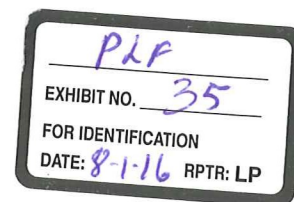


AO 88B (Rev 12/13) Subpoena to Produce Documents, Information, or Objects or to Permit Inspection of Premises in a Civil Action

UNITED STATES DISTRICT COURT

for the
District of Utah

UNITED STATES OF AMERICA

Plaintiff

v.

RAPOWER-3, LLC, et al.

Defendant

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

SUBPOENA TO PRODUCE DOCUMENTS, INFORMATION, OR OBJECTS
OR TO PERMIT INSPECTION OF PREMISES IN A CIVIL ACTION

To:

Frank Lunn
108 Marsh Hawk Drive, Ste. B, Leroy, IL 61752

(Name of person to whom this subpoena is directed)

☒ **Production:** YOU ARE COMMANDED to produce at the time, date, and place set forth below the following documents, electronically stored information, or objects, and to permit inspection, copying, testing, or sampling of the material:

See attachment. In lieu of producing responsive documents in-person at the place and time listed below, you may send documents to the undersigned by mail pursuant to the instructions in the attachment.

Place: U.S. Attorney's Office
One Technology Plaza, 211 Fulton Street, Ste. 400
Peoria, IL 61602

Date and Time:

04/22/2016 9:00 am

☐ **Inspection of Premises:** YOU ARE COMMANDED to permit entry onto the designated premises, land, or other property possessed or controlled by you at the time, date, and location set forth below, so that the requesting party may inspect, measure, survey, photograph, test, or sample the property or any designated object or operation on it.

Place:

Date and Time:

The following provisions of Fed. R. Civ. P. 45 are attached – Rule 45(c), relating to the place of compliance; Rule 45(d), relating to your protection as a person subject to a subpoena; and Rule 45(e) and (g), relating to your duty to respond to this subpoena and the potential consequences of not doing so.

Date: 03/21/2016

CLERK OF COURT

OR

Signature of Clerk or Deputy Clerk

/s/Erin R. Hines

Attorney's signature

The name, address, e-mail address, and telephone number of the attorney representing (name of party)

United States of America, who issues or requests this subpoena, are:

Erin R. Hines, U.S. Dept. of Justice, P.O. Box 7238, Washington, D.C. 20044; Erin.R.Hines@usdoj.gov; (202) 514-6619

Notice to the person who issues or requests this subpoena

A notice and a copy of the subpoena must be served on each party in this case before it is served on the person to whom it is directed. Fed. R. Civ. P. 45(a)(4).

AO 88B (Rev. 12/13) Subpoena to Produce Documents, Information, or Objects or to Permit Inspection of Premises in a Civil Action (Page 2)

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

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 45.)

I received this subpoena for *(name of individual and title, if any)* _____
on *(date)* _____.

☐ I served the subpoena by delivering a copy to the named person as follows: _____

_____ on *(date)* _____; or

☐ I returned the subpoena unexecuted because: _____

Unless the subpoena was issued on behalf of the United States, or one of its officers or agents, I have also
tendered to the witness the fees for one day's attendance, and the mileage allowed by law, in the amount of
\$ _____.

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0.00 .

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc.:

Federal Rule of Civil Procedure 45 (c), (d), (e), and (g) (Effective 12/1/13)**(c) Place of Compliance.**

(1) *For a Trial, Hearing, or Deposition.* A subpoena may command a person to attend a trial, hearing, or deposition only as follows:

- (A) within 100 miles of where the person resides, is employed, or regularly transacts business in person, or
- (B) within the state where the person resides, is employed, or regularly transacts business in person, if the person
 - (i) is a party or a party's officer, or
 - (ii) is commanded to attend a trial and would not incur substantial expense

(2) *For Other Discovery.* A subpoena may command

- (A) production of documents, electronically stored information, or tangible things at a place within 100 miles of where the person resides, is employed, or regularly transacts business in person, and
- (B) inspection of premises at the premises to be inspected.

(d) Protecting a Person Subject to a Subpoena; Enforcement.

