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**UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH
CENTRAL DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

RAPOWER-3, LLC; INTERNATIONAL
AUTOMATED SYSTEMS, INC.; LTBI,
LLC; R. GREGORY SHEPARD; NELDON
JOHNSON; and ROGER FREEBORN,

Defendants.

**ORDER GRANTING RECEIVER'S
MOTION FOR LEAVE TO
COMMENCE LEGAL PROCEEDINGS**

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

The Honorable David Nuffer

The matter before the Court is the Receiver's Motion for Leave to Commence Legal Proceedings (the "Motion"). The Court has considered the Motion, consulted with Chief Judge Robert J. Shelby, and for good cause appearing,

IT IS HEREBY ORDERED THAT the Motion is GRANTED.

IT IS FURTHER HEREBY ORDER that:

1. The Receiver may commence litigation in the following general categories:

- I. Law firms who were paid for legal work that did not result in reasonably equivalent value for the Receivership Entities (including any persons later made Receivership Entities);
 - II. Persons, including family members and other insiders, who received monies or assets from Receivership Defendants and/or Receivership Entities (including any persons later made Receivership Entities), including property transfers for little or no consideration;
 - III. Law firms and others who are holding funds belonging to Receivership Entities (including any persons later made Receivership Entities);
 - IV. Credit card issuers who were paid using Receivership Entity funds (or funds from any entity subsequently made a Receivership Entity) for charges made for the personal benefit of individuals or entities that are not Receivership Entities; Charitable organizations receiving donations from Receivership Entities (including persons later made Receivership Entities);
 - V. Salespersons who were paid commissions for promoting the tax scheme or soliciting purchasers of lenses;
 - VI. Officers and directors of Receivership Entities (including entities later made Receivership Entities);
 - VII. Recipients of stock, warrants, or other securities of IAS issued by or transferred from IAS or any of its officers and directors;
 - VIII. Diana Shepard and her trust;
 - IX. Former employees of IAS who were accused of having embezzled funds;
 - X. Affiliates and subsidiaries of Receivership Defendants which are not made Receivership Entities, but which received monies or assets from Receivership Entities for little or no consideration;
 - XI. Attorneys, insiders, and others who are discovered to have taken an active role in assisting the scheme; and
 - XII. Insurance companies, to the extent that insurance policies are identified.
2. The Receiver shall consult with counsel for the United States regarding lawsuits he intends to file.
 3. Each lawsuit filed by the Receiver in the United States District Court for the District

of Utah under the Corrected Receivership Order¹ shall be assigned to Judge Nuffer pursuant to DUCivR 83-2(a)(2).

DATED this ____ day of _____, 2019.

BY THE COURT:

The Honorable David Nuffer
U.S. District Court Judge

¹ [Docket No. 491](#), filed November 1, 2018.