

Thomas L. Simek
tsimek@cftc.gov
Jennifer J. Chapin
jchapin@cftc.gov
Attorneys for Plaintiff
COMMODITY FUTURES TRADING COMMISSION
4900 Main Street, Suite 500
Kansas City, MO 64112
(816) 960-7700

SEAN D. REYES (7969)
Utah Attorney General
Thomas M. Melton (4999), tmelton@agutah.gov
Robert Wing (4445), rwing@agutah.gov
Jennifer Korb (9147), jkorb@agutah.gov
Paula Faerber (8518), pfaerber@agutah.gov
Assistant Attorneys General
Attorneys for Plaintiff
STATE OF UTAH DIVISION OF SECURITIES
160 East 300 South, Fifth Floor
Salt Lake City, Utah 84114
(801) 366-0310

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH, CENTRAL DIVISION

COMMODITY FUTURES TRADING
COMMISSION, and

STATE OF UTAH DIVISION OF
SECURITIES, through Attorney General, Sean
D. Reyes,

Plaintiffs,

v.

RUST RARE COIN INC., a Utah corporation,
and GAYLEN DEAN RUST, an individual,
DENISE GUNDERSON RUST, an individual,
and JOSHUA DANIEL RUST, an individual,

Defendants;

**ORDER ENTERING THE
PRELIMINARY INJUNCTION
AGAINST ALEESHA RUST
FRANKLIN; DENYING DENISE
RUST'S MOTION FOR RELEASE OF
FUNDS FOR LIVING EXPENSES
[60]; ORDERING THAT DISCOVERY
MAY PROCEED IMMEDIATELY;
AND ORDERING DEFENDANTS
AND RELIEF DEFENDANTS TO
PROVIDE AN ACCOUNTING TO
THE RECEIVER WITHIN 30 DAYS**

Case No. 2:18-cv-892

Judge: Tena Campbell

and

ALEESHA RUST FRANKLIN, an individual,
R LEGACY RACING INC, a Utah
corporation, R LEGACY
ENTERTAINMENT LLC, a Utah limited
liability company, and R LEGACY
INVESTMENTS LLC, a Utah limited liability
company.

Relief Defendants.

On December 12, 2018, a hearing was held before this Court on two outstanding matters: (1) Defendant Denise Rust's Motion for Release of Funds for Living Expenses (Document 60); and (2) whether the asset freeze against Relief Defendant Aleesha Rust Franklin should continue. Those present at the December 12, 2018 hearing were Thomas Melton, Robert Wing, Jennifer Korb and Paula Faerber on behalf of the Utah Division of Securities; Thomas Simek and Jennifer Chapin on behalf of the Commodities Futures Trading Commission (by telephone); Walter Bugden on behalf of Denise Rust; Brenda Weinberg on behalf of Joshua Daniel Rust; Sean Egan on behalf of Aleesha Rust Franklin; and the Receiver Jonathan Hafen and his counsel, Joseph Covey. Aleesha Rust Franklin appeared telephonically.

The Court heard from Mr. Egan and Mr. Melton regarding the continuation of the asset freeze against Aleesha Rust Franklin. Counsel informed the Court that they were close to an agreement on the terms of a preliminary injunction, and that Ms. Franklin consented to a continuation of the existing asset freeze until the entry of an amended asset freeze. Mr. Egan informed the Court that Ms. Franklin does not object to the entry of a preliminary injunction as to her.

The Court also heard from Mr. Bugden and Mr. Melton regarding Denise Rust's Motion

for Release of Funds. Mr. Bugden clarified that the funds would be used to cover Denise Rust's living expenses, as well as those of her husband, Gaylen Rust.

Additionally, Mr. Melton asked the Court to allow discovery to begin immediately, and to provide a deadline by which the Defendants and Relief Defendants must provide an accounting to the Receiver pursuant to paragraph 30(a) of the Statutory Restraining Order ("SRO Order") (Document 22).

WHEREAS the Court finds that, based on the documents filed and argument made during the December 12, 2018 hearing, and for good cause showing,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Statutory Restraining Order against Aleesha Rust Franklin is converted into a preliminary injunction, as follows:

A. Prohibition on the Withdrawal, Transfer, Removal, Dissipation, and Disposal of Assets

- i. Except to the extent modified in this Order or by further order of this Court, Aleesha Rust Franklin is immediately restrained and enjoined from directly or indirectly withdrawing, transferring, removing, dissipating, or otherwise disposing of any assets wherever located including Defendants and Aleesha Rust Franklin's assets held outside the United States, except as provided otherwise in Sections IV, V, and VI of the SRO Order.

B. Prohibition on the Destruction, Alteration, or Disposal of Books, Records and other Documents

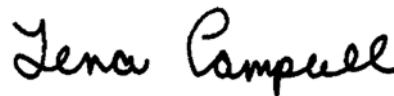
- i. The prohibition in paragraph 20 of the SRO Order on Aleesha Rust Franklin's destruction, alteration, or disposing of, in any manner, any books, records or

other documents that relate or refer to the business activities or business or personal finances of Aleesha Rust Franklin or any other Defendant or Relief Defendant shall continue in full force and effect.

C. Force and Effect

- i. This Preliminary Injunction Order shall remain in full force and effect until further order of the Court, and the Court retains jurisdiction of this matter for all purposes. Any party may petition this Court upon proper notice to amend or lift this Preliminary Injunction Order.
2. Denise Rust's Motion for Release of Funds for Living Expenses (Document 60) is DENIED, but Denise Rust shall be allowed a one-time payment of \$10,000 from the receivership estate (including the \$5,000 that Denise Rust was allowed pursuant to the SRO Order) to cover living expenses for Denise Rust and her husband Gaylen Rust;
3. Discovery in this matter may begin immediately; and
4. Pursuant to paragraph 30(a) of the SRO Order, the Defendants and Relief Defendants must provide the Receiver with a written and verified accounting within thirty (30) days of the December 12, 2018 hearing.

IT IS SO ORDERED, this 3rd day of January, 2018, at Salt Lake City, Utah



TENA CAMPBELL
UNITED STATES DISTRICT JUDGE