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**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,
v.

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.

**MOTION TO APPROVE THE SALE OF
MASTER RECORDINGS TO
JEANNINE GOECKERITZ**

Case No. 2:18-cv-892

Judge Tena Campbell

Jonathan O. Hafen, the Court-Appointed Receiver (the “Receiver”) for the assets of Rust Rare Coin Inc., (“RRC”), Gaylen Dean Rust, R Legacy Racing Inc., R Legacy Entertainment LLC, R Legacy Investments LLC, Denise Gunderson Rust, and Joshua Daniel Rust (collectively, the “Receivership Defendants”), respectfully requests authority from the Court to sell certain assets of the Receivership Defendants, as described below.

On November 27, 2018, the Court entered an Order Appointing Receiver and Staying Litigation (the “Order”). *See* ECF No. 54. Pursuant to paragraph 18 of the Order, the Receiver was authorized to take immediate possession of all non-exempt personal property of the Receivership Defendants. *Id.* ¶ 18. Paragraph 36 of the Order authorized the Receiver to “transfer, compromise, or otherwise dispose of any nonexempt Receivership Property, other than real estate, in the ordinary course of business, on terms and in the manner the Receiver deems most beneficial to the Receivership Estate.” *Id.* ¶ 36. Through this Motion and in an abundance of caution, the Receiver respectfully requests permission to sell certain assets of R Legacy Entertainment LLC, YourLDSMusicStore.com, and/or Huge Studios (hereinafter “the Companies”) to Jeannine Goeckeritz, as described below.

I. Sale of Master Recordings.

YourLDSMusicStore.com (“YourLDSMusic”) was a music distribution company operated by Defendant R Legacy Entertainment LLC. Before the Receiver was appointed, the Companies entered into a series of agreements (“Agreements”) with Jeannine Goeckeritz relating to her services as a recording artist. Specifically, Ms. Goeckeritz agreed to record the album Come Dream With Me (the “Album”) with the Companies and assign certain rights in that Album to the Companies.

In early 2019, when the Receiver executed the sale of YourLDSMusic's physical inventory, Ms. Goeckeritz purchased all physical copies of her Album from the Receiver. Ms. Goeckeritz now seeks to purchase all right and interest in and to the recordings associated with her Album. To determine the approximate value of these assets, the Receiver's accountants at Berkley Research Group ("BRG") provided the Receiver with various financial information about Ms. Goeckeritz's relationship with the Companies. Based on this analysis, the Receiver determined that the Album and its related assets were of limited value and that the sale to Ms. Goeckeritz of the Receiver's interests in and to the recordings was likely the best way to maximize their value. Accordingly, after engaging in ongoing correspondence with Ms. Goeckeritz, the Receiver agreed to sell any interests in and to any materials embodying the Album (the "Master Recordings") to Ms. Goeckeritz for \$3,000.

To formalize this agreement, the Receiver and Ms. Goeckeritz (collectively, the "Parties") entered into a Settlement Agreement that gives Ms. Goeckeritz all of the Receiver's right, title, and interest in the Master Recordings, including the Receiver's financial interests therein, in exchange for a sum of \$3,000.00. The Settlement Agreement also contains reciprocal release provisions protecting both Parties from any and all claims arising before the Settlement Agreement's effective date. Furthermore, Ms. Goeckeritz is responsible for all costs related to providing or delivering the Master Recordings to her. All other agreements between the Parties are terminated upon execution of the Settlement Agreement. A copy of the Settlement Agreement is attached hereto as Exhibit A.

The Receiver believes that this Settlement Agreement is in the best interest of the Receivership Estate, as the offer made by Ms. Goeckeritz for the Master Recordings is better and higher than all other offers for such assets and also relieves the Receivership Estate from certain

claims that may otherwise have been brought by Ms. Goeckeritz. Accordingly, the Receiver respectfully requests that the Court approve the sale of the Master Recordings to Ms. Goeckeritz.

A proposed Order is attached hereto.

DATED this 6th day of November 2019.

PARR BROWN GEE & LOVELESS

/s/ Joseph M.R. Covey
Joseph M.R. Covey
Cynthia D. Love
Sarah M. Humphrey
Attorneys for Receiver

CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that service of the above **MOTION TO APPROVE THE SALE OF MASTER RECORDINGS TO JEANNINE GOECKERITZ** was (1) electronically filed with the Clerk of the Court through the CM/ECF system on November 6, 2019, which sent notice of the electronic filing to all counsel of record, (2) posted on the Receiver's website (rustrarecoinreceiver.com), and (3) emailed to all those on the Receiver's master mailing matrix.

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/s/ Joseph M.R. Covey

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