(1) *Avoiding Undue Burden or Expense; Sanctions.* A party or attorney responsible for issuing and serving a subpoena must take reasonable steps to avoid imposing undue burden or expense on a person subject to the subpoena. The court for the district where compliance is required must enforce this duty and impose an appropriate sanction—which may include lost earnings and reasonable attorney's fees—on a party or attorney who fails to comply.

(2) *Command to Produce Materials or Permit Inspection.*

(A) *Appearance Not Required.* A person commanded to produce documents, electronically stored information, or tangible things, or to permit the inspection of premises, need not appear in person at the place of production or inspection unless also commanded to appear for a deposition, hearing, or trial.

(B) *Objections.* A person commanded to produce documents or tangible things or to permit inspection may serve on the party or attorney designated in the subpoena a written objection to inspecting, copying, testing, or sampling any or all of the materials or to inspecting the premises—or to producing electronically stored information in the form or forms requested. The objection must be served before the earlier of the time specified for compliance or 14 days after the subpoena is served. If an objection is made, the following rules apply:

- (i) At any time, on notice to the commanded person, the serving party may move the court for the district where compliance is required for an order compelling production or inspection.
- (ii) These acts may be required only as directed in the order, and the order must protect a person who is neither a party nor a party's officer from significant expense resulting from compliance.

(3) *Quashing or Modifying a Subpoena.*

(A) *When Required.* On timely motion, the court for the district where compliance is required must quash or modify a subpoena that:

- (i) fails to allow a reasonable time to comply;
 - (ii) requires a person to comply beyond the geographical limits specified in Rule 45(c);
 - (iii) requires disclosure of privileged or other protected matter, if no exception or waiver applies; or
 - (iv) subjects a person to undue burden.
- (B) *When Permitted.* To protect a person subject to or affected by a subpoena, the court for the district where compliance is required may, on motion, quash or modify the subpoena if it requires:
- (i) disclosing a trade secret or other confidential research, development, or commercial information; or

(ii) disclosing an unretained expert's opinion or information that does not describe specific occurrences in dispute and results from the expert's study that was not requested by a party.

(C) *Specifying Conditions as an Alternative.* In the circumstances described in Rule 45(d)(3)(B), the court may, instead of quashing or modifying a subpoena, order appearance or production under specified conditions if the serving party:

- (i) shows a substantial need for the testimony or material that cannot be otherwise met without undue hardship; and
- (ii) ensures that the subpoenaed person will be reasonably compensated

(e) Duties in Responding to a Subpoena.

(1) *Producing Documents or Electronically Stored Information.* These procedures apply to producing documents or electronically stored information.

(A) *Documents.* A person responding to a subpoena to produce documents must produce them as they are kept in the ordinary course of business or must organize and label them to correspond to the categories in the demand.

(B) *Form for Producing Electronically Stored Information Not Specified.* If a subpoena does not specify a form for producing electronically stored information, the person responding must produce it in a form or forms in which it is ordinarily maintained or in a reasonably usable form or forms.

(C) *Electronically Stored Information Produced in Only One Form.* The person responding need not produce the same electronically stored information in more than one form.

(D) *Inaccessible Electronically Stored Information.* The person responding need not provide discovery of electronically stored information from sources that the person identifies as not reasonably accessible because of undue burden or cost. On motion to compel discovery or for a protective order, the person responding must show that the information is not reasonably accessible because of undue burden or cost. If that showing is made, the court may nonetheless order discovery from such sources if the requesting party shows good cause, considering the limitations of Rule 26(b)(2)(C). The court may specify conditions for the discovery.

(2) *Claiming Privilege or Protection.*

(A) *Information Withheld.* A person withholding subpoenaed information under a claim that it is privileged or subject to protection as trial-preparation material must

- (i) expressly make the claim; and
- (ii) describe the nature of the withheld documents, communications, or tangible things in a manner that, without revealing information itself privileged or protected, will enable the parties to assess the claim.

(B) *Information Produced.* If information produced in response to a subpoena is subject to a claim of privilege or of protection as trial-preparation material, the person making the claim may notify any party that received the information of the claim and the basis for it. After being notified, a party must promptly return, sequester, or destroy the specified information and any copies it has; must not use or disclose the information until the claim is resolved; must take reasonable steps to retrieve the information if the party disclosed it before being notified; and may promptly present the information under seal to the court for the district where compliance is required for a determination of the claim. The person who produced the information must preserve the information until the claim is resolved.

