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IN THE UNITED STATES DISTRICT COURT FOR THE  
DISTRICT OF UTAH, CENTRAL DIVISION

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| <p>UNITED STATES OF AMERICA,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">vs.</p> <p>RAPOWER-3, LLC, INTERNATIONAL<br/> AUTOMATED SYSTEMS, INC., LTB1,<br/> LLC, R. GREGORY SHEPARD,<br/> NELDON JOHNSON, and ROGER<br/> FREEBORN,</p> <p style="text-align: center;">Defendants.</p> | <p style="text-align: center;">Civil No. 2:15-cv-00828-DN-EJF</p> <p style="text-align: center;"><b>DECLARATION OF NELDON JOHNSON<br/> IN SUPPORT OF DEFENDANTS'<br/> OPPOSITION TO PLAINTIFF'S MOTION<br/> FOR PARTIAL SUMMARY JUDGMENT<br/> (Doc. 235)</b></p> <p style="text-align: center;">Judge David Nuffer<br/> Magistrate Judge Evelyn J. Furse</p> |
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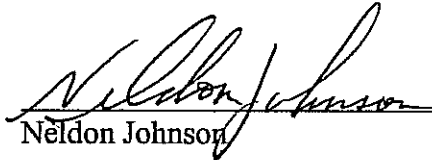
Defendant Neldon Johnson declares and states, under penalty of perjury, the following:

1. I am a named Defendant herein, over the age of 18, and declare and state the following in support of Defendants Opposition to Plaintiff's Motion for Partial Summary Judgment. (Doc. 251).
2. I make this declaration based on my own personal knowledge and if called upon to testify as to these matters, would testify consistent to the statements made herein.

3. Defendants have now installed solar arrays consisting of approximately 23,000 lenses on approximately 175 units that are ready for installation onto towers. Defendants have approximately 200 bases to construct into solar towers. (See photos, taken 6.20.2017).
4. At the R&D site 19 towers held 2,574 lenses during the initial phases of research and testing of the solar arrays and towers. Many of these lenses were broken or destroyed during testing.
5. I estimate as many as 10,000 lenses were used during the research and development at the R&D site.
6. In the warehouse we have stockpiled thousands of customer lenses and additional inventory lenses to be used in the future. There are other lenses that have been installed in frames at the manufacturing facility.
7. In the last six months there has been substantial progress toward completion of hundreds of solar arrays installed and now ready to be assembled onto towers. Two hundred tower bases have been delivered to the RaPower3 manufacturing site and are ready to be assembled on land I own. That is work in current process and, while actively under construction, not yet finished.
8. The government misstates the terms of the bonus contract by stating bonuses are only available "only after IAS reaches \$1 billion in gross sales" in paragraphs 129, 130 and 131 of their Motion. The terms are the opposite of that representation because bonuses are paid up to \$1 billion in gross sales.
9. Defendants did not tell customers that the bonus contract was key to claiming depreciation, but that it was to provide a revenue payment to customers on sales so they could participate in the R&D and benefit from those sales.

10. The government's statement in paragraph 125 is inaccurate. Purchases were made in December and often when the purchaser determined they wanted to rescind a purchase they were allowed to do so up until April 15<sup>th</sup> of the following year. They could rescind part or all of their purchase and return their lens.
11. IAS does not and will not profit unless and until electricity is generated.
12. When laborers are paid, including family members working on IAS business, taxes are withheld and paid on those earnings.
13. IAS repurchased all lenses sold in 2009 from the purchasers.
14. I hereby declare under criminal penalty of the State of Utah that the foregoing is true and correct.

Dated this 16<sup>th</sup> day of December, 2017.

  
Neldon Johnson

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing **DECLARATION OF NELDON JOHNSON IN SUPPORT OF DEFENDANT'S OPPOSITION TO PLAINTIFF'S MOTION FOR PARTIAL SUMMARY JUDGMENT** was sent to counsel for the United States in the manner described below.

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 Electronic Service via Utah Court's e-filing program

/s/ Denver C. Snuffer, Jr. .  
*Attorneys for Defendants*

# Exhibit 1







