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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.

**DECLARATION OF R. WAYNE KLEIN  
IN SUPPORT OF RECEIVER'S  
MOTION FOR ATTORNEYS' FEES  
AND NON-TAXABLE EXPENSES**

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

The Honorable David Nuffer

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I, R. Wayne Klein, declare as follows:

1. I am the Court-Appointed Receiver ("Receiver") in the above caption matter. I make this declaration based upon my personal knowledge and the contents of business records known to me to be maintained in the ordinary course of business, and which I believe to be true. I have personal knowledge of the statements and matters set forth herein and, if called to testify, would testify as follows.

2. The receivership estate have incurred receiver fees totaling \$11,550.00 to enforce the Corrected Receivership Order and for all litigation related to the Motion for Order to Show Cause Why Neldon Johnson, R. Gregory Shepard, Glenda Johnson, LaGrand Johnson, and Randale Johnson (collectively, “Respondents”) Should Not Be Held in Civil Contempt of Court. (“OSC Motion”).<sup>1</sup>

### **SCOPE OF THE EFFORT**

3. The scope of the work performed for the award of receiver’s fees to enforce the Corrected Receivership Order and for litigation related to the Motion included preparation and attendance at the April 26, 2019, May 3, 2019, and May 28, 2019 OCS hearings, and communications with my counsel, Plaintiff, and Defendants regarding the OSC hearing and orders. All of time spent was reasonably necessary to attain the contempt order that have led to Respondents producing many records and will hopefully lead to Respondents producing the remainder of records and information the Receiver needs to fulfill his duties under the Corrected Receivership Order.

### **REASONABLE DESCRIPTION OF TIME SPENT AND WORK PERFORMED**

4. The following is a summary of the receiver’s fees in bringing the OSC Motion:

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Hourly Rate</u></b>	<b><u>Total Hours</u></b>
R. Wayne Klein	Receiver	\$250.00	46.2

5. An itemization of the receiver’s fees and incurred, which include dates worked, description of work, amount of time spent for each entry, and the billable amount for such time, is attached hereto as Exhibit A.<sup>2</sup>

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<sup>1</sup> [Docket No. 559](#), filed January 29, 2019.

<sup>2</sup> The Receiver is only seeking fees for the amount to time listed in the column entitled “DOJ Contempt Time.”

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this 1st day of July, 2019, at Salt Lake City, Utah.

  
R. Wayne Klein

**Exhibit A: Itemization of Receiver's Fees**

**RaPower-3**

<i>Date</i>	<i>Worker</i>	<i>Hours</i>	<i>Rate</i>	<i>Amount</i>	<i>Description of Work</i>	<i>Category</i>	<b>DOJ Contempt Time</b>
1/24/2019	WK	2.5	250.00	625.00	Read update on attempted service of deposition notices on Neldon and Glenda; respond to Parr Brown on continued efforts; draft and send letter to S. Paul on the Johnsons avoiding service and summarizing prior cooperation failures (2.0); calls with E. Healy-Gallagher on status report, DOJ consideration of order to show cause (.4); read response from S. Paul on Johnson efforts to avoid service (.1).	Litigation	0.4
1/30/2019	WK	0.6	250.00	150.00	Get report that service of subpoenas was accomplished on Johnson, reply to Parr Brown, notify DOJ; read reply of D. Snuffer on source of retainer check from XSun; read DOJ motion for order to show cause, send for web posting (.5); read letter from Alabama attorney on Alabama litigation involving RaPower, IAS, respond.	Litigation	0.3
2/18/2019	WK	2.6	250.00	650.00	Read draft response to N. Johnson opposition to deposition, send approval to Parr Brown to file (.2); read draft motion for order to show cause for Pacific Stock Transfer, create redline, send to M. Lehr for filing; respond to P. Jones on setting up meeting (.5); call with DOJ on report on affiliates and effect of including U-Check in estate, benefit of having airplane broker visit Delta (.2); create draft proposed order amending receivership order to include affiliates (1.7).		0
2/21/2019	WK	3.7	250.00	925.00	Meeting with Paul Jones about Receiver's demand for return of funds (1.0); read DOJ request to submit on order to show cause; note additions to make to report on affiliates (.2); legal research on issues involving recovery of legal fees, non-uniform exception in Utah fraudulent transfer act; read cases cited by Jones; send summary of meeting and issues to Parr Brown, request legal research (2.5).	Litigation	0.1
3/6/2019	WK	0.6	250.00	150.00	Read court orders (OSC with deadlines, denying Johnson motions for protective orders on subpoenas, denying NSDP motion for protective order on fees, NSDP motion to withdraw); send comments to Parr Brown.	Litigation	0.2
4/4/2019	WK	0.2	250.00	50.00	Respond to M. Lehr on approach to take for motion for property sale, what response to file for motion for order to show cause.	Litigation	0.1
4/9/2019	WK	0.9	250.00	225.00	Get information from forensic accountants on property in Glenda's name, find supporting documents, send to Parr Brown for determination on how to use; send to DOJ for possible use at OSC hearing.	Asset Recovery	0.3

