

Denver C. Snuffer, Jr. (#3032) denversnuffer@gmail.com

Steven R. Paul (#7423) spaul@nsdplaw.com

Daniel B. Garriott (#9444) dbgariott@msn.com

Joshua D. Egan (15593) Joshua.d.egan@gmail.com

NELSON, SNUFFER, DAHLE & POULSEN

10885 South State Street

Sandy, Utah 84070

Telephone: (801) 576-1400

Facsimile: (801) 576-1960

*Attorneys for RAPower-3, LLC, International Automated Systems, Inc.,
LTB1, and Neldon Johnson*

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

UNITED STATES OF AMERICA,

Plaintiff,

vs.

RAPOWER-3, LLC, INTERNATIONAL
AUTOMATED SYSTEMS, INC., LTB1,
LLC, R. GREGORY SHEPARD, and
NELDON JOHNSON,

Defendants.

Civil No. 2:15-cv-00828-DN-EJF

**DECLARATION OF R. GREGORY
SHEPARD'S IN SUPPORT OF
RESPONSE TO ORDER TO SHOW
CAUSE ECF Doc. 483**

Judge David Nuffer

Pursuant to 28 U.S.C. § 1746, I hereby declare as follows:

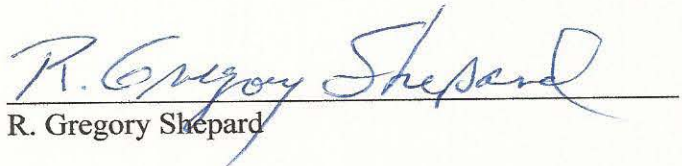
1. My name is Greg Shepard and I make this declaration under oath and based on my personal knowledge.
2. Since the asset freeze order was issued in this case and received by my banks and other sources of income, like my buy-out payments from Bigger Faster Stronger, I became desperate as I was unable to pay my daily expenses and I feared losing our home and our cars and not being able to care for my family or pay for our daily living expenses.

3. With my sources of income frozen, I was limited to the social security my wife and I receive and I returned to substitute teaching. When I work, I earn \$85 dollars per day, which is just about \$73, after taxes. My monthly expenses are approximately \$6,000.
4. Many years ago, I purchased a life insurance policy with AXA Equitable Retirement Services to provide for my wife in the event of my death. I learned that the policy had a cash value of approximately \$27,000.00. AXA had not been notified of the asset freeze order.
5. On approximately September 27, 2018, I requested the distribution of the cash value of the AXA Equitable Retirement account, which was received by me on or about October 1, 2018.
6. I was worried about my ability to pay my family's expenses of daily living, in particular the mortgage and utilities associated with our home, real property taxes on our home and my federal income taxes. I was worried about our car payments and pending credit card payments and how to pay for meals and other costs of daily living.
7. I used the \$27,000 toward payment of those expenses and others, such as medical bills and prescriptions.
8. I am constantly worried about my health and my ability to provide for my wife and her aged mother who lives with us. I was afraid that if I did not pay the mortgage, utilities, taxes and other costs associated with the home, and something should happen to me, that my wife and my aged mother-in-law would be destitute.

9. I continue to have ongoing heart problems and together with my age, my neurological impairment¹ and other health problems I am facing, I worry about my ability to provide for my family; I am worried about leaving my family in a bad situation.
10. I did not consult with any of my attorneys about the propriety of using the \$27,000 received from AXA Equitable Retirement. But when I was confronted about the matter, I did not, nor do I, deny having taken and used the money.
11. I have been instructed by my lawyers on the impropriety of using the money received from AXA Equitable Retirement and the need to follow proper procedure in dealing with my finances and the court's orders.
12. I was given a copy of the Government's motion for Order to Show Cause and I understand the severity of the actions that I took.
13. I do not have the ability to repay the money to the court, but I am willing, if possible, to do what the Court now requires to make this right, while anxious to have the Court understand the direful circumstances I confront every day.

I declare under the penalty of perjury, that the foregoing is true and correct.

DATED this 2nd day of November, 2018.


R. Gregory Shepard

¹ Mr. Shepard has the neurological disorder referred to as Charcot-Marie-Tooth Disease, which is similar to muscular dystrophy in that it affects the peripheral nerves outside the brain and spinal cord which supply the muscles and sensory organs in the limbs. Mr. Shepard suffers loss of muscle tissue in his extremities and neuropathy in his hands, arms and legs that make it increasingly difficult to function on a daily basis.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **DECLARATION OF R. GREGORY SHEPARD'S IN SUPPORT OF RESPONSE TO ORDER TO SHOW CAUSE ECF Doc. 483** was sent to counsel for the United States in the manner described below.

Erin Healy Gallagher
Erin R. Hines
Christopher R. Moran
US Dept. of Justice
P.O. Box 7238
Ben Franklin Station
Washington, DC 20044
Attorneys for USA

Sent via:
 Mail
 Hand Delivery
 Email: erin.healygallagher@usdoj.gov
erin.r.hines@usdoj.gov
christopher.r.moran@usdoj.gov
 Electronic Service via Court's
CM/ECF filing program

/s/ Steven R. Paul
Attorneys for Defendants