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Attorneys for Jonathan O. Hafen as Receiver

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

COMMODITY FUTURES TRADING
COMMISSION, and

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

Plaintiffs,

vs.

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

Defendants;

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.

**RECEIVER'S TWENTY-EIGHTH
QUARTERLY STATUS REPORT**

*For the period July 1, 2025 to
September 30, 2025*

Civil No. 2:18-cv-00892-TC

Honorable Tena Campbell

Magistrate Judge Dustin Pead

Jonathan O. Hafen, the Court-Appointed Receiver for the assets of Rust Rare Coin Inc., Gaylen Dean Rust, Denise Gunderson Rust, Joshua Rust, Aleesha Rust Franklin, R Legacy Racing Inc., R Legacy Entertainment LLC, and R Legacy Investments LLC (collectively, “Receivership Defendants”), hereby submits this Twenty-Eighth Quarterly Status Report for the period of July 1, 2025 through September 30, 2025, pursuant to Section XIII, paragraph 53 of this Court’s Order Appointing Receiver and Staying Litigation, dated November 27, 2018 (the “Appointment Order”). *See* Dkt. No. 54.

As instructed by the Court, this Report addresses:

- I. A summary of the operations of the Receiver, including significant developments during the quarter.
- II. A summary of the current financial condition of the Receivership.
- III. A summary of the receipts and disbursements of the Receivership.
- IV. A description of known Receivership property, including approximate valuations and anticipated dispositions.
- V. A description of liquidated and unliquidated claims of the Receivership, including the need for forensic and investigatory resources, approximate values of those claims, and anticipated methods of enforcing such claims.
- VI. A list of known creditors of the Receivership.
- VII. The status of creditor claims proceedings.
- VIII. The Receiver’s recommendations for continuation of the Receivership.

**I. SUMMARY OF OPERATIONS OF THE RECEIVER, INCLUDING
SIGNIFICANT DEVELOPMENTS DURING THE QUARTER**

A. General Developments

1. Claw Back Actions. As previously reported, the Receiver and his team have filed numerous claw back actions against approximately 124 different investors seeking

recovery of amounts they were paid in excess of their actual investments. As discussed in more detail below¹, the Receiver continues to work closely with net winners and their counsel to secure favorable resolutions of such actions.

B. Liquidation of Real Property. The Receiver did not liquidate any real property during this quarter. Other than the personal residence owned by Joshua Rust, the Receiver believes he has liquidated all real property in the Receivership Estate.

C. Liquidation of Tangible Personal Property. The Receiver did not liquidate any tangible personal property during this quarter. Other than certain coins owned by Joshua Rust, the Receiver is not aware of any remaining personal property of material value but continues to look for any such property.

D. Recovery and Sale of Other Receivership Property.

1. Investor Communications. The Receiver continues to post updates to the Receivership's website (rustrarecoinreceiver.com) when filings are made with the Court. The Receiver has also distributed by email copies of all filings and notices to the approximately 800 individuals listed on the Receiver's master mailing matrix. The Receiver also continues to communicate with investors about objections and proposed actions. The Receiver has also filed all objections on behalf of investors, when required by the Court's Summary Disposition Procedures.

2. Tax Issues. The Receiver continues to work with his accountants at Berkley Research Group ("BRG") to ensure the Receivership's various tax obligations are being met, including the amounts owed in relation to any Receivership property and the amounts

¹ See Section V.

associated with the business entities still within the scope of the Receivership Estate.

3. Discovery Productions and Redaction. The Receiver has compiled and produced a vast number of documents, including financial statements and investor communications, for the benefit of the Court, investors, and net winners in claw back actions. Currently, over 300,000 documents have been reviewed for production. In addition to the substantial amount of time reviewing, compiling and producing documents, the Receiver has also completed a large-scale redaction of documents. In an effort both to ensure the privacy of hundreds of victims and minor children, while still respecting the rights of net winner litigants to documents, the Receiver has created a set of redacted documents for production in his ancillary litigation proceedings. These documents have been redacted for social security numbers, birth dates and account numbers of investors.

II. SUMMARY OF THE CURRENT FINANCIAL CONDITION OF THE RECEIVERSHIP

The Receiver had sufficient cash during this quarter to cover all expenses of the Receivership Estate and believes that he will continue to have sufficient cash in the Estate to cover all foreseeable expenses. The Receiver is not concerned that the Estate will be unable to cover its ongoing expenses as the Receiver, his counsel, and his accountants at BRG have voluntarily agreed to refrain from taking any fees until the Estate recovers at least three times the amount of their fees. Through the end of the quarter, the Receiver and his team's efforts have recovered approximately \$55 million for the Receivership Estate.

