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*Attorneys for Receiver,
Thomas W. McNamara*

DISTRICT COURT
CLARK COUNTY, NEVADA

3342962 NOVA SCOTIA LIMITED, a body corporate existing under the laws of the Province of Nova Scotia, Canada, and 4043434 NOVA SCOTIA LIMITED, a body corporate existing under the laws of the Province of Nova Scotia, Canada, individually and derivatively on behalf of ZIPPY CASH LLC, a Nevada limited liability company,

Plaintiffs,

v.

ZIPPY CASH LLC, a Nevada limited liability company; TOUGH MONEY LLC, a Delaware limited liability company; DUANE TOUGH; BRENT RUTTMAN; LIO LLC, a Delaware limited liability company; ROBERT L. STEWART; JOHN F. STEWART; GENE WILLIAMS; SALES CONSULTANTS INT'L, INC., a New York Corporation; and Z Cash LLC, a Nevada limited liability company,

Defendants.

Case No. A-22-851637-B

Dept. No. XIII

RECEIVER'S MOTION FOR AN ORDER TO SHOW CAUSE WHY DEFENDANTS DUANE TOUGH AND BRENT RUTTMAN SHOULD NOT BE HELD IN CIVIL CONTEMPT ON ORDER SHORTENING TIME

HEARING REQUESTED

1 Receiver Thomas W. McNamara (“Receiver”), by and through counsel Crane M.
2 Pomerantz, Esq. of the law firm Clark Hill PLLC, and hereby moves this Court for an Order to
3 Show Cause Why Defendants Duane Tough and Brent Ruttman Should Not Be Held in Civil
4 Contempt on order shortening time.

5
6 **ORDER SHORTENING TIME**

7 Good cause appearing therefore, IT IS HEREBY ORDERED, that **RECEIVER’S**
8 **MOTION FOR AN ORDER TO SHOW CAUSE WHY DEFENDANTS DUANE TOUGH**
9 **AND BRENT RUTTMAN SHOULD NOT BE HELD IN CIVIL CONTEMPT ON ORDER**
10 **SHORTENING TIME** shall be heard on shortened time on the ___ day of August 2022 at
11 _____ a.m./p.m. before the above-entitled Court located at Regional Justice Center, 200 Lewis
12 Avenue, Las Vegas, Nevada 89155.

13
14 _____
DISTRICT COURT JUDGE

15 Submitted by:

16 CLARK HILL PLLC

17 /s/ Crane M. Pomerantz

18 Crane M. Pomerantz

19 Nevada Bar No. 14103

20 3800 Howard Hughes Parkway, Suite 500

21 Las Vegas, Nevada 89169

22 MCNAMARA SMITH LLP

23 Andrew M. Greene (*Pro Hac Vice Forthcoming*)

24 655 West Broadway, Suite 900

25 San Diego, California 92101

26 *Attorneys for Receiver, Thomas W. McNamara*

1 **DECLARATION OF CRANE POMERANTZ IN SUPPORT OF**
2 **RECEIVER’S MOTION FOR AN ORDER TO SHOW CAUSE WHY**
3 **DEFENDANTS DUANE TOUGH AND BRENT RUTTMAN**
4 **SHOULD NOT BE HELD IN CIVIL CONTEMPT**
5 **ON ORDER SHORTENING TIME**

6 I, Crane Pomerantz, being first duly sworn, under oath, deposes and says that:

7 1. I am an attorney licensed to practice law in the State of Nevada with the law firm
8 of Clark Hill PLLC, counsel of record for Thomas W. McNamara in his capacity as Court-
9 appointed receiver (“Receiver”) of the Receivership Entities.

10 2. I have personal knowledge of the facts set forth in this Declaration and, if called as
11 a witness, I could and would competently testify to the facts stated herein.

12 3. I make this declaration in connection with the Receiver’s concurrently filed Motion
13 for an Order to Show Cause Why Defendants Duane Tough and Brent Ruttman Should Not Be
14 Held in Civil Contempt on Order Shortening Time (the “Motion”).