(g) *Contempt.*

The court for the district where compliance is required—and also, after a motion is transferred, the issuing court—may hold in contempt a person who, having been served, fails without adequate excuse to obey the subpoena or an order related to it.

ATTACHMENT A

United States v. RaPower-3, LLC, International Automated Systems, Inc., LTB1, LLC, R. Gregory Shepard, Neldon Johnson, and Roger Freeborn, Civil No. 2:15-cv-00828 (D. Utah)

I. Definitions and Instructions

1. "Document" or "documents" includes, but is not limited to, electronically-stored and transmitted information. The term "document" or "documents" includes writings, drawings, graphs, charts, surveys, deeds, photographs, sound recordings, images, e-mails, text messages, and other data or data compilations, stored in any medium. If electronically-stored information, such as an e-mail, is produced in response to this subpoena, please produce a printed copy of the information.
2. The terms "you," "yourself," and "your" refers to the person or entity responding to this subpoena, and to any of your employees or agents.
3. "Shepard" refers to Defendant R. Gregory Shepard, and to any of his employees or agents, unless otherwise stated.
4. "Johnson" refers to Defendant Neldon Johnson, and to any of his employees or agents, unless otherwise stated.
5. "Freeborn" refers to Defendant Roger Freeborn, and to any of his employees or agents, unless otherwise stated.
6. "RaPower-3" refers to Defendant RaPower-3, LLC, and to any of its employees, independent contractors, or agents, unless otherwise stated.
7. "IAS" refers to Defendant International Automated Systems, Inc., and to any of its employees, independent contractors or agents, unless otherwise stated.
8. "LTB" refers to Defendant LTB1, LLC, and to any of its employees or agents, unless otherwise stated.
9. The term "IRS" refers to the Internal Revenue Service.
10. The term "Lens" means any equipment that any customer has purchased from, leased from or to, a defendant in this action. The term "lens" includes a "solar thermal lens," "solar lens," "Fresnel lens," "solar panels" and/or "lens" in public statements like the statements made in: (1) the March 2, 2015 version of the "Frequently Asked Questions" site on www.rapower3.com, a copy of which is labeled US001716 through US001721 and attached as Plaintiff's Ex. 1; and (2) the March 3, 2015 version of the "Solar Panels" site on www.iaus.com, a copy of which is labeled US002856 and attached as Exhibit Plaintiff's Ex. 2.

11. The term "System" refers to any technical, scientific, or engineering system that uses or purports to use a Lens in any way, including the purported "solar power technology" on the March 3, 2015 version of the "SOLAR" site on www.iaus.com, a copy of which is labeled US002858 through US002859 and attached as Plaintiff's Ex. 3; and the "combined technologies" referred to in Plaintiff's Ex. 1 (on the page labeled US-001719).
12. The term "Customer" refers to any person or entity who has paid money for a Lens.
13. The term "Sponsor" means the "sponsor" that RaPower-3 refers to in Plaintiff's Ex. 1.
14. Unless otherwise specified, this subpoena covers documents created or used on or since January 1, 2005 through the present date.
15. If any documents are being withheld under claim of privilege, please provide a written list describing the documents and the reasons for which these documents will not be produced. See Fed. R. Civ. P. 45(e)(2).
16. You can comply with this subpoena by producing copies of the requested documents at the date, time, and location listed on the subpoena. You can also comply with this subpoena by mailing copies of the requested documents to the following address before April 22, 2016:

Erin R. Hines
U.S. Department of Justice, Tax Division
P.O. Box 7238
Washington, D.C. 20044

You can also comply with this subpoena by sending copies of the requested documents by April 22, 2016 by FedEx or other overnight delivery service to: Erin R. Hines, U.S. Department of Justice, Tax Division, 555 4th St. NW, Room 8921, Washington, D.C. 20001.

You can also comply with this subpoena by e-mailing copies to Erin.R.Hines@usdoj.gov and Christopher.R.Moran@usdoj.gov. The documents may also be produced in hard copy or produced on a disc or other readable medium, such as a thumb drive, in .PDF form.

