

Jonathan O. Hafen (6096) ([jhafen@parrbrown.com](mailto:jhafen@parrbrown.com))  
Jeffery A. Balls (12437) ([jballs@parrbrown.com](mailto:jballs@parrbrown.com))  
PARR BROWN GEE & LOVELESS, P.C.  
101 South 200 East, Suite 700  
Salt Lake City, Utah 84111  
Telephone: (801) 532-7840

*Attorneys for Court-Appointed Receiver Wayne Klein*

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UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH  
CENTRAL DIVISION

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UNITED STATES OF AMERICA,

Plaintiff,

v.

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

Defendants.

RECEIVER'S TWENTY-FIFTH  
QUARTERLY STATUS REPORT

*For the period October 1, 2024 to  
December 31, 2024*

Civil No. 2:15-cv-00828-DN-DAO  
District Judge David Nuffer

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R. Wayne Klein, the Court-Appointed Receiver (the "Receiver") in this matter, hereby  
submits this Twenty-Fifth Quarterly Status Report ("Report") for the period from October 1,  
2024 to December 31, 2024 ("Reporting Period").

## I. INTRODUCTION AND BACKGROUND

The Court's October 31, 2018 *Receivership Order* ("Order"),<sup>1</sup> created the Receivership Estate. The Receivership Estate was expanded in 2019 to include 13 additional affiliated entities ("Affiliated Entities").<sup>2</sup>

During the Reporting Period, the only activities in the main Receivership case were administrative matters. There were, however, significant developments in ancillary cases.

## II. ASSET RECOVERY, SETTLEMENTS

A. Settlements. One new settlement agreement was reached. Following the Court's October 21, 2024 entry of summary judgment against Plaskolite, LLC,<sup>3</sup> Plaskolite agreed to a settlement with the Receiver. The company agreed to pay the judgment amount of \$515,362.64 and the Receiver agreed to waive prejudgment interest. The Court approved the settlement on November 7, 2024.<sup>4</sup> Plaskolite paid its first installment of \$200,000.00.

B. Settlement Recoveries. During the quarter, the Receiver received \$200,000.00 from its settlement with Plaskolite, LLC.

C. Status of Settlement Agreements. To date, 82 settlement agreements have been satisfied in full and the underlying lawsuits have been dismissed or notices were filed that the judgments were satisfied. The table below shows the status of settlement agreements where the debtors are making (or have promised) payments to the Receiver.

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<sup>1</sup> [Docket no. 490](#). A *Corrected Receivership Order* ("CRO"), which corrected formatting errors, was entered the following day. [Docket no. 491](#), filed November 1, 2018.

<sup>2</sup> [Docket no. 636](#), filed May 3, 2019.

<sup>3</sup> Case no. 2:19-cv-832, docket no. 87, filed October 21, 2024.

<sup>4</sup> Receivership case, docket no. 87, filed November 7, 2024.

Settlement Agreements Allowing Installment Payments				
Name	Case No.	Case Status	Prior	Current
Heideman & Assoc. <sup>5</sup>	2:19-cv-00854-DN-PK	Dismissed	83%	83%
Plaskolite, LLC	2:19-cv-00832-DN-PK	Judgment	0%	39%
Taylor, Christopher <sup>6</sup>	2:19-cv-00816-DN-PK	Dismissed	36%	36%

D. Department of Justice Recoveries. During 2024, the Department of Justice collected \$117,611.32 from five defendants whose judgments were assigned to the United States.

### III. REMAINING LITIGATION

A. Pending District Court Litigation. Four of the six still-pending recovery actions are in District Court:

1. Glenda Johnson. On September 12, 2024, the Court granted the Receiver's motion to substitute Neldon Johnson, acting as the personal representative for the estate of Glenda Johnson, as the defendant in this matter.<sup>7</sup> On September 27, 2024, the Court issued an order requiring the estate to appear through counsel by October 21, 2024. As of the end of the Reporting Period, the estate has not made an appearance through counsel. The Receiver intends to seek judgment by default.

2. Nelson Snuffer. The Receiver's lawsuit against the Nelson Snuffer law firm is moving steadily toward trial.<sup>8</sup> Expert and rebuttal reports for both parties have been submitted and depositions of experts were taken. No dispositive motions were filed

<sup>5</sup> Mr. Heideman was reminded of the overdue payment and promised to send payment.

<sup>6</sup> Mr. Taylor filed for bankruptcy after making only a few required settlement payments. The status of the Receiver's actions against Taylor is described below.

<sup>7</sup> Case no. 2:19-cv-00625-DN-PK.

<sup>8</sup> Case no. 2:19-cv-00851-DN-PK.

before the December 16, 2024 deadline. A scheduling conference is set for April 8, 2025.

3. Roger Hamblin, Hamblin Trusts. The Receiver filed suit on June 24, 2024 against Kristine Hamblin as trustee of three trusts and against Hamblin's estate, seeking to recover \$98,070.49 plus prejudgment interest that the Court awarded in 2021.<sup>9</sup> An answer has been filed. Discovery is due by June 23, 2025 with a motion deadline of July 28, 2025 and a status conference set for August 12, 2025.