15 4. The Motion relates to approximately \$2.4 million dollars of missing Receivership
16 Assets that Defendants Tough and Ruttman repeatedly stated themselves and through counsel were
17 in an account at the Bank of America being held for the benefit of Receivership Entity Zippy Cash
18 LLC.

19 5. Defendants have stalled, mislead, and ultimately failed to identify the location of
20 these missing funds in violation of their obligations to the Receiver under the Court’s Order
21 Granting Plaintiff’s Motion For Appointment of Receiver (“Receivership Order”).

22 6. The Receiver has reason to believe this missing money has been taken from a Zippy
23 Cash account at Bank of America (now with a zero balance) and placed into an account in the
24 name of Tough and/or Ruttman or an account otherwise under their control. If that is the case,
25 these Receivership Estate assets can be converted by Tough or Ruttman (albeit in further violation
26 of the Receivership Order) before the Motion could be heard in the ordinary course.
27
28

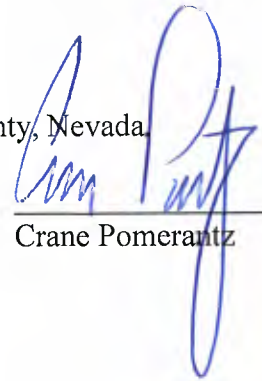
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7. This request is made in good faith and without dilatory motive, pursuant to EDCR

2.26

I declare under penalty of perjury under the laws of the State of Nevada that the foregoing
is true and correct.

Executed on August 10, 2022 in Clark County, Nevada



Crane Pomerantz

1 **I. INTRODUCTION**

2 The Receiver and his team have spent the last two weeks pulling teeth to get Defendants
3 Tough and Ruttman (collectively “Defendants”) to comply with their clear and unambiguous
4 obligations under the Receivership Order. This pattern of obstructive conduct is troubling. But it
5 pales in comparison to the latest development, which suggests the Defendants have transferred,
6 secreted, and perhaps stolen more than \$2.4 million in receivership assets. Defendants have
7 repeatedly represented to this Court and recently to the Receiver that the Bank of America
8 (“BofA”) held \$2.4 million in a “reserve” account for the benefit of Zippy Cash – money which
9 Defendants assured the Receiver “had not been touched.” This representation was, in fact,
10 consistent with the allegation in Plaintiffs’ Complaint that Woopla Inc. had transferred at least
11 \$2.4 million to a BofA reserve account at Tough’s request. Complaint, ¶ 82. However, when
12 BofA ultimately identified all Zippy Cash accounts yesterday afternoon, the total current balance
13 in such accounts was a mere \$3.65. The accounts identified by BofA in Zippy Cash’s name and
14 with near zero balances, included an account identified by Plaintiffs as being the Zippy Cash
15 account to which Plaintiffs had wired \$400,000 in loans to Zippy Cash.

16
17
18 As reflected in the Receiver’s Affidavit of Noncompliance, defense counsel’s response to
19 the revelation of the missing funds was yet another attempt to lull and dissemble: Defendants now
20 claim there is yet another account where the “reserves” are held and none of the money has been
21 touched. Defendants have yet to provide any documents concerning the mystery “reserve”
22 account. This conduct is in direct contravention of Defendants’ obligations to the Receiver under
23 the Receivership Order. Defendants’ transfer of these Zippy Cash funds (after numerous
24 representations that the funds were at BofA) is in contempt of the Court’s Receivership Order.
25 Based on the above, in addition to the further contemptuous conduct specified in the Receiver’s
26 Affidavit of Non-Compliance attached hereto as Exhibit A, the Receiver respectfully requests that
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1 the Court issue an order to show cause as to why Tough and Ruttman should not be held in civil
2 contempt.