II. Documents Requested

1. Copies of any document you obtained from RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn that provides information discussing, advertising, or containing an offer to purchase or sell, a lens, system or part thereof.
2. Copies of any document you obtained from, or sent to, RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn regarding a purchase, lease to, or from, RaPower-3, IAS, LTB,

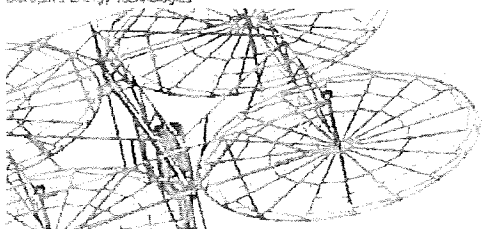
- Shepard, Johnson, or Freeborn, of a lens, system, or part thereof, including invoices, receipts or other correspondence.
3. Copies of any document you obtained from RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn relating to lenses or a system being placed in service.
 4. Copies of any newsletter, memoranda, or other written correspondence containing updates or information related to any lens, system, federal taxes or your ownerships or leasing of lenses from RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn.
 5. Copies of any document reflecting an agreement with RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn concerning the use, sale or lease of lenses, referral fees, including equipment purchase agreements and operation & maintenance agreements.
 6. Copies of any document you obtained from RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn relating to or discussing a lens or a system.
 7. Copies of any document you obtained from RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn discussing or referring to your eligibility for a deduction or credit with respect to a federal tax liability.
 8. Copies of any document you received from RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn discussing federal taxes.
 9. Copies of any document that reflects payments you made to RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn for the purchase of a lens, system or part thereof, including cancelled checks or account statements.
 10. Copies of any Form 1099 you received from RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn.
 11. Copies of any tax return on which you claimed any deduction, credit or other tax item related to a lens, system or part thereof, and that was obtained from RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn.
 12. Copies of any document you received from the IRS, or submitted to the IRS, related to a deduction, credit or other tax item related to a lens, system or part thereof, and that was obtained from RaPower-3, IAS, LTB, Shepard, Johnson, or Freeborn.
 13. Copies of any other opinions or advice from professionals (including a second opinion, advice from your tax preparer, or other attorney or accountant) regarding any deduction, credit or other tax item you claimed in a federal income tax return related to a lens, system or part thereof.

3/2/2015

RaPower3 FAQ

RaPower3
 Disruptive Energy Technologies


Made in the U.S.A.

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DISRUPTIVE ENERGY TECHNOLOGIES

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Frequently Asked Questions

If you have a question that is not answered here please contact us through the [CONTACT PAGE](#)

Categories:

[Sponsoring Questions](#)
[General Questions](#)
[Tax Questions](#)
[Technology Questions](#)
[Contract Questions](#)
[Network Marketing Questions](#)
[Negative Press Questions](#)

1. Why do I need a sponsor to buy lenses?

First, your sponsor will receive a commission when you purchase systems.

Second, your sponsor can answer questions now and in the future. If not, the sales or marketing for

2. How can I look at the contracts and agreements before I buy?

Go to our [contracts page](#). There you can see all of the documents.

3. In a nutshell, what is the RaPower3 deal?

RaPower3 has solar energy lenses one can purchase. Benefits include rental income, bonuses and tax credit/depreciation benefits that give an impressive return. There are also sales commissions available.

2. Who owns the technology?

International Automated Systems (IAUS). They give RaPower3 the right to sell their lenses.

3. Are there any patents?

About 26 patents and 50 patent pendings covering a number of IAUS technologies as of September 2014. IAUS has both national and international patents.

4. Does RaPower3 have a business license in my state?

Yes. RaPower3 has current business licenses in all 50 states.

5. Does the RaPower3 Solar Project have permits?

Yes. You may view the permit [here](#).

<http://www.rapower3.com/#faq/csg>

**Plaintiff
Exhibit**

1

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US-001716
US001716

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RaPower3 FAQ

A Drexel News article published in Dec 2013 stated that RaPower3 does not have required permits, this is not true. Please refer to our response to this article [page](#) for further information. You may also view the court's letter stating our compliance [here](#).

