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7 **TOUGH MONEY LLC, Z CASH LLC,**  
**DUANE TOUGH and BRENT RUTTMAN**

8  
9 **DISTRICT COURT**

10 **CLARK COUNTY, NEVADA**

11 3342962 NOVA SCOTIA LIMITED, a body  
corporate existing under the laws of the  
Province of Nova Scotia, Canada; and 4043434  
12 NOVA SCOTIA LIMITED, a body corporate  
existing under the laws of the Province of Nova  
13 Scotia, Canada, individually and derivatively on  
behalf of ZIPPY CASH LLC, a Nevada limited  
14 liability company,

15 Plaintiffs,

16 vs.

17 ZIPPY CASH LLC, a Nevada limited liability  
company; TOUGH MONEY LLC, a Delaware  
18 limited liability company; DUANE TOUGH;  
BRENT RUTTMAN; LIO LLC, a Delaware  
19 limited liability company; ROBERT L.  
STEWART; JOHN F. STEWART; GENE  
20 WILLIAMS; SALES CONSULTANTS INT’L,  
INC.; and Z CASH LLC,  
21

22 Defendants.

CASE NO.: A-22-851637-B  
DEPT NO.: XIII

**DEFENDANTS’ OPPOSITION TO THE  
RECEIVER’S MOTION FOR ORDER TO  
SHOW CAUSE WHY DUANE TOUGH  
AND BRENT RUTTMAN SHOULD BE  
HELD IN CONTEMPT**

23  
24 COME NOW, Defendants DUANE TOUGH, and BRENT RUTTMAN (collectively  
25 “Defendants”), by and through their counsel at the law firm COOPER LEVENSON, P.A., and  
26 hereby Oppose the Receiver’s Motion for Order to Show Cause why Duane Tough and Brent  
27 Ruttman Should be Held in Contempt (“Motion”).  
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1 This Opposition to the Motion is based upon the pleadings and papers on file herein, the  
2 attached Memorandum of Points and Authorities, and oral argument to be made by Counsel at any  
3 Hearing on this matter.  
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5 DATED: August 23, 2022

**COOPER LEVENSON, P.A.**

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7 */s/ William P. Rubley*

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*TOUGH MONEY LLC, Z CASH LLC,*  
*DUANE TOUGH, and BRENT RUTTMAN*

**MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF**  
**DEFENDANTS' OPPOSITION TO THE MOTION FOR ORDER TO SHOW CAUSE TO**  
**HOLD DEFENDANTS, MR. RUTTMAN AND MR. TOUGH, IN CONTEMPT**

**I. INTRODUCTION**

18 Defendants, DUANE TOUGH, and BRENT RUTTMAN (collectively “Defendants”), by and  
19 through their counsel at the law firm COOPER LEVENSON, P.A., file this Memorandum of Points  
20 and Authorities in Opposition to the Motion for Order to Show Cause why Duane Tough and Brent  
21 Ruttman Should be Held in Contempt (“Motion”). The Receiver’s Motion is wholly improper and  
22 should be rejected by this Court. The Receiver appears to conclude that because he cannot locate  
23 certain money that is held by Bank of America, Mr. Ruttman and Mr. Tough must have stolen it and  
24 therefore, are in contempt. The Receiver jumps to the same conclusions with his most recent  
25 supplemental Memorandum of Law where he claims (without any evidentiary support) that certain  
26 funds were transferred from one account of Zippy Cash to a different account – transfers that  
27 occurred long before the Order Appointing the Receiver was entered - therefore Mr. Tough and Mr.  
28 Ruttman are in contempt. The Receiver fails to explain how his allegations about conduct that

1 occurred long before he was appointed constitute contempt of the Order Appointing the Receiver.  
2 Even if true – which they are not – the proper procedure would be for the Receiver to file a claim  
3 against Mr. Tough and Mr. Ruttman, engage in discovery, allow the Defendants to present their  
4 defenses, and then proceed to a trial, where a fact finder then renders a decision. The Receiver wants  
5 to skip all of that procedure and immediately move to the judgment and collection phase.

6 The Court should deny the Receiver’s Motion as Mr. Tough and Mr. Ruttman have been  
7 fully cooperating with the Receiver and have turned over personal devices for imaging; gave the  
8 Receiver all credentials for all online platforms used to conduct the business of Zippy Cash, LLC;  
9 gave the Receiver credentials for all email accounts used to conduct business of Zippy Cash, LLC;  
10 gave the receiver access to all bank accounts of Zippy Cash, LLC; and have instructed all persons  
11 and entities with whom they had previously worked with on behalf of Zippy Cash, LLC to now work  
12 with the Receiver and give the Receiver everything he asks. Finally, with regard to the reserves  
13 (“Reserves”) being held by Bank of America, those funds are still there and still being held by Bank  
14 of America. Neither Mr. Ruttman nor Mr. Tough has, nor ever had, any access to those funds. There  
15 were never any monthly account statements sent to Zippy Cash, LLC nor is it believed they were  
16 ever even assigned an account number by Bank of America. Simply because the Receiver can’t find  
17 the funds (despite Mr. Ruttman and Mr. Tough offering to help him with Bank of America), does not  
18 mean that those funds were stolen by Mr. Tough or Mr. Ruttman. The Receiver’s inability to locate  
19 the funds does not equate to theft of those funds. The Receiver fails to explain what efforts he  
20 undertook to identify the funds that the Plaintiff’s claim they paid directly to Bank of America as the  
21 reserve funds. Had he done so, maybe he would have been able to identify how those Reserves are  
22 being held by Bank of America, instead of jumping to the conclusion that Mr. Tough or Mr. Ruttman  
23 must have stolen the funds.

24 Further, the Receiver has not alleged that either Mr. Tough or Mr. Ruttman absconded with  
25 those funds *after* the Order Appointing the Receiver was entered, therefore any issue related to those  
26 funds should not be the subject of a finding of contempt of the Order Appointing the Receiver.  
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1 Simply, what Mr. Tough or Mr. Ruttman did or did not do *prior* to the entry of the Order Appointing  
2 the Receiver cannot be considered contempt of that Order.

3 Similarly, the Receiver’s most recent allegations concerning transfer of funds from one  
4 account at Bank of America to another account at Bank of America, all occurred *prior* to the entry of  
5 the Order Appointing the Receiver, and therefore cannot be the subject of a Motion for Contempt of  
6 the Order. The Receiver also acknowledges that he does not have all of the documents from Bank of  
7 America and instead waiting for those documents has decided just to “fill in the blanks” with  
8 unsupported accusations that Mr. Tough or Mr. Ruttman must have stolen the funds. If the Receiver  
9 truly believes the transfers were inappropriate for whatever reason, after he finishes his investigation  
10 he can file a claim against Mr. Tough or Mr. Ruttman, allow them to answer, participate in  
11 discovery, all parties then present their arguments and evidence to a fact finder, and await a  
12 judgment. It is not appropriate for the Receiver to skip that entire due process and move directly to  
13 execution.

14 To be clear, the Defendants, Mr. Ruttman and Mr. Tough, vehemently deny that they  
15 engaged in any wrongdoing whatsoever. Neither Mr. Ruttman nor Mr. Tough absconded with and  
16 misappropriated any funds of Zippy Cash, LLC whatsoever. All funds are properly accounted for  
17 and neither Mr. Tough nor Mr. Ruttman have withdrawn any reserves held by any financial  
18 institutions for Zippy Cash.

19 **II. STATEMENT OF FACTS**

20 ***Woopla/Zippy Cash Background***

21 Defendant, Zippy Cash is a Nevada limited liability company formed on February 27, 2021  
22 by Duane Tough (“Tough”) a Canadian resident and Brent Ruttman (“Ruttman”), a Nebraska  
23 resident.<sup>1</sup>

24 Zippy Cash was created by Tough and Ruttman on February 27, 2021. Prior to the formation  
25 of Zippy Cash, Tough and Ruttman were introduced to John Xidos (“Xidos”) through an entity

26 \_\_\_\_\_  
27 <sup>1</sup> Mr. Tough and Mr. Ruttman do not concede that they are the sole owners of Zippy Cash, LLC by  
28 this Opposition. Rather, Defendant still maintain that the Plaintiffs’ interest in the company was  
conditional the Plaintiffs providing additional funds and

1 known as Sales Consultants International, Inc. (“SCI”), one of the defendants in this action. At that  
2 time, SCI was providing payment processing services for Xidos and his company Woopla  
3 (“Whoopla”), for transactions on its website Funzpoints.com (“Funzpoints”).

4 Starting in February of 2021 Zippy Cash started providing ACH processing services to  
5 Woopla, for its website, Funzpoints. Woopla through www.funzpoints.com is an online gaming  
6 platform that provides gaming, sweepstakes, and other services to its customers.

7 Zippy Cash consulted with its Funzpoints to assist in processing ACH payment via an API  
8 interface to its web site and customer requests to withdraw winnings to their bank account in the  
9 USA. Zippy administration was and is 100% transparent to the request (Funzpoints in this scenario)  
10 originator of the API request. Meaning the only way to move funds is via the API request to the  
11 Zippy platform from the host, Funzpoints. The Receiver has been provided with a record of 100%  
12 of all transactions done by Zippy Cash for Woopla and Funzpoints.

13 ***Zippy Cash Provides Services to Woopla, and Woopla Refuses to Pay***

14 From February of 2021 through February of 2022 Zippy Cash processed approximately  
15 544,159 ACH transfers totaling \$100,928,737.57 and \$15,498,838.98 credit card transactions for  
16 Woopla. At no time has Woopla made any payments to Zippy Cash for services rendered. However,  
17 Zippy Cash has incurred third party charges from its service providers, Kyck, IPPay and others. In  
18 total, Zippy Cash has paid the following on behalf of Funzpoints and Woopla:  
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| <b>Expenses</b> | <b>Amount</b>         | <b>Description</b>  |
|-----------------|-----------------------|---|
| IPPay Fees      | \$464,335.58          | Fees pull from Zippy account for Woopla transactions        |
| Chargebacks     | \$70,380.73           | Chargebacks from Woopla players – not reimbursed by Woopla. |
| IT Expenses     | \$464,643.47          | IT costs directly associated with Zippy Cash and Woopla.    |
| KYCK            | \$177,384.07          | ACH Processing fees from Kyck for Woopla transactions       |
| <b>TOTAL</b>    | <b>\$1,176,743.85</b> |   |

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1 A complete breakdown of how the transactions with Woopla and Funzpoints worked with the  
2 various financial institutions is attached as Exhibit A.

3 In addition to the above fees and costs incurred and paid by Zippy Cash on behalf of  
4 Funzpoints and Woopla, Woopla also failed to pay the ordinary and customary fees incurred by  
5 companies like Zippy Cash to process ACH transfers. Generally, the fees are 2% of all transactions -  
6 which would equate to an additional \$2,018,574.75 owed by Woopla to Zippy Cash.

7 Zippy Cash and Woopla agreed that Woopla would reimburse Zippy Cash for expenses and  
8 pay the ordinary and customary rate for the ACH transactions. In all, Woopla currently owes Zippy  
9 Cash the total sum of \$3,503,813.23 for the 544,154 ACH transactions it performed for the  
10 aggregate amount of \$100,928,737.57. Woopla has refused to pay. As Woopla was the only client of  
11 Zippy Cash as of the date of the appointment of the Receiver, Tough has been funding the day-to-  
12 day operating costs of Zippy Cash out of his own pocket.

13 Any capable Receiver would know that fees and costs for processing ACH transfers are  
14 ordinarily borne by the client. The Receiver should have determined within this in the first few days  
15 of access to the transactions and financial records, that Woopla has not paid a penny to Zippy Cash  
16 for the services rendered. Instead the Receiver keeps targeting Mr. Tough and Mr. Ruttman on  
17 behalf of Woopla - a nonparty to the Receiver's appointment

18 ***Reserve Funds held by Financial Institutions***

19 In order to perform the ACH processing for Whoopla, certain financial institutions required  
20 that Zippy Cash maintain a reserve with the institution to cover any potential chargebacks, refunds,  
21 or other expenses. IPPay required a reserve of \$500,000 and Bank of America required a rolling  
22 reserve. Contractually, the reserve funds, wherever held, could not be withdrawn by Zippy Cash,  
23 LLC or anyone acting on behalf of Zippy Cash, LLC. Only when the contracts expired or when  
24 certain terms were met, would the financial institution release the funds to Zippy Cash, LLC or to  
25 whomever Zippy Cash, LLC designated could receive the funds. It is the Defendants' understanding  
26 that the Receiver has already been in contact with and has taken control of the reserve funds help by  
27 IPPay, but has been unable to identify or locate the reserve funds held by Bank of America.

1 Recently, Mr. Tough and Mr. Ruttman offered to assist the Receiver with Bank of America so that  
2 he could identify where and exactly how much was being held in reserve. In response, the Receiver  
3 stated: “This email is perhaps the most incredible you have sent and it does not merit a substantive  
4 reply.” See Exhibit B attached hereto. Instead of accepting the help offered by Mr. Ruttman and Mr.  
5 Tough, the Receiver chose to file this Motion, claiming he could not locate the Reserves being held  
6 by Bank of America. Remarkably, the Receiver somehow concludes that because he could not find  
7 the Reserves, Mr. Tough or Mr. Ruttman must have stolen them.

