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*Attorneys for Jonathan O. Hafen, Receiver*

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

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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 SETTLEMENT  
AGREEMENT WITH DENISE  
GUNDERSON RUST**

Case No. 2:18-cv-892

Judge Tena Campbell

Magistrate Judge Dustin B. Pead

Jonathan O. Hafen, the Court-Appointed Receiver (the “Receiver”) for the assets of Rust Rare Coin Inc., Gaylen Dean Rust, Denise Gunderson Rust, Joshua Daniel Rust, Aleesha Rust Franklin, R Legacy Racing Inc., R Legacy Entertainment LLC, and R Legacy Investments LLC (collectively, the “Receivership Defendants”), respectfully requests authority from the Court to enter into a settlement agreement with Denise Gunderson Rust (“Ms. Rust”).

On November 27, 2018, the Court entered an Order Appointing Receiver and Staying Litigation (the “Order”). *See* Dkt. 54. Pursuant to paragraph 18 and 19 of the Order, the Receiver was authorized to take immediate possession of all non-exempt personal property and real property of the Receivership Defendants, excepting the personal residence and associated real property of the Rusts. *See id.* ¶ 18. Paragraph 7(G) authorized the Receiver to take all actions “necessary and appropriate for the preservation of Receivership Property or to prevent the dissipation or concealment of Receivership Property.” *Id.* ¶ 7(G).

Since the initial Order and associated Asset Freeze, Ms. Rust has admitted her involvement in the Ponzi scheme operated by the Rust Defendants (the “Silver Pool) by pleading guilty to one count of money laundering. She was ordered to report for her 18-month prison sentence beginning January 2, 2021. Case No. DUTX2: 19cr00164-002 TS, *Judgment in a Criminal Case*. To secure the maximum recovery for Ms. Rust’s victims, the Receiver has engaged in negotiations with Ms. Rust mainly to reach previously excluded real property, now belonging solely to Ms. Rust. Through this Motion, the Receiver respectfully requests approval of a settlement agreement entered into with Ms. Rust.

#### I. BACKGROUND INFORMATION

Ms. Rust was formerly married to Gaylen Rust and acted as his personal assistant for many years during the Silver Pool scheme. Ms. Rust, a named Defendant in this action, has pleaded guilty to a charge of Money Laundering and on or about September 8, 2020, the

Honorable Ted Stewart of the US District Court for the District of Utah, Case No. DUTX2: 19cr00164-002 TS, entered a *Judgment in a Criminal Case* against Ms. Rust in the amount of \$1,774,356.93 [Docket No. 93] (the “Restitution Order”), referencing a Sealed Restitution List (the “Restitution List”). Considering Ms. Rust’s role in the Ponzi scheme and her current financial situation, the Receiver believes that her retention of the real property would be improper, so he has entered into negotiations with her to help address her restitution issue and return value to the Estate.

## II. REAL PROPERTY AND DIVORCE DECREE

When the Receiver was appointed, Gaylen Rust and Ms. Rust were married and jointly held title to several parcels of real property including their personal residence in Layton Utah, an adjacent parcel including a rental property and a parcel of undeveloped acreage (taken together the “Real Property”). The Real Property is more particularly described as set forth in Exhibit 1A-1B.<sup>1</sup> When the Receiver was first appointed the Real Property was specifically excluded from the Receivership Estate. Dkt. 54 at ¶ L. The Court ordered that “[t]he Receivership Property and Receivership Estate shall not include, at this time, the personal residence of Gaylen and Denise Rust and the property on which it sits.” *Id.* Pursuant to the Order, the Rusts retained title to their personal residence and adjacent property. Subsequently, through a Divorce Decree dated April 25, 2020 (the “Divorce Decree”), Ms. Rust obtained sole title to the Real Property. *See* the quit claim deed signed by Gaylen Rust, attached hereto as Exhibit 1C. As sole owner of the of Real Property Ms. Rust has the authority to transfer title to the Receiver.

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<sup>1</sup> Exhibits A-D are attached and referenced as Exhibits within the Settlement Agreement, here attached as Exhibit 1. Exhibits attached to the Settlement Agreement will be referenced in this Motion as Exhibits 1A-1D.