6. Can you define all the different watt terms?

A thousand watts = one kilowatt.
A thousand kilowatts = one megawatt.
A thousand megawatts = one gigawatt.

In the United States, one megawatt of energy would roughly meet the needs of a town of one thousand people. The terms of the cost per kilowatt hour can be different.

For example, an agreement to get ten cents per kilowatt hour (¢/kWh) means for every hour that we produce one kilowatt we would get ten cents. Therefore, if we were able to produce energy at the rate of 300 hours a month, then we would receive \$30 per month per kilowatt or \$30,000 per megawatt or \$720 per month for a 100 megawatt project.

7. What are the British Thermal Units mentioned in the RaPower3 contract?

The British thermal unit (symbol Btu or sometimes BTU) is a traditional unit of energy equal to about 1055 joules. It is approximately the amount of energy needed to heat 1 pound (0.454 kg) of water from 59°F to 60°F (15°C to 16°C). The unit is most often used in the power and steam generation industries. And so it is with RaPower3. The solar lenses will heat the water to a very hot temperature creating steam which makes the turbine turn. BTUs can be mathematically converted to kilowatts. This conversion equation is important in maintaining RaPower3's agreement with purchasers.

8. What are my RaPower3 contracts for?

When you sign up by filling out the User Name Application Form to purchase your solar lenses, you also electronically sign our standard terms and agreed upon. These three contractual agreements are with three different entities:

- a) Your Equipment Purchase Agreement with RaPower3
- b) Your Operation and Maintenance Agreement with LTR LLC
- c) Your Service Agreement Contract with IAS (International Automation Systems)

This was done in order for you to receive the maximum benefits possible and to insure your ability to claim all of your tax credits and depreciation as outlined.

RaPower3 Team Members can look at and print out their agreements by going to [rapower3.com](#) and logging on to a Back Office. You will want your USER NAME that you created when you signed up. We suggest you print out a physical copy for your file and another copy for your tax papers.

1. What are the tax forms used for the solar energy tax credits?

You can access the solar energy tax forms 5428 and 5600 by going to [irs.gov](#). In the upper right hand corner there is a search engine just put in the form number. After the above forms are filed out correctly then the tax credit number goes on line 53 of your 1040 form.

2. What tax forms are used for the depreciation?

IRS Form 4562 and Schedule C. The depreciation from 4562 becomes a Net Operating Loss (NOL) on Schedule C and then that figure goes on line 12 on your 1040 form.

3. How are the tax credits and depreciation calculated?

The purchase price per lens is \$3,530 so you simply take 30% of that which is \$1,059 tax credit per system.

For depreciation, take half the tax credit (\$529) and subtract that from the purchase price, which is \$2,975 depreciation per system.

4. What are the depreciation requirements?

To be depreciable, the property must meet all of the following requirements: (Our RaPower3 solar thermal lenses easily meet these four requirements) 1. It must be property you own. 2. It must be used in your business or income-producing activity. 3. It must have a determinable useful life. 4. It must be expected to last more than one year after being placed in service.

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RaPower3 FAQ

5. When can I start claiming my depreciation?

A taxpayer can start claiming depreciation of an asset as soon as his or her property is placed in service. Property is placed in service when it is ready and available for a specific use, whether in a business activity, an income-producing activity, a tax-exempt activity, or a personal activity. This does not mean you have to be using the property. Just that it is ready and available for its specific use. The Placed-in-Service letter and Bonus Referral Contract that you will receive after you purchase your system verifies this.

If the equipment is ready and available for ANY income-producing activity, including leasing it out for oil drilling purposes, the owner may start claiming depreciation on the asset. This is what we give you with the Bonus Referral Contract. Your solar thermal lenses qualify for the 50% bonus depreciation in 2012, 2013 and 2014 as the above standards have been met. You use the standard 5-year double declining balance depreciation method for 2014.

6. I know I have to materially participate in my solar energy business to be considered non-passive so I can claim the depreciation. Do I have to spend 500 hours a year to be considered active because I really can't do that?