8 The Receiver’s inability to locate the Reserves held by Bank of America does not mean that  
9 those Reserves are missing or that those funds have been stolen by Mr. Tough or Mr. Ruttman as the  
10 Receiver implies. The funds are still held by Bank of America. They are still there. Unless the  
11 Reserves were released directly back to Mr. Xidos, Bank of America is still in possession of the  
12 Reserves.

13 At this time, the Defendants are severely hampered in their ability to obtain and present  
14 evidence that the funds are still held by Bank of America. As explained earlier, there were no  
15 monthly account statements from Bank of America regarding the Reserves. In order for Mr. Tough  
16 or Mr. Ruttman to get information from Bank of America about the Reserves, they have to talk  
17 directly with Bank of America. Unfortunately, it is believed that the Receiver has instructed Bank of  
18 America not to provide any information to Mr. Tough or Mr. Ruttman whatsoever.<sup>2</sup> Nothing in the  
19 Order Appointing the Receiver grants the Receiver the authority to instruct any person or entity not  
20 to provide information to Mr. Tough or Mr. Ruttman. By doing so, the Receiver has cut off any  
21 ability of Mr. Tough and Mr. Ruttman to gather information necessary to defend against the specious  
22 allegations of the Receiver and the Plaintiffs.

23 ***Mr. Tough and Mr. Ruttman’s Cooperation with the Receiver***

24 The reality is that Mr. Tough and Mr. Ruttman, have been fully cooperating with the  
25 Receiver and his counsel. Immediately after the Order Appointing the Receiver was entered, Mr.  
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27 <sup>2</sup> Mr. Tough and Mr. Ruttman have been made aware that the Receiver has instructed others not to  
28 provide any information about Zippy Cash to Mr. Tough or Mr. Ruttman.

1 Tough and Mr. Ruttman turned over thousands of pages of statements and accounts and other  
2 financial records to the Receiver. Those records were sent by electronic means and includes  
3 thousands of pages detailing the transaction history with Woopla and Funzpoints. Excel databases  
4 were also turned over that detailed those transactions.

5 In addition, Mr. Tough and Mr. Ruttman, with counsel present, met with the Receiver, his  
6 counsel Mr. Greene, as well as representatives from BDO, the accounting firm hired by the Receiver  
7 to assist with the financial records as well as securing and imaging the electronic devices of Mr.  
8 Ruttman and Mr. Tough. That meeting occurred on the afternoon of July 29<sup>th</sup>. Over the ensuing  
9 weekend, this office inquired whether BDO had run a proper conflict check before being engaged by  
10 the Receiver. The Receiver assured the Defendants that it had, and it did not identify any conflicts.  
11 Only after the Defendants provided proof that BDO was working both for Woopla and for Mr. Xidos  
12 and Ms. Taylor directly, both in Canada and in the United States, did the Receiver finally  
13 acknowledge that BDO should not have been retained and actually had a conflict with Zippy Cash.  
14 By retaining BDO, the same accounting firm that represents Woopla and Xidos and Taylor, it gives  
15 the appearance that the Receiver is working for the Plaintiffs and not Zippy Cash.

16 The Receiver then retained other experts, and Mr. Tough and Mr. Ruttman made  
17 arrangements to turn over all of their electronic devices, including their personal cell phones and  
18 personal laptops. Mr. Tough immediately made his personal cell phone and laptop available for  
19 imaging right away, and informed the Receiver that he had another laptop that he had used  
20 previously, that was located in Toronto. Mr. Ruttman, who lives in Nebraska also offered to make  
21 his cell phone and laptop available to the Receiver. As with any scheduling matter, the parties had to  
22 work together to find mutually agreeable times to turn over the devices. However, the Receiver took  
23 the position that if either Mr. Tough or Mr. Ruttman did not turn over the devices exactly as he  
24 instructed, they would be in violation of the Order Appointing the Receiver.

25 With regard to Mr. Ruttman, Mr. Ruttman was informed on Thursday August 4, 2022 at 2:39  
26 in the afternoon that someone would be by to collect his devices the next day. When informed that  
27 Mr. Ruttman was going to a family reunion that day and would not return until Monday, the  
28



1 Receiver called that “Nonsense” and threatened to file an Affidavit of Noncompliance. See Exhibit  
2 C. It was only when Mr. Greene suggested that, if Mr. Ruttman had time that very day, could he  
3 drop off the devices at their expert’s location in Omaha. Mr. Ruttman agreed, and dropped off the  
4 devices a few hours later.

5 This was not the only time that the Receiver jumped to conclusions and threatened the  
6 Defendants whenever he did not get exactly what he demanded. As explained to the Receiver, Mr.  
7 Tough’s old laptop was in Toronto. We explained that the next time Mr. Tough was in Toronto, he  
8 would turn over his laptop at that time. Unfortunately, Mr. Tough was held up in Las Vegas a few  
9 more days and would not be traveling to Toronto until sometime the week of August 8<sup>th</sup>. We  
10 confirmed that he would be available to turn over the laptop on the afternoon of August 9<sup>th</sup>. The  
11 Receiver then demanded it be make available at 1:00pm. After explaining that Mr. Tough had other  
12 personal appointments that day, and would not be available until after 4:00 the Receiver was once  
13 again livid. Finally, we had set a time for Mr. Tough to turn over the laptop later that afternoon.  
14 Unfortunately, Mr. Tough’s personal matter ran long, and he had to make arrangements directly with  
15 the expert to turn over the laptop early that evening. That was not good enough for the Receiver,  
16 whose counsel then said:

17  
18 Our examiner showed up today as agreed, only to receive a call from Mr. Ruttman,  
19 informing him that Mr. Tough’s appointment “had run long” and that Mr. Tough  
20 “would be in touch around 5pm.” Mr. Tough then contacted our examiner and stated  
21 he had “just woken up” and was “at his friend’s house in Markham and was trying to  
22 locate his old laptop.” After bending over backwards to accommodate Mr. Tough’s  
23 ever changing schedule and stories, this just furthers our belief that Mr. Tough  
24 doesn’t take his obligations under the Receivership Order seriously and chooses to  
25 make things as difficult as possible for the Receiver. It is imperative that we get this  
26 collection done today. Please make sure this happens.

27 See Exhibit D.

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1 By the time that email was sent, Mr. Tough had already been in contact with the examiner  
2 and made arrangements to turn over the laptop. Also, Mr. Tough had not “just woken up” as  
3 indicated in the email. What he told the examiner when asked how he was doing, was “I woke up  
4 today, so I’m happy.” It was a general statement about being happy to be alive, not that he just woke  
5 up. The Receiver and his counsel once again jumped to the conclusion that Mr. Tough was not  
6 cooperating, when he in fact had already turned over the device.  
7

8 Yet another instance of the Receiver jumping to the wrong conclusions happened again with  
9 regard to Mr. Tough’s old laptop. The Receiver was told there would be nothing on it as Mr. Tough  
10 did everything on the cloud (of which the Receiver was given complete control through the Zippy  
11 Cash Platform). Nothing was saved on the hard drive of the laptop. However, after the Receiver had  
12 the laptop imaged, he contact this office to accuse Mr. Tough of once again failing to cooperate  
13 because the receiver did not find anything on the laptop after 2020. Of course he didn’t, because he  
14 did not know where to look. Instead of looking at the hard drive, he should have looked at the  
15 internet history, which will show Mr. Tough activities online when he was using the cloud to  
16 conduct the business of Zippy Cash.  
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18 In addition to turning over their personal devices for imaging, Mr. Tough and Mr. Ruttman  
19 turned over thousands of pages of documents, including Excel spreadsheets, that showed each and  
20 every transaction for Funzpoints and Woopla. Mr. Tough and Mr. Ruttman also made the Zippy  
21 Cash online platform, developed by Zippy Cash, available to the Receiver and his counsel. That  
22 platform tracked every account and every transaction done by Zippy Cash. It provided the Receiver  
23 with access to the accounts with Kyck and Meta Bank, as well as the transaction history with  
24 Woopla. Mr. Ruttman and Mr. Tough also turned over the credentials to every email account that  
25 was used to conduct the business of Zippy Cash. Finally, Mr. Tough and Mr. Ruttman made clear to  
26 anyone that contacted them after being contacted by the Receiver that they were to do whatever the  
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1 Receiver asked and that he was in charge going forward. In fact, the presentation of the Receiver to  
2 the partners/vendors of Zippy Cash has derailed any future business that Zippy Cash may do with  
3 them. Essentially putting Zippy Cash out of business.

4 In an initial call with the Receiver and BDO, all of the questions regarding reserves, which  
5 Financial institutions were involved, approximate balances, and all account numbers were all  
6 disclosed. In short, Mr. Tough and Mr. Ruttman have fully complied with the Order and have gone  
7 out of their way to get the Receiver the information, documents, and electronic devices as he  
8 requested.

9  
10 ***The Receiver has Failed to Comply with the Order***

11 It is in fact the Receiver who has failed to comply with the Order, not Mr. Tough and Mr.  
12 Ruttman. Under the Order, the Receiver was supposed to:

- 13  
14 D. Conserve, hold, manage, and prevent the loss of all Assets of the Receivership  
15 Entities, and perform all acts necessary or advisable to preserve the value of those  
16 Assets. The Receiver shall assume control over the income and profits therefrom and  
17 all sums of money now or hereafter due or owing to the Receivership Entities. The  
18 Receiver shall have full power to sue for, collect, and receive, all Assets of the  
19 Receivership Entities and of other persons or entities whose interests are now under  
20 the direction, possession, custody, or control of, the Receivership Entities;

21 See Page 3 of the Order Appointing the Receiver

22 In addition to turning over all of the records held by Mr. Tough and Mr. Ruttman and  
23 providing the Receiver with all of the credentials he needs to access all online accounts and  
24 activities, Mr. Tough and Mr. Ruttman presented the receiver with a draft complaint for a lawsuit  
25 against Woopla for the fees owed by Woopla to Zippy Cash. The total amount owed is in excess of  
26 \$3,500,000.00. In addition, Mr. Ruttman and Mr. Tough provided all of the background and offered  
27 their support for the claims against Woopla. Zippy Cash was ready, willing, and able to file the  
28 lawsuit before the Order Appointing the Receiver was filed. Since the Order Appointing the  
Receiver was filed, it does not appear as if the Receiver has done anything whatsoever to collect on

1 that receivable or to file suit to collect, even though the receiver has access to and can confirm that  
2 the Plaintiff entities owe millions to Zippy Cash.

3 While a lawsuit may not be in the best interests of Mr. Xidos and Ms. Taylor (as Mr. Xidos  
4 owns Woopla) it is in the best interests of Zippy Cash. The failure to preserve this asset is extremely  
5 detrimental to Zippy Cash. As all parties are aware, Whoopla and Funzpoints were the sole client of  
6 Zippy Cash as of the date of the filing of the Verified Complaint. Zippy Cash's only real asset is its  
7 claim against Woopla.  
8

9 In addition the Order Appointing the Receiver provided:

10 **IT IS FURTHER ORDERED** that all parties and any other person with possession,  
11 custody, or control of property of, or records relating to, the Receivership Entities shall, upon  
12 notice of this Order by personal service or otherwise, fully cooperate with and assist the  
13 Receiver in taking and maintaining possession, custody, or control of the Assets and  
14 documents of the Receivership Entities and immediately transfer or deliver to the Receiver  
15 possession, custody, and control of the following:

16 \*\*\*

17 D. All computers, electronic devices, mobile devices and machines used to conduct  
18 the business of the Receivership Entities;

19 The Receiver has been asked on multiple occasions what efforts he has undertaken to secure  
20 the electronic devices of Mr. Xidos and Ms. Taylor, as both of them were intimately involved in the  
21 operation of Zippy Cash and were named as Directors in the form of the Operating Agreement that  
22 they attached to the Verified Complaint. The Receiver has refused to provide any response  
23 whatsoever to those reasonable requests, and it is believed has taken no efforts to secure and image  
24 those devices, as he has done with Mr. Ruttman and Mr. Tough. The Receiver has failed to ensure  
25 that the data is being protected for examination from *all* alleged owners and operators of the  
26 company.

27 ...

28 ...

1 Defendants have also just learned that the Receiver has improperly filed a *lis pendens* against  
2 Mr. Tough’s Miami property, claiming that the Order Appointing the Receiver gives him the  
3 authority to file the *lis pendens* because it states that any officers of Zippy Cash are enjoined from  
4 incurring liens or encumbrances on real property held in the name of officers of Zippy Cash.<sup>3</sup> See  
5 Exhibit E. Since title to the property in Miami is not an issue in these proceedings, the *lis pendens* is  
6 entirely inappropriate. Further, according to Mr. Xidos and Ms. Taylor, they are also “officers” of  
7 Zippy Cash, but it does not appear that the Receiver has done anything to prevent them from  
8 disposing or transferring of assets held in their own names.  
9

10 The Receiver has tunnel vision. The Receiver has failed to implement the Order Appointing  
11 the Receiver equally to all assets of the Receivership Entities and to all officers and directors of  
12 Zippy Cash. Instead he is laser-focused on Mr. Tough and Mr. Ruttman, interpreting every event and  
13 every fact as somehow proof that Mr. Tough and Mr. Ruttman have stolen from Zippy Cash. The  
14 Receiver has even threatened criminal charges against Mr. Tough and Mr. Ruttman. It is as if he is  
15 operating Zippy Cash to only for the benefit of Mr. Xidos and Ms. Taylor and contrary to the benefit  
16 of all alleged members of the LLC.  
17

### 18 **III. LEGAL ARGUMENT**

#### 19 **a. What occurred prior to the entry of an order, cannot be considered contempt of** 20 **that order.**

21 Mr. Tough and Mr. Ruttman cannot be considered in contempt of the Order Appointing the  
22 Receiver for alleged conduct that occurred prior to the entry of that order. The allegations – strongly  
23 denied by Mr. Tough and Mr. Ruttman – concern alleged transfers that occurred over the past year,  
24 well before the Order Appointing the Receiver was entered by the Court. Logically, they cannot be  
25 held in contempt of an order for conduct that occurred prior to the entry of that very order.  
26

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27 <sup>3</sup> Mr. Tough will be moving to strike the *lis pendens* as title to the Miami property is not an issue in  
28 these proceedings.

