

1 Salt Lake City, Utah April 20, 2014, 2018; 8:05 a.m.

2 PROCEEDINGS

08:05:24

3 THE COURT: Good morning. We are convened again in
4 the *United States versus RaPower*. Are there any preliminary
5 issues we need to discuss?

6 MS. HEALY GALLAGHER: Briefly. One quick question
7 about the schedule. We got the court's e-mail and we are
8 holding June 25th through June 29th. I was just curious
9 whether that takes May 14 and 15 off the books?

08:05:38

10 THE COURT: 15 is off because Mr. Snuffer can't do it,
11 right?

12 MR. SNUFFER: Correct.

13 THE COURT: But 14, let's -- we're going to see how
14 things go.

08:05:46

15 MS. HEALY GALLAGHER: Okay.

08:06:01

16 THE COURT: At the time you rest, if that happens
17 today, or when I -- when I get to that emotional point where
18 I can bring this up, I was going to suggest that we go to --
19 we start -- first of all, we are going to start tomorrow and
20 the next day at 8:00 a.m.

08:06:22

21 Second of all, I was playing with the idea of
22 recessing at 5:00 or 5:30 tomorrow and the next day and
23 going until 9:00 at night. We'll see. We have got a whole
24 week there at the end of June, I just hate to drag this out,
25 but we're just all working together to try to get this

1 THE COURT: We're convened ready for your next
2 witness.

3 MS. HEALY-GALLAGHER: Excuse me, Your Honor. If I
4 might one preliminary matter?

12:45:20 5 THE COURT: Yeah.

6 MS. HEALY-GALLAGHER: With the prospect of night
7 court coming up, we thought we might renew -- remind the Court
8 of the motions in limine pending with respect to Kurt Hawes
9 and Rick Jameson. That's ECF Number 249.

12:45:39 10 THE COURT: Uh-huh (affirmative).

11 MS. HEALY-GALLAGHER: Both of these purported
12 experts that defendants say they're going to call will be
13 offering legal conclusions to the Court.

14 THE COURT: No, they won't because I won't permit
12:45:50 15 it.

16 MS. HEALY-GALLAGHER: Okay. Well, for example,
17 Your Honor, Mr. Hawes --

18 THE COURT: I'm going to permit them to discuss
19 their views, but I'm not going to take them as opinions under
12:46:00 20 702. And it's the same thing with Mr. Johnson. I want to
21 hear them out thoroughly, and I'll decide. For one thing I
22 don't permit testimony on the law, so that's not going to
23 happen, regardless of qualifications.

24 MS. HEALY-GALLAGHER: Understood.

12:46:14 25 THE COURT: Okay. I will received Exhibits 589 and

1 590. They're received.

2 (Whereupon, Plaintiff's Exhibits 589 and 590 were received.)

3 THE COURT: Your next witness?

4 MS. HEALY-GALLAGHER: The United States calls

12:46:25

5 Neldon Johnson.

6 THE CLERK: Pause right here, sir, and raise your
7 right hand.

8 NELDON PAUL JOHNSON,

9 called as a witness at the request of Plaintiff,

12:46:38

10 having been first duly sworn, was examined

11 and testified as follows:

12 THE WITNESS: I do.

13 THE CLERK: Thank you. Please take a seat, sir.

14 THE WITNESS: All right. Thanks.

12:46:54

15 THE COURT: I didn't mean to cut you off,

16 Miss Healy-Gallagher. Sorry.

17 MS. HEALY-GALLAGHER: Not at all.

18 THE COURT: Okay.

19 THE WITNESS: Is this too close?

12:47:14

20 THE COURT: No. With my ears nothing is too close.

21 THE WITNESS: Okay.

22 DIRECT EXAMINATION

23 BY MS. HEALY-GALLAGHER:

24 Q. Hello, Mr. Johnson.

12:47:26

25 A. Hi.

1 Q. Mr. Johnson, you decide what to do with money that
2 comes in to RaPower3; correct?

3 A. That's correct.

4 Q. At one point, Mr. Johnson, you decided that
14:36:25 5 RaPower3 should buy IAS stock; correct?

6 A. That's correct.

7 Q. For \$3,077,839; correct?

8 A. That's correct.

9 Q. Before RaPower3 made that payment, that 3-plus
14:36:46 10 million dollars was just sitting in the RaPower3 bank account;
11 correct?

12 A. That's correct.

13 Q. RaPower3 pays money to you and your family members;
14 correct?

14:37:52 15 A. That's correct.

16 Q. We see that in Plaintiff's Exhibit 743; correct?

17 A. Correct.

18 Q. Mr. Johnson, would you, please, turn to Plaintiff's
19 Exhibit 743 and page through it?

14:38:22 20 A. Okay.

21 Q. Plaintiff's Exhibit 743 contains checks from
22 RaPower3 to you and your family members; correct?

23 A. That's correct.

24 Q. Sometimes RaPower3 pays your family members in the
14:38:54 25 tens of thousands; correct?

1 A. That's correct.

2 Q. So, for example, on Page 20 we see a check from
3 RaPower3 to Glenda Johnson for \$70,000, yes?

4 A. That's correct.

14:39:16 5 Q. And on Page 33, we see a check to Randy Johnson for
6 \$30,000; right?

7 A. Correct.

8 Q. On Page 32, we also see a \$30,000 check, but this
9 one is to Legrand Johnson; correct?

14:39:43 10 A. That's correct.

11 Q. Page 56 has a \$6,000 check to you from RaPower3;
12 correct?

13 A. Correct.

14 Q. Mr. Johnson, we've been -- we've heard some
14:40:13 15 testimony about a company called SOLCO1. Do you recognize
16 that name?

17 A. I do.

18 Q. That's also one of your companies; correct?

19 A. It's not one of my companies. I'm a manager.

14:40:24 20 Q. You manage SOLCO1; correct?

21 A. That's correct.

22 Q. You have signature authority on SOLCO1's bank
23 accounts; correct?

24 A. That's correct.

14:40:33 25 Q. SOLCO1 has never made a payment to IAS; correct?