

EXHIBIT B

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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.

**RECEIVER'S DECLARATION IN
SUPPORT OF REPORT AND
RECOMMENDATION REGARDING
THE COURT'S ORDER RE: CIVIL
CONTEMPT OF PACIFIC STOCK
TRANSFER COMPANY**

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

District Judge David Nuffer

I, R. Wayne Klein, declare as follows:

1. I am the Court-Appointed Receiver ("Receiver") in the above captioned matter. I make this declaration based upon my personal knowledge and the contents of records I maintain in the ordinary course of business, 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. On May 24, 2019, the Court issued the Order Re: Civil Contempt of Pacific Stock Transfer Company (“Order”) holding PSTC in civil contempt of court for its failure to comply with the Corrected Receivership Order.¹

3. In addition to findings of contempt, the Order required PSTC to provide the information requested by the Receiver and to “turn over to the Receiver all paper and electronic information of, or relating to, IAS, RaPower, LTB1, Johnson, or Shepard” as previously required in the Corrected Receivership Order.²

4. The Order mandated that PSTC produce the records and information to the Receiver no later than June 10, 2019 and imposed a coercive fine of \$2,000.00 per day for each day after June 10, 2019 until PSTC was in full compliance with the Court’s orders.³

5. The Order was served on PSTC on June 4, 2019 by the United States Marshals Service.⁴

6. PSTC did not produce any information or otherwise respond to the Order by June 10, 2019.

7. On June 24, 2019, PSTC sent an email to my counsel with various attachments. This email was the first time PSTC contacted or otherwise responded to the Receiver subsequent to January 15, 2019.

8. The June 24 email contained over 300 pages of information that had not previously been produced to the Receiver.

¹ Docket No. 677

² *Id.*, Order ¶ 2.

³ *Id.*, Order ¶ 3-4.

⁴ U.S. Department of Justice, Process Receipt and Return, attached as Exhibit A to Report and Recommendation.

9. Attached to the June 24 email was a word document titled *Final Letter to court.docx* (“Cover Letter”). The Cover Letter is addressed to my office and my counsel’s office and dated April 24, 2019.

10. I did not receive the Cover Letter—personally or through counsel—until June 24, 2019.

11. On approximately July 11, 2019, counsel for PSTC contacted my counsel regarding the information requests and PSTC’s production requirements under the Order. This was the first time the Receiver was contacted by counsel for PSTC.

12. After July 11, 2020, PSTC made two additional productions of information to the Receiver. The first set of information was produced on August 14, 2019, and the second on October 10, 2019.

13. The productions by PSTC on August 14 and October 10 included documents that had not been previously produced to the Receiver that were required to be produced under the Court’s orders.

14. In addition to the document productions, PSTC also timely paid the Receiver \$6,160.40 in reasonable fees as ordered by the Court.

15. Since the productions were made, the Receiver and PSTC have engaged in discussions regarding the next steps and the submission of the Report and Recommendation.

16. 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 16th day of April, 2020, at Salt Lake City, Utah.

A handwritten signature in blue ink, reading "Wayne Klein", is written over a horizontal line.

R. Wayne Klein, Receiver