1 If the Receiver believes he has a claim against Mr. Tough or Mr. Ruttman for  
2 misappropriation of funds of Zippy Cash that occurred before he was appointed, due process  
3 requires that the Trustee make his claims against Mr. Ruttman and Mr. Tough in the form of a  
4 complaint. The Defendants are then afforded a time to file an answer, after which a period of time  
5 for discovery occurs where the Defendants are able to see the evidence in support of the claims and  
6 put forward their own evidence in defense of the claims. After discovery comes trial, where both  
7 sides present their facts to a fact finder, who then applies the law and renders a judgment. This is the  
8 same procedure taught in every 1<sup>st</sup> year civil procedure class in every law school and it is the same  
9 procedure the Receiver is asking this Honorable Court to ignore.  
10

11 By this Motion, the Receiver wants to skip that entire process and move directly to judgment.  
12 He has offered no actual evidence - except for his conclusionary statements - and Defendants have  
13 not had an opportunity to investigate and then provide evidence in defense of those claims.  
14 Nevertheless, the Receiver is asking this Court to find Mr. Ruttman and Mr. Tough in contempt of  
15 an Order entered long after the alleged improper transfers were made, based on those very transfers,  
16 and move right on to execution.  
17

18 The Receiver's Motion for Contempt is procedurally improper. The allegations and specious  
19 conclusions about alleged theft of funds that allegedly occurred well before the entry of the Order  
20 Appointing the Receiver are wholly improper at this juncture.  
21

22 ...

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1           **b. The Defendants have fully cooperated with the Receiver and contempt is not**  
2           **warranted.**

3           In Nevada, “[d]isobedience or resistance to any lawful writ, order, rule or process issued by  
4 the court or judge at chambers” is deemed contempt of court. NRS 22.010(3). a “Contempt  
5 proceedings may be criminal or civil in nature . . . . [and] [a] civil contempt action is remedial in  
6 nature because it is meant to secure compliance with the court order.” *Foley v. Foley*, Case No.  
7 69997, 2018 Nev. Unpub. LEXIS 1176, at \*5 (Nev. Dec. 21, 2018) (citing *Lewis v. Lewis*, 132 Nev.  
8 453, 457 (2016)). “[C]ivil contempt sanctions are considered conditional; any sanctions imposed will  
9 terminate upon the offending party's compliance with the court order at issue.” *Bohannon v. Eighth*  
10 *Judicial Dist. Ct.*, Case No. 69719, 2017 Nev. Unpub. LEXIS 205, at \*6 (Nev. Mar. 21, 2017)  
11 (citing *Rodriguez v. Eighth Judicial Dist. Ct.*, 120 Nev. 798, 804-05 (2004)).

12           “When a contempt proceeding is civil in nature, any allegations need only be proven by clear  
13 and convincing evidence.” *Id.* at \*7. “Contempt must be based upon specific facts of conduct.” *Polk*  
14 *v. Ball*, Case No. PI 16-1054, 2017 Nev. Dist. LEXIS 2552, at \*9 (Nev. Dist. Ct. Pershing Cnty. Oct.  
15 2, 2017); See also *Houston v. Eighth Judicial Dist. Ct.*, 122 Nev. 544, (2006) (adopting the majority  
16 view concerning the required degree of specificity a contempt order must include, noting “a  
17 contempt order must include sufficient specific facts so that a reviewing court can determine from  
18 the face of the order whether a contempt has been committed and that bare conclusions are  
19 insufficient”).

20           “To be held in contempt for disobeying a court order, the order must clearly put the person  
21 on notice of what is required.” *Schulze v. Second Judicial Dist. Ct.*, Case No. 64504, 2014 Nev.  
22 Unpub. LEXIS 1665, at \*3 (Nev. Oct. 14, 2014) (citing *Sw. Gas. Corp. v. Flintkote Co.*, 99 Nev.  
23 127, 131 (1983)). “An order on which a judgment of contempt is based must be clear and  
24 unambiguous, and must spell out the details of compliance in clear, specific and unambiguous terms  
25  
26  
27  
28

1 so that the person will readily know exactly what duties or obligations are imposed on him.” *Mack-*  
2 *Manley v. Manley*, 122 Nev. 849, 858 (2006) (quoting *Cunningham v. Eighth Judicial Dist. Ct.*, 102  
3 Nev. 551, 559-60 (1986)). “A court order which does not specify the compliance details in  
4 unambiguous terms cannot form the basis for a subsequent contempt order.” *Div. of Child & Family*  
5 *Serv. v. Eighth Judicial Dist. Ct.*, 120 Nev. 445, 455 (2004).

7 Where a court has jurisdiction over the parties and subject matter of the action, “any  
8 interference with the receiver's possession after notice of the character in which such possession is  
9 held, either by taking forcible possession of the property committed to his charge or by legal  
10 proceeding for that purpose, without the sanction of the court appointing him, is a contempt of  
11 court.” *Gottwals v. Manske*, 60 Nev. 76, 83 (1940).

12 In this matter, the conduct complained of by the Receiver was conduct that occurred long  
13 before the Order appointing the Receiver was entered by the Court. The Defendants simply cannot  
14 be found in contempt of an Order that was not entered as of the time of the alleged improper  
15 conduct. In addition, Mr. Tough and Mr. Ruttman have otherwise fully complied with the Order  
16 Appointing the Receiver and have offered on multiple occasions to work with the Receiver and show  
17 the Receiver how to use the Zippy Cash online platform to reconcile the payments to and from  
18 Woopla and Funzpoints. Each time, the Receiver has rejected the overtures.

#### 21 **IV. CONCLUSION**

22 The Receiver has repeatedly jumped to conclusions based on either false or incomplete  
23 information, and now he is asking Your Honor to do the same. The Receiver was chosen by the  
24 Plaintiffs and it appears that the Receiver is using the same tactic as the Plaintiffs of citing  
25 incomplete information and then simply accusing Mr. Tough and Mr. Ruttman of theft. For these  
26 reasons, the Defendants ask this Honorable Court deny the Motion for Order to Show Cause for  
27 Contempt and instruct the Receiver to prepare his report and comply with the procedures laid out in  
28



1 the Order Appointing the Receiver for collections on claims owed the Receivership Entities. If the  
2 Receiver believes Zippy Cash has a claim against Mr. Tough or Mr. Ruttman, the Receiver should  
3 follow the proper procedures in pursuing the claims – not overburden this Honorable Court with  
4 frivolous requests for contempt.

5 DATED: August 23, 2022

6 **COOPER LEVENSON, P.A.**

7 */s/ William P. Rubley*

8 \_\_\_\_\_  
9 WILLIAM P. RUBLEY, ESQ.

10 Pro Hac Vice

11 KIMBERLY MAXSON-RUSHTON, ESQ.

12 Nevada Bar No.: 5065

13 3016 W. Charleston Blvd., Suite 195

14 Las Vegas, NV 89102

15 *Attorneys for Defendants*

16 *TOUGH MONEY LLC, Z CASH LLC,*

17 *DUANE TOUGH, and BRENT RUTTMAN*

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b) and NEFCR 9, I certify that I am an employee of COOPER  
3 LEVENSON, P.A. and that on the 2nd day of August, 2022, I caused to be served the foregoing  
4 ***DEFENDANTS’ OPPOSITION TO THE RECEIVER’S MOTION FOR ORDER TO SHOW***  
5 ***CAUSE WHY DUANE TOUGH AND BRENT RUTTMAN SHOULD BE HELD IN***  
6 ***CONTEMPT*** by using the Court’s electronic filing system (“EFS”) to all registered users on the  
7 above captioned case in the Eighth Judicial District Court, addressed to the following:  
8

9 William M. Gantz, Esq. (*pro hac vice*)  
10 Dominica C. Anderson, Esq.  
11 Tyson E. Hafen, Esq.  
12 DUANE MORRIS LLP  
13 100 North City Parkway, Suite 1560  
14 Las Vegas, NV 89106  
15 **Attorneys for Plaintiffs**  
16 **3342962 Nova Scotia Limited and**  
17 **4043434 Nova Scotia Limited**

Rory T. Kay, Esq. (NSBN 12416)  
Kiley A. Harrison, Esq. (NSBN 16092)  
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Las Vegas, Nevada 89102  
Telephone: (702) 873-4100  
rkay@mcdonalddcarano.com  
kharrison@mcdonalddcarano.com  
**Attorneys for Defendants Robert L. Stewart;**  
**John F. Stewart; Gene Williams; LIO, LLC;**  
**and Sales Consultants Int’l, Inc.**

18 By: /s/ Nina J. Little  
19 \_\_\_\_\_  
20 An Employee of  
21 COOPER LEVENSON, P.A.  
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**DECLARATION OF BRENT RUTTMAN**

STATE OF NEBRASKA     )  
  ) ss.  
COUNTY OF DOUGLAS    )

Brent Ruttman declares as follows:

1. I am a Defendant in this matter, am over the age of 18 years and I am competent to make this Declaration.
2. I have personal knowledge of the facts set forth herein.
3. I make this Declaration in support of Defendants’ Opposition to the Appointment of a Receiver.
4. I further declare that the Response to the Motion to Appoint the Receiver and Memorandum in Support are legal in nature and are based upon information furnished to counsel and upon information which has been gathered by counsel.
5. While the language of the Response to the Motion to Appoint the Receiver and Memorandum in Support is that of counsel and not of signor, I declare under penalty of perjury under the law of the State of Nevada that the foregoing is true and correct.

Respectfully submitted,



By:

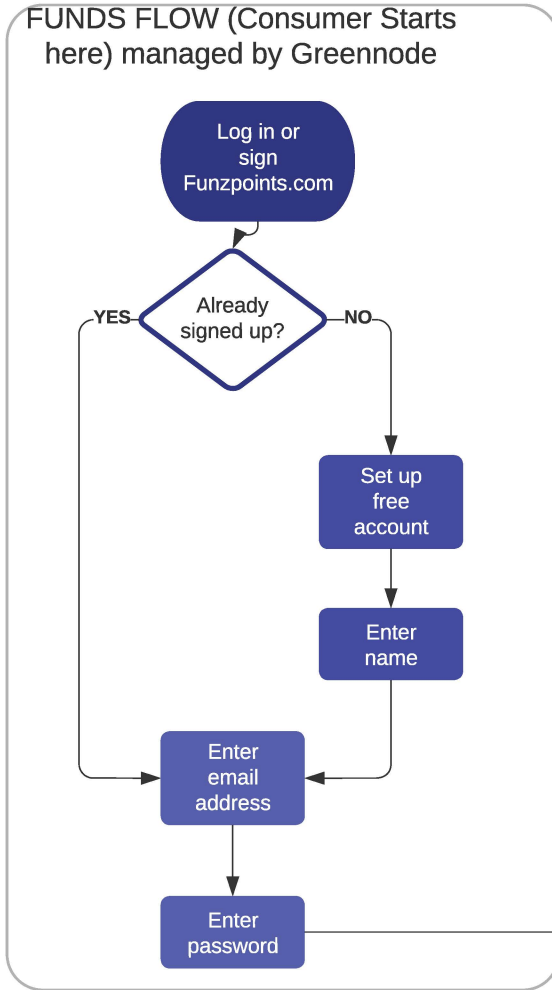
\_\_\_\_\_  
BRENT RUTTMAN

Date: August 23, 2022

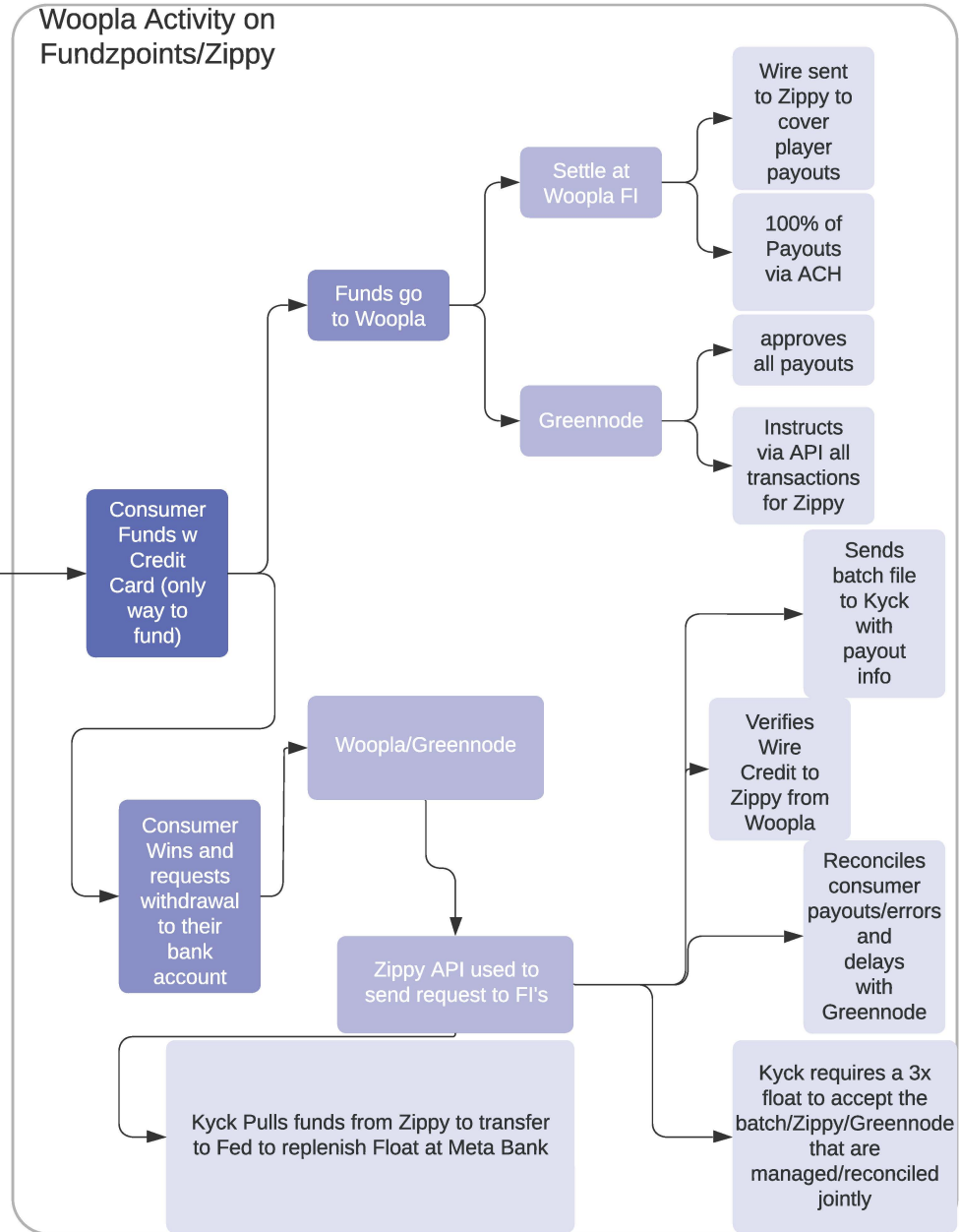
# EXHIBIT A

# Receiver FYI

August 2022



1. Woppla sends wire to Zippy BOA
2. Kyck Pulls funds from Zippy BOA to Their FBO at meta
3. Zippy and Greennode use Kyck Portal to verify and recocile
4. Kyck Portal used to pay Zippy payables
5. Greennode (Taylor&Nordine managed the kyck portal with full super user access)
6. Greennode managed all the API's for funzpoints and Zippy to execute all Kyck Transactions.



# EXHIBIT B

## Rubley William

---

**From:** Thomas McNamara <tmcnamara@mcnamarallp.com>  
**Sent:** Wednesday, August 10, 2022 3:34 PM  
**To:** Rubley William; Brunet Michael R.; Maxson-Rushton Kimberly  
**Cc:** Andrew Greene  
**Subject:** RE: Demand for Records

Will,

This email is perhaps the most incredible you have sent and it does not merit a substantive reply.

We will be filing an Affidavit of Noncompliance and OSC re contempt shortly.

Tom

---

**From:** Rubley William <WRUBLEY@cooperlevenson.com>  
**Sent:** Wednesday, August 10, 2022 12:25 PM  
**To:** Thomas McNamara <tmcnamara@mcnamarallp.com>; Brunet Michael R. <MBRUNET@cooperlevenson.com>; Maxson-Rushton Kimberly <KRUSHTON@cooperlevenson.com>  
**Cc:** Andrew Greene <agreene@mcnamarallp.com>  
**Subject:** RE: Demand for Records

### EXTERNAL

Tom and Andy,

Brent and Duane have been consistent and cooperative as much as they can. Have either you spoken with Bank of America? The reserve money is still with Bank of America, the exact amount is unknown. There is no separate formal account, with an account number and with monthly statements that Zippy Cash, LLC has access or ever had access to. The money is just held by BofA. It can't be touched by anyone at Zippy Cash or accessed in any way. A rep from Bank of America can explain this better.

With regard to the transactions in the BofA operating account, if you can let me know what transactions you are talking about, I'll talk with Duane and Brent. But as you can see from the monthly statements, IPPay pushed and pulled charges in and out of the account as they needed.

Also, what efforts have you taken to secure the devices of Xidos and Taylor? They were intimately involved in the operation of Zippy Cash. Xidos and Taylor (through Greenode) can also explain how the company operated. Attached is a diagram from Duane that explains it a little better than I can.

-Will

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E-Mail: [wrubley@cooperlevenson.com](mailto:wrubley@cooperlevenson.com)  
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---

**From:** Thomas McNamara [<mailto:tmcnamara@mcnamarallp.com>]  
**Sent:** Tuesday, August 09, 2022 9:52 PM  
**To:** Rubley William; Brunet Michael R.; Maxson-Rushton Kimberly  
**Cc:** Andrew Greene  
**Subject:** RE: Demand for Records

Will,

We need immediate identification and proof of this “reserve account” which you now claim exists. You and your clients have repeatedly claimed that there was \$2.4 million in Zippy Cash reserves in the BOA account and other financial institutions. When we interviewed your clients on July 29 via video, they and you confirmed there was more than \$2 million in the BOA account. Defendant Tough went on to say the funds “haven’t been touched.”

Even if we were to credit this latest claim, which is entirely different than you and your clients represented to the Court and us (and comes in a long line of dissembling and deception you have offered for your clients), at best it appears your clients transferred funds out of the BOA account in Zippy Cash’s name (account ending 0365) and into another account that is apparently not in Zippy’s name. We are preparing the OSC contempt and will have it on file without fail tomorrow.

As I said in our call, this looks more like a crime than a civil wrong and we are obligated to bring the missing funds to the Court’s attention. If you have something to provide us in the meantime, we will review it.

Tom

---

**From:** Rubley William <[WRUBLEY@cooperlevenson.com](mailto:WRUBLEY@cooperlevenson.com)>  
**Sent:** Tuesday, August 9, 2022 2:41 PM  
**To:** Thomas McNamara <[tmcnamara@mcnamarallp.com](mailto:tmcnamara@mcnamarallp.com)>; Brunet Michael R. <[MBRUNET@cooperlevenson.com](mailto:MBRUNET@cooperlevenson.com)>; Maxson-Rushton Kimberly <[KRUSHTON@cooperlevenson.com](mailto:KRUSHTON@cooperlevenson.com)>  
**Cc:** Andrew Greene <[agreene@mcnamarallp.com](mailto:agreene@mcnamarallp.com)>  
**Subject:** RE: Demand for Records

**EXTERNAL**

I think Duane is meeting with your guy now to turn over the laptop. We’re supposed to talk after he gets back from the meeting.



-Will

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---

**From:** Thomas McNamara [<mailto:tmcnamara@mcnamarallp.com>]

**Sent:** Tuesday, August 09, 2022 5:40 PM

**To:** Rubley William; Brunet Michael R.; Maxson-Rushton Kimberly

**Cc:** Andrew Greene

**Subject:** RE: Demand for Records

I need to see these statements immediately. What is the reserve account number?

---

**From:** Rubley William <[WRUBLEY@cooperlevenson.com](mailto:WRUBLEY@cooperlevenson.com)>

**Sent:** Tuesday, August 9, 2022 2:39 PM

**To:** Thomas McNamara <[tmcnamara@mcnamarallp.com](mailto:tmcnamara@mcnamarallp.com)>; Brunet Michael R. <[MBRUNET@cooperlevenson.com](mailto:MBRUNET@cooperlevenson.com)>;

Maxson-Rushton Kimberly <[KRUSHTON@cooperlevenson.com](mailto:KRUSHTON@cooperlevenson.com)>

**Cc:** Andrew Greene <[agreene@mcnamarallp.com](mailto:agreene@mcnamarallp.com)>

**Subject:** RE: Demand for Records

**EXTERNAL**

Tom,

That's the balance of the operating account. The reserve account hasn't been touched. I'm seeing if I can get you the statements for the reserve account (without contacting BofA directly so as not to step on your toes). The reserve account is completely separate from the operating account.

-Will

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---

**From:** Rubley William

**Sent:** Tuesday, August 09, 2022 5:09 PM

**To:** 'Thomas McNamara'; Brunet Michael R.; Maxson-Rushton Kimberly

**Cc:** Andrew Greene

**Subject:** RE: Demand for Records

I'm working on it.

-Will

---

**From:** Thomas McNamara [<mailto:tmcnamara@mcnamarallp.com>]

**Sent:** Tuesday, August 09, 2022 4:52 PM

**To:** Rubley William; Brunet Michael R.; Maxson-Rushton Kimberly

**Cc:** Andrew Greene

**Subject:** RE: Demand for Records

Will,

Any progress on the BOA bank statements?

---

**From:** Rubley William <[WRUBLEY@cooperlevenson.com](mailto:WRUBLEY@cooperlevenson.com)>

**Sent:** Tuesday, August 9, 2022 5:35 AM

**To:** Thomas McNamara <[tmcnamara@mcnamarallp.com](mailto:tmcnamara@mcnamarallp.com)>; Brunet Michael R. <[MBRUNET@cooperlevenson.com](mailto:MBRUNET@cooperlevenson.com)>;

Maxson-Rushton Kimberly <[KRUSHTON@cooperlevenson.com](mailto:KRUSHTON@cooperlevenson.com)>

Cc: Andrew Greene <[agreene@mcnamarallp.com](mailto:agreene@mcnamarallp.com)>

Subject: RE: Demand for Records

**EXTERNAL**

Tom,

I reached out to my client about the BofA account statements (as you know) and I'll follow up with him about the other email addresses. Unfortunately I don't think I will be able to provide a proposal to you regarding those emails by today. I have a hearing this morning and a mediation that will likely go all day immediately after the hearing. But when I have a chance, I will put together a proposal and send it to you.

Please confirm that someone will be by Mr. Tough's place this afternoon after 4:00 to take possession of the devices that we discussed. Also, you have not responded to my question regarding Mr. Xidos and Ms. Taylor. Have you taken static images of their devices as well? Their devices were used in the operation of Zippy Cash and should provide very useful information. If you like, I can get you a list of other people who also were involved in the operation of Zippy Cash and whose devices you should also image. Please let me know if you would like those names.

-Will

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---

**From:** Thomas McNamara [<mailto:tmcnamara@mcnamarallp.com>]

**Sent:** Monday, August 08, 2022 7:34 PM

**To:** Rubley William; Brunet Michael R.; Maxson-Rushton Kimberly

**Cc:** Andrew Greene

**Subject:** Demand for Records

Will,

We discussed over the weekend the need for the Bank of America (“BOA”) account statements for the account used by Zippy Cash which your client, Duane Tough, controls. It is almost three weeks since the minute order appointing a receiver was entered and it is approaching two weeks since the Court issued its detailed order appointing a receiver. The bank statements should have been turned over long ago.

Please produce the BOA bank statements **by the close of business tomorrow**. If the records are not produced, this failure will be part of the Affidavit of Noncompliance and request for an Order to Show Cause we feel we are being forced to file. Let me know if you have any questions about this request.

We are also waiting for any documentary support for Mr. Tough’s claimed investment of \$2 million of his own funds in Zippy Cash. The case has been pending for almost three months. Certainly, there has been sufficient time for your client to gather these materials. Let me know if you have any questions about this request.

Finally, as we discussed on Saturday, we need to establish a process to review Mr. Tough’s email accounts which he used for Zippy Cash business. We would like to have your proposal tomorrow. Let me know if you have any questions about this request. Thank you.

Tom

Thomas W. McNamara  
McNamara Smith LLP  
655 West Broadway, Suite 900  
San Diego, CA 92101  
Direct: 619-269-0499  
Main: 619-269-0400  
Fax: 619-269-0401  
[tmcnamara@mcnamarallp.com](mailto:tmcnamara@mcnamarallp.com)  
<http://mcnamarallp.com>

# EXHIBIT C

## Rubley William

---

**From:** Rubley William  
**Sent:** Thursday, August 04, 2022 2:56 PM  
**To:** 'Thomas McNamara'; DJ Magee; Andrew Greene  
**Cc:** Brunet Michael R.; Maxson-Rushton Kimberly  
**Subject:** RE: Zippy Cash Receivership: Device Imaging

Tom,

Andy emailed me at 9:30 last night. Brent emailed me at 6:30 this morning advising that he was going out of town for the weekend. Brent and Duane are being extraordinarily accommodating. They've even offered to walk you through the different accounts and platforms and introduce you to their contacts as the financial institutions.

Do you want to schedule a time for Monday or not? If so, let me find out what time he gets back so we can arrange for the pick up.

