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 17 UNITED STATES OF AMERICA

18 UNITED STATES DISTRICT COURT  
 19 FOR THE CENTRAL DISTRICT OF CALIFORNIA

20 UNITED STATES OF AMERICA,  
 21 Plaintiff,  
 22 v.  
 23 MANUK GRIGORYAN,  
 aka "Mike Grigoryan," and  
 24 "Anton Kudiumov,"  
 25 Defendant.

No. 2:20-cr-579(A)-SVW-5  
GOVERNMENT'S RESPONSE TO  
PRESENTENCE INVESTIGATION  
REPORT FOR MANUK GRIGORYAN  
 Sentencing: October 25, 2021  
 Time: 11:00 a.m.  
 Location: Courtroom of the  
 Hon. Stephen V. Wilson

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1 Plaintiff United States of America, by and through its counsel  
2 of record, the Acting United States Attorney for the Central District  
3 of California, Assistant United States Attorneys Scott Paetty,  
4 Catherine Ahn, and Brian Faerstein, and Department of Justice Trial  
5 Attorney Christopher Fenton, hereby files its initial response,  
6 pursuant to Federal Rule of Criminal Procedure 32(f), to the  
7 Presentence Investigation Report ("PSR"), prepared by the United  
8 States Probation and Pretrial Services Office, for defendant MANUK  
9 GRIGORYAN (ECF 974).

10 The government respectfully submits that the actual loss amount  
11 and corresponding restitution figure calculated in the PSR should be  
12 adjusted from \$2,602,798 to \$2,677,798 for the reasons described  
13 further below. In addition, the government provides additional  
14 proposed corrections or clarifications to other aspects of the PSR.

15 **The Actual Loss and Restitution Amounts Calculated in the PSR**  
16 **Should Be Corrected**

17 The calculation of actual loss in the PSR should be corrected to  
18 be \$2,677,798, not \$2,602,798, in the section titled "The Offense  
19 Conduct," and the chart summarizing the loan applications underlying  
20 the loss amount should also be corrected. In addition, the  
21 restitution amount, which is based on the actual loss amount, should  
22 similarly be corrected in the sections titled "Victim Impact" and  
23 "Restitution."

24 First, in the section of the PSR addressing "The Offense  
25 Conduct," the PSR states that the fraudulent loan applications for  
26 which defendant is being held accountable as relevant conduct "caused  
27 a total intended loss of \$3,398,282 and \$2,602,798 in actual losses,  
28 as described in the table below." (PSR ¶ 37.) The PSR includes a

1 table of 20 Paycheck Protection Program (PPP) and Economic Injury  
2 Disaster Loan (EIDL) applications, 16 of which were disbursed/funded  
3 and 4 of which were cancelled. (Id.) The information in the chart  
4 appears to be sourced from a similar chart set forth in the factual  
5 basis of the parties' plea agreement. (See ECF 436, ¶ 15.)

6 However, the chart in the PSR contains two errors: (1) it omits  
7 the final column in the chart in the plea agreement that reflects  
8 "Advance" amounts of money paid out under certain EIDL applications;  
9 and (2) it incorrectly states that the EIDL loan disbursed by the  
10 United States Small Business Administration (SBA) in connection with  
11 the G&A Diamonds loan application was \$149,000 instead of the  
12 actually-funded amount of \$145,000, as the underlying G&A Diamonds  
13 EIDL loan documentation reflects (see Gov't Trial Exhibit 2.g at 1-  
14 2).<sup>1</sup> The government is reproducing as Appendix A hereto the chart  
15 that was agreed upon by the parties in the plea agreement. The  
16 government submits that the form and content of this chart should  
17 replace the chart currently listed in paragraph 37 of the PSR.

18 Taking into account the information set forth in the corrected  
19 chart, the amount of actual loss - that is, the summation of all the  
20 disbursed/funded loans plus the advances obtained through certain  
21 EIDL loans - should be reflected as \$2,677,798 in paragraph 37 of the  
22 PSR.<sup>2</sup>

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24 <sup>1</sup> The factual basis to the parties' plea agreement inadvertently  
25 stated that the amount received for the G&A Diamonds EIDL loan was  
26 \$149,900 instead of \$145,000. (See ECF 436, ¶ 15.) As stated above,  
the correct amount is \$145,000 based on the underlying loan  
documentation.

27 <sup>2</sup> The PSR correctly states that the total intended loss amount  
28 associated with the 20 loans in the chart is \$3,398,282. This  
intended loss amount was included in the parties' plea agreement  
based on the chart set forth in that agreement (and reproduced here  
as Appendix A). (See ECF 436, ¶ 15.)

