

R. Gregory Shepard
858 W. Clover Meadow Dr.
Murray, Utah 84123
Pro Se

IN THE UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF UTAH, CENTRAL DIVISION

<p>UNITED STATES OF AMERICA,</p> <p>Plaintiff,</p> <p>vs.</p> <p>RAPOWER-3, LLC, INTERNATIONAL AUTOMATED SYSTEMS, INC., LTBI, LLC, R. GREGORY SHEPARD, and NELDON JOHNSON,</p> <p>Defendants.</p>	<p>Civil No. 2:15-cv-00828-DN-EJF</p> <p>SECOND DECLARATION OF R. GREGORY SHEPARD RELATING TO COMPLIANCE VERIFICATION OF ECF Doc. 491, ¶¶ 24 and 26</p> <p>Judge David Nuffer</p>
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Pursuant to 28 U.S.C. § 1746, I hereby declare as follows:

1. My name is R. Gregory Shepard and I make this declaration under oath and based on my personal knowledge.
2. In compliance with paragraph 24 of the Receivership Order, ECF doc 491, I hereby state that I do not have in my control any books, records, documents, accounts, stock certificates, intellectual property records, evidence of intellectual property rights, computer and electronic records, or other instruments and papers relating to the Receivership Defendants, except as have already been provided to the Receiver.
3. On information and belief, the Receiver now has all bank records of Shepard Global, Shepard Energy and my personal banking records. I am not aware of any additional

banking records than as provided herein or already in the Receiver's possession through previous productions by me or by the Receiver's subpoenas to Wells Fargo Bank.

4. Regarding paragraph 26 of the Receivership Order (Doc. 491), I submit the following as relates to each of the sub-paragraphs:

a. I have turned over to the Receiver all Receivership Property in my possession. As to each sub-part of ¶26(a), I state as follows:

(i). I have no securities (and this includes IAS Shares); I have no investments; I do not participate in any funds (I previously had an Ameritrade Account, but nothing remains in that fund, see **Attachment 1**); I hold no digital currencies; I own no real estate (I have disclosed my possible beneficial interest in the Diana C. Shepard Revocable Trust, which owns the home in which I reside); I own no vehicles (I have disclosed the leases on which I am currently obligated); I do not own any aircraft, watercraft, or recreational vehicles; I have very limited jewelry of any kind (I own an NBA ring from when I was a strength and conditioning coach for the Utah Jazz, it is located at my home); I have no other assets except furnishings in my home, including two televisions (more than 10 years old) a three-year-old computer, 20-year-old exercise equipment (treadmill and stationary recumbent bike) and old golf clubs located at my home – 858 Clover Meadow Drive, Murray, Utah). Shepard Global LLC is the entity under which I performed services for RaPower-3, LLC, including giving tours of the Delta facilities, maintaining websites, and producing emails and newsletters. Shepard Global never had assets other than bank accounts and a Wells

Fargo Bank line of credit. Shepard Energy was a d/b/a of R. Gregory Shepard. It never had assets other than bank accounts.

The home at 858 Clover Meadow Dr., Murray, Utah (the “Home”), is currently titled in the Diana C. Shepard Revocable Trust (the “Trust”). The Trust was formed in May of 1998 for estate planning purposes. The Home was transferred to the Trust by quit claim deeds on or about September 21, 1998. The Home has remained in the Trust since that time. In 2017, the mortgage on the Home matured and my wife and I decided it was best to refinance the mortgage. There was a first and a second mortgage in the total amount of \$293,797.45. On March 20, 2017, the mortgage on the home was refinanced. We borrowed \$315,000. We received \$5,561.35 cash at closing that was used to pay down debts. To facilitate the refinance, for a short time the home was transferred from the Trust to Diana C. Shepard and myself, then immediately reconveyed back into the Trust. A copy of closing documents from the March 2017 refinance are provided herewith as **Attachment 2**.

(ii). I have no patents. I own no intellectual property.

(iii). I have provided or the Receiver has obtained via subpoena copies of all bank records, account records, for myself, Shepard Global and Shepard Energy. In addition, I am in the process of preparing a list of all bank accounts used by me since 2005, which list will be provided as soon as possible.

b. I do not have nor have ever had a safe deposit box or a commercial mail box. The only business office used by me, Shepard Global or Shepard Energy was my home

(858 Clover Meadow Drive, Murray, Utah). I do not have a storage facility or other building or facility. I am only aware of the Oasis building and Delta properties for the other Receivership Defendants.

c. I have provided all my financial information—credit card, banking, charge card, debit card, and line-of-credit—to the Receiver herewith or will provide as soon as possible; I have provided the banking and line-of-credit information for Shepard Global and Shepard Energy to the Receiver. I am not aware of any additional information responsive to ¶26(c) but will continue my efforts to provide any missing statements that are not already in the Receiver’s possession. I am preparing a record of credit cards and other obligations as requested hereunder and will provide to the Receiver as soon as it is complete.

d. Shepard Global LLC is the entity under which I performed services for RaPower-3, LLC, including giving tours of the Delta facilities, maintaining websites, and preparing emails and newsletters. Shepard Global never had assets other than bank accounts and a Wells Fargo Bank line of credit. Shepard Energy was a d/b/a of R. Gregory Shepard. It never has assets other than bank accounts. To my best recollection the following information is responsive to this section:

Entity	Owner	Contact Information
Shepard Global	R. Gregory Shepard 98%	858 Clover Meadow Dr., Murray, Utah 84123
	Matthew Shepard 1%	858 Clover Meadow Dr., Murray, Utah 84123
	Mark Shepard 1%	1834 Queen Anne Sq., Bel Air, MD 21015

There have been no transfers relating to Shepard Global, except that Shepard Global was dissolved on or before October 16, 2018 with the state of Utah. No value passed to the owners at dissolution; Shepard Global owes Wells Fargo Bank \$14,800 (this will be documented in a follow-up production to the Receiver before the end of May, 2019).