-Will

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### William P. Rubley, Esquire

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---

**From:** Thomas McNamara [mailto:[tmcnamara@mcnamarallp.com](mailto:tmcnamara@mcnamarallp.com)]  
**Sent:** Thursday, August 04, 2022 2:52 PM  
**To:** Rubley William; DJ Magee; Andrew Greene  
**Cc:** Brunet Michael R.; Maxson-Rushton Kimberly  
**Subject:** RE: Zippy Cash Receivership: Device Imaging

Will,

Nonsense. You and the defendants knew this process was in play since last Friday. Just about every step of what should be an obvious and smooth turn over of assets and documents over the last week has been monumentally difficult. We will move forward with an Affidavit of Noncompliance.

Tom

---

**From:** Rubley William <[WRUBLEY@cooperlevenson.com](mailto:WRUBLEY@cooperlevenson.com)>

**Sent:** Thursday, August 4, 2022 11:46 AM

**To:** Thomas McNamara <[tmcnamara@mcnamarallp.com](mailto:tmcnamara@mcnamarallp.com)>; DJ Magee <[dmagee@mcnamarallp.com](mailto:dmagee@mcnamarallp.com)>; Andrew Greene <[agreene@mcnamarallp.com](mailto:agreene@mcnamarallp.com)>

**Cc:** Brunet Michael R. <[MBRUNET@cooperlevenson.com](mailto:MBRUNET@cooperlevenson.com)>; Maxson-Rushton Kimberly <[KRUSHTON@cooperlevenson.com](mailto:KRUSHTON@cooperlevenson.com)>

**Subject:** RE: Zippy Cash Receivership: Device Imaging

## EXTERNAL

Tom,

He's in Nebraska and going away for the weekend for a family reunion. DJ just asked me about his availability yesterday and Brent confirmed with me this early this morning that he would be out of town Friday – Sunday. We're trying to work with you, but giving me only a few hours to produce the devices in Nebraska and demanding that Brent's family change their plans to accommodate you is not reasonable. There's no reason why this can't wait until Monday.

-Will

---

**From:** Thomas McNamara [<mailto:tmcnamara@mcnamarallp.com>]

**Sent:** Thursday, August 04, 2022 2:42 PM

**To:** Rubley William; DJ Magee; Andrew Greene

**Cc:** Brunet Michael R.; Maxson-Rushton Kimberly

**Subject:** RE: Zippy Cash Receivership: Device Imaging

That is not acceptable. We need the devices imaged before close of business tomorrow.

---

**From:** Rubley William <[WRUBLEY@cooperlevenson.com](mailto:WRUBLEY@cooperlevenson.com)>

**Sent:** Thursday, August 4, 2022 11:40 AM

**To:** DJ Magee <[dmagee@mcnamarallp.com](mailto:dmagee@mcnamarallp.com)>; Andrew Greene <[agreene@mcnamarallp.com](mailto:agreene@mcnamarallp.com)>

**Cc:** Brunet Michael R. <[MBRUNET@cooperlevenson.com](mailto:MBRUNET@cooperlevenson.com)>; Maxson-Rushton Kimberly

<[KRUSHTON@cooperlevenson.com](mailto:KRUSHTON@cooperlevenson.com)>; Thomas McNamara <[tmcnamara@mcnamarallp.com](mailto:tmcnamara@mcnamarallp.com)>

**Subject:** RE: Zippy Cash Receivership: Device Imaging

## EXTERNAL

Sorry. I did hear back from Brent this morning. He's out of town at a family reunion until Monday.

-Will

---

**From:** DJ Magee [<mailto:dmagee@mcnamarallp.com>]

**Sent:** Thursday, August 04, 2022 2:39 PM

**To:** Rubley William; Andrew Greene

**Cc:** Brunet Michael R.; Maxson-Rushton Kimberly; Thomas McNamara

**Subject:** Re: Zippy Cash Receivership: Device Imaging

Ok, please provide that info as soon as you can.

As to the collection of Mr. Ruttman's devices, our contractor will be at Mr. Ruttman's residence at 10am local time tomorrow to retrieve and image the laptop and cell phone. Please confirm that your client will make the devices available then. The contractor should be able to get the devices back to Mr. Ruttman tomorrow barring any unforeseen technical difficulties.

D.J. Magee

McNamara Smith LLP

655 West Broadway, Suite 900

San Diego, CA 92101

Direct: 619-269-0455

Fax: 619-269-0401

[dmagee@mcnamarallp.com](mailto:dmagee@mcnamarallp.com)

<http://mcnamarallp.com/>

---

---

**From:** Rubley William <[WRUBLEY@cooperlevenson.com](mailto:WRUBLEY@cooperlevenson.com)>

**Sent:** Thursday, August 4, 2022 10:58 AM

**To:** DJ Magee <[dmagee@mcnamarallp.com](mailto:dmagee@mcnamarallp.com)>; Andrew Greene <[agreene@mcnamarallp.com](mailto:agreene@mcnamarallp.com)>

**Cc:** Brunet Michael R. <[MBRUNET@cooperlevenson.com](mailto:MBRUNET@cooperlevenson.com)>; Maxson-Rushton Kimberly <[KRUSHTON@cooperlevenson.com](mailto:KRUSHTON@cooperlevenson.com)>; Thomas McNamara <[tmcnamara@mcnamarallp.com](mailto:tmcnamara@mcnamarallp.com)>

**Subject:** RE: Zippy Cash Receivership: Device Imaging

**EXTERNAL**

Will do. I think he's traveling today.

-Will

---

**From:** DJ Magee [<mailto:dmagee@mcnamarallp.com>]

**Sent:** Thursday, August 04, 2022 1:57 PM

**To:** Rubley William; Andrew Greene

**Cc:** Brunet Michael R.; Maxson-Rushton Kimberly; Thomas McNamara

**Subject:** Re: Zippy Cash Receivership: Device Imaging

Will,

Please send me Mr. Tough's Toronto address at your earliest. Thanks.



D.J. Magee

McNamara Smith LLP

655 West Broadway, Suite 900

San Diego, CA 92101

Direct: 619-269-0455

Fax: 619-269-0401

[dmagee@mcnamarallp.com](mailto:dmagee@mcnamarallp.com)

<http://mcnamarallp.com/>

---

**From:** Rubley William <[WRUBLEY@cooperlevenson.com](mailto:WRUBLEY@cooperlevenson.com)>

**Sent:** Wednesday, August 3, 2022 6:35 PM

**To:** Andrew Greene <[agreene@mcnamarallp.com](mailto:agreene@mcnamarallp.com)>

**Cc:** Brunet Michael R. <[MBRUNET@cooperlevenson.com](mailto:MBRUNET@cooperlevenson.com)>; Maxson-Rushton Kimberly <[KRUSHTON@cooperlevenson.com](mailto:KRUSHTON@cooperlevenson.com)>; DJ Magee <[dmagee@mcnamarallp.com](mailto:dmagee@mcnamarallp.com)>; Thomas McNamara <[tmcnamara@mcnamarallp.com](mailto:tmcnamara@mcnamarallp.com)>

**Subject:** Re: Zippy Cash Receivership: Device Imaging

EXTERNAL

I forwarded your email to Brent and will follow up with Duane first thing in the morning.

William P. Rubley  
Cooper Levenson, PA  
Attorneys at Law

On Aug 3, 2022, at 9:29 PM, Andrew Greene <[agreene@mcnamarallp.com](mailto:agreene@mcnamarallp.com)> wrote:

\*\*\* External Sender - Please Exercise Caution\*\*\*

Will,

Last Friday, we agreed to a process to image Mr. Ruttman's and Mr. Tough's remaining devices. We have been delayed in getting that accomplished as a result of the determination not to use BDO. We have now identified other vendors to get the imaging completed.

Ruttman collection (10483 Manderson Plaza, Omaha, NE 68134)

Mr. Ruttman represented he has a phone and a laptop that he used for Zippy Cash business and agreed to make both available for imaging. Our forensic expert expects to be able to pick them up and return them on Friday but we are awaiting confirmation and will let you know shortly.

Mr. Tough's Toronto collection

Mr. Tough indicated that he has an “old” laptop that he stopped using two months ago as well additional phones he used for Zippy Cash business at his home in Toronto. It is our understanding he will be flying home from Las Vegas tonight or tomorrow. Can you please provide us with the address of his Toronto residence? We will then let you know when we have a local forensic expert available to collect these devices.

Thank you,

Andrew Greene  
McNamara Smith LLP  
655 W Broadway, Suite 900  
San Diego, CA 92101  
Main: 619-269-0400  
Direct: 619-269-0458  
[agreene@mcnamarallp.com](mailto:agreene@mcnamarallp.com)<<mailto:agreene@mcnamarallp.com>>  
<http://www.mcnamarallp.com><<http://www.mcnamarallp.com>>

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# EXHIBIT D

## Rubley William

---

**From:** Rubley William  
**Sent:** Tuesday, August 09, 2022 4:44 PM  
**To:** 'Andrew Greene'  
**Cc:** Jill Jacobs; DJ Magee; Maxson-Rushton Kimberly; Brunet Michael R.  
**Subject:** RE: Toronto Collection

Andy,

They've already scheduled a time to meet. What Duane said was "I woke up, I'm happy." Not that he just now woke up. Apparently Matthew is calling you to clarify.

-Will

*[Click here to sign up for the latest Cooper Levenson news.](#)*

### **William P. Rubley, Esquire**

**Cooper Levenson**, Attorneys at Law  
1415 Marlton Pike (Route 70) East  
Cherry Hill Plaza - Suite 205  
Cherry Hill, NJ 08034  
Direct Dial: (856) 857-5520  
Direct Fax: (856) 857-5521  
E-Mail: [wrubley@cooperlevenson.com](mailto:wrubley@cooperlevenson.com)  
URL: <http://www.cooperlevenson.com>

### **Cooper Levenson, P.A.**

New Jersey / Delaware / Nevada / Florida / New York



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---

**From:** Andrew Greene [<mailto:agreene@mcnamarallp.com>]  
**Sent:** Tuesday, August 09, 2022 4:29 PM  
**To:** Rubley William  
**Cc:** Jill Jacobs; DJ Magee  
**Subject:** RE: Toronto Collection

**\*\*\* External Sender - Please Exercise Caution\*\*\***

Will,

Our examiner showed up today as agreed, only to receive a call from Mr. Ruttman, informing him that Mr. Tough's appointment "had run long" and that Mr. Tough "would be in touch around 5pm." Mr. Tough then contacted our examiner and stated he had "just woken up" and was "at his friend's house in Markham and was trying to locate his old laptop." After bending over backwards to accommodate Mr. Tough's ever changing schedule and stories, this just furthers our belief that Mr. Tough doesn't take his obligations under the Receivership Order seriously and chooses to make things as difficult as possible for the Receiver. It is imperative that we get this collection done today. Please make sure this happens.

Andrew Greene  
McNamara Smith LLP

---

**From:** Andrew Greene  
**Sent:** Tuesday, August 09, 2022 11:36 AM  
**To:** Rubley William <[WRUBLEY@cooperlevenson.com](mailto:WRUBLEY@cooperlevenson.com)>  
**Cc:** Jill Jacobs <[jjacobs@mcnamarallp.com](mailto:jjacobs@mcnamarallp.com)>; DJ Magee <[dmagee@mcnamarallp.com](mailto:dmagee@mcnamarallp.com)>  
**Subject:** Toronto Collection

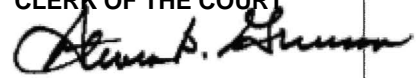
Confirming our forensic examiner, Matthew Musters (416-845-2684), will be at the Toronto address you previously provided today at 4:15pm local time to collect the devices for imaging. He will need Mr. Tough to give him the device passwords. Is there a number Mr. Musters can reach Mr. Tough at in case they need to coordinate?

Regards,

Andrew Greene  
McNamara Smith LLP  
655 W Broadway, Suite 900  
San Diego, CA 92101  
Main: 619-269-0400  
Direct: 619-269-0458  
[agreene@mcnamarallp.com](mailto:agreene@mcnamarallp.com)  
<http://www.mcnamarallp.com>

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# EXHIBIT E



1 NOT  
2 CLARK HILL PLLC  
3 Crane M. Pomerantz  
4 Nevada Bar No. 14103  
5 Email: cpomerantz@clarkhill.com  
6 3800 Howard Hughes Parkway, Suite 500  
7 Las Vegas, Nevada 89169  
8 Telephone: (702) 697-7545  
9 Facsimile: (702) 862-8400

6 MCNAMARA SMITH LLP  
7 Andrew M. Greene (*Pro Hac Vice Forthcoming*)  
8 655 West Broadway, Suite 900  
9 San Diego, California 92101  
10 Telephone: (619) 269-0400  
11 Facsimile: (619) 269-0401  
12 agreene@mcnamarallp.com

10 *Attorneys for Receiver*  
11 *Thomas W. McNamara*

12 DISTRICT COURT  
13 CLARK COUNTY, NEVADA

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

19 Plaintiffs,

20 v.