### III. PROPOSED SETTLEMENT

The Receiver and Ms. Rust have negotiated a settlement agreement (the “Settlement Agreement”), subject to Court approval, wherein Ms. Rust has agreed to (1) deliver a special warranty deed to the Receiver transferring title to all Real Property detailed in the Settlement Agreement, (2) deliver to the Receiver all proceeds currently held from the sale of a tractor and all net rental income collected from the Real Property, (3) deliver to the Receiver certain non-exempt art work located on the Real Property, (4) assign to the Receiver all rights Ms. Rust holds to certain water shares and all related water rights, and (5) transfer to the Receiver any premium refund Ms. Rust may be entitled to receive from the cancellation of the insurance policy on the Real Property. Ms. Rust also agrees in the Settlement Agreement to release the Receiver and Receivership Estate from any and all claims that she may have against them. A copy of the Settlement Agreement detailing the above-mentioned provisions is attached hereto as Exhibit 1.

Ms. Rust also agrees to vacate the Real Property in exchange for receipt of the Utah homestead exemption of \$42,000.00, payable to Ms. Rust after the Real Property is sold. The Receiver also agrees to keep all proceeds from the sale of the Real Property, net of closing costs, administrative fees and existing liens, in a segregated account to be specifically distributed to those people and entities included on the Restitution List associated with Ms. Rust’s criminal judgement. The Receiver has agreed to take reasonable steps to ensure that Ms. Rust receives credit from the net sale proceeds of the Real Property towards satisfaction of her Restitution Order.

Ms. Rust has represented to the Receiver through the Settlement Agreement that she has disclosed to the Receiver all income she has received and has given the Receiver a full accounting of her assets. The information provided by Ms. Rust suggests that through this

Settlement Agreement, the Receiver will recover the majority of Ms. Rust's valuable assets, excepting only the statutorily allowable homestead exemption and certain personal property and furnishings that would be largely exempt from execution anyway.

The current Motion seeks approval for the Settlement Agreement, which will allow the Receiver to create a Utah limited liability company to take title to Ms. Rust's Real Property, and to begin the process of selling the Real Property. The Motion does not seek authority to sell the Real Property, as the Receiver will seek Court approval to sell that property by separate motion.

The Receiver believes that this Settlement Agreement is in the best interest of the Receivership Estate in light of Ms. Rust's inability to return the full value of funds laundered by her. Ms. Rust's lack of additional assets or income, the negotiated ability for the Receiver to reach Real Property and proceeds previously excluded from the Receivership Estate, and the difficulties posed by collecting a judgment against assets of an imprisoned party, all count in favor of approving the proposed Settlement Agreement. The Receiver believes any attempt to recover more than the Settlement Amount from Ms. Rust through litigation would not be cost effective. Thus, based on the representations and other financial documentation received from Ms. Rust regarding her financial circumstances, the Receiver believes that the attached Settlement Agreement is in the best interest of the Receivership Estate.

Accordingly, the Receiver respectfully requests that the Court approve the Settlement Agreement with the Ms. Rust. A proposed Order is attached hereto.

DATED January 19, 2020.

PARR BROWN GEE & LOVELESS, P.C.

By: /s/ Joseph M.R. Covey  
Joseph M.R. Covey  
*Attorneys for Jonathan O. Hafen, Receiver*

**CERTIFICATE OF SERVICE**

IT IS HEREBY CERTIFIED that service of the above **MOTION TO APPROVE SETTLEMENT AGREEMENT WITH DENISE GUNDERSON RUST** was (1) electronically filed with the Clerk of the Court through the CM/ECF system on January 19, 2021, which sent notice of the electronic filing to all counsel of record, (2) posted on the Receiver's website ([rustrarecoinreceiver.com](http://rustrarecoinreceiver.com)), and (3) emailed to all those on the Receiver's master mailing matrix.

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\_\_\_\_\_  
 /s/ Joseph M.R. Covey  
 Joseph M.R. Covey

# **EXHIBIT 1**

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SETTLEMENT AGREEMENT

**THIS SETTLEMENT AGREEMENT** (this "**Agreement**"), dated as of December \_\_\_\_, 2020, is entered into by and between Denise Gunderson Rust ("**Ms. Rust**"), on the one hand, and Jonathan O. Hafen, solely in his capacity as Court-Appointed Receiver (the "**Receiver**") for the assets of Rust Rare Coin Inc., 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**"), on the other hand. Ms. Rust and the Receiver are each referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