1           Second, in the sections of the PSR addressing "Victim Impact"  
2 and "Restitution," the PSR relies on the mistaken actual loss  
3 calculation described above in finding that \$2,602,798 is owed in  
4 restitution. (See PSR ¶¶ 39, 125.) For the reasons explained above,  
5 the total restitution figure should instead be calculated as  
6 \$2,677,798.

7           In addition, with respect to the individualized restitution owed  
8 to the institutional victims, the amount listed as being owed to the  
9 SBA - \$1,398,000 - is undercounted by \$75,000. As explained above,  
10 the listed amount does not account for the \$79,000 in "Advance"  
11 payments reflected in the corrected chart in Appendix A, and  
12 overcounts \$4,000 as to the G&A Diamonds EIDL loan that should be  
13 listed as \$145,000 instead of \$149,000. Thus, the correct amount of  
14 restitution owed to the SBA in paragraphs 39 and 125 of the PSR  
15 should be calculated as \$1,473,000.

#### 16           Corrections and Clarifications

17           In addition to the above, the government submits this response  
18 to correct or clarify the following:

- 19           • In paragraph 3 under the section titled "Charge(s) and  
20 Conviction(s)," the second sentence should be revised to  
21 state, ". . . Grigoryan and his co-defendants, aiding and  
22 abetting each other, submitted and caused the submission of  
23 a Paycheck Protection Program loan to Lender B in the name  
24 of Redline Auto Mechanics in order to carry out a scheme or  
25 plan to obtain money or property from a financial  
26 institution through false statements or promises, in  
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1 violation of 18 U.S.C. § 1344(2),” with the new proposed  
2 language underlined above.

3 • In the same paragraph, the last sentence should be revised  
4 to state, “. . . Grigoryan knowingly transferred,  
5 possessed, and used, and willfully caused to be  
6 transferred, possessed, and used, without lawful authority  
7 . . .,” with the new proposed language underlined above.

8 • Paragraph 6 under the section titled “Charge(s) and  
9 Conviction(s)” incorrectly states that the government  
10 agreed in the plea agreement to “recommend a term of  
11 imprisonment no higher than the low end of applicable  
12 Sentencing Guideline range, . . . .” As set forth in the  
13 plea agreement (ECF 436 at ¶ 4.e), this language in  
14 paragraph 6 of the PSR should be corrected to read, “not  
15 seek a sentence of imprisonment above the high end of, and  
16 make no recommendation as to the point within the  
17 applicable Sentencing Guidelines range at which a term of  
18 imprisonment should be selected, . . . .”

19 • Paragraph 9 under the section titled “Counts to be  
20 Dismissed” should be revised to state “through at least  
21 August 2020,” with the new proposed language underlined  
22 above.

23 • Paragraph 10 under the section titled “Counts to be  
24 Dismissed” should be revised to state, “. . . Grigoryan and  
25 his codefendants, committed and aided and abetted wire  
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1 fraud . . . ,” with the new proposed language underlined  
2 above.

- 3 • Paragraph 11 under the section titled “Counts to be  
4 Dismissed” should be revised to state, “. . . Grigoryan and  
5 his codefendants, committed, caused to be committed, and  
6 aided and abetted bank fraud . . . ,” with the new proposed  
7 language underlined above.

- 8 • Paragraph 12 under the section titled “Counts to be  
9 Dismissed” should be revised to state “through at least  
10 October 2020,” with the new proposed language underlined  
11 above.

- 12 • Paragraph 13 under the section titled “Pretrial Adjustment”  
13 states that, “Pretrial Services records indicate Grigoryan  
14 has complied with all Court ordered conditions of release.”  
15 The government notes that, on August 18, 2021, Pretrial  
16 Services submitted a Pretrial Violation Report alleging  
17 that during defendant’s presentence investigation  
18 interview, defendant disclosed certain information he had  
19 not initially disclosed to Pretrial Services following his  
20 arrest in this case. (See ECF 871.) Upon agreement of the  
21 parties and Pretrial Services, the Court imposed additional  
22 conditions of pretrial release pertaining to the possession  
23 and use of controlled substances and the monitoring  
24 thereof. (See ECF 873.) In addition, on September 13,  
25 2021, Pretrial Services submitted a Pretrial Violation  
26 Report alleging separate issues relating to a trip  
27 defendant took in or around August 2021, with a  
28 recommendation to the Court that no action be taken at that

1 time. (See ECF 962.) The government does not further  
2 describe herein the contents of the allegations set forth  
3 in these Pretrial Violation Reports, which are restricted  
4 documents on the Court's docket. However, the government  
5 believes the information described in the reports is  
6 relevant for the United States Probation & Pretrial  
7 Services Office's consideration in connection with  
8 paragraph 13 of the PSR.

