating a sham entity to house third party's liabilities, did not, absent any allegations that transfer of the liabilities to sham entity caused plaintiffs' loss or that defendants dominated and controlled sham entity, state an alter-ego or veil-piercing claim against defendants, even though plaintiffs alleged that defendants, or some of them, controlled third party after the subject transactions.)

The Court further finds that the existence of the presumption that the "controlling persons" actions or inactions caused the insolvency with the controlling person having the initial burden of proof that she was not at fault for the insolvency, does not comport with Florida understanding of due process and enforcing a bankruptcy judgment grounded in such a statute is repugnant to Florida public policy. See In re Paul C. Larsen, P.A., 610 B.R. 684, 686 (Bankr. M.D. Fla. 2019) ("the Court finds that Plaintiff has not satisfied his burden of proving a claim for alter ego liability or for piercing Debtor's corporate veil"); Netjets Aviation, Inc. v. Peter Sleiman Dev. Group, LLC, No. 3:10-CV-483-J-32MCR, 2011 WL 11560026, at *8 (M.D. Fla. June 13, 2011) citing to Barkett v. Hardy, 571 So.2d 13, 14 (Fla. 2nd DCA 1990) (fact that corporate formalities were not observed,

that corporation was a vehicle for the personal interests of the shareholder, that it lacked equity capital, and that its affairs were dominated by another did not constitute improper conduct for purposes of piercing the corporate veil), Mason v. E. Speer & Associates, Inc., 846 So.2d 529, 534 (Fla. 4th DCA 2003) (although court found “there [was] sufficient evidence that [defendant] improperly converted corporate property to his own use on more than one occasion,” it nevertheless held that “[plaintiff] *simply did not carry his burden in establishing that these transactions were made with a deliberate intent to mislead creditors*”). (Empasis added.)

2. In accordance with Florida Statute 55.605(2)(d), the judgment may conflict with another final and conclusive order.

3. The Judgment in question is not final, conclusive and enforceable.

The Court finds that the amount of the purported bankruptcy judgment entered in the case number A19-925/2016 and dated August 3, 2021 is 841,818,469 rubles, 08 kopecks. However, the subsequent order from the same case entered on December 20, 2024 and introduced into evidence as Defendant’s Exhibit B, is listing the amount owed to ProdTrade’s creditors at 557,954,209 rubles 90 kopecks. Even if the August 3, 2021 order is final, it is in clear conflict with an order dated December 20, 2024. The amount listed in the December 20, 2024 order is supported by the testimony Plaintiff’s corporate representative Aleksey Artyukhov who stated that the amount owed to Avtomall is “558 million rubles.”

The Court, however, received credible testimony of Defendant’s Russian Bankruptcy Law Expert, Professor Svetlana Karelina who testified, inter alia, that the August 3, 2021 order is not a final order that can be enforced.

4. In accordance with Florida Statute Section 55.605(2)(g), the foreign jurisdiction where judgment was rendered would not give recognition to a similar judgment rendered in this state.

The Court received credible testimony of Defendant’s Russian Bankruptcy Law Expert, Professor Svetlana Karelina who testified, in relevant part, that pursuant to the current Russian

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