- A. On November 15, 2018, the United States District Court for the District of Utah (the "**Court**") appointed the Receiver in *Commodity Futures Trading Commission v. Rust Rare Coin, Inc.*, No. 2:18-cv-892 (D. Utah Nov. 27, 2018) as receiver for the assets of Gaylen Rust ("**Gaylen**"), Ms. Rust and others, with the power to dispose of any of their nonexempt assets, except for their personal residence.
- B. At the time the Receiver was appointed, Ms. Rust held title to the following real property in the name of R Legacy Ranch Trust (the "**Trust**");
- a. a home located at 2815 W. Gordon Avenue, Layton, Utah, and more particularly described as set forth in Exhibit A hereto (the "**Residence**");
  - b. a rental home located adjacent to the Residence (the "**Rental Home**") and included as part of the 6.1 acres that includes the Residence; and
  - c. approximately 1.58 acres of raw ground that includes a few buildings, and more particularly described as set forth in Exhibit B hereto (the "**Raw Ground**"), and together with the Residence and the Rental Home, the "**Real Property**").
- C. Through a Decree of Divorce dated April 25, 2020 (the "**Divorce Decree**"), Gaylen was ordered to sign a quit claim deed transferring title to the Real Property to Ms. Rust. Attached hereto as Exhibit C is a copy of the quit claim deed.
- D. As of the date of this Agreement, Ms. Rust is the sole owner of the Real Property, and has authority to transfer the same.
- E. The outstanding balance as of December 1, 2020, on the loan in favor of Chase Bank that is secured by a deed of trust on the Real Property is approximately \$136,000.
- F. The Rental Home is currently insured through an insurance policy with United Insurance Group, identified as Policy No. UUD-018-00112 (the "**Residential Insurance Policy**").
- G. Ms. Rust or her agent holds \$9,000 in cash from the sale of a New Holland tractor that occurred after the Receiver was appointed (the "**Tractor Proceeds**").
- H. Since the appointment of the Receiver, a total of \$14,400 has been paid in rent from the Rental Home. Ms. Rust or her agent currently holds \$11,675 (the "**Net Rental Income**") which is the total amount of rent received from the Rental Home less insurance and other Rental Home expenses that have been paid from the Rental Home income.
- I. Ms. Rust currently holds sole title to four water shares in the Davis & Weber Counties Canal Company, that are currently or were previously held by the Trust (the "**Water Shares**").

J. On or about September 8, 2020, the Honorable Ted Stewart of the US District Court for the District of Utah, Case No. DUTX2: 19cr00164-002 TS, entered a *Judgment in a Criminal Case* against Ms. Rust in the amount of \$1,774,356.93 [Docket No. 93] (the "Restitution Order"), referencing a Sealed Restitution List (the "Restitution List").

NOW THEREFORE, in consideration of the mutual representations, warranties, covenants, and agreements contained herein, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, and upon and subject to the terms and the conditions hereinafter set forth, the Parties do hereby agree as follows:

AGREEMENT

1. **Transfer of Property to Receiver.** Upon entry of an order by the Court approving this Agreement, the following shall occur:
  - a. Ms. Rust shall immediately deliver a special warranty deed to the Receiver, in the form set forth in **Exhibit D** hereto, transferring the Real Property to the Receiver or his designee;
  - b. Ms. Rust shall deliver to the Receiver the Tractor Proceeds;
  - c. Ms. Rust shall deliver to the Receiver the Net Rental Income;
  - d. other than exempt property and non-fixture home furnishings and appliances, Ms. Rust shall deliver to the Receiver all personal property owned by her or the Trust including Western Art, Bronze Sculptures and any other items she received in the Divorce Decree (other than the painting called "Spooked" by McCarthy, 2 prints by Howard Terpening and one bronze—Mare and Colt);
  - e. Ms. Rust shall deliver to the Receiver three months of the most recent billing statements from: (i) the lender that holds a lien on the Residence; (ii) gas, electricity and other utility companies and insurance companies that provide services to any of the Real Property; and (iii) all records in her possession or control regarding repairs or services related to the Real Property;
  - f. Ms. Rust hereby transfers, conveys and assigns to the Receiver ownership of the Water Shares currently listed as being held in her name or the name of the Trust, and hereby acknowledges and directs the Davis & Weber Counties Canal Company that no further or additional consent need be given for it to transfer the Water Shares into the name of the Receiver;
  - g. Ms. Rust hereby transfers, conveys and assigns to the Receiver ownership of any and all ditch stock or any other water-related rights she or the Trust owns or controls as of the date of this Agreement; and
  - h. Ms. Rust hereby transfers, conveys and assigns to the Receiver any premium refund she may be entitled to receive from the cancellation of the Residential Insurance Policy, should the Receiver choose to cancel the Residential Insurance Policy before its term expires.
2. **Sale of Property.** After receiving title to the Real Property, the Receiver or his designee shall proceed to market and sell the Real Property through a real estate professional. Upon the sale of the Residence, the Receiver or his designee shall pay to Ms. Rust, through her counsel Wally Bugden, the Utah homestead exemption amount of \$42,000 from the net sale proceeds from the Residence.
3. **Vacate Residence and Removal of Personal Property.** On or before January 9, 2021, Ms. Rust shall vacate the Real Property and remove from the Residence all non-fixture furnishings, appliances and exempt property. All furnishings, appliances and other personal property not removed from the Real Property by that date shall be the property of the Receiver and the Receiver shall be authorized to sell, transfer or otherwise dispose of the same as the Receiver sees fit in his sole discretion.