No, you do not have to spend 500 hours to qualify for material participation. Here are the guidelines taken from www.irs.gov. If the taxpayer and/or the spouse meet any of the following, he materially participates and income is non-passive and should not be on Form 8582 triggering passive losses.

1. Did taxpayer work more than 500 hours a year in business?
2. Did taxpayer do most of the work?
3. Did taxpayer work 100 hours and no one worked more?
4. Did taxpayer work 100-500 hours in several passive activities, the sum of which exceed 500 hours?
5. Did taxpayer materially participate in the activity any 5 of the prior 10 years?
6. Are business a seasonal service activity and no material participate in any 3 consecutive years?

Most RaPower3 Team Members qualify under guideline #2. Almost all of our RaPower3 Team Members work by themselves in their solar energy business. They have no employees and therefore they do most of the work, running their solar energy business. So these team members usually don't spend 500 hours on their business, but qualify anyway under guideline #2 because they do most of the work.

7. With the lenses I purchased are Placed in Service?

Yes. You will get a Placed-in-Service letter emailed to you in late February 2015 stating that fact. We suggest you make a copy of the letter and give it to your CPA so it's on a safe paper record.

8. How and when did all these amazing tax benefits come about?

The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 included provisions that allow businesses to elect 100 percent depreciation through 2011 and a 50 percent bonus depreciation through 2013. This bonus depreciation is not available for tax year 2014 or later unless extended by congress.

On October 3, 2010, the House of Representatives passed H.R. 1124, the Emergency Economic Stabilization Act of 2009 by a vote of 260-171. Soon after, President Bush signed the bill into law. The U.S. Senate passed its own version of the bill on Oct. 1, 2009. In the bill are a number of provisions supporting energy efficiency and renewable energy, including all of the solar incentives advocated by SEIA (Solar Energy Industries Association).

This package includes an 8-year extension of the 30% commercial solar investment tax credit, completely eliminates the monetary cap for residential solar electric installations, and allows states and alternative minimum tax (AMT) filers to take the credit. Therefore, RaPower3 will offer the tax benefit program through the purchasing of its solar thermal lenses until the end of the year 2018.

9. What can I do with the Kinton-McConkle tax attorney memorandum? I noticed it refers to SOLCO1, so how can RaPower3 Team Members use this letter?

SOLCO1 is an entity that deals in bigger commercial projects but is owned by RaPower3. Thus, all our RaPower3 Team Members are allowed to use and rely on this tax attorney memorandum. You should make two copies: one for your file and one for your tax preparer. The letter gives a number of references stating why RaPower3 tax benefits as outlined are following IRS tax codes and law.

10. There is also the Anderson tax attorney opinion letter. Since the Kinton-McConkle memorandum is newer, should I just use that one or use both?

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RaPower3 FAQ

Use both. The Anderson tax attorney opinion letter is your best resource in claiming your depreciation. You let IAUS use your lenses for advertising purposes and did so by the Bonus Referral Contract with your compensation tied to the gross sales of IAUS (International Automated Systems). This means you were using your lenses for a money making purpose. Therefore, your lenses were "placed into service" under the guidelines for Depreciation, which are different than the "placed into service" guidelines for your tax credit.

11. What if I purchased before the tax attorney letters were written?

It doesn't matter. Both letters are considered retroactive.

12. What code do I use on Schedule C and what is the type of business?

Use the code number 502400 and the type of business is Equipment Rental Services.



RaPower3 Technology Breakthrough

1. What are the breakthrough technologies?

There are five breakthrough technologies that should propel RaPower3 to the forefront of our nation's energy sector.

- These highly patented solar lenses are made of plastic and can be inexpensively mass produced. This Concentrated Solar Power (CSP) system is the only technology that uses the highly efficient tubular reflective approach rather than a reflective dish design.
- These highly patented turbines can be inexpensively mass produced. Our turbines are also software. This means projects can be built using many small turbines instead of one large one. Finally, our turbines are more efficient and can work with a larger range of steam with a further advantage of being water tolerant.
- Tracks the sun both horizontally and vertically, creating greater efficiency. Our tracking computer can regulate tracking the sun precisely with a movement of mere fractions of the same hour.
- Able to withstand winds up to 80MPH. This is far more than our competition.
- The turbine temperatures into the 3,500 degree range which is necessary to charge existing inexpensive lead batteries.
- This highly patented technology reduces the size of current heat exchangers by five times or by one thousand times than reducing the cost exponentially.
- This patented technology burns any kind of biomass waste or garbage with ease or tobacco. Our system is far more efficient and less costly than our competitors.
- This highly patented and guarded technology efficiently and effectively regulates different and fluctuating voltages. This control board can be mass produced and used to power renewable life-changing uses with a variety of industries. See [V1069](#).
- This will revolutionize the electric car and energy storage industry. More on this later.

