

# **EXHIBIT 1**

**July 2, 2019**

**Dear Mr. Klein,**

I received your letter of June 19, 2019 and provide this response as requested.

We will not be delivering title to our home to you. We disagree that our home is part of the receivership estate and are prepared to defend that belief in court if needed.

What's the rush anyway? You should be aware that the case is under appeal at the 10<sup>th</sup> Circuit Court. I have thoroughly read the entire appeal and I am under the opinion that the case could be overturned. If not, the amount of the fine could be reduced by some or a lot. It's one thing to return money if the appeal is won, but quite another to return eight family members, which includes four generations, from being displaced from their Clover Meadow home.

It's a mystery to me why you are even allowed to function as a receiver while the case is under appeal and while Neldon Johnson's technology appears to be advancing splendidly. Clearly, your zeal to take my home should be put on hold.

I have also carefully perused the technology report put forth to the court and elsewhere on the internet. This report was published by Senior Engineer Johnny Kraczek and Manufacturing Engineer Paul Freeman of Wisdom Farms on May 17, 2019 and features the Johnson Turbine successfully producing up to 100 Kilowatts of electricity and pure water. Both Kraczek and Freeman have extensive experience in renewable energy. It certainly appears this technology will surpass by quite a bit all existing technologies throughout the world. Manufacturing, marketing and sales forecast were also estimated. Since the May 17<sup>th</sup> report, I would surmise the short- term goals of Kraczek and Freeman have been met and continue to be met. This wonderful technology advancement should create a lot of favorable publicity and I, for one, am anxious to tell my story to the press.

Please let me dissuade you of your misconceptions about our home at 858 Clover Meadow Lane. As you know, Greg Shepard and I are married and have been continuously married while we have resided in the Clover Meadow home. It is a marital asset and all payments, upkeep, maintenance and repairs have been done by our family since we purchased the home.

I have only worked at a minimum outside the home since we bought the house on Clover Meadow Lane. However, I do not believe my contribution to the home should be understated. During the years we have been in the home, my husband has earned a good living and has provided for our family while working as a school teacher and owner of different businesses including Bigger Faster Stronger and Shepard Global.

As I'm sure you are aware, we moved into the home in 1986. I believe we began to see income from the RaPower solar business in 2010 or later. Therefore, all payments on the home before 2010 are unquestionably from assets other than RaPower.

But I will add for the record, that even after Greg began making income from RaPower commissions, he kept the income from that business separate from the payment of our family obligations. He was making more than enough money from Bigger Faster Stronger and other work he was doing to pay all the expenses of our home, including the mortgage, so that none of the RaPower money was used on our household expenses.

When Shepard Global was eventually formed, it was to keep the money earned from working with RaPower inside that entity. Shepard Global used the proceeds it received from RaPower to further that business and to pay for leased vehicles used by our family and in furtherance of Shepard Global business. Greg and I are confident that none of the payments on our mortgage were made by Shepard Global or Shepard Energy.

The Clover Meadow property (my home) was put into the Diana C. Shepard Revocable Trust on May 5, 1998. This property was conveyed to the trust for \$10 and other good and valuable consideration under the direction of my attorney, David Parkinson. This was not a fraudulent transaction.

Bigger Faster Stronger (BFS) was a flourishing business under my husband's direction. In 1998 it was the most widely followed strength and conditioning program in the nation with about a million high school athletes doing all or part of the BFS program. My husband and son Matt were responsible for the BFS magazine and website. The magazine had a readership of about 500,000. Clinics and seminars were given nationwide by the hundreds. Attorney Dave Parkinson had BFS take out a million-dollar liability insurance policy in case of a student-athlete injury or an accident with BFS equipment. Parkinson in 1998 also had our home put into my revocable trust for further protection and estate planning. Also, for your information, my husband had a huge following and was given a lifetime achievement award by the National Football League. Reason enough to follow our attorney's advice.

Now, concerning the refinance of the Clover Meadow home in March of 2017. The low Libor variable interest rate from Merrill Lynch was scheduled to change. My monthly payments were going to rise to \$2,400 a month. Fortunately, the refinance brought the payments down to \$1,436 a month.

The title company explained that we needed to deed the house out of the trust and into our personal names for the short time it took to record the mortgage, then the house was deeded back to the trust. The same \$10 consideration was paid and received, for the transfer from each of us to the trust. The 2017 transfers were not made with any intent to hinder, delay, or defraud any creditor and were made for reasonably equivalent value at a time when we were again perfectly solvent.

In addition, my husband had acted as a volunteer football coach at Hunter High School and a volunteer track coach at Summit Academy. He was also on call by Bigger Faster Stronger to do lecture type seminars. Therefore, the previous advice by our attorney Dave Parkinson still stood.

It was not until after 2017 that the funds from Bigger Faster Stronger began to decline. However, we were also receiving retirement funds from Greg's teaching and both Greg and I were old enough to receive social security income. With all those sources of income, we still didn't need to use the RaPower money paid to Shepard Global for our household expenses.

This has all been proven to you before now. None of this should be a surprise to you. We feel that if you go forward and bring a lawsuit against us for the recovery of our house as a "receivership" asset, you will be doing so in bad faith. We will do all in our power to show the court that you are overreaching your authority and there is no legal basis to pursue title to our home.

We are prepared to defend our home and are confident we are in the right.

Sincerely,

Diana Shepard