

WAYNE KLEIN, RECEIVER FOR RAPOWER-3, LLC
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November 12, 2018

Pacific Stock Transfer Company
6725 Via Austi Parkway, Suite 300
Las Vegas, NV 89119

Re: *United States v. RaPower-3, IAS, et al.*, Case No. 2:15CV000828
Request for Information

Dear Pacific Stock Transfer Company:

On October 31, 2018, I was appointed by the U.S. District Court of Utah as Receiver over RaPower-3, LLC (RaPower-3), International Automated Systems, Inc. (IAUS), LTB1, LLC, and the assets of Neldon Johnson and R. Gregory Shepard (“Receivership Defendants”). Enclosed is a copy of the order appointing me as Receiver (“Receivership Order”).

One of the Receivership Entities is International Automated Systems, Inc., an OTCBB company trading under the symbol IAUS. I understand Pacific Stock Transfer Company is the transfer agent for IAUS.

Key provisions of the Receivership Order are:

- The U.S. District Court has taken exclusive control over the assets of IAUS and all other Receivership Defendants (¶ 2) and has appointed me as Receiver, with exclusive authority to act on behalf of Receivership Defendants (¶ 3).
- All existing officers and directors of IAUS and other Receivership Entities are removed from their positions and their authority to take any action on behalf any Receivership Entity is terminated. (¶¶ 9-10). This means Pacific Stock Transfer Company should not comply with any requests from any defendant to take action on behalf of IAUS or to sell or transfer any securities holdings those defendants have in IAUS.
- Agents of the Receivership Defendants must turn over to the Receiver any information they have regarding entities in or assets of the Receivership Estate (¶¶ 14-17). The Receivership Order specifically requires transfer agents of IAUS to assist the Receiver (¶ 24). Other cooperation requirements are found in ¶ 35.

I am hereby requesting assistance from Pacific Stock Transfer Company. Please provide me with the following information:

1. Transfer Agency Agreement. A copy of the agreement between you and IAUS and all correspondence between you and representatives of IAUS. If the agreement does not

already indicate it, identify the date on which you began serving as transfer agent for IAUS.

2. Prior Transfer Agents. To the best of your information, identify other entities that have served as transfer agents for IAUS. This should include the dates that each transfer agent provided services to IAUS and contact information for the transfer agents.
3. Market Makers. Identify all current market makers for IAUS stock, including contact information for the market makers and the individual most knowledgeable about IAUS at each market maker. Please provide similar information for any broker-dealers who have served as market makers for IAUS since November 1, 2015 that are not current market makers.
4. Number of Shareholders, Shares Outstanding. Indicate the total number of current shareholders of the company and the total number of shares outstanding as of October 31, 2018.
5. Stock Ownership and Sales by Defendants and Family Members. Provide the information requested below for each Receivership Defendant and family members of Receivership Defendants (hereinafter "Persons"). The Persons covered by this request are:
 - a. Neldon P. Johnson
 - b. Glenda Johnson
 - c. LaGrand Johnson
 - d. Randale Johnson
 - e. Justin Horton
 - f. Gregory Shepard
 - g. Diane Shepard
 - h. Matthew Shepard
 - i. Mark Shepard

The information to provide for each of these Persons (or other family members known to you) should include the information listed below. If you are aware of securities controlled by these persons in street name, your response should include those securities:

- i. The number of shares (common and preferred), warrants, options, or other securities ("Securities") of IAUS held by each Person on November 1, 2015;

- ii. The number and type of Securities transferred to each Person after November 1, 2015, including:
 - a. The date of the transfer,
 - b. The identity of the transferor,
 - c. How the transfer was accomplished (eg., private transfer of which the transfer agent was informed, open market purchase through a broker-dealer, issuance of new shares, etc.),
 - d. The price of the Securities or total amount of each transfer, and
 - e. How payment was made by the Person to the transferor.
- iii. The number of Securities sold or transferred by each Person after November 1, 2015, including:
 - a. The date of the transfer,
 - b. The identity of the transferee,
 - c. How the transfer was accomplished,
 - d. The price of the Securities or total amount of each transfer, and
 - e. How payment was made from the transferee to the Person.
6. Volume of transfers by transfer agent. The monthly trading volume of IAUS for the period since November 1, 2015. To the extent you have the information, indicate the share of that trading volume reflected by transactions involving Persons (i.e., the Johnson family).
7. 144 Sales. Information you have regarding Rule 144 sales by Persons. This should include copies of legal opinions regarding the sales and information showing all transactions.
8. Report to the Court. Paragraph 85 of the Receivership Order requires that the Receiver provide certain information to the Court regarding IAUS. Please provide any other information you think should be included in my report to the Court.

Warning: The Court issued an order freezing the assets of the Receivership Defendants on August 22, 2018. The asset freeze is repeated in the Receivership Order. If you are aware of any sales of securities, directly or indirectly, by Neldon Johnson after August 22, 2018, you are required to provide that information to me. In addition, the Receivership Order prohibits you from providing any assistance—directly or indirectly—to Johnson in consummating sales of securities he owns or allowing Johnson to effect any sales of securities he owns or controls.

Please provide this information by November 30, 2018. If you have any questions, please call me at 801-824-9616. Thank you for your assistance.

Sincerely,

WAYNE KLEIN
Receiver

Enc.