2. What is the significance of these combined technologies?

We have the answer to our nation's energy needs and this answer is available in 2015. Our answer excludes all three essential dynamics for changing the energy equation. First, we have the lowest installation costs of any energy source. Second, we have the lowest cost of operation of any energy source. Third, we can mass produce every component in practically limitless quantities. In a nutshell, our combined technologies have the potential of significantly changing the energy requirements of transportation, homes and businesses.

3. Why can RaPower3 members only buy solar lenses?

Buying only the solar lenses gives our members versatility in claiming their tax benefits. Also, the tax benefits are based on providing solar process heat. Only the solar lenses can do that.

4. Will there be other products for RaPower3 members to buy in the future?

Possibly. There are some really cool technologies and products that will be released by International Automated Systems in the future. Some of these may be a great fit with our RaPower3 marketing concepts. Stay tuned.



3/2/2015

RaPower3 FAQ

Contract is Quantitative

1. People electronically sign their contracts and agreements. Is this legally OK?

Yes. It is now done all the time in the United States.

2. Why so many contracts and agreements?

All we necessary to put the whole RaPower3 package together

For example, The Equipment Purchase Agreement has important connections with the Operations and Maintenance Agreement. The Bonus Contract is important for our RaPower3 members in qualifying for the depreciation benefit.

3. How can I get a copy of my Contracts and Agreements?

Easy. Just login to your back office member area. Look to the left hand greenish column. There are two places to get this info that you may also print. First, look for contracts and click. There you will see a list of some of your documents. Just click to see or print. Second, look down further and click View Personal Purchases. This page shows a list of your Personal Purchases. On the left, you will see a small box with a + in it. Click it. This will bring up a lot of info. Your Equipment Purchase Contract, your Operations and Maintenance Agreement. You can even print out your invoice something your CPA might wish to have.



4. I don't like Network Marketing (Multilevel Marketing). What do I have to do?

Nothing. Absolutely nothing. It's just one component of RaPower3. Your participation is completely voluntary.

5. What's the cost?

There is no cost. There is no commission start up fee like other network marketing companies and also no monthly funds taken out of your account like other companies. You simply get commissions on everyone you sponsor and commissions on everyone they sponsor up to 3 levels deep.

6. What makes RaPower3 different?

Twenty-eight to thirty-nine percent of people who get into network marketing lose money because of the commission fee and having monthly funds withdrawn automatically from their checking account. Most people are unskilled in selling the products that are often times overpriced and, in addition, to being repeated over and over. Discouragement and loss of money leads to quitting with a bad taste.

With RaPower3 you only see what you need and what you do any makes you money and continues to make you money.

7. How do Commissions work?

You work at your own pace. Six the commissions are ten percent on the sales, ten percent on the rental income plus the bonus. It can mount up to a life-changing amount. You can sponsor as many people as you want. The ball that's going wide. And with each of these people you directly sponsor, you will also get a 1% commission for everyone they sponsor six levels deep. This means you can make commissions when your clients sell systems.

Example: Many people have purchased 100 systems or more. One hundred systems require a down payment of \$105,000. That means a \$10,500 commission. This also means the client will earn \$15,000 a year in rental income. That means another \$1,500 a year in commissions from the rental. The bonus would be at a maximum of \$100,000.

8. Who would buy 100 systems?

One in ten households should purchase 100 systems. When you speak in terms of being able to go back one to two years, you really don't have to make that big of an income to justify a one hundred system purchase. You can purchase several lenses a month and by the end of the year, you can get it done. Your IRS refunds will be about \$100,000. Do the math. What's even better this program is the federal government's program. RaPower3 just uses what was passed by congress and signed into law by two presidents to help make our country go green.