4. **Use of Net Sale Proceeds from Real Property, Tractor Proceeds and Net Rental Income.** The Receiver will hold the sale proceeds from the Real Property, net of customary closings costs, commissions and the Administrative Fee (defined below), in a segregated account, along with the Tractor Proceeds and the Net Rental Income. Provided Ms. Rust does not breach this Agreement, the Receiver will use commercially reasonable efforts to hold those monies in the segregated account and to only disburse them to people/entities included on the Restitution List. The intent of this paragraph is for Ms. Rust to receive maximum credit from the net sale proceeds of the Real Property, Tractor Proceeds and Net Rental Income towards satisfaction of the Restitution Order in her criminal proceeding. The Receiver will calculate the amount he and his professionals have expended in addressing and administering Ms. Rust's issues in the receivership case, including but not limited to negotiating, drafting and implementing this Agreement and marketing and selling the Real Property (the "Administrative Fee"). The Receiver agrees that the Administrative Fee shall not exceed \$50,000.
5. **Court Approval.** This Agreement shall not become effective unless and until approved by the Court. Upon execution of this Agreement by Ms. Rust, the Receiver will promptly prepare and file a motion with the Court seeking approval of this Agreement.
6. **Ms. Rust Release.** To the maximum extent permitted by law, Ms. Rust, on behalf of herself and her successors, assigns, attorneys, and representatives hereby releases, acquits, and discharges, and covenants and agrees that she will refrain and forbear from commencing, instituting, prosecuting, or continuing, any lawsuit, action, claim, right, demand, cause of action, suit or other proceeding (including filing any further claim) against the Receiver, the receivership estate, or their affiliates, predecessors, successors, assignors, and assignees. Any claims to enforce rights, obligations, and duties arising out of this Agreement are excepted from this release. Ms. Rust hereby acknowledges that it is her intention that the release set forth in this paragraph shall be effective as a full and final release of and as a bar with prejudice to each and every claim relating to the Real Property, the Receiver and the receivership estate that she has, had or will have. In connection with such waiver and relinquishment, Ms. Rust acknowledges that she or her attorney may hereafter discover facts different from or in addition to the facts that they now know or believe to be true with respect to the subject matter of this Agreement, but that it is their intention to hereby fully, finally, absolutely, and forever release any and all claims released pursuant to this paragraph, which now do exist, may exist or heretofore have existed, and that in furtherance of such intentions the release as given herein by Ms. Rust shall be and remain in effect as a full and complete release, notwithstanding the discovery of any such different or additional facts.
7. **Representations.** Ms. Rust hereby represents and warrants as follows:
  - a. since the Receiver's appointment, neither she nor the Trust has received any income, payments or financial remuneration related to the Real Property other than the Net Rental Income and the items set forth on Exhibit E hereto;
  - b. Ms. Rust has disclosed to the Receiver in writing all compensation, income, payments or other monies she has received since the appointment of the Receiver, including but not limited all monies received from the sale of jewelry and other personal property;
  - c. Ms. Rust has disclosed to the Receiver in writing all assets, property, and rights (including but not limited to ditch stock or any water-related rights) that she owns or controls, either directly or indirectly through the Trust or some other entity or vehicle; and
  - d. Ms. Rust knows of no assets or property, including gold, silver or any other precious metals, that she, Gaylen, the Trust or any entity either or both of them owned or controlled,