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

26 Defendants.

Case No. A-22-851637-B

Dept. No. XIII

**NOTICE OF RECORDING NOTICE OF  
PENDENCY OF ACTION (LIS  
PENDENS) RE: 201 AQUA AVE., UNIT  
PH3, MIAMI BEACH, FL 33141**

1 PLEASE TAKE NOTICE that on the 19<sup>th</sup> day of August, 2022, a Notice of Pendency of  
2 Action (Lis Pendens) Re: 201 Aqua Ave., Unit PH3, Miami Beach, FL 33141 was recorded as  
3 document no. CFN: 20220655202 Book 33345 Page 226 Date: 08/19/22 08:56:30 AM Harvey  
4 Ruvin, Clerk of Court, Miami-Dade County. A copy of said Notice is attached hereto and  
5 incorporated herein by reference.

6 Dated: August 22, 2022.

7  
8 CLARK HILL PLLC

9 /S/ Crane M. Pomerantz

10 Crane M. Pomerantz

11 Nevada Bar No. 14103

12 3800 Howard Hughes Parkway, Suite 500

13 Las Vegas, Nevada 89169

14 MCNAMARA SMITH LLP

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

16 655 West Broadway, Suite 900

17 San Diego, California 92101

18 *Attorneys for Receiver Thomas W. McNamara*



1 **CERTIFICATE OF SERVICE**

2  
3 I hereby certify that I am an employee of CLARK HILL PLLC and that on August 22,  
4 2022, I served a copy of the foregoing by electronic service to all parties listed in the Court's  
5 Odyssey E-File & Serve system.

6 /s/ Judy Estrada  
7 An Employee of Clark Hill PLLC  
8  
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28

1 CLARK HILL PLLC  
Crane M. Pomerantz  
2 Nevada Bar No. 14103  
Email: cpomerantz@clarkhill.com  
3 3800 Howard Hughes Parkway, Suite 500  
Las Vegas, Nevada 89169  
4 Telephone: (702) 697-7545  
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5 McNAMARA SMITH LLP  
6 Andrew M. Greene (*Pro Hac Vice Pending*)  
Email: agreene@mcnamarallp.com  
7 655 West Broadway, Suite 900  
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  
14 corporate existing under the laws of the Province  
of Nova Scotia, Canada, and 4043434 NOVA  
15 SCOTIA LIMITED, a body corporate existing  
under the laws of the Province of Nova Scotia,  
16 Canada, individually and derivatively on behalf  
of ZIPPY CASH LLC, a Nevada limited liability  
17 company,

18 Plaintiffs,

19 v.

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

25 Defendants.

Case No. A-22-851637-B

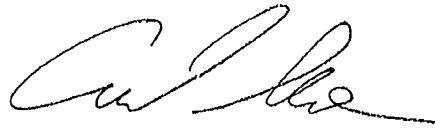
Dept. No. XIII

**NOTICE OF PENDENCY OF ACTION  
(LIS PENDENS) RE: 201 AQUA AVE.,  
UNIT PH3, MIAMI BEACH, FL 33141**

26  
27  
28

1 PLEASE TAKE NOTICE THAT in the above-captioned action, the Court's appointment  
2 of Receiver Thomas W. McNamara ("Receiver") for Zippy Cash LLC, Z Cash LLC, Z Cash Inc.,  
3 and Zippy.Cash Inc., affects title to and/or possession of real property described as set forth in  
4 Exhibit A attached hereto and located at 201 Aqua Ave., Unit PH3, Miami Beach, Florida 33143  
5 in that the Court's Order Granting Plaintiff's Motion for Receiver dated July 27, 2022 (the  
6 "Order") restrains and enjoins Defendant Duane Tough, an officer of Zippy Cash LLC, from  
7 "incurring liens or encumbrances on real property...in the name of a Receivership Entity *or its*  
8 *officer(s)*" and from "transferring, liquidating,...selling...or otherwise disposing of any Assets,  
9 wherever located,... owned or controlled, directly or indirectly by a Receivership Entity *or its*  
10 *officer(s)*" (See Order, attached hereto as Exhibit B, at 7-9, emphasis added). Further, the Order  
11 requires the Receiver to "[c]onserve, hold, manage, and prevent the loss of all Assets of the  
12 Receivership Entities, and perform all acts necessary or advisable to preserve the value of those  
13 Assets" and the Receiver potentially claims rights to the title to said real property on behalf of  
14 the Receivership Entities.  
15  
16

17 Dated this 18th day of August, 2022.

18  
19 

20 CLARK HILL PLLC  
21 Crane M. Pomerantz  
22 Nevada Bar No. 14103  
23 3800 Howard Hughes Parkway, Suite 500  
24 Las Vegas, Nevada 89169

25 MCNAMARA SMITH LLP  
26 Andrew M. Greene (*Pro Hac Vice Pending*)  
27 655 West Broadway, Suite 900  
28 San Diego, California 92101

*Attorneys for Receiver, Thomas W. McNamara*

EXHIBIT A

**EXHIBIT A**

Unit PH3 of Chatham at Aqua, a Condominium according to the Declaration of Condominium thereof, recorded in Official Records Book 22842, Page 4457, of the Public Records of Miami-Dade County, Florida, and any amendments thereto, together with an undivided share in the common elements.

Parcel Identification Number 02-3211-076-0150

**EXHIBIT B**

*Andrew Simon*  
CLERK OF THE COURT

1 DOMINICA C. ANDERSON (SBN 2988)  
2 TYSON E. HAFEN (SBN 13139)  
3 DUANE MORRIS LLP  
4 100 North City Parkway, Suite 1560  
5 Las Vegas, NV 89106  
6 T: 702.868.2600; F: 702.385.6862  
7 E-Mail: DCAnderson@duanemorris.com  
8 TEHafen@duanemorris.com

WILLIAM M. GANTZ (*pro hac vice*)  
DUANE MORRIS LLP  
100 High Street, Suite 2400  
Boston, MA 02110  
T: 857.488.4234; F: 857.401.3026  
E-Mail: BGantz@duanemorris.com

Attorneys for Plaintiffs  
3342962 Nova Scotia Limited and  
4043434 Nova Scotia Limited

**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

Case No.: A-22-851637-B

Dept. No.: ~~XXXI~~ XIII

**ORDER GRANTING PLAINTIFFS'  
MOTION FOR APPOINTMENT OF  
RECEIVER**

Plaintiffs,

vs.

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.

This matter comes before the Court pursuant to plaintiffs 3342962 NOVA SCOTIA LIMITED and 4043434 NOVA SCOTIA LIMITED (collectively "Plaintiffs") Motion for Appointment of Receiver. The Court, after reading all pleadings and other papers on file, examining the evidence and hearing the arguments of all counsel present during the hearings held on June 30, 2022 and July 18, 2022, finds that good cause exists for the Court to appoint a receiver under NRS § 86.5415 and § 86.5411, as Plaintiffs have demonstrated a likelihood of success that certain defendants have engaged

1 in fraud, collusion or gross mismanagement in their conduct and control of the Zippy Cash LLC  
2 (“Zippy Cash” or “Company”) and further that Zippy Cash is insolvent or has otherwise been  
3 operating in a manner that is greatly prejudicial to the interests of the member Plaintiffs and Zippy  
4 Cash's creditor Woopla, Inc. (“Woopla”). Moreover, the Court finds the entity Z Cash LLC was  
5 formed by managers and directors of Zippy Cash LLC to potentially usurp the assets and business of  
6 Zippy Cash LLC, such that this order and the appointment of receiver shall apply to both Zippy Cash  
7 and Z Cash. The Court is further satisfied that Plaintiffs have demonstrated a reasonable likelihood  
8 of success on the merits and have otherwise made a reasonable showing of irreparable harm and  
9 irretrievable loss which is being suffered or is threatened, absent the relief requested and granted, to  
10 both the assets and business of Zippy Cash, including those funds acquired by Zippy Cash in  
11 connection with its business relationship with customers. In addition, the Court finds that the balance  
12 of equities are aligned with the interests and rights which the Plaintiffs seek to protect and the  
13 defendants, bear no hardship in having to preserve and give possession of funds or business assets  
14 belonging to Zippy Cash to the appointed Receiver.

15 Accordingly, **IT IS HEREBY ORDERED** that THOMAS W. MCNAMARA, ESQ., of  
16 MCNAMARA SMITH LLP, be, and hereby is, appointed receiver (“Receiver”) of defendants Zippy  
17 Cash LLC and Z Cash LLC (each individually a “Receivership Entity,” and collectively the  
18 “Receivership Entities”), and pursuant to NRS §86.5415, shall be authorized, subject to the control  
19 of this Court, to do ANY AND ALL ACTS necessary to the proper and lawful conduct of  
20 said receivership, and, among the usual powers, have all the functions, powers, tenure and duties to  
21 be exercised under the direction of the Court as are conferred on receivers and as provided pursuant  
22 to NRS §§ 86.5412, 86.5413 and 86.5414 and any other applicable law.

23 **IT IS FURTHER ORDERED** that the Receiver is directed and authorized to accomplish the  
24 following, along with any and all other acts necessary to the proper and lawful conduct of  
25 the receivership:

26 A. Assume full control of the Receivership Entities and act as sole manager or director,  
27 and remove as the Receiver deems necessary or advisable, any director, officer,  
28



- 1 independent contractor, employee, attorney, or agent of any Receivership Entity from  
2 control of, management of, or participation in, the affairs of the Receivership Entity;
- 3 B. Take exclusive custody, control, and possession of all Assets<sup>1</sup> and documents of, or in  
4 the possession, custody, or under the control of, any Receivership Entity, wherever  
5 situated;
- 6 C. Take exclusive custody, control, and possession of all documents or Assets associated  
7 with credits, debits, or charges make on behalf of any Receivership Entity, wherever  
8 situated, including reserve funds held by payment processors, credit card processors,  
9 merchant banks, acquiring banks, independent sales organizations, third party  
10 processors, payment gateways, insurance companies, or other entities;
- 11 D. Conserve, hold, manage, and prevent the loss of all Assets of the Receivership Entities,  
12 and perform all acts necessary or advisable to preserve the value of those Assets. The  
13 Receiver shall assume control over the income and profits therefrom and all sums of  
14 money now or hereafter due or owing to the Receivership Entities. The Receiver shall  
15 have full power to sue for, collect, and receive, all Assets of the Receivership Entities  
16 and of other persons or entities whose interests are now under the direction,  
17 possession, custody, or control of, the Receivership Entities;
- 18 E. Obtain, conserve, hold, manage, and prevent the loss of all documents of the  
19 Receivership Entities, and perform all acts necessary or advisable to preserve such  
20 documents. The Receiver shall: divert mail; preserve all documents of the  
21 Receivership Entities that are accessible via electronic means such as online access to  
22 financial accounts and access to electronic documents held onsite or by electronic data  
23 hosts, by changing usernames, passwords or other log-in credentials; take possession  
24 of all electronic documents of the Receivership Entities stored onsite or remotely; take  
25 whatever steps necessary to preserve all such documents;

26  
27 <sup>1</sup> "Asset" or "Assets" means any legal or equitable interest in, right to, or claim to, any property,  
28 wherever located and by whomever held.

- 1 F. Choose, engage, and employ attorneys, accountants, appraisers, and other independent  
2 contractors and technical specialists or investigators, as the Receiver deems advisable  
3 or necessary in the performance of duties and responsibilities under the authority  
4 granted by this Order;
- 5 G. Make payments and disbursements from the receivership estate that are necessary or  
6 advisable for carrying out the directions of, or exercising the authority granted by, this  
7 Order, and to incur, or authorize the making of, such agreements as may be necessary  
8 and advisable in discharging his or her duties as Receiver;
- 9 H. If and to the extent the Receivership Entities have conducted business at a physical  
10 location, take all steps necessary to secure and take exclusive custody of each location  
11 from which the Receivership Entities operate their businesses. Such steps may include,  
12 but are not limited to, any of the following, as the Receiver deems necessary or  
13 advisable: (1) securing the location by changing the locks and alarm codes and  
14 disconnecting any internet access or other means of access to the computers, servers,  
15 internal networks, or other records maintained at that location; and (2) requiring any  
16 persons present at the location to leave the premises, to provide the Receiver with  
17 proof of identification, and/or to demonstrate to the satisfaction of the Receiver that  
18 such persons are not removing from the premises documents or Assets of the  
19 Receivership Entities. Law enforcement personnel, including, but not limited to,  
20 police or sheriffs, may assist the Receiver in implementing these provisions in order  
21 to keep the peace and maintain security. If requested by the Receiver, the law  
22 enforcement may provide appropriate and necessary assistance to the Receiver to  
23 implement this Order and is authorized to use any necessary and reasonable force to  
24 do so;
- 25 I. Take all steps necessary to prevent the modification, destruction, or erasure of any  
26 web page or website registered to and operated, in whole or in part, by the  
27 Receivership Entities;
- 28 J. Enter into and cancel contracts and purchase insurance as advisable or necessary;