3 **II. ARGUMENT**

4 The evidence is clear and convincing that Defendants have violated and obstructed the
5 Receivership Order, and that the Court may find Defendants in civil contempt after issuing an
6 order to show cause providing Defendants with an opportunity to respond and to be heard.
7

8 The refusal to obey a lawful order issued by the court is an act of contempt. NRS 22.010(3).
9 While the facts of contempt must be presented to the court through an affidavit (NRS 22.030(2)),
10 a person found guilty may be fined up to \$500 for each act of contempt, may be imprisoned for up
11 to 25 days, or both. A person found guilty of contempt may also be required to pay the reasonable
12 expenses, including attorneys' fees, of the person seeking to enforce the order. NRS 22.100.
13

14 **A. The Receivership Order**

15 On July 20, 2022, the Court entered its minute order granting Plaintiffs' Motion for
16 Appointment Receiver and appointing Thomas W. McNamara as receiver in this matter. On July
17 27, 2022, the Court then entered the Receivership Order which among other things, specified the
18 duties and obligations of the Receiver and the parties concerning the receivership over Zippy Cash
19 LLC and Z Cash LLC (the "Receivership Entities").
20

21 The Receivership Order specifically directed the Receiver to, among other things, "[t]ake
22 exclusive custody, control, and possession of all Assets and documents" of any "Receivership
23 Entity, wherever situated." (Receivership Order at 3, paragraph B.) It additionally imposed a duty
24 on "all parties and any other person with possession, custody, or control of property of, or records
25 relating to, the Receivership Entities shall, upon notice of this Order by personal service or
26 otherwise, fully cooperate with and assist the Receiver in taking and maintaining possession,
27 custody, or control of the Assets and documents of the Receivership Entities." This includes an
28

1 obligation to “immediately transfer or deliver to the Receiver[’s] possession, custody, and control
2 of the following:

- 3 A. All Assets held by or for the benefit of the Receivership
4 Entities;
- 5 B. All documents or Assets associated with credits, debits, or
6 charges made on behalf of any Receivership Entity,
7 wherever situated, including reserve funds held by payment
8 processors, credit card processors, merchant banks,
9 acquiring banks, independent sales organizations, third
10 party processors, payment gateways, insurance companies,
11 or other entities[.]”

12 Receivership Order at 6-7.

13 Importantly, the Receivership Order additionally requires all parties to *immediately*
14 provide a number of items to the Receiver including “[a] list of all Assets and accounts of the
15 Receivership Entities that are held in any name other than the name of a Receivership Entity, or
16 by any person other than a Receivership Entity.” Receivership Order at 9. It also specifically
17 restrains and enjoins Defendants Ruttman and Tough from transferring, assigning or withdrawing
18 any Assets “owned or controlled, directly or indirectly, by a Receivership Entity or its officer(s),
19 including, but not limited to those for which a Receivership Entity or its officer(s) are a signatory
20 on the account.” Receivership Order at 8.

21 Lastly, the Receivership Order permits the Receiver to file an Affidavit of Non-Compliance
22 and a motion seeking a contempt order regarding any party’s failure to deliver any Assets or
23 documents to the Receiver or otherwise fails to comply with the Receivership Order. Receivership
24 Order at 7.

25 **B. The Missing \$2.4 Million**

26 As set forth in the Receiver’s accompanying Affidavit of Non-Compliance (“Affidavit”)
27 attached as Exhibit A hereto, the verified Complaint in this action alleges Tough and the SCI
28 Defendants made continued claims about the need to maintain a sizeable account balance in a