that have not been disclosed in writing to the Receiver,

8. **Attorney Fees.** Each Party shall bear its own attorney's fees and costs in connection with, including the negotiation, documentation, execution, delivery, and performance of this Agreement. Notwithstanding the preceding sentence, should any action, suit or proceeding be commenced by any Party to this Agreement to enforce any provision hereof, the prevailing Party shall be entitled to recover reasonable attorneys' fees, all costs (whether denominated as such in 28 U.S.C. § 1920), and expert expenses incurred in said action, suit or proceeding, including any appeal.
9. **Non-Assignment.** Each Party represents and warrants to all of the other Parties and each of them; that it has not assigned or transferred any of the claims or interests addressed in this Agreement. Each Party agrees to defend and indemnify all of the other Parties and each of them against any claim based upon, arising out of, or arising in connection with any such alleged or actual assignment or transfer.
10. **Jurisdiction.** The Parties specifically consent to the jurisdiction and power of the Court to determine any dispute relating to this Agreement, including any claim for breach, and to the power and authority of the Court to enter a final judgment in connection therewith.
11. **Entire Agreement.** This Agreement contains the entire agreement and understanding among the Parties concerning the matters set forth herein and supersedes all prior or contemporaneous stipulations, negotiations, representations, understandings, and discussions among the Parties or their respective counsel with respect to the subject matter of this Agreement. No other representations, covenants, undertakings, or other earlier or contemporaneous agreements respecting these matters may be deemed in any way to exist or bind any of the Parties. The Parties acknowledge that they have not executed this Agreement in reliance on any promise, representation, or warranty other than those contained in this Agreement.
12. **Neutral Interpretation.** This Agreement is the product of negotiation among the Parties and represents the jointly conceived and bargained-for language mutually determined by the Parties to express their intentions in entering into this Agreement. Any ambiguity or uncertainty in this Agreement is therefore to be deemed to be caused by or attributable to the Parties collectively and is not to be construed against any particular Party. Instead, this Agreement is to be construed in a neutral manner, and no term or provision of this Agreement as a whole is to be construed more or less favorably to any one Party.
13. **Amendment.** This Agreement may not be modified except as mutually agreed to in a writing signed by all the Parties.
14. **Non-waiver.** No waiver, forfeiture or forbearance of or concerning any provision of this Agreement shall be deemed or shall constitute a waiver, forfeiture or forbearance of or concerning any of the other provisions hereof, or a continuing waiver, forfeiture or forbearance.
15. **Opportunity for Consultation with Counsel.** The Parties represent and warrant that they have each been given adequate time and notice of their right to retain and consult an attorney regarding their rights and obligations under this Agreement and the effect of this Agreement on any rights or purported rights previously held by either of the Parties.
16. **Authority.** The person executing this Agreement has the full legal right, power and authority to do so. This Agreement creates valid and binding obligations enforceable against each Party in

accordance with its terms.

17. **No Unnamed Third-Party Beneficiaries.** There are not unnamed third-party beneficiaries to this Agreement.
18. **Severability.** If any part, term, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, unenforceable or otherwise in conflict with law, this Agreement shall be construed and enforced as if it did not contain the particular part, term, or provisions held to be invalid.
19. **Counterparts.** This Agreement may be executed via facsimile, PDF, or other electronic means and in one or more counterparts, all of which when attached together shall constitute a single, complete Agreement. It is further agreed that none of the provisions contained herein shall be deemed to have any effect upon any Party, until this Agreement has been duly executed by all of the Parties.
20. **Further Cooperation.** Except as otherwise provided herein, the Parties hereto shall execute, acknowledge, and deliver or cause to be executed, acknowledged, or delivered in a timely manner all such further instruments and documents as may be reasonably necessary or reasonably desirable to effectuate the terms and provisions of this Agreement.
21. **Enforceability; Interpretation.** The validity, enforcement, interpretation, and performance of this Agreement shall be governed by Utah law without regard to any conflicts or choice of laws principles, and all parties consent to the exclusive jurisdiction of the State or Federal courts located in Salt Lake County, Utah, for the adjudication of any matters that arise from or relate in any way to this Agreement.
22. **Recitals.** The Recitals set forth above are true, complete and accurate and are incorporated herein as an integral part of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed as of the date set forth above.