- 9 • Paragraphs 14, 15, 16 and 21 under the section titled  
10 "Status of Co-Defendants" should be corrected to state that  
11 co-defendants Richard Ayvazyan, Marietta Terabelian, Artur  
12 Ayvazyan, and Vahe Dadyan were found guilty by jury trial  
13 on June 25, 2021, not June 28.
- 14 • Paragraph 20 under the section titled "Status of Co-  
15 Defendants" should be revised to reflect that codefendant  
16 Edvard Paronyan was sentenced to 30 months in prison on  
17 September 27, 2021.
- 18 • In paragraph 34 under the section titled "G&A Diamonds,"  
19 the last sentence should be corrected to state that the SBA  
20 wired \$145,000, not \$149,900, to a G&A Diamonds bank  
21 account, for the reasons explained above.
- 22 • In paragraph 35 under the section titled "Redline Auto  
23 Mechanics," the government suggests adding as the new  
24 second sentence (as stated in the plea agreement) the  
25 following: "Celtic Bank was a financial institution the  
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deposits of which were insured by the Federal Deposit Insurance Company.”

- In footnote 2 appended to the same paragraph, the government suggests revising the second sentence to read, “A.F. was a real person . . .” instead of “A.D. and A.F. were real persons . . . .”
- In paragraph 36 under the section titled “Redline Auto Mechanics,” the government suggests adding to the end of the paragraph the phrase “. . . including the G&A Diamonds EIDL Application described above.”

Dated: October 4, 2021

Respectfully submitted,

TRACY L. WILKISON  
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Assistant United States Attorney  
Chief, Criminal Division

/s/

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Department of Justice Trial Attorney

Attorneys for Plaintiff  
UNITED STATES OF AMERICA



**APPENDIX A****Chart from Factual Basis in Parties' Plea Agreement (ECF 436, ¶ 15)**

<b>Company</b>	<b>Applicant</b>	<b>Amount</b>	<b>Lender</b>	<b>Status</b>	<b>Advance</b>
Fadehaus Barbershop	Anton Kudiumov	\$ 150,000	SBA	Disbursed	\$ 10,000
Fadehaus Barbershop	Anton Kudiumov	\$ 182,637	WebBank	Cancelled	
Nelson's Nursery	Anton Kudiumov	\$ 49,000	SBA	Disbursed	\$ 7,000
Redline Auto Mechanics	Anton Kudiumov	\$ 150,000	SBA	Disbursed	\$ 7,000
Redline Auto Mechanics Inc.	Anton Kudiumov	\$ 276,600	Celtic Bank	Disbursed	
TM Events Inc.	Anton Kudiumov	\$ 276,600	Newtek	Disbursed	
TM Events Inc.	Anton Kudiumov	\$ 150,000	SBA	Disbursed	\$ 7,000
Manukyan Construction	Anna Manukyan	\$ 131,195	Cross River Bank	Disbursed	
Manukyan Construction	Anna Manukyan	\$ 131,195	Celtic Bank	Cancelled	
G&A Diamonds	Artashes Grigoryan	\$ 145,000	SBA	Disbursed	
G&A Diamonds	Artashes Grigoryan	\$ 113,750	Cross River Bank	Disbursed	
Apex Health and Safety Consultants	Anna Manukyan	\$ 150,000	SBA	Funded	\$ 10,000
Greenshop Hydro Inc	Anna Manukyan	\$ 150,000	SBA	Funded	\$ 10,000
Manukyan Construction	Anna Manukyan	\$ 150,000	SBA	Funded	\$ 10,000
Runyan Tax Service, Inc	Viktoria Kauichko	\$ 276,653	Seattle Bank	Disbursed	
Journeyman Construction	Viktoria Kauichko	\$ 150,000	SBA	Disbursed	\$ 8,000
Fiber One Media, Inc.	Viktoria Kauichko	\$ 150,000	SBA	Disbursed	\$ 10,000
Fiber One Media, Inc.	Viktoria Kauichko	\$ 276,652	WebBank	Cancelled	
Fiber One Media, Inc.	Viktoria Kauichko	\$ 130,000	Celtic Bank	Cancelled	
Fiber One Media, Inc.	Viktoria Kauichko	\$ 130,000	Ready Capital	Disbursed	