III. DESCRIPTION OF RECEIPTS AND DISBURSEMENTS

1. Over the course of the Receivership, the Receiver has successfully reduced hundreds of claims and ancillary actions, including two this quarter, to eleven

outstanding ancillary actions. The Receiver and his professionals are working to resolve these claims as quickly as possible, allowing the Receiver to make what will likely be a final distribution from the Receivership Estate. The timing and amount of such final distribution remain uncertain and will be determined in the coming months as the remaining claims are resolved.

2. The Receiver continues to collect outstanding accounts receivable for the Receivership Defendants. A schedule of the receipts and disbursements of the Receiver is attached hereto as **Exhibit A**.

3. As previously reported, the Receiver believes that he has identified most, if not all, of the physical assets that fall within the scope of the Receivership Estate.

IV. DESCRIPTION OF ALL PHYSICAL RECEIVERSHIP PROPERTY

Other than personal assets of Joshua Rust, no physical assets of any material value remain in the Receivership Estate. If and when the Receiver is able to sell any remaining physical assets, their value will be determined by what an arms-length buyer is willing to pay.

V. DESCRIPTION OF LIQUIDATED AND UNLIQUIDATED CLAIMS

1. As previously reported to the Court, over 80 different investor groups and several hundred individual investors have been identified in this matter.

2. Based on the net winner analyses provided by BRG, the Receiver identified millions of dollars of net winner claims which the Receiver continues working to recover.

3. The Receiver has engaged in formal and informal settlement negotiations with many net winners, while protecting the Receivership Estate's interest with tolling

agreements. Many of these negotiations have resulted in recoveries for the Receivership Estate, and others have reached impasses resulting in the Receiver filing additional ancillary actions in order to move matters forward.

4. As part of the Receiver's recovery efforts, scores of ancillary lawsuits have been filed against potential claw back defendants of the Receivership Estate. In total, these actions include numerous separate claw back filings against over 100 different investors. The Receiver and his team continue to either prosecute these claims or settle them when favorable terms can be reached.

5. As set forth above and in prior reports, the Receiver made a significant effort to minimize the number of necessary filings by coordinating the execution of over 170 tolling agreements with various investors. In an effort to bring this case to a conclusion, the Receiver has terminated all tolling agreements with net winners and has commenced litigation against those parties.

6. As a result of the Court granting the Receiver's Motion for Settlement Authority (*See* Dkt. No. 271), and the Receiver's ongoing settlement efforts, this quarter the Receiver recovered approximately \$174,000 pursuant to settlement agreements. The Receiver continues to finalize settlement agreements and negotiate with investors and creditors. These agreements attempt to get the largest return of funds while minimizing administrative burden to the Receivership Estate. The Receiver remains hopeful that much of the outstanding fraudulently transferred funds will be recovered while minimizing the cost of unnecessary litigation.

VI. LIST OF KNOWN CREDITORS OF THE RECEIVERSHIP

As previously reported to the Court, the Receiver initiated the claims process which

included a claims deadline of October 4, 2019. As a result of this process, the Receiver received approximately 627 claim forms from potential claimants and creditors of the Receivership Estate.

VII. STATUS OF CREDITOR CLAIMS PROCEEDINGS

As set forth above, the Receiver and his team have successfully completed the claims analysis process. Only three unresolved claims remain, which are either involved in claw back litigation or are stayed by the Court. The Receiver continues to diligently resolve each unresolved claim while minimizing expenses to the Receivership Estate

VIII. RECOMMENDATION TO CONTINUE THE RECEIVERSHIP

Now that the Receiver has liquidated most, if not all, of the physical assets in the Estate, the Receiver's main focus is on recovering a significant amount of funds from various claw back defendants. The Receiver anticipates that the continuation of the Receivership will generate a significant amount of additional funds that will ultimately be distributed for the benefit of Claimants. Accordingly, the Receiver recommends the continuation of the Receivership.

DATED this 1st day of December, 2025.