JONATHAN O'HAFEN

In his capacity as Court-Appointed Receiver for the Receivership Defendants in *Commodity Futures Trading Commission v. Rust Rare Coin, Inc.*, No. 2:18-cv-892 (D. Utah Nov. 27, 2018)



DENISE GUNDERSON RUST, individually

Exhibit A  
Legal Description of Residence

Parcel 1:

Beginning at a point North 89°15'30" West 445 feet along the Section Line and South 0°10'30" West 233 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence North 89°50'13" West 347 feet; thence South 0°10'30" West 592 feet; thence South 89°50'13" East 347 feet; thence North 0°10'30" East 592 feet to the point of Beginning.

Also: Beginning at a point North 89°15'30" West 445 feet along the Section Line and South 0°10'30" West 33 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence North 89°50'13" West 232 feet along the Southerly line of a road; thence South 0°10'30" West 192.8 feet; thence North 89°50'13" West 115 feet; thence South 0°10'30" West 7.2 feet, more or less, to the South line of Layton City; thence South 89°50'13" East 347 feet; thence North 0°10'30" East 200 feet to the point of Beginning.

Less and excepting that property conveyed to Layton City Corporation by Quit Claim Deed recorded December 9, 2003, as Entry No. 1939173, in Book 3432, Page 225, described as follows:

Beginning at a point North 89°50'13" West 445.00 feet along the Section Line and South 00°10'30" West 33.00 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence South 00°10'30" West 9.00 feet to the South right of way line of an 84-foot wide street; thence following said right of way line North 89°50'13" West 232.00 feet; thence leaving said right of way North 0°10'30" East 9.00 feet; thence South 89°50'13" East 232.00 feet to the point of beginning.

Also: Beginning at a point North 89°15'30" West 677 feet along Section Line and South 0°10'30" West 33 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence North 89°50'13" West 115 feet along the Southerly line of a road; thence South 0°10'30" West 192.8 feet; thence South 89°50'13" East 115 feet; thence North 0°10'30" East 192.8 feet to the point of Beginning.

Less and Excepting therefrom the following described property: Beginning at a point North 89°50'13" West 677.00 feet along the Section line and South 00°10'30" West 33.00 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence South 00°10'30" West 9.00 feet to the South right of way line of an 84-foot wide street; thence following said right of way line North 89°50'13" West 127.01 feet; thence leaving said right of way North 00°09'50" East 9.00 feet; thence South 89°52'18" East Windows 12.01 feet; thence South 89°50'13" East 115.00 feet to the point of Beginning.

Exhibit B  
Legal Description of Raw Ground

Parcel 2:

The Basis of bearing for this Survey is South  $89^{\circ}27'34''$  West from the witness corner for the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian to the Northwest corner of said Section 24.

Beginning at a point being North  $89^{\circ}50'13''$  West along the Section line, 335.00 feet and South  $00^{\circ}10'30''$  West 200.49 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence South  $00^{\circ}10'30''$  West 624.51 feet; thence North  $89^{\circ}49'30''$  West 110.00 feet; thence North  $00^{\circ}10'30''$  East 624.54 feet; thence South  $89^{\circ}49'30''$  East 110.00 feet to the point of Beginning.

Exhibit C  
Quit Claim Deed in Divorce Decree



Return document and mail tax notice to:

R Legacy Ranch Trust  
Denise G. Rust, Trustee  
2815 West Gordon Ave.  
Layton, UT 84041

### QUIT-CLAIM DEED

Gaylen D. Rust, grantor hereby QUIT-CLAIMS to Denise G. Rust, as Trustee under the R Legacy Ranch Trust, dated July 14, 1992, grantee, of Davis County, State of Utah, for the sum of Ten Dollars and other good and valuable consideration any interest he may have in the following described tracts of land, ditch stock and water shares in Davis County, State of Utah:

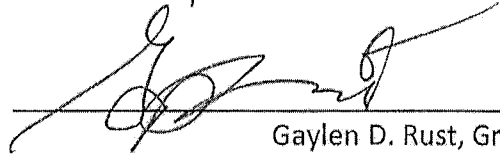
All property included in any way in the following addresses and tax parcels:

- 2815 West Gordon Avenue
- 2843 West Gordon Avenue
- Approximately 6 acres south of 2815 and 2843 West Gordon Ave
- Land Serial Number 12-109-0365
- Property as described in Exhibit A (attached)

ALSO:


Four shares of the Capital Stock of Davis and Weber Counties Canal Company, No. 13697, issued September 21, 1992

Witness the hand of said grantor, this 4th day of May, 2020.