3/2/2015

RaPower3 FAQ

Negative Media (urgent)

There is the appearance of a lot of negative information against RaPower3 and/or IAUS on the Internet. The truth is, nearly all negative media on the Internet about RaPower3 and IAUS stems from an anonymous man whose main alias is TEDentis. This man's agenda is to do harm to RaPower3 and RaPower3 members.

If you know any information on this man, or if he has hurt you in any way, please send the information to info@rapower3.com so that it may be added to forthcoming action.

1. Who is TEDentis?

He is a man who hides behind the anonymity of the Internet with the singular purpose to spread misleading and hurtful misinformation about RaPower3 and IAUS in order to disrupt progress by any means possible. His main website is called lousenergy.com. But he has many, many more sites with cleverer titles such as "Scamwatch" and "Fraud Alert", but they are nothing more than free blog sites filled with misleading information about IAUS and RaPower3.

His main site, lousenergy.com is registered under godaddy. The following came from the registrar:

To see the report on lousenergy.com [CLICK HERE](#)

On this report you will see the phone and fax numbers are:
+1 4806242699 and +1 4806242699

And the address is listed as:
14747 N. Northlight Blvd Suite 111 PMB 2-2
Scottsdale, Arizona 85260

The man is dangerous. Do an Internet search on these phone numbers and address to see what this man is involved in. It's really scary stuff.

2. I saw in a article called "Pie in the Sky," are the claims in the article true?

The answer is: absolutely not.

A detailed response from RaPower3 is covering this article and its wild claims may be read [HERE](#).

Make Payments To: RaPower3 LLC 4035 South 3000 West Desert UT 84024	PR Contact: Matthew Shepard 601-351-2183	Business Contact: Greg Shepard 601-089-2284	Technology: Cloud-based Scalable Secure Reliable Flexible	Opportunity: Low start-up costs No experience necessary No inventory No franchise fees	Tax Info: 100% Tax Deductible 100% Tax Exempt 100% Tax Free
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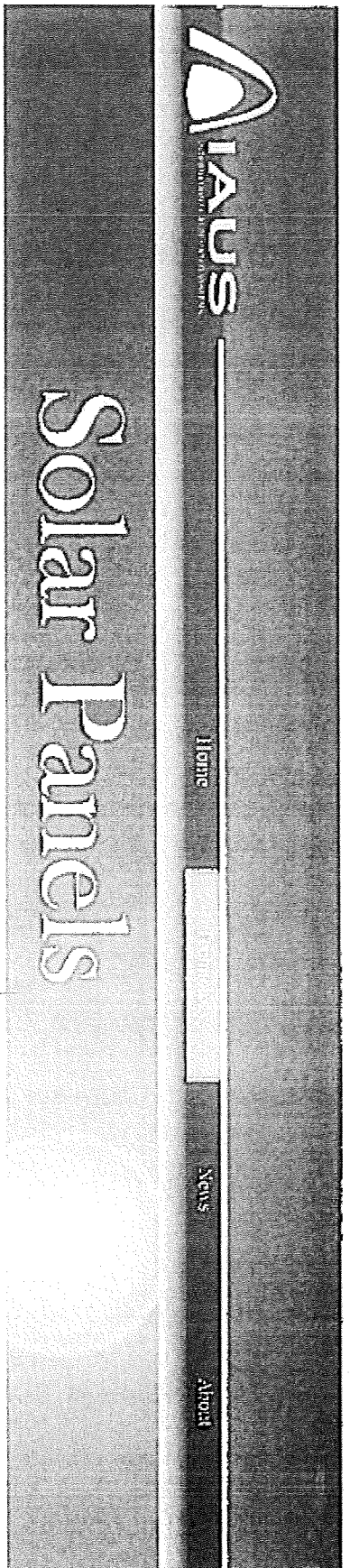
AGREEMENTS					
Lease Purchase Agreement	Operations & Maintenance	Commission Agreement	Policies & Procedures	Distributor Application	

DOCUMENTS					
IAUS Tech Write Papers	Tax Opinion Letter	Tax Memorandum	RaPower3 History	Milad County Permit	