PARR BROWN GEE & LOVELESS

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CERTIFICATE OF SERVICE

I hereby certify that service of the above RECEIVER'S TWENTY-EIGHTH QUARTERLY STATUS REPORT was (1) emailed to all those on the master mailing matrix maintained by the Receiver; (2) posted on the Receiver's website (rustrarecoinreceiver.com); and (3) electronically filed with the Clerk of the Court through the CM/ECF system on December 1, 2025, which sent notice of the electronic filing to all counsel of record, as indicated below:

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EXHIBIT A

EXHIBIT A

RECEIVER'S TWENTY-EIGHTH QUARTERLY STATUS REPORT

Schedule of Receipts & Disbursements

EXHIBIT A

Receipts And Disbursements

Case: COMMODITY FUTURES TRADING COMM (18-00892)

Trustee: Jonathan Hafen (640280)

Submitted: 10/27/2025

Period: 07/01/2025 - 09/30/2025

Receipts

1000 RECEIPTS

1249-000	Other Litigation (Unscheduled)		
07/02/2025	Internal Receipt Adj: 168 *****4423	cd baby	199.38
07/11/2025	Deposit: 100012-1 *****4597	Aleesha Rust Franklin June & July payments	200.00
07/11/2025	Deposit: 100012-2 *****4597	Natalie Hawkes Settlement payment	5000.00
07/15/2025	Internal Receipt Adj: 170 *****4423	cdbaby	339.87
07/15/2025	Internal Receipt Adj: 171 *****4423	cdbaby	102.27
07/22/2025	Internal Receipt Adj: 173 *****4423	cd baby	315.80
07/29/2025	Internal Receipt Adj: 174 *****4423	cdbaby	170.29
08/19/2025	Internal Receipt Adj: 176 *****4423	cd baby	106.29
08/19/2025	Internal Receipt Adj: 177 *****4423	cd baby	351.63
08/26/2025	Internal Receipt Adj: 178 *****4423	cdbaby	269.91
09/02/2025	Deposit: 100013-1 *****4597	Steven & Connie Ault Settlement payment - Paid in full	100000.00
09/02/2025	Deposit: 100013-2 *****4597	Michael Chard or Lucy Chard , Trustees of the Settlement final payment	7500.00
09/03/2025	Internal Receipt Adj: 179 *****4423	cd baby	198.41
09/05/2025	Deposit: 100014-1 *****4597	L. J. Andreini Settlement (8142703-1)	15000.00
09/16/2025	Internal Receipt Adj: 180 *****4423	cdbaby	377.78
09/23/2025	Internal Receipt Adj: 183 *****4423	CDBABY	353.08
09/23/2025	Deposit: 100015-1 *****4597	Aleesha Rust Franklin August & September 2025	200.00
09/26/2025	Wire In: 184 *****4597	David R Sargent Incoming Wire	45860.00
			176,544.71
1270-000	Interest Income (Not originally scheduled)		

Receipts And Disbursements

Case: COMMODITY FUTURES TRADING COMM (18-00892)

Trustee: Jonathan Hafen (640280)

Submitted: 10/27/2025

Period: 07/01/2025 - 09/30/2025

07/31/2025	Interest: 172	*****4597	Metropolitan Commercial Bank Interest posting at 1.0300%	8784.71
08/29/2025	Interest: 175	*****4597	Metropolitan Commercial Bank Interest posting at 1.0300%	8226.93
09/30/2025	Interest: 185	*****4597	Metropolitan Commercial Bank Interest posting at 0.7800%	8251.59
				25,263.23
Total for 1000				201,807.94

Total Receipts:	201,807.94
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Disbursements

2000 CH. 7 ADMINISTRATIVE FEES AND EXPENSES

2200-000	Trustee Expenses			
09/23/2025	Check: 1077	*****4423	Parr Brown Gee & Loveless 27th fee application	14523.00
				14,523.00
2990-000	Other Chapter 7 Administrative Expenses			
07/03/2025	Check: 1074	*****4423	Premier Legal Technologies Invoice # 171672	2555.78
08/08/2025	Check: 1075	*****4423	Premier Legal Technologies Invoice # 171890	2560.50
09/12/2025	Check: 1076	*****4423	Premier Legal Technologies Invoice # 172119	2560.50
				7,676.78
Total for 2000				22,199.78

3000 CH.7 PROFESSIONAL FEES AND EXPENSES

3110-000	Attorney for Trustee Fees (Trustee Firm)			
09/23/2025	Check: 1078	*****4423	Parr Brown Gee & Loveless 27th fee application	108109.23
09/23/2025	Check: 1080	*****4423	Sack Tierney 27th fee application	977.50
				109,086.73

Receipts And Disbursements

Case: COMMODITY FUTURES TRADING COMM (18-00892)

Trustee: Jonathan Hafen (640280)

Submitted: 10/27/2025

Period: 07/01/2025 - 09/30/2025

3310-000	Accountant for Trustee Fees (Trustee Firm)			
09/23/2025	Check: 1079	*****4423	Berkeley Research Group 27th fee application	34398.30
				34,398.30
Total for 3000				143,485.03

Total Disbursements:	165,684.81
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Total Receipts:	\$201,807.94
Total Disbursements:	\$165,684.81
Net Balance:	\$36,123.13