  
 \_\_\_\_\_  
 Gaylen D. Rust, Grantor

STATE OF UTAH            )  
  : ss.  
COUNTY OF SALT LAKE )

On the 4 day of MAY, 2020, personally appeared before me GAYLEN D. RUST, the signer of the within instrument, who duly acknowledged to me that they executed the same.

  
 \_\_\_\_\_  
 Notary Public

My Commission Expires:  
Residing in: Aug, 14, 2021

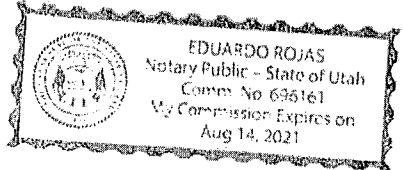


Exhibit D  
Special Warranty Deed to Real Property

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Joseph M.R. Covey, Esq.  
Parr Brown Gee & Loveless  
101 South 200 East, Ste. 700  
Salt Lake City, UT 84111

Space above this line for Recorder's Use

**SPECIAL WARRANTY DEED**

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which the undersigned Grantor hereby acknowledges, **DENISE GUNDERSON RUST**, individually, and as Trustee of the **R LEGACY RANCH TRUST** (referred to herein as the "**Grantor**"), hereby GRANTS, CONVEYS AND WARRANTS against all who claim by, through, or under the Grantor to **RUST LAYTON PROPERTY, LLC**, a Utah limited liability company, on behalf of and for the benefit of Jonathan O. Hafen in his capacity as Receiver for Rust Rare Coin (hereinafter referred to as "**Grantee**" or "**Receiver**"), that certain real property located in Davis County, State of Utah, and more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference, together with all buildings, structures, facilities and other improvements on and under said real property and all easements, rights-of-way, licenses, water rights, privileges and other rights appurtenant to said real property or to any part thereof (all of which are hereinafter collectively referred to as the "**Subject Property**"), free and clear of all liens, claims and encumbrances other than the following: (1) statutory tax liens appearing as of record that are not yet due, (2) consensual liens appear as of record; and (3) any easements, covenants, conditions and restrictions of record.

**GRANTOR:**

**R LEGACY RANCH TRUST**

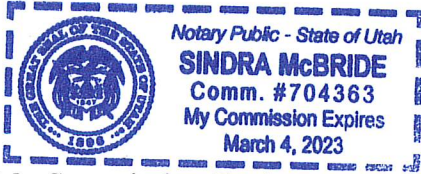
By: *Denise Gunderson Rust* Trustee  
Denise Gunderson Rust, Trustee

*Denise Gunderson Rust*  
DENISE GUNDERSON RUST, individually

ACKNOWLEDGEMENTS

STATE OF UTAH )  
 ) :ss  
COUNTY OF SALT LAKE )

The foregoing Special Warranty Deed was acknowledged before me this 21<sup>st</sup> day of December 21, 2020, by Denise Gunderson Rust, who is signing the same in her individual capacity and as the Trustee of R LEGACY RANCH TRUST.



[Signature]  
Notary Public  
Printed Name: Sindra McBride

My Commission Expires:  
March 4, 2023

*EXHIBIT A TO SPECIAL WARRANTY DEED*

**Legal Description of Real Estate**

R Legacy Ranch Trust Property in Layton, Utah

The Subject Property referred to herein is situated in the County of Davis, State of Utah, and is described as follows:

**Parcel 1:**

Beginning at a point North 89°15'30" West 445 feet along the Section Line and South 0°10'30" West 233 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence North 89°50'13" West 347 feet; thence South 0°10'30" West 592 feet; thence South 89°50'13" East 347 feet; thence North 0°10'30" East 592 feet to the point of Beginning.

Also: Beginning at a point North 89°15'30" West 445 feet along the Section Line and South 0°10'30" West 33 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence North 89°50'13" West 232 feet along the Southerly line of a road; thence South 0°10'30" West 192.8 feet; thence North 89°50'13" West 115 feet; thence South 0°10'30" West 7.2 feet, more or less, to the South line of Layton City; thence South 89°50'13" East 347 feet; thence North 0°10'30" East 200 feet to the point of Beginning.

