

News

12/1/2015

IAUS Response to Department of Justice's Claims Against Its Technology

On November 23, 2015 the United States Department of Justice ("DOJ") filed a lengthy complaint which names IAUS as Defendant. The complaint is seeking to enjoin IAUS from operating its business. IAUS firmly and unequivocally denies the allegations made by the DOJ. The DOJ filed its request for injunction without having visiting our facilities or actually physically evaluating our technology. In our opinion this is unconscionable.

The Company intends to pursue every legal means possible to protect its rights, the rights of potential customers and its shareholders. IAUS views the DOJ's filed injunction and press release as a mechanism for intimidation and coercion. Congress, not IAUS, authorized tax benefits in the law to encourage investors and other stakeholders to further the use and production of solar energy. IAUS has consistently required every person with which it has done business to seek independent tax and legal advice as it relates to utilizing the tax benefits that are allowed by law. Despite the congressionally authorized incentives, and professional opinions and advice rendered, the DOJ has brought claims against the Company without having visited our facilities or actually evaluated our technology. However, IAUS refuses to be intimidated and intends to vigorously defend the allegations made by the DOJ.

If the DOJ would take the time view a 38 second video [click here](#) to see the video. they would see our technology producing heat.

They could also see our technology produce electricity by watching this short video [click here](#) to see the video.

Instead, the DOJ makes statements to the court that are not supported by any evidence and issues a press release to the public. They make their unsupported accusations because they enjoy sovereign immunity—meaning they cannot be sued (unless the law they create allows it). So they can freely make unsupported and hurtful accusations without fearing repercussions of a countersuit. In other words, it doesn't matter to them if they are wrong. As such, we invite the United States to waive its sovereign immunity so that its conduct might be made known to the public. If the assertions the DOJ makes are true the DOJ should have no concern about waiving sovereign immunity in this case.

Here is a partial list of due diligence IAUS has done with regards to its own solar technologies:

IAUS Solar Lenses

- Three patents granted by United States Patent and Trademark Office
- Viability, energy temperature capabilities, and efficiency review by a third party expert having a background of 50 years of experience in the field of optics, 39 of which were with a leading international electronics corporation where he designed Fresnel lenses and lenticular lenses. He also designed asymmetrical, aspheric lenses and developed an electro photographic process to make color CRTs. He is responsible for 20 patents assigned to the above mentioned international electronics corporation.
- Lens manufacturing partner is a global leader in the design, development and manufacture of acrylic based products. They have over 14 manufacturing sites and 2,000 employees.
- Lenses have already been manufactured for all customers who have purchased them.

IAUS Propulsion Turbine

- Three patents granted by the United States Patent and Trademark Office.
- Viability and efficiency review by third party experts having a background with the following experience:
 - The lead engineer is an expert in combustion stability, liquid rocket engine performance and injector design, and laser diagnostics. He received his B.S. degree in Chemical Engineering from M.I.T., his M.S. degree in Mechanical Engineering from the University of Miami, and his Ph.D. in Mechanical Engineering from U.C. Berkley.
 - The second engineer is an expert in system optimization, mechanical and fluid systems analysis, liquid rocket engine performance, solid and gel propellant performance, and component design. He received his B.S. degree in Mechanical Engineering from V.M.I. and his M.S. degree in Nuclear Engineering from M.I.T. Overall, these engineers are specialized in propulsion technology and have worked with government agencies such as NASA, U.S. Missile Defense Agency, U.S. Air Force, and Office of Secretary of Defense.
 - The third engineer is an expert in structural loads prediction, stress analysis and mechanical design; structural dynamics including rotating machinery and vibration; the use of finite element methods and computer analysis programs to solve stress and dynamic loading problems, including composite structures; and probabilistic and statistical design, analysis and data reduction. He received his B.S., M.S., and Ph.D. degrees in Mechanical Engineering from U.C. Davis. His Ph.D. dissertation was on practical nonlinear simulation of rotating machinery dynamics with application to turbine blade rubbing.

IAUS Concentrated Photo Voltaic (CPV) Receiver

- One patent granted by the United States Patent and Trademark Office and several patents pending.
- Viability of the new voltage controller circuit (which makes a photovoltaic array for concentrated solar possible) was reviewed by an engineer whose background includes a PhD in Electrical Engineering, over thirty years of teaching experience as a professor at a well-respected, major university, a Dean of Engineering, a Department Chair, authored a number of text books on circuit design, and has been published numerous times in trade journals. In addition, he has worked as a consultant for IBM, Intel, and Lawrence Livermore Laboratories, and is a Fellow of IEEE.

Tax Laws with Regards to IAUS Solar Technology

- IAUS obtained two tax opinion letters to ascertain that a business structure with specific tax benefits is available and legal under the law. One is from the largest law firm in the State of Utah.
- Even with these two opinion letters IAUS contractually requires persons to seek independent legal and tax advice. IAUS does not provide legal or tax advice and is not a law firm, nor does it hold itself out as such.

IAUS is a small company, and at times, is both underfunded and understaffed. Yet, in a climate when over 112 solar companies in the past five years have failed, losing billions of government dollars, how is it that in light of supporting information given above, the DOJ and the IRS would attempt to intimidate one of the few who have weathered such economic storms.

IAUS would also like to address the allegations that our technology is in a state of "disrepair" and is in a condition that "energy could not be collected and used for any purpose that Congress intended to encourage." On the surface, if you look at our solar field, perhaps it is only mildly impressive to the untrained eye. Aesthetics is not among our first priorities at this time. In an attempt to be environmentally responsible and forward-thinking with regards to our carbon foot-print, the Company decided to construct its first generation towers using recycled, oil drill pipe, which in and of itself, is remarkable. In addition, during its first stage of commercialization, IAUS has put the customers' lenses through rigorous tests for structural integrity. After each test is complete, IAUS replaces the customer's lens for free. The lenses have also been used to assist in the refinement of IAUS' new, gearless, dual-axis tracking system, an unprecedented mechanism that trumps the accuracy, structural stability, durability and cost of gears.

Currently, renewable energy produced by the lenses is used for various commercial purposes. Additionally, the research and development and refinement of the Company's new solar thermal heat applications and solar thermal/photovoltaic receivers continues. These are tangible products that were always available for the DOJ or the IRS to view upon reasonable request. However, the DOJ or its agents involved showed no interest in conducting such a review before filing its request for an injunction.

IAUS believes the filing of the request for an injunction has unjustly harmed its reputation. IAUS is a small company. In the court of public opinion, it is near impossible for a small company to combat the deep pockets and media influence of the US Government. However, in spite of this, IAUS believes that, in the end, the truth will prevail.

Technology	DVC Applications	DVC Applications	Company
Solar Solar Panels Bladeless Turbine Dynamic Voltage Controller (DVC) DVC Prototype Videos	Instant Charge Batteries Wind Turbines PV Solar CPV Solar Ocean Wave Energy Generation	Electric Car Energy Capture Electric Motors/Generators Smart Grid Lithium Batteries	News About

(c) 2014 International Automated Systems, Inc. All Rights Reserved