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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.; LTB1,
LLC; R. GREGORY SHEPARD; NELDON
JOHNSON; and ROGER FREEBORN,

Defendants.

RECEIVERS TWENTY-NINTH
QUARTERLY STATUS REPORT

*For the period October 1, 2025 to
December 31, 2025*

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

Honorable David Nuffer

R. Wayne Klein, the Court-Appointed Receiver (the "Receiver") in this matter, hereby submits this Twenty-Ninth Quarterly Status Report ("Report") for the period from October 1, 2025 to December 31, 2025 ("Reporting Period").

I. INTRODUCTION AND BACKGROUND

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

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

² [Docket no. 636](#), filed May 3, 2019.

During the Reporting Period, the principal activities in the main Receivership case were settlement of another one of the few remaining litigation matters, receipt of significant payments on prior litigation settlements, and termination of the purchase option on the remaining real properties in Millard County. The developments in ancillary cases are described below.

II. ASSET RECOVERY, SETTLEMENT RECOVERIES

A. Settlement with Hamblin Estate. On October 29, 2025, the Court approved the settlement with the estate of Roger Hamblin and several Hamblin Family Trusts.³ The settlement proceeds were deposited into the Receivership account on October 14.

B. Settlement Recoveries. During the quarter, the Receiver received \$165,699.93 in installment payments from prior settlements.

C. DOJ Recoveries. During 2025, the DOJ reported recovering \$7,283.30 on judgments previously assigned to the United States.

D. Status of Settlement Agreements. To date, 85 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 payments to the Receiver. In the Randale Johnson case, the Bankruptcy Court held a hearing on December 1, 2025 and issued an order on December 31, 2025 approving the settlement agreement and dismissing the Receiver's adversary complaint against Johnson.⁴

Settlement Agreements Allowing Installment Payments				
Name	Case No.	Case Status	Prior	Current
Plaskolite, LLC	2:19-cv-00832-DN-PK	Judgment	68%	100%
Johnson, Randale	2:19-cv-00532-DN-PK	Judgment/Bkpt.	20%	20%

³ Docket no. 1307, filed Oct. 27, 2025.

⁴ Adversary Proceeding No. 23-02104.

III. REMAINING LITIGATION

A. Pending District Court Litigation. With the settlement of litigation against the Hamblin estate, one recovery action remains pending:

1. Becky Johnson. The Receiver filed suit against Becky Johnson, the former wife of Randale Johnson, to recover the value of real properties Randale Johnson transferred to her after being sued by the Receiver. The Receiver filed a motion for summary judgment on December 4, 2025. Becky Johnson filed a motion to dismiss/motion for summary judgment on December 5, 2025, which the Receiver opposed on January 2, 2026. The scheduling conference set for January 13, 2026 has been vacated.⁵

IV. REAL PROPERTY HOLDINGS

The Receivership Estate now holds only the three contiguous properties that were subject to a purchase option. The option expired on December 15, 2025 with the option holder deciding not to exercise the option. The option holder notified the Receiver that it will file a notice with the country recorder that the option has been terminated. The Receiver contacted two parties that had expressed interest in the property during the option period, but neither indicated that it still has an interest. The Receiver has begun discussions with a real estate agent to again list the properties for sale.

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:

⁵ Case no. 2:24-cv-00450-DN-DPB.

Category	Revenue	Expenditures
Settlement payments	\$277,783.41	
Interest earnings	\$3,874.95	
Property taxes		\$4,271.87
Operating expenses		\$440.00
Total	\$281,657.36	\$4,711.87

The fee application for work performed during the third quarter of 2025 was approved on October 3, 2025.⁶ Fees totaling \$82,855.50 were paid to the Receiver and his counsel in October. On December 2, 2025, the Receiver filed a fee application for work performed during the third quarter.⁷ That motion is pending.

B. Bank Account Balances. The balances of funds in the Receivership accounts at Wells Fargo Bank and Wells Fargo Advisors as of December 31, 2025 were:

Account Balances	
Account	Amount
Checking account	\$177,483.91
Bank savings account	\$15,021.29
Money market fund	\$351,402.30
Total	\$543,907.50

VI. NEXT STEPS

The remaining tasks for the Receivership are:

A. Recovery Litigation. Litigation will continue in the one remaining recovery case against Becky Johnson.

B. Disposition of Remaining Properties. The Receiver will begin marketing the property to potential purchasers.

⁶ Docket no. 1304, filed Oct. 3, 2025.

⁷ Docket no. 1308, filed Dec. 2, 2025.

VII. CONCLUSION

The Receiver hopes to soon conclude the final outstanding litigation and sell the real estate still held and obtain a ruling on the final outstanding litigation. When these tasks are completed, the Receiver will consult with the United States and propose a plan to terminate the Receivership Estate.

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

/s/ Wayne Klein
Wayne Klein
Receiver

DATED this 5th day of January, 2026.

PARR BROWN GEE & LOVELESS

/s/ Jeffery A. Balls
Jonathan O. Hafen
Jeffery A. Balls
Attorneys for Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 5th day of January, 2026 the above RECEIVER'S TWENTY-NINTH QUARTERLY STATUS REPORT was electronically filed with the Clerk of the Court through the CM/ECF system, which sent notice of the electronic filing to all counsel of record. A copy was also mailed to the following:

Neldon Johnson
1309 North 550 West
Pleasant Grove, Utah 84062
Pro se Defendant

/s/ Wendy V. Tuckett _____