4/11/2019 WK	0.6	250.00	150.00	Respond to M. Lehr on how to bring information on conversion of funds (.5); research real estate transfers after 2005 for use at OSC hearing (.1).	Litigation	0.6
4/18/2019 WK	1.1	250.00	275.00	Gather documents to send to DOJ as possible exhibits for OSC hearing.	Litigation	1.1
4/19/2019 WK	1.1	250.00	275.00	Work gathering documents for possible exhibits at OSC hearing; request documents from forensic accountants (.7); revise exhibit batch with additional transfers found by forensic accountants, send exhibits to DOJ with explanation; respond to M. Lehr on OSC hearing on exhibits and witnesses to use for Pacific Stock Transfer (.4).	Litigation	0.9
4/22/2019 WK	0.1	250.00	25.00	Respond to Delta listing broker on whether an addendum is needed for equipment sold with tower site; respond to M. Lehr on preparation for OSC hearing.	Case Administration	0
4/23/2017 WK	2.6	250.00	650.00	Review draft motion for permission to commence legal proceedings; create redlines of proposed motion and order, send to M. Lehr with comments; research trust deed from Lisa Phillips (1.6); call with E. Healy-Gallagher to discuss OSC hearing (.4) review Receiver's witness and exhibit list for OSC hearing, respond to M. Lehr with comments (.2); discussions with Lone Peak Valuation on hearing and exhibits (.2); review DOJ witness and exhibit list, respond with comments; review Neldon Johnson exhibit list (.2).	Litigation	0.8
4/24/2019 WK	1.7	250.00	425.00	Meet with M. Lehr to prepare for OSC hearing (1.2); review filings made for OSC hearing (witness & exhibit lists, Neldon Johnson motion to dismiss), send comments to M. Lehr.	Litigation	1.7
4/25/2019 WK	4.1	250.00	1,025.00	Meeting with DOJ attorney, M. Lehr to review summaries of financial analysis; prepare for OSC hearing.	Litigation	4.1
4/26/2019 WK	6.4	250.00	1,600.00	Prepare for OSC hearing (.4); participate and testify at OSC hearing (4.7); read new court filings (minutes, order lifting stay for tax settlement); give instructions to Lone Peak Valuation on documents to find and analysis to conduct (.5); send information to M. Lehr on bank records to subpoena (.8).	Litigation	5.1
5/2/2019 WK	13.6	250.00	3,400.00	Prepare for Neldon Johnson deposition, prepare exhibits; take deposition of Neldon Johnson; discussions with M. Lehr, M. Ball, and E. Healy-Gallagher about conduct of OSC hearing (10.4); gather documents for OSC hearing; review new spreadsheets from Lone Peak Valuation; create summary of post-trial transfers to use as exhibits at hearing; prepare for hearing (3.2).	Litigation	4
5/3/2019 WK	7.2	250.00	1,800.00	Preparation for OSC hearing (.5); testify at hearing on order to show cause; discussions with E. Healy-Gallagher on next steps (6.7).	Litigation	7.2

5/4/2019 WK	0.9	250.00	225.00	Review draft proposed order and proposed stipulation for freeze of Glenda Johnson bank accounts; create redlines of orders, send to DOJ with comments.	Litigation	0.9
5/6/2019 WK	1.0	250.00	250.00	Read court orders and notices (reset deadlines for PST, application for attorney fees, minutes of OSC hearing, order including affiliates, advisement on motion to commence litigation; notice of appeal; order denying MTD in Mancini case); review new draft proposed orders, respond to DOJ (.9); read order on Greg Shepard financial declaration, living allowance (.1).	Litigation	0.1
5/7/2019 WK	1.1	250.00	275.00	Review draft proposed order for Pacific Stock Transfer contempt, send comments to M. Lehr (.1); email to M. Lehr listing actions to take and next steps (.5); research time spend on OSC for Pacific Stock Transfer, send summary to M. Lehr with comments (.5).	Litigation	0
5/22/2019 WK	4.8	250.00	1,200.00	Prepare for and call with DOJ attorney on OSC hearing; discuss strategy and next steps with M. Lehr; gather documents for OSC hearing (2.2); call with P. Moxley on Robert Johnson (.1); inquiry to Xact Data Discovery on status of computer imaging; prep for hearing (.5); revise motion to cancel IAS shares, send to M. Lehr to finalize and file (.9); revise draft template complaint, send to M. Lehr with comments (1.1).	Litigation	2.5
5/23/2019 WK	2.1	250.00	525.00	Research real estate purchase documents for Glenda purchases; respond to DOJ on living allowance recommendation, contents of boxes, and transfers of IAS stock to Hansen (.4); call with DOJ on missing records; make notes for hearing (.5); review draft exhibits for OSC hearing on May 28; research transfers to Gary Hansen; respond to DOJ with new information, corrected exhibit; request research by Lone Peak (1.2).	Litigation	1.7
5/26/2019 WK	4.8	250.00	1,200.00	Preparation for OSC hearing: review Shepard May 16 declaration and May 14 financial declaration, compare to May 23 supplemental production; prepare summary, send to DOJ with comments (1.3); review Neldon Johnson declarations, compare to order, identify deficiencies; send summary of deficiencies to DOJ (1.2); read revised motion to cancel IAS shares, proposed exhibit, proposed order; create redlines and send to M. Lehr with comments (.5); meet with E. Healy-Gallagher to prepare for OSC hearing (1.8).	Litigation	3.1
5/28/2019 WK	8.6	250.00	2,150.00	Contempt hearing; testify, discussions with E. Healy-Gallagher.	Litigation	8.6

5/30/2019 WK	1.7	250.00	425.00	Review potential recoveries from people owing monies to G. Shepard; read court filings (objections to order on affiliates, order on PSTC contempt, order on OSC, order on objections to adverse inferences, order on funds held by Glenda Johnson, order on living allowances); read analysis from Lone Peak on transfers to Glenda Johnson (1.2); call with E. Healy-Gallagher on next steps in contempt motion (.5).	Litigation	0.6
6/4/2019 WK	0.6	250.00	150.00	Call with E. Healy-Gallagher on requirements to meet for contempt finding (.3); read emails from DOJ to S. Paul and response from M. Lehr; emails with D. Leta on meeting (.3).	Litigation	0.3
6/10/2019 WK	1.5	250.00	375.00	Review DOJ draft order with contempt findings; create redline, send to DOJ with comments.	Litigation	1.5
						46.2
						250
						11550