Less and excepting that property conveyed to Layton City Corporation by Quit Claim Deed recorded December 9, 2003, as Entry No. 1939173, in Book 3432, Page 225, described as follows:

Beginning at a point North 89°50'13" West 445.00 feet along the Section Line and South 00°10'30" West 33.00 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence South 00°10'30" West 9.00 feet to the South right of way line of an 84-foot wide street; thence following said right of way line North 89°50'13" West 232.00 feet; thence leaving said right of way North 0°10'30" East 9.00 feet; thence South 89°50'13" East 232.00 feet to the point of beginning.

Also: Beginning at a point North 89°15'30" West 677 feet along Section Line and South 0°10'30" West 33 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence North 89°50'13" West 115 feet along the Southerly line of a road; thence South 0°10'30" West 192.8 feet; thence South 89°50'13" East 115 feet; thence North 0°10'30" East 192.8 feet to the point of Beginning.

Less and Excepting therefrom the following described property: Beginning at a point North 89°50'13" West 677.00 feet along the Section line and South 00°10'30" West 33.00 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and

Meridian, and running thence South  $00^{\circ}10'30''$  West 9.00 feet to the South right of way line of an 84-foot wide street; thence following said right of way line North  $89^{\circ}50'13''$  West 127.01 feet; thence leaving said right of way North  $00^{\circ}09'50''$  East 9.00 feet; thence South  $89^{\circ}52'18''$  East Windows 12.01 feet; thence South  $89^{\circ}50'13''$  East 115.00 feet to the point of Beginning.

**Parcel 2:**

The Basis of bearing for this Survey is South  $89^{\circ}27'34''$  West from the witness corner for the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian to the Northwest corner of said Section 24.

Beginning at a point being North  $89^{\circ}50'13''$  West along the Section line, 335.00 feet and South  $00^{\circ}10'30''$  West 200.49 feet from the North quarter corner of Section 24, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running thence South  $00^{\circ}10'30''$  West 624.51 feet; thence North  $89^{\circ}49'30''$  West 110.00 feet; thence North  $00^{\circ}10'30''$  East 624.54 feet; thence South  $89^{\circ}49'30''$  East 110.00 feet to the point of Beginning.

Exhibit E  
Property Sold by Denise Rust

Denise Rust sold certain jewelry that has already been disclosed to the Receiver.

Denise sold the figurine "A Lladro" for less than \$500

Denise Rust's son sold the following items and kept the money:

2 Goats - \$50

30 bales of hay - \$195

36 bales of hay - \$234

8 Fence Panels - \$400

12 Fence Panels - \$600

Lawn Mower -\$400

Plastic Feed Tubs - \$24

Total- \$1903

Joseph M.R. Covey (7492) (jcovey@parrbrown.com)  
Cynthia D. Love (14703) (clove@parrbrown.com)  
**PARR BROWN GEE & LOVELESS, P.C.**  
101 South 200 East, Suite 700  
Salt Lake City, Utah 84111  
Telephone: (801) 532-7840  
Facsimile: (801) 532 7750

*Attorneys for Court-Appointed Receiver Jonathan O. Hafen*

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

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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.

**ORDER GRANTING MOTION TO  
APPROVE SETTLEMENT  
AGREEMENT WITH DENISE  
GUNDERSON RUST**

Case No. 2:18-cv-892

Judge Tena Campbell

Magistrate Judge Dustin B. Pead



Before the Court is a Motion to Approve Settlement Agreement with Denise Gunderson Rust (the “Motion”) filed by Jonathan O. Hafen in his capacity as the Court-Appointed Receiver for Rust Rare Coin Inc., Gaylen Dean Rust, Denise Gunderson Rust, Joshua Daniel Rust, Aleesha Rust Franklin, R Legacy Racing Inc., R Legacy Entertainment LLC, and R Legacy Investments LLC (collectively, “Defendants”).

Based thereon, and for good cause showing,

**IT IS HEREBY ORDERED** that:

1. The Motion is GRANTED;
2. The Receiver is authorized to enter into the Settlement Agreement attached as Exhibit 1 to the Motion.

DATED this \_\_\_ day of January, 2021.

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Honorable Tena Campbell  
United States District Judge