4. Becky Johnson. The Receiver filed suit against the former wife of Randale Johnson on September 21, 2024, alleging she received voidable transfers from Randale Johnson shortly before the Court granted a \$200,000 judgment against Randale Johnson. Becky Johnson is acting *pro se* and has filed an answer.<sup>10</sup>

B. Bankruptcy Court Litigation: Two recovery actions are in bankruptcy court:

1. Randale Johnson. Settlement discussions with Randale Johnson proved unsuccessful. At a December 17, 2024 status conference, Judge Hunt recommended judge-provided mediation. The Receiver has agreed to participate.

2. Christopher Taylor. On October 25, 2024, the bankruptcy court dismissed Taylor's bankruptcy petition for failure to provide required information. At the request of Taylor's counsel, the dismissal was vacated on November 26, 2024. On December 18, 2024, the trustee filed a new motion to dismiss the bankruptcy based on Taylor's failures

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<sup>9</sup> Case no. 2:24-cv-00452-DN-DBP.

<sup>10</sup> Case no. 2:24-cv-00450-DN-DPB.

to maintain ongoing plan payments and failure to resolve creditor objections. The Receiver has filed a proof of claim.<sup>11</sup>

C. Criminal Contempt Case. The indictment against Glenda Johnson was dismissed on May 3, 2024 due to her death. Neldon Johnson's trial on criminal contempt charges, scheduled for December 2, 2024, was postponed due to his ill health. On December 26, 2024, the court dismissed the indictment against Neldon Johnson at the request of the U.S. Attorney—based on Neldon Johnson's ill health.<sup>12</sup>

#### IV. REAL PROPERTY HOLDINGS

The Receivership Estate now holds only the three contiguous properties that are subject to a purchase option. Option payments are current. The option expires on December 15, 2025.

#### V. FINANCIAL OPERATIONS OF THE RECEIVERSHIP ESTATE

A. Receipts and Disbursements. The table below summarizes the revenue and expenditures of the Receivership Estate during the quarter:

Category	Revenue	Expenditures
Settlement payments	\$200,000.00	
Real estate option	\$52,717.00	
Interest earnings	\$10,393.84	
Property taxes		\$10,004.06
Storage unit, operating		\$384.00
Expert witness fees		\$14,664.99
<b>Total</b>	<b>\$263,110.84</b>	<b>\$25,053.05</b>

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<sup>11</sup> Bankruptcy case no. 24-22585.

<sup>12</sup> 2:21-cr-513.

The fee application for work performed during the third quarter of 2024 was approved.<sup>13</sup> Payments totaling \$76,323.84 were paid to the Receiver, his counsel, and forensic accountants.

B. Bank Account Balances. The balances of funds in the Receivership accounts at Wells Fargo Bank and Wells Fargo Advisors as of December 31, 2024 were:

Account Balances	
Account	Amount
Checking account	\$23,466.27
Bank savings account	\$51,013.09
Money market fund	\$992,348.24
<b>Total</b>	<b>\$1,066,827.60</b>

C. Prior Distributions to the U.S. Treasury. The Receiver has distributed \$9,000,000.00 to the U.S. Treasury to date. The most recent distribution was December 20, 2021. The amount the Receiver is retaining in the Receivership Estate is to cover potential litigation expenses.

## VI. NEXT STEPS

The remaining tasks for the Receivership are:

A. Recovery Litigation. Litigation will continue in the four recovery cases still pending in district court and the two cases pending in bankruptcy court.

B. Managing Remaining Properties. The Receiver will continue managing the three properties that are subject to the purchase option, including paying property taxes and ensuring collection of the option payments.

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<sup>13</sup> Docket no. 1280, filed October 31, 2024.

VII. CONCLUSION

With the Court's help, the Receiver continues making progress in accomplishing the objectives of the Receivership Estate and looks forward to concluding his responsibilities when the remaining tasks—litigating remaining cases and selling remaining real properties—have been accomplished.

The Receiver certifies that the information in this Twenty-Fifth Quarterly Status Report is accurate to the best of his knowledge.

/s/ Wayne Klein

Wayne Klein  
Receiver

DATED this 15th day of January, 2025.

PARR BROWN GEE & LOVELESS

/s/ Jeffery A. Balls

Jonathan O. Hafen  
Jeffery A. Balls  
*Attorneys for Receiver*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that service of the above RECEIVER'S TWENTY-FIFTH  
QUARTERLY STATUS REPORT was electronically filed with the Clerk of the Court through  
the CM/ECF system on January 15, 2025 which sent notice of the electronic filing to all counsel  
of record. A copy was also mailed to the following:

Neldon Johnson  
1309 N. 550 West  
Pleasant Grove, UT 84062  
*Pro se Defendant*

/s/ Wendy V. Tuckett