1 BofA account to act as a “reserve” against funds being paid to Zippy Cash customers. Plaintiffs
2 allege Tough controlled the BofA account and that over time the account grew to exceed \$2.4
3 million in “reserves.” Complaint ¶¶ 81-82; Affidavit ¶ 3. In fact, at least on this issue, the parties
4 are in agreement: both agree to the existence of the account and the amount it holds. Affidavit ¶ 4.
5 As late as the time that they filed their Opposition to the Motion to Appoint a Receiver (“Opp.”),
6 on July 8, 2022, Defendants Tough and Ruttman admitted that the BofA account existed and held
7 \$2.4 million in “reserve.” In particular, they stated “Zippy Cash has assets held in reserve at Bank
8 of America and other financial institutions, which total more than \$2.4 million.” Opp. at 9;
9 Affidavit ¶ 4.
10

11 In the Receivership Order, a BofA account ending in 0365 was identified. Receivership
12 Order at 9. In defense counsel’s review of the draft order, he objected to and/or edited numerous
13 provisions, however, he did not raise any concerns or indicate that the 0365 account was not the
14 account holding the \$2.4 million. Affidavit ¶ 5.
15

16 Ultimately, the Receiver was informed by BofA that its search for all accounts in the name
17 of the Receivership Entities revealed only two accounts in the name of Zippy Cash LLC: an
18 account ending in 0365 with a zero balance and another account ending in 3043 with a balance of
19 \$3.65. Affidavit ¶ 9. As set forth in more detail in the Affidavit, the Receiver’s efforts to obtain
20 an explanation from the Defendants’ counsel were unsuccessful other than defense counsel
21 claiming the missing funds are in a reserve account which “hasn’t been touched.” Affidavit ¶ 12.
22 No further information has been provided. Affidavit ¶ 13. At no time has Ruttman or Tough
23 provided the Receiver with a list of all accounts held by or for the benefit of the Receivership
24 Entities despite the Receivership Order’s requirement that they do so. Nor has either Ruttman or
25 Tough transferred a single dollar of Receivership Assets to the Receiver. Affidavit ¶ 17. Instead,
26 it appears that the funds at issue may have been converted by Defendants Ruttman or Tough. If
27
28

1 there is a benign explanation for this conduct, such as an error by the bank, it could have been
2 provided immediately by Defendants. To date, no such explanation has been provided.

3 **C. Additional Contempt By Defendants Tough and Ruttman**

4 Prior to the Receiver's discovery of the missing funds, Defendants Ruttman and Tough, in
5 particular, have engaged in what can only be described as a whack-a-mole approach to the
6 cooperation obligations imposed on them under the Receivership Order. What should have been
7 an easy and simple process of transferring control of assets and documents to the Receiver has
8 been exceedingly difficult. Affidavit ¶ 16.

9
10 By way of example, Tough refused to provide administrative access to the Zippy Cash
11 email domain at GoDaddy that the Receiver had requested to forensically image immediately upon
12 being appointed. Affidavit ¶ 19. Instead of providing the Receiver with access, Tough decided to
13 pick and choose individual Zippy Cash email accounts he would allow the Receiver to access, thus
14 barring the Receiver and his team from certain Zippy Cash accounts, while maintaining his ability
15 to shut the Receiver out of all Zippy Cash email accounts at his choosing. *Id.* The Receiver
16 expressly warned defense counsel that Tough was violating the Receivership Order by acting
17 unilaterally to limit the Receiver's access to the Zippy Cash domain, emails, and electronic
18 information and such actions by Tough would be in contempt of the Receivership Order.
19 Notwithstanding this, Tough provided only credentials for the individual Zippy Cash email boxes
20 as he saw fit. Affidavit ¶ 20. Equally troubling, the Receiver has subsequently learned that Tough
21 did not provide access to certain Zippy Cash email boxes. This was apparently done to keep
22 Z Cash, Inc. (a Canadian 100% subsidiary of Zippy Cash and an entity which the Receiver has
23 recently declared to be Receivership Entity) in operation and apart from the scrutiny of the
24 Receiver's ongoing investigation. Affidavit ¶ 21.
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1 **III. CONCLUSION**

2 For the foregoing reasons, the Receiver respectfully requests that the Court grant this
3 motion and issue an Order to Show Cause as to Why Defendants Tough and Ruttman Should Not
4 Be Held in Civil Contempt.

5 Dated this 10th day of August, 2022.

6 CLARK HILL PLLC

7 /s/ Crane M. Pomerantz

8 Crane M. Pomerantz
9 Nevada Bar No. 14103
10 3800 Howard Hughes Parkway, Suite 500
11 Las Vegas, Nevada 89169

12 MCNAMARA SMITH LLP

13 Andrew M. Greene (*Pro Hac Vice Forthcoming*)
14 655 West Broadway, Suite 900
15 San Diego, California 92101

16 *Attorneys for Receiver, Thomas W. McNamara*

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EXHIBIT A

1 CLARK HILL PLLC
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San Diego, California 92101
8 Telephone: (619) 269-0400
Facsimile: (619) 269-0401

9 *Attorneys for Receiver,*
10 *Thomas W. McNamara*

11 DISTRICT COURT

12 CLARK COUNTY, NEVADA

13 3342962 NOVA SCOTIA LIMITED, a body
corporate existing under the laws of the Province
14 of Nova Scotia, Canada, and 4043434 NOVA
SCOTIA LIMITED, a body corporate existing
15 under the laws of the Province of Nova Scotia,
Canada, individually and derivatively on behalf
16 of ZIPPY CASH LLC, a Nevada limited liability
company,

17 Plaintiffs,

18 v.

19 ZIPPY CASH LLC, a Nevada limited liability
20 company; TOUGH MONEY LLC, a Delaware
limited liability company; DUANE TOUGH;
21 BRENT RUTTMAN; LIO LLC, a Delaware
limited liability company; ROBERT L.
22 STEWART; JOHN F. STEWART; GENE
WILLIAMS; SALES CONSULTANTS INT'L,
23 INC., a New York Corporation; and Z Cash
LLC, a Nevada limited liability company,

24 Defendants.
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Case No. A-22-851637-B

Dept. No. XIII

**RECEIVER'S AFFIDAVIT OF NON-
COMPLIANCE BY DEFENDANTS
DUANE TOUGH AND BRENT
RUTTMAN**

HEARING REQUESTED

1 I, Thomas W. McNamara, hereby declare and state as follows:

2 1. On July 20, 2022, the Court entered its minute order granting Plaintiffs' Motion
3 for Appointment Receiver and appointing me as receiver in this matter.

4 2. On July 27, 2022, the Court then entered its formal Order Granting Plaintiffs'
5 Motion for Appointment of Receiver ("Receivership Order"), which among other things,
6 specified my and the parties' duties and obligations concerning the receivership over Zippy Cash
7 LLC and Z Cash LLC (the "Receivership Entities").
8

9 **More Than \$2.4 Million of Zippy Cash Funds at Bank of America Are Missing**

10 3. The verified Complaint in this action alleges Duane Tough ("Tough") and Robert
11 L. Stewart, John F. Stewart, Gene Williams, and Sales Consultants Int'l, Inc. (collectively, "SCI
12 Defendants") made continued claims about the need to maintain a sizeable account balance in a
13 Bank of America ("BofA") account to act as a "reserve" against funds being paid to Zippy Cash
14 customers. Plaintiffs allege Tough controlled the BofA account and that over time the account
15 grew to exceed \$2.4 million in "reserves." Complaint ¶¶ 81-82.
16

17 4. On this issue, the parties are in agreement: both agree to the existence of the
18 account and the amount it holds. As late as the time that they filed their Opposition to the
19 Motion to Appoint a Receiver, on July 8, 2022, Defendants Tough and Brent Ruttman
20 ("Ruttman") admitted the BofA account existed and that it held \$2.4 million in "reserve." In
21 particular, they stated "Zippy Cash has assets held in reserve at Bank of America and other
22 financial institutions, which total more than \$2.4 million." Opp. at 9.
23

24 5. In the Receivership Order, a BofA account ending in 0365 was identified. In
25 defense counsel's review of the draft order, he objected and/or edited numerous provisions. He
26 did not, however, raise any concerns or indicate that the 0365 account was not the account
27 holding the \$2.4 million.
28

1 6. Immediately after the Receivership Order was issued, my counsel reached out to
2 Defendants Tough and Ruttman’s counsel. Two days later, on July 29, 2022, these Defendants
3 and their counsel spoke with my counsel and me via video conference. I specifically inquired
4 about the existence and the amount of the Zippy Cash funds at BofA. Defendants Tough,
5 Ruttman, and their counsel assured me that there was more than \$2 million in the BofA account.
6 Defendant Tough commented that he had not touched the funds.
7

8 7. Since the video conference, my team and I have asked numerous times, both in
9 emails and telephone calls, for the BofA account statements showing the account balance.
10 Defense counsel assured me that he has requested the statements from his clients, but it has been
11 almost two weeks, and nothing has been provided. Indeed, I noted in a call over the weekend
12 with defense counsel that the case has been on file for several months, and I would expect that
13 Defendant Tough could long ago have provided the bank statements substantiating the
14 \$2.4 million and, in addition, the materials supporting his separate claim that he invested
15 \$2 million in his own money in Zippy Cash.
16

17 8. On Monday and Tuesday of this week, I once again followed up, sending defense
18 counsel several reminders about the need for the statements. His response was that he had made
19 the request to his clients and that he was working on it.
20

21 9. We gave notice of the Receivership Order to BofA the same day the order was
22 entered. It is my understanding that BofA restricted all Zippy Cash accounts upon receipt of our
23 letter. In receivership situations, BofA will not provide a receiver any information over the
24 phone or by email. The bank will only provide balance information via U.S. mail, and it is not
25 unusual that these letters are not received for some time after we provide notice. Yesterday
26 afternoon, August 9, we finally received BofA’s letter. Incredibly, BofA reports that the 0365
27
28

1 account has a balance of \$0.00 while another Zippy Cash account has a balance of \$3.65. A true
2 and correct copy of BofA's response is attached hereto as Exhibit 1.

3 10. At this point, we do not know what happened to the \$2.4 million in Zippy Cash
4 funds. What we do know is that Defendants Tough and Ruttman controlled the Zippy Cash
5 BofA accounts and therefore the funds in them. At no time, did they or their counsel suggest that
6 the funds had been transferred or were missing or were held in a different account.
7

8 11. Immediately after receiving the BofA letter, we contacted defense counsel. We
9 told him that the Zippy Cash accounts had \$3.65 in funds rather than the \$2.4 million and asked
10 him for an explanation. He had none. He said he needed to speak with his clients. I frankly told
11 him that the disappearance of the \$2.4 million seemed beyond just a civil wrong. We asked that
12 he speak to his clients and get us some answers immediately.
13

14 12. A short time later, defense counsel sent an email claiming the \$3.65 balance was
15 the amount contained in Zippy Cash's "operating account." He further claimed, "[t]he reserve
16 account hasn't been touched. I'm seeing if I can get you the statements for the reserve account
17 (without contacting BofA directly so as not to step on your toes). The reserve account is
18 completely separate from the operating account." This, of course, was the first we heard of this
19 separate "reserve account."
20

21 13. I immediately asked defense counsel for the "reserve account" number and
22 statements. I have deep concerns about the veracity of this claim that there is a separate "reserve
23 account." As of this writing, I have not been provided with a reserve account number or any
24 statements. In our initial letter to BofA, we identified the 0365 account, but specifically asked
25 the bank to identify and transfer control of *all* Zippy Cash accounts to the Receiver. In its
26 response, BofA identified only two accounts – the one we knew about (0365) and another
27 account of which we were not aware. Based on BofA's response, and absent proof
28

1 demonstrating otherwise, we have no basis to believe there are any other accounts – reserve or
2 otherwise – in the name of the Receivership Entities at BofA.

3 14. The unexplained loss – and indeed the potential theft – of \$2.4 million is a
4 significant and material event that justifies bringing the issue to the Court’s attention in the
5 context of an Order to Show Cause re: Contempt.
6

7 **Defendants Tough and Ruttman Have Generally Ignored the Receivership Order**

8 15. To provide context to my determination that intervention by the Court is
9 absolutely necessary at this point, I provide some brief further background.

10 16. I have exhausted all efforts to get Defendants Tough and Ruttman to comply with
11 the Receivership Order with very little success – and the little success we have seen has come
12 after constant follow-up and repeated demands. In my view, a view which I have shared with
13 defense counsel, Defendants Ruttman and Tough have engaged in what can only be described as
14 a whack-a-mole approach to their cooperation obligations which were imposed under the
15 Receivership Order. What should have been an easy and simple process of transferring control
16 of assets and documents to the Receiver has been exceedingly difficult. While defense counsel
17 has generally been responsive, he appears to have little, if any, control over his clients.
18

19 17. At no point since my appointment, have Defendants Tough or Ruttman ever
20 provided me with “[a] list of all Assets and accounts of the Receivership Entities that are held in
21 any name other than the name of a Receivership Entity, or by any person other than a
22 Receivership Entity.” *See* Receivership Order, page 9.
23

24 18. Also, despite literally dozens of emails from my team and me at this point,
25 relatively little of the required materials and assets has been turned over – and what has been
26 turned over has only been done after repeated and relentless requests and after the Defendants
27 took numerous unilateral actions in violation of the Receivership Order.
28

1 19. For example, Defendant Tough refused to provide administrative access to the
2 Zippy Cash email domain at GoDaddy, which I had requested to forensically image immediately
3 upon being appointed. Despite numerous requests, Defendant Tough refused to provide that
4 access based on a claim that he had “other businesses” in the same GoDaddy domain. We
5 discussed ways to resolve the issue, including having a shared screen as our forensic expert
6 entered GoDaddy. Instead, Defendant Tough decided to pick and choose the individual Zippy
7 Cash email accounts which my team and I could access, thus barring us from certain Zippy Cash
8 accounts and maintaining his ability to potentially shut us out of all Zippy Cash email accounts at
9 his choosing.
10

11 20. Defendant Tough took this step despite my warning to defense counsel that acting
12 unilaterally to limit our access to the Zippy Cash domain, emails, and electronic information
13 would be an action in contempt of the Receivership Order. Defendant Tough nonetheless only
14 provided us credentials for individual Zippy Cash email boxes as he saw fit. In other words,
15 Defendant Tough took it upon himself to maintain his control of the Zippy Cash domain and
16 certain Zippy Cash email accounts, despite the existence of a Court Order and an email from the
17 Receiver telling him that it would be contempt of court to maintain such control.
18


19 21. It is worth noting that Tough has never provided administrative access to certain
20 Zippy Cash electronic materials and its domain despite repeated demands from my team and me.
21 Equally troubling, we subsequently learned that Tough did not provide us access to specific
22 Zippy Cash email boxes. We can only conclude that this was done with the apparent goal of
23 keeping Z Cash, Inc. (a Canadian 100% subsidiary of Zippy Cash) in operation and apart from
24 the scrutiny of my ongoing investigation.
25

26 22. In light of all of the above, and beyond the separate issue of the missing
27 \$2.4 million, I believe that Defendants Tough and Ruttman to comply with the Receivership
28

1 Order is contemptuous at this point. I therefore respectfully request that the Court issue and
2 Order to Show Cause re Contempt as to Defendants Tough and Ruttman.

3 I declare under penalty of perjury under the laws of the State of Nevada that the
4 foregoing is true and correct.

5 Executed on August 10, 2022 in San Diego, California.

7 
8 _____
9 Thomas W. McNamara

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EXHIBIT 1