Entity	Owner		Contact Information
IAS, Inc.	R. Gregory Shepard	0 shares	858 Clover Meadow Dr., Murray, Utah
	Diana Shepard	25,000	858 Clover Meadow Dr., Murray, Utah
	Matthew Shepard	700,000	858 Clover Meadow Dr., Murray, Utah

I have participated in the following transfers of IAS shares:

1. In approximately July, 2018, I transferred 25,000 shares of IAUS stock from myself to my wife, Diana Shepard, as I was preparing for heart surgery.

The value of the shares in IAS at the time was approximately \$.03 per share.

2. In approximately March, 2018, I transferred 700,000 shares of IAUS stock from myself to my son, Matthew Shepard, as I was undergoing treatment for a serious heart condition and worsening medical condition due to Charcot-Marie Tooth Disease (a form of muscular dystrophy). The value of the shares of IAS at the time was approximately \$.03 per share.

(i) I am not aware of any other transfers of shares or ownership in IAS or RaPower-3, LLC or LTB1, LLC. I am not now nor have ever been a director, officer or agent of any of them, such as to have knowledge of any trading activities; (ii) I do not know the identity of any transfer agents of IAUS shares, except for PSTC, which I become aware of only through these proceedings. I was never involved in IAUS sale of shares.

e. I do not believe that any physical assets have been received by me from others of any significant value since 2005. I have not received any “in-kind” payments or transfers or received any asset in lieu of payment of wages or other income. See the response to 26(a) for an explanation of the transactions involving the home at 858 Clover Meadow Dr., Murray, Utah.

f. I have either already given the financial information required in this subsection (f) or there is nothing to provide. Other than as stated herein in response to paragraph 24 of the Receivership Order, all documents in my possession regarding income from RaPower-3, LLC to myself, Shepard Global or Shepard Energy have been provided or do not exist. Shepard Global LLC is the entity under which I performed services for RaPower-3, LLC, including giving tours of the Delta facilities, maintaining websites, and producing emails and newsletters. Shepard Global never had assets other than bank accounts and a Wells Fargo Bank line of credit. Shepard Energy was a d/b/a of R. Gregory Shepard. It never had assets other than bank accounts. All banking records for Shepard Energy and Shepard Global in my possession have been given to the Receiver, if I am able to locate additional banking records, they will be provided.

Since approximately 2012, Shepard Global was paid \$8500 per month, or less, for services to RaPower-3, LLC for giving Tours of the Delta facilities, managing the website for RaPower-3, LLC, and producing/sending newsletters and emails. Prior to 2012, Shepard Global was paid commissions for its “down-line” based on performance. When

the calculations for the commissions became too onerous for RaPower-3, LLC to manage, an agreement was reached with Mr. Johnson wherein Shepard Global would be paid a regular monthly amount, generally \$8,500 per month. Shepard Global paid Shepard Energy a set amount of between \$350 and \$400 per month for wages for Diana Shepard, beginning in approximately July of 2014.

Regarding lens sales, it is a misunderstanding to think that I (or any person) sold lenses. Only RaPower-3, LLC sold lenses. As a multi-level marketing company, the only thing distributors did (for which they earned a commission) was to refer people to RaPower-3, LLC to purchase lenses from it. I have never “sold” a lens. My commissions prior to 2012 came from people that I (directly or via Shepard Global) sponsored in their relationship with RaPower. Thus my “down-line” was formed from the relationships I created. I had a down-line (either directly or via Shepard Global). Shepard Energy had no down-line. Diana Shepard had no down-line. I do not recall whether any of my children had a down-line.

For an accounting for funds related to my association with RaPower-3, LLC, see responses to subparagraphs (g) and (h) hereafter.

g. On information and belief, since 2005, the only expenditures in excess of \$1,000 I have made are for mortgage payments on my home, tax payments, and credit card payments. I am not aware of any other payments. I am currently in the process of reviewing the bank statements in my possession and do not recall any other payments over

\$1000. I will continue to review the bank statements in my possession and if there are other payments that should be disclosed, I will amend this declaration.

h. Other than as described above in response to sub-paragraph g, since 2005, I do not believe I have transferred assets to or for the benefit of any other person as requested by sub-paragraph h, except as follows:

1. In approximately July, 2018, I transferred 25,000 shares of IAUS stock from myself to my wife, Diana Shepard, as I was preparing for heart surgery.

2. In approximately March, 2018, I transferred 700,000 shares of IAUS stock from myself to my son, Matthew Shepard, as I was undergoing treatment for a serious heart condition and worsening medical condition due to Charcot-Marie Tooth Disease (a form of muscular dystrophy).

In addition, regarding the leases of vehicles that has been raised previously by the government, I do not believe those leases are transfers as I was the only obligated party on the lease agreement, each vehicle was registered in my name; each vehicle was used by me or a member of my family at my direction.

Regarding the Home, see response to paragraph 26(a).

5. Other than those documents listed above, and provided to the Receiver, I do not have possession or control over any other category of information listed in paragraphs 24 and 26 of the Receivership Order.

6. I hereby declare that the cost to prepare and file this document came from my personal funds received from wages or social security and that no receivership property or other funds derived from the solar energy enterprise was used in the preparation or filing of this document.

I declare under the penalty of perjury, that the foregoing is true and correct.

DATED this 10th day of May, 2019.

/s/ R. Gregory Shepard
R. Gregory Shepard, pro se
(Electronically signed with permission)

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was sent to the following and in the manner described below.

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