

EXHIBIT 2

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LTB1, and Neldon Johnson

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

UNITED STATES OF AMERICA,

Plaintiff,

vs.

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

Defendants.

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

**DECLARATION OF DIANA C.
SHEPARD**

Pursuant to 28 U.S.C. § 1746, I hereby declare as follows:

1. My name is DIANA C. SHEPARD and I make this declaration under oath and based on my personal knowledge.
2. By letter dated January 21, 2019, Wayne Klein, the receiver for RaPower-3, LLC, requested that certain information and documents be provide and requested that the responses be made under oath. Therefore, I hereby declare that if called upon to testify to the matters stated herein, I would testify consistent herewith.

3. The receiver asked the following questions. My answers follow his questions, I've highlighted my answers in bold print.
- a. When did the Shepards purchase the Clover Meadow Drive property?
December 2, 1986.
 - b. When Greg Shepard executed a quitclaim deed to Diana Shepard on September 15, 1998, conveying his interest in the property, what consideration did he receive from her in exchange for that transfer? **No payment of consideration was required as the transfer to the Diana C. Shepard Revocable Trust, dated May 5, 1998, was a nominal transfer for estate planning purposes.**
 - c. When Diana Shepard executed a quitclaim deed to herself, as trustee of her revocable trust, on September 15, 1998, what consideration did the trust pay to her in exchange for that transfer? **No payment of consideration was required as the transfer to the Diana C. Shepard Revocable Trust, dated May 5, 1998, was a nominal transfer for estate planning purposes.**
 - d. Regarding the "Revolving Credit Deed of Trust" granted to JP Morgan Chase Bank on May 23, 2007 (recorded June 18, 2007):
 - i. What is the current balance owed on this line of credit? **\$0.00 closed in March of 2017.**
 - ii. Please identify all draws made on this line of credit since November 1, 2015. **No draws were made during that time. See Attached Exhibit 1.**
 - iii. Identify all payments made on the line of credit loan since November 1, 2015. **See Attached Exhibit 1.**

- iv. Identify the sources of funds used for each payment. **The source of funds for payment of the Chase Credit Line was Greg Shepard's social security income, Bigger Faster Stronger payments, AXA Retirement funds, and Allianz retirement funds.**
- v. Page 3 of the trust deed references a previously-existing lien on the Clover Meadow Drive property in the approximate amount of \$170,218.
 1. Who is the lender on that previously-existing lien? **I believe it was originally Guardian State Bank which later became Bank of the West.**
 2. What was the date of the mortgage of deed of trust on that previously-existing lien? **December 2, 1986.**
 3. What is the current balance of that previously-existing lien? **\$0.00, THE LIEN HAS BEEN SATISFIED.**
 4. Please send me a copy of the mortgage or deed of trust for that previously-existing lien if it has not been satisfied. **DOES NOT APPLY.**
 5. Identify . . . **NONE, DOES NOT APPLY.**
- e. When Diana Shepard, on behalf of her trust, executed a warranty deed to herself and Greg Shepard on March 21, 2018 (sic):
 - i. What consideration did Diana Shepard pay to the trust pay (sic) in exchange for that transfer? **\$10.00 as recited in the deed.**
 - ii. What consideration did Greg Shepard pay to the trust in exchange for that transfer? **\$10.00 as recited in the deed.**

- f. For the deed of trust granted to Guaranteed Rate on March 17, 2017 (recorded March 24, 2017), identify:
- i. All payments made on this loan since November 1, 2015. **See attached Exhibit 2.**
 - ii. The bank account from which each payment was made. **Payments were originally made from the Shepards' Chase Personal checking account (ending 8097) until closed in about August 2017; thereafter from Wells Fargo personal checking or personal credit cards.**
 - iii. The source of funds used for each payment. **The source of funds for payment of the Guaranteed Rate mortgage (serviced through Nationwide) was Greg Shepard's social security income, Bigger Faster Stronger payments, AXA Retirement funds, and Allianz retirement funds until those funds were frozen by court order. Thereafter payments were made by personal credit card.**
- g. For the warranty deed granted by Greg and Diana Shepard to the trust dated March 21, 2017 (recorded March 24, 2017):
- i. What consideration did Greg Shepard receive from the trust in exchange for this transfer? **\$10.00 as recited in the deed.**
 - ii. What consideration did Diana Shepard receive from the trust in exchange for this transfer? **\$10.00 as recited in the deed.**
- h. If Diana Shepard's trust has, or had had, any bank accounts, annuity accounts, or investment accounts since November 1, 2015, please identify the financial institution holding each account . . . if there are no such accounts, please include a

verification by Mrs. Shepard to that effect. **I hereby certify that the Diana C. Shepard Revocable Trust dated May 5, 1998, does not have, nor has held in the past, any bank accounts, annuity accounts or investment accounts.**

i. Response to questions relating to charitable donations:

i. Identify the sources of income on which contributions were calculated.

Diana Shepard

**Social Security Income
Shepard Global wages
Shepard Energy wages**

Greg Shepard

**Social Security Income
Bigger Faster Stronger
Annuity/Retirement income
Shepard Global wages
Substitute teaching**

ii. Identify the amounts for each of these sources. **We are unable to differentiate what payments were made by source or by payee without having the tithing slips or a detail of when payments were made and by which person.**

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

DATED this 1st day of February, 2019.



Diana C. Shepard