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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.

**RECEIVER'S NOTICE OF FILING  
PROPOSED ORDER RE: CIVIL  
CONTEMPT OF PACIFIC STOCK  
TRANSFER COMPANY**

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

The Honorable David Nuffer

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R. Wayne Klein ("Receiver"), the Court-Appointed Receiver in the above captioned matter, hereby submits this Notice of Filing of Proposed Order re: Civil Contempt of Pacific Stock Transfer Company.

1. On February 19, 2019, the Receiver filed his Motion for Order to Show Cause Why Pacific Stock Transfer Company ("PSTC") Should Not Be Held in Civil Contempt of Court for

Violating the Corrected Receivership Order (“OSC Motion”).<sup>1</sup> In the OSC Motion, the Receiver asked the Court for an attorneys’ fees and costs award for bringing the OSC Motion.

2. On March 5, 2019, the Court issued an order taking the OSC Motion under advisement, setting the service and briefing deadlines, and scheduling a hearing on the OSC Motion for April 26, 2019.<sup>2</sup>

3. The OSC Motion and the March 5, 2019 order were served on PSTC on March 8, 2019.<sup>3</sup>

4. No response to the OSC Motion was filed by PSTC.

5. PSTC did not attend the April 26, 2019 hearing on the OSC Motion.

6. At the hearing the Court found that PSTC was in violation of the Corrected Receivership Order, imposed a deferred \$2,000 a day fine on PSTC until compliance, and awarded attorneys’ fees and costs in bringing the OSC Motion.<sup>4</sup>

7. On May 8, 2019, the Receiver filed a motion for attorneys’ fees and costs in bringing the OSC Motion.<sup>5</sup>

8. Also on May 8, 2019, the Receiver served a copy of (1) the Receiver’s proposed order holding PSTC in civil contempt, imposing a deferred \$2,000 a day fine on PSTC until compliance, and awarding attorneys’ fees and costs to the Receiver that were incurred in bringing the OSC Motion; and (2) a copy of the Receiver’s motion for attorneys’ fees and costs.<sup>6</sup>

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<sup>1</sup> [Docket No. 576](#).

<sup>2</sup> [Docket No. 588](#).

<sup>3</sup> [Docket No. 595](#).

<sup>4</sup> Minute Order, Docket No. 619. The \$2,000 a day fine does not begin until 10 days after the entry of the contempt order.

<sup>5</sup> [Docket No. 642](#).

<sup>6</sup> See *Notice of Service Upon Pacific Stock Transfer Company*, [Docket No. 649](#).

9. PSTC made no objection to the proposed order within seven days of service. Therefore, pursuant to DUCivR 54-1(b), approval of the proposed order is deemed waived.

10. Upon entry of an order by the Court regarding PSTC's civil contempt, the Receiver will cause a copy of the order to be served upon PSTC pursuant to *Federal Rule of Civil Procedure* 4.1(b) which provides that "[a]n order committing a person for civil contempt of a decree or injunction issued to enforce federal law may be served and enforced in any district."<sup>7</sup>

A copy of the proposed order is attached hereto as Exhibit 1.

DATED this 16th day of May, 2019.

**PARR BROWN GEE & LOVELESS**

/s/ Michael S. Lehr  
Jonathan O. Hafen  
Michael S. Lehr  
*Attorneys for Receiver*

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<sup>7</sup> See *Memorandum Decision and Order Freezing Assets and to Appoint Receiver*, [Docket No. 444](#) at § II.E., filed August 22, 2018 (“[t]his Court has explicit statutory authority to appoint a receiver pursuant to 26 U.S.C. § 7402(a) as may be necessary or appropriate for the enforcement of the internal revenue laws.”); see also [Docket No. 491](#) at 2.

**CERTIFICATE OF SERVICE**

IT IS HEREBY CERTIFIED that service of the above **RECEIVER'S NOTICE OF FILING PROPOSED ORDER RE: CIVIL CONTEMPT OF PACIFIC STOCK TRANSFER COMPANY** was electronically filed with the Clerk of the Court through the CM/ECF system on May 16th, 2019, which sent notice of the electronic filing to all counsel of record.

IT IS FURTHER CERTIFIED that, on the same date, by U.S. Mail, first-class, postage pre-paid, I caused to be served the same documents upon the following persons:

Neldon Johnson  
2730 W 4000 South,  
Oasis, UT 84624

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

*Pro se Defendants*

Pacific Stock Transfer Company  
6725 Via Austi Parkway, Suite 300  
Las Vegas, NV 89119

*Respondent*

/s/ Michael S. Lehr