- 1 K. Prevent the inequitable distribution of Assets and determine, adjust, and protect the  
2 interests of consumers who have transacted business with the Receivership Entities;
- 3 L. Make an accounting, as soon as practicable, of the Assets and financial condition of  
4 the receivership and file the accounting with the Court and deliver copies thereof to  
5 all parties;
- 6 M. Institute, compromise, adjust, appear in, intervene in, defend, dispose of, or otherwise  
7 become party to any legal action in state, federal or foreign courts or arbitration  
8 proceedings as the Receiver deems necessary and advisable to preserve or recover the  
9 Assets of the Receivership Entities, or to carry out the Receiver's mandate under this  
10 Order, including but not limited to, actions challenging fraudulent or voidable  
11 transfers;
- 12 N. Secure the issuance of subpoenas to obtain documents and records pertaining to the  
13 Receivership, and conduct discovery in this action on behalf of the receivership estate;
- 14 O. Open one or more bank accounts at designated depositories for funds of the  
15 Receivership Entities. The Receiver shall deposit all funds of the Receivership Entities  
16 in such designated accounts and shall make all payments and disbursements from the  
17 receivership estate from such accounts. The Receiver shall serve copies of monthly  
18 account statements on all parties;
- 19 P. Maintain accurate records of all receipts and expenditures incurred as Receiver;
- 20 Q. Allow the parties and their agents reasonable access to the premises of the  
21 Receivership Entities, or any other premises where the Receivership Entities conduct  
22 business. The purpose of this access shall be to inspect and copy any and all books,  
23 records, documents, accounts, and other property owned by, or in the possession of,  
24 the Receivership Entities or their agents. The Receiver shall have the discretion to  
25 determine the time, manner, and reasonable conditions of such access or otherwise  
26 produce documents electronically by agreement;
- 27 R. Cooperate with reasonable requests for information or assistance from any state or  
28 federal civil or criminal law enforcement agency;

- 1 S. Suspend business operations of the Receivership Entities if in the reasonable judgment  
2 of the Receiver such operations cannot be continued legally and profitably;
- 3 T. If the Receiver identifies a nonparty entity as a Receivership Entity, promptly notify  
4 the entity as well as the parties, and inform the entity that it can challenge the  
5 Receiver's determination by filing a motion with the Court. Provided, however, that  
6 the Receiver may delay providing such notice until the Receiver has established  
7 control of the nonparty entity and its Assets and records, if the Receiver determines  
8 that notice to the entity may result in the destruction of records, dissipation of Assets,  
9 or any other obstruction of the Receiver's control of the entity; and
- 10 U. If in the Receiver's judgment the business operations cannot be continued legally and  
11 profitably, take all steps necessary to ensure that any of the Receivership Entities' web  
12 pages or websites relating to the activities alleged in the Complaint cannot be accessed  
13 by the public, or are modified for consumer education and/or informational purposes,  
14 and take all steps necessary to ensure that any telephone numbers associated with the  
15 Receivership Entities cannot be accessed by the public, or are answered solely to  
16 provide consumer education of information regarding the status of operations.

17 **IT IS FURTHER ORDERED** that all parties and any other person with possession, custody,  
18 or control of property of, or records relating to, the Receivership Entities shall, upon notice of this  
19 Order by personal service or otherwise, fully cooperate with and assist the Receiver in taking and  
20 maintaining possession, custody, or control of the Assets and documents of the Receivership Entities  
21 and immediately transfer or deliver to the Receiver possession, custody, and control of the following:

- 22 A. All Assets held by or for the benefit of the Receivership Entities;
- 23 B. All documents or Assets associated with credits, debits, or charges made on behalf of  
24 any Receivership Entity, wherever situated, including reserve funds held by payment  
25 processors, credit card processors, merchant banks, acquiring banks, independent sales  
26 organizations, third party processors, payment gateways, insurance companies, or  
27 other entities;
- 28 C. All financial and bookkeeping documents of or pertaining to the Receivership Entities;

- 1 D. All computers, electronic devices, mobile devices and machines used to conduct the  
2 business of the Receivership Entities;
- 3 E. All Assets and documents belonging to other persons or entities under the direction,  
4 possession, custody, or control of the Receivership Entities; and
- 5 F. All keys, codes, user names and passwords necessary to gain access or to secure access  
6 to any Assets or documents of or pertaining to the Receivership Entities, including  
7 access to their business premises, means of communication, accounts, computer  
8 systems (onsite and remote), Electronic Data Hosts, or other property.

9 In the event that any party or related person or entity fails to deliver or transfer any Asset or  
10 document, or otherwise fails to comply with any provision herein, the Receiver may file an Affidavit  
11 of Non-Compliance regarding the failure and a motion seeking compliance or a contempt order.

12 **IT IS FURTHER ORDERED** that all parties shall cooperate with the Receiver and promptly  
13 provide the Receiver full and unrestricted access to all persons, documents, records, evidence,  
14 physical assets, information, electronic files and data, writings, data compilations, reports, records  
15 books, accounting records or work-papers, bank records financial records, corporate records, ESI,  
16 and any other information the Receiver may deem necessary or appropriate to conduct Receiver's  
17 work.

18 **IT IS FURTHER ORDERED** that defendants Duane Tough and Brent Ruttman, along with  
19 the Receivership Entities, and their officers, agents, employees, and attorneys, and all other persons  
20 in active concert or participation with any of them or who receive actual notice of this Order, whether  
21 acting directly or indirectly, are, until further order of court, hereby restrained and enjoined from:

- 22 A. exercising any powers or doing business whatsoever, except by and through the  
23 Receiver as provided for in NRS §86.5415(1);
- 24 B. exercising any of their privileges or franchises and from collecting or receiving any  
25 debts or paying out, selling, assigning or transferring any of their estate, money, lands,  
26 tenements or effects, including, but not limited to, the Zippy Cash LLC related or  
27 derived funds on account with IPay, Bank of America, and Metabank;
- 28

- 1 C. As per this Court's July 1, 2022 Order For Entry of Preliminary Injunction, all  
2 defendants in this action ("Defendants") are enjoined from any destruction or failure  
3 to preserve any records of the Receivership Entities or Defendants' personal records  
4 of any kind relating to the formation and operation of the Receivership Entities, any  
5 accounts or funds related to the operation of the Receivership Entities, or relating to  
6 Woopla or Funzpoints transactions;
- 7 D. Transferring, liquidating, converting, encumbering, pledging, loaning, selling,  
8 concealing, dissipating, disbursing, assigning, relinquishing, spending, withdrawing,  
9 granting a lien or security interest or other interest in, or otherwise disposing of any  
10 Assets, wherever located, including outside the United States, that are:
- 11 1. owned or controlled, directly or indirectly, by a Receivership Entity or its  
12 officer(s), including, but not limited to those for which a Receivership Entity  
13 or its officer(s) are a signatory on the account;
  - 14 2. held, in part or in whole, for the benefit of any Receivership Entity or its  
15 officer(s);
  - 16 3. in the actual or constructive possession of any Defendant or any Receivership  
17 Entity or its officer(s); or
  - 18 4. owned or controlled by, in the actual or constructive possession of, or  
19 otherwise held for the benefit of, any corporation, partnership, asset protection  
20 trust, or other entity that is directly or indirectly owned, managed or controlled  
21 by any Receivership Entity or its officer(s), including any Assets that are held  
22 by or for any Receivership Entity or its officer(s) in any account at any  
23 financial institution, whether within or without the territorial United States, or  
24 with any credit card processing agent, automated clearing house processor,  
25 network transaction processor, bank debit processing agent, customer service  
26 agent, commercial mail receiving agency, mail holding or forwarding  
27 company, credit union, retirement fund custodian, money market or mutual  
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fund, or storage company, including BUT NOT LIMITED TO the following accounts:

Bank of America, account number: xxxx xxxx 0365

- E. Opening or causing to be opened any safe deposit boxes, commercial mail boxes, or storage facilities titled in the name of any Receivership Entity or its officer(s) or subject to access by any Receivership Entity or its officer(s);
- F. Incurring charges or cash advances on any credit, debit, or ATM card issued in the name, individually or jointly, of any Receivership Entity or its officer(s) or any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by any Receivership Entity or its officer(s) or of which any Receivership Entity or its officer(s) is an officer, director, member, or manager. This includes any corporate bankcard or corporate credit card account for which any Receivership Entity or its officer(s) is, or was on the date that this Order was signed, an authorized signor; or
- G. Cashing any checks or depositing or processing any payments received from consumers, clients, or customers of any Receivership Entity or its officer(s).
- H. Incurring liens or encumbrances on real property, personal property, or other Assets in the name, singly or jointly, of a Receivership Entity or its officer(s) or of any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by any Receivership Entity or its officer(s).

**IT IS FURTHER ORDERED** that all parties shall immediately provide to the Receiver:

- A. A list of all Assets and accounts of the Receivership Entities that are held in any name other than the name of a Receivership Entity, or by any person other than a Receivership Entity;
- B. A list of all agents, employees, officers, attorneys, servants, and those persons in active concert and participation with the Receivership Entities, or who have been associated with or done business with the Receivership Entities;

- 1 C. A description of any documents covered by attorney-client privilege or attorney work  
2 product, including files where such documents are likely to be located, authors or  
3 recipients of such documents, and search terms likely to identify such electronic  
4 documents;
- 5 D. An accounting for all amounts transferred or deposited by Woopla or other Zippy Cash  
6 Customers in 2021 and 2022 or to accounts held by or controlled by the Receivership  
7 Entities or Defendants;
- 8 E. An accounting for all income or other amounts transferred to or obtained by any party  
9 in relation to the operation of the Receivership Entities;
- 10 F. An accounting for all loans or indebtedness or investments claimed, together with all  
11 loan instruments and indicia of payment by any party in relation to the Receivership  
12 Entities;

13 **IT IS FURTHER ORDERED** that each of the Receivership Entities shall assemble and  
14 produce their books and business records for review and copying by Plaintiffs in accordance with  
15 rights granted in the Article 5.1 and 5.2 of the Zippy Cash Operating Agreement and NRS § 86.241(2)  
16 and (3), within 10 days of appointment of the Receiver. To the extent protection is desired and  
17 appropriate for such records, records may be marked or designated as “CONFIDENTIAL –  
18 SUBJECT TO PROTECTIVE ORDER” as provided in the Confidentiality Agreement and Protective  
19 Order entered by the Court on June 27, 2022 (“Protective Order”) the Receiver and all persons  
20 appointed or employed by the Receiver shall be bound by the terms of the Protective Order as if it or  
21 they were a party thereto.

22 **IT IS FURTHER ORDERED** that before entering upon the duties of this trust, the said  
23 Receiver shall file with the Clerk of this court, a surety company bond for the faithful discharge of  
24 its duties as Receiver, in the sum of \$50,000.00 together with an oath executed by it that it will  
25 faithfully and fairly discharge the trust committed to it by this Order

26 **IT IS FURTHER ORDERED** that the Receiver’s compensation shall be paid from the  
27 receivership estate, or otherwise from Assets held by the Receivership Entities. In the event it is  
28 determined by the Receiver that Receivership Entities have no Assets, or until such Assets are



1 identified, retrieved and/or controlled by the Receiver, the Receiver's compensation shall be paid *pro*  
2 *rata* by members of Zippy Cash (45% by Tough Money, 5% by LIO LLC, 50% by Plaintiffs).

3 **IT IS FURTHER ORDERED** that this receivership shall continue in effect until any further  
4 order of this Court.

Dated this 27th day of July, 2022

5  
6 SIGNED \_\_\_\_\_, 2022.

  
\_\_\_\_\_  
DISTRICT COURT JUDGE

7  
8 Respectfully Submitted by:  
9 DUANE MORRIS LLP

**3BA EEF FE2F 9CD7**  
**Mark R. Denton**  
**District Court Judge**

10 /s/ Tyson E. Hafen  
11 Tyson E. Hafen (SBN 13139)  
12 *Attorneys for Plaintiffs*

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1 CSERV

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3 DISTRICT COURT  
CLARK COUNTY, NEVADA

4  
5  
6 3342962 Nova Scotia Limited,  
Plaintiff(s)

CASE NO: A-22-851637-B

7 vs.

DEPT. NO. Department 13

8  
9 Zippy Cash LLC, Defendant(s)

10  
11 **AUTOMATED CERTIFICATE OF SERVICE**

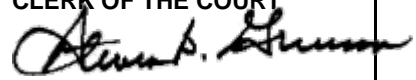
12 This automated certificate of service was generated by the Eighth Judicial District  
13 Court. The foregoing Order Granting Motion was served via the court's electronic eFile  
system to all recipients registered for e-Service on the above entitled case as listed below:

14 Service Date: 7/27/2022

|    |                   |                               |
|----|-------------------|-------------------------------|
| 15 | Jana Dailey       | jldailey@duanemorris.com      |
| 16 | Tyson Hafen       | tehafen@duanemorris.com       |
| 17 | CaraMia Gerard    | cgerard@mcdonaldcarano.com    |
| 18 | Brian Grubb       | bgrubb@mcdonaldcarano.com     |
| 19 | Rory Kay          | rkay@mcdonaldcarano.com       |
| 20 | Kiley Harrison    | kharrison@mcdonaldcarano.com  |
| 21 | William Gantz     | bgantz@duanemorris.com        |
| 22 | Elizabeth Fegreus | EFegreus@duanemorris.com      |
| 23 | Elizabeth Fegreus | EFegreus@duanemorris.com      |
| 24 | Nina Little       | nlittle@cooperlevenson.com    |
| 25 | Jelena Jovanovic  | jjovanovic@mcdonaldcarano.com |

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|    |                         |                               |
|----|-------------------------|-------------------------------|
| 1  | Christiane Smith        | chsmith@cooperlevenson.com    |
| 2  |                         |                               |
| 3  | Kimberly Maxson-Rushton | krushton@cooperlevenson.com   |
| 4  | William Rubley          | wrubley@cooperlevenson.com    |
| 5  | Eric Browndorf          | ebrowndorf@cooperlevenson.com |
| 6  | Trevor Waldron          | twaldron@cooperlevenson.com   |
| 7  | Charity Wild            | cwild@cooperlevenson.com      |
| 8  | Trevor Waldron          | twaldron@cooperlevenson.com   |
| 9  | Eric Browndorf          | ebrowndorf@cooperlevenson.com |
| 10 | William Rubley          | wrubley@cooperlevenson.com    |
| 11 | Kimberly Rushton        | krushton@cooperlevenson.com   |
| 12 |                         |                               |
| 13 | Christiane Smith        | chsmith@cooperlevenson.com    |
| 14 | Nina Little             | nlittle@cooperlevenson.com    |
| 15 | Charity Wild            | cwild@cooperlevenson.com      |
| 16 |                         |                               |
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1 ERR  
2 WILLIAM P. RUBLEY, ESQ.  
3 Pro Hac Vice  
4 KIMBERLY MAXSON-RUSHTON, ESQ.  
5 Nevada Bar No.: 5065  
6 COOPER LEVENSON, P.A.  
7 3016 W. Charleston Blvd., Suite 195  
8 Las Vegas, NV 89102  
9 E-mail: [krushton@cooperlevenson.com](mailto:krushton@cooperlevenson.com)  
10 Telephone: (702) 366-1125  
11 Facsimile: (702) 366-1857  
12 *Attorneys for Defendants*  
13 **TOUGH MONEY LLC, Z CASH LLC,**  
14 **DUANE TOUGH and BRENT RUTTMAN**

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

10 3342962 NOVA SCOTIA LIMITED, a body  
11 corporate existing under the laws of the  
12 Province of Nova Scotia, Canada; and 4043434  
13 NOVA SCOTIA LIMITED, a body corporate  
14 existing under the laws of the Province of Nova  
15 Scotia, Canada, individually and derivatively on  
16 behalf of ZIPPY CASH LLC, a Nevada limited  
17 liability company,

Plaintiffs,

vs.

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

Defendants.

CASE NO.: A-22-851637-B  
DEPT NO.: 13

**ERRATA TO DEFENDANTS'**  
**OPPOSITION TO THE RECEIVER'S**  
**MOTION FOR ORDER TO SHOW**  
**CAUSE WHY DUANE TOUGH AND**  
**BRENT RUTTMAN SHOULD BE HELD**  
**IN CONTEMPT**

Date: August 25, 2022  
Time: 9:00 a.m.

23 Defendants TOUGH MONEY, LLC, Z CASH, LLC, DUANE TOUGH, and BRENT  
24 RUTTMAN, by and through their attorneys, COOPER LEVENSON, P.A., hereby submit this Errata  
25 to Defendant's Opposition to the Receiver's Motion For Order to Show Cause Why Duane Tough  
26 and Brent Ruttman Should Be Held In Contempt filed on August 23, 2022.

27 ...

28 ...



1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCPC 5(b) and NEFCR 9, I certify that I am an employee of COOPER  
3 LEVENSON, P.A. and that on the 24<sup>th</sup> day of August, 2022, I caused to be served the foregoing  
4 ***ERRATA TO DEFENDANT’S OPPOSITION TO THE RECEIVER’S MOTION FOR ORDER***  
5 ***TO SHOW CAUSE WHY DUANE TOUGH AND BRENT RUTTMAN SHOULD BE HELD IN***  
6 ***CONTEMPT*** by using the Court’s electronic filing system (“EFS”) to all registered users on the  
7 above captioned case in the Eighth Judicial District Court, addressed to the following:  
8

9 William M. Gantz, Esq. (*pro hac vice*)  
10 Dominica C. Anderson, Esq.  
11 Tyson E. Hafen, Esq.  
12 DUANE MORRIS LLP  
13 100 North City Parkway, Suite 1560  
14 Las Vegas, NV 89106  
15 **Attorneys for Plaintiffs**  
16 **3342962 Nova Scotia Limited and**  
17 **4043434 Nova Scotia Limited**

Rory T. Kay, Esq. (NSBN 12416)  
Kiley A. Harrison, Esq. (NSBN 16092)  
McDONALD CARANO LLP  
2300 West Sahara Avenue, Suite 1200  
Las Vegas, Nevada 89102  
Telephone: (702) 873-4100  
rkay@mcdonalddcarano.com  
kharrison@mcdonalddcarano.com  
**Attorneys for Defendants Robert L. Stewart;**  
**John F. Stewart; Gene Williams; LIO, LLC;**  
**and Sales Consultants Int’l, Inc.**

18 By: /s/ Nina J. Little  
19 \_\_\_\_\_  
20 An Employee of  
21 COOPER LEVENSON, P.A.  
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1 **DECLARATION OF DUANE TOUGH**

2 I, Duane Tough, Defendant herein, declare as follows:

3 I am familiar with the facts contained in the Response to the Motion to Appoint the Receiver  
4 and that the statements within are true and correct to the best of my knowledge, information, and  
5 belief.

6 I further declare that the Response to the Motion to Appoint the Receiver and Memorandum  
7 in Support are legal in nature and are based upon information furnished to counsel and upon  
8 information which has been gathered by counsel.

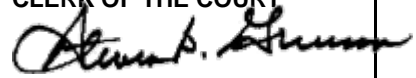
9  
10 While the language of the Response to the Motion to Appoint the Receiver and  
11 Memorandum in Support is that of counsel and not of signor, I hereby verify that I have read the  
12 motion and memorandum and that it is true and correct to the best of my knowledge, information,  
13 and belief.

14  
15 I declare under penalty of perjury under the law of the State of Nevada that the foregoing is  
16 true and correct, and that I am physically located outside the geographic boundaries of the United  
17 States, Puerto Rico, the United States Virgin Islands and any territory or insular possession subject  
18 to the jurisdiction of the United States.

19 Executed on the 23 (date) day of Aug (month), 2022 (year), at  
20 Toronto (city or other location and state), Canada (country).  
21

22  
23  
24 Date: August 23, 2022

25 By:   
DUANE TOUGH  
26  
27  
28



1 ERR  
WILLIAM P. RUBLEY, ESQ.  
2 Pro Hac Vice  
KIMBERLY MAXSON-RUSHTON, ESQ.  
3 Nevada Bar No.: 5065  
COOPER LEVENSON, P.A.  
4 3016 W. Charleston Blvd., Suite 195  
Las Vegas, NV 89102  
5 E-mail: [krushton@cooperlevenson.com](mailto:krushton@cooperlevenson.com)  
Telephone: (702) 366-1125  
6 Facsimile: (702) 366-1857  
*Attorneys for Defendants*  
7 **TOUGH MONEY LLC, Z CASH LLC,**  
**DUANE TOUGH and BRENT RUTTMAN**

8 **DISTRICT COURT**

9 **CLARK COUNTY, NEVADA**

10 3342962 NOVA SCOTIA LIMITED, a body  
corporate existing under the laws of the  
11 Province of Nova Scotia, Canada; and 4043434  
NOVA SCOTIA LIMITED, a body corporate  
12 existing under the laws of the Province of Nova  
Scotia, Canada, individually and derivatively on  
13 behalf of ZIPPY CASH LLC, a Nevada limited  
liability company,

14 Plaintiffs,

15 vs.

16 ZIPPY CASH LLC, A Nevada limited liability  
company; TOUGH MONEY LLC, a Delaware  
17 limited liability company; DUANE TOUGH;  
18 BRENT RUTTMAN; LIO LLC, a Delaware  
limited liability company; ROBERT L.  
19 STEWART; JOHN F. STEWART; GENE  
WILLIAMS; SALES CONSULTANTS INT'L,  
20 INC.; and Z CASH LLC,

21 Defendants.

CASE NO.: A-22-851637-B  
DEPT NO.: 13

**ERRATA TO DEFENDANTS'**  
**OPPOSITION TO THE RECEIVER'S**  
**MOTION FOR ORDER TO SHOW**  
**CAUSE WHY DUANE TOUGH AND**  
**BRENT RUTTMAN SHOULD BE HELD**  
**IN CONTEMPT**

Date: August 25, 2022  
Time: 9:00 a.m.

22  
23 Defendants TOUGH MONEY, LLC, Z CASH, LLC, DUANE TOUGH, and BRENT  
24 RUTTMAN, by and through their attorneys, COOPER LEVENSON, P.A., hereby submit this Errata  
25 to Defendant's Opposition to the Receiver's Motion For Order to Show Cause Why Duane Tough  
26 and Brent Ruttman Should Be Held In Contempt filed on August 23, 2022.

27 ...

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1 This Errata is submitted due to the fact that the attached Declarations of Duane Tough and  
2 Brent Ruttman referenced an incorrect name of the document being declared.

3 DATED this 24<sup>th</sup> day of August, 2022.

4 **COOPER LEVENSON, P.A.**

5  
6 */s/ William P. Rubley, Esq.*

7 

---

WILLIAM P. RUBLEY, ESQ.

8 Pro Hac Vice

9 KIMBERLY MAXSON-RUSHTON, ESQ.

10 Nevada Bar No.: 5065

11 3016 W. Charleston Blvd., Suite 195

12 Las Vegas, NV 89102

13 *Attorneys for Defendants*

14 ***TOUGH MONEY LLC, Z CASH LLC,***

15 ***DUANE TOUGH and BRENT RUTTMAN***

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCPC 5(b) and NEFCR 9, I certify that I am an employee of COOPER  
3 LEVENSON, P.A. and that on the 24<sup>th</sup> day of August, 2022, I caused to be served the foregoing  
4 ***ERRATA TO DEFENDANT’S OPPOSITION TO THE RECEIVER’S MOTION FOR ORDER***  
5 ***TO SHOW CAUSE WHY DUANE TOUGH AND BRENT RUTTMAN SHOULD BE HELD IN***  
6 ***CONTEMPT*** by using the Court’s electronic filing system (“EFS”) to all registered users on the  
7 above captioned case in the Eighth Judicial District Court, addressed to the following:  
8

9 William M. Gantz, Esq. (*pro hac vice*)  
10 Dominica C. Anderson, Esq.  
11 Tyson E. Hafen, Esq.  
12 DUANE MORRIS LLP  
13 100 North City Parkway, Suite 1560  
14 Las Vegas, NV 89106  
15 **Attorneys for Plaintiffs**  
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17 **4043434 Nova Scotia Limited**

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kharrison@mcdonalddcarano.com  
**Attorneys for Defendants Robert L. Stewart;**  
**John F. Stewart; Gene Williams; LIO, LLC;**  
**and Sales Consultants Int’l, Inc.**

18 By: /s/ Nina J. Little  
19 \_\_\_\_\_  
20 An Employee of  
21 COOPER LEVENSON, P.A.  
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1 **DECLARATION OF DUANE TOUGH**  
2 **IN SUPPORT OF THE OPPOSITION TO RECEIVER'S MOTION FOR ORDER TO SHOW**  
3 **CAUSE WHY DUANE TOUGH AND BRENT RUTTMAN**  
4 **SHOULD BE HELD IN CONTEMPT**

5 I, Duane Tough, Defendant herein, declare as follows:

6 I am familiar with the facts contained in the Opposition to the Receiver's Motion for Order to  
7 Show Cause Why Duane Tough and Brent Ruttman Should Be Held In Contempt and that the  
8 statements within are true and correct to the best of my knowledge, information, and belief.

9 I further declare that the Opposition to said motion is legal in nature and it is based upon  
10 information furnished to counsel and upon information which has been gathered by counsel.

11 While the language of the Opposition to the Receiver's Motion for Order to Show Cause  
12 Why Duane Tough and Brent Ruttman Should Be Held In Contempt is that of counsel and not of  
13 signor, I hereby verify that I have read it and that it is true and correct to the best of my knowledge,  
14 information, and belief.

15 I declare under penalty of perjury under the law of the State of Nevada that the foregoing is  
16 true and correct, and that I am physically located outside the geographic boundaries of the United  
17 States, Puerto Rico, the United States Virgin Islands and any territory or insular possession subject  
18 to the jurisdiction of the United States.

19 Executed on the 24 day of August, 2022, at Toronto (city or  
20 other location and state), Canada (country).

21 No Notary Required pursuant to Nevada Revised Statute ("NRS") 53.045.

22  
23  
24 Date: August 24, 2022

25 By:

26   
27 DUANE TOUGH  
28

1 DECLARATION OF BRENT RUTTMAN

2 STATE OF NEBRASKA )  
3 COUNTY OF DOUGLAS ) ss.

4 Brent Ruttman declares as follows:

- 5 1. I am a Defendant in this matter, am over the age of 18 years and I am competent to  
6 make this Declaration.
- 7 2. I have personal knowledge of the facts set forth herein.
- 8 3. I make this Declaration in support of Defendants' Response to the Motion for Order to  
9 Show Cause for Contempt.
- 10 4. I further declare that the Response to the Motion for Order to Show Cause for  
11 Contempt is legal in nature and are based upon information furnished to counsel and  
12 upon information which has been gathered by counsel.
- 13 5. While the language of the Response to the Motion for Order to Show Cause for  
14 Contempt is that of counsel and not of signor, I declare under penalty of perjury under  
15 the law of the State of Nevada that the foregoing is true and correct.

16  
17 Respectfully submitted,

18  
19 Date: August 24, 2022

By:

  
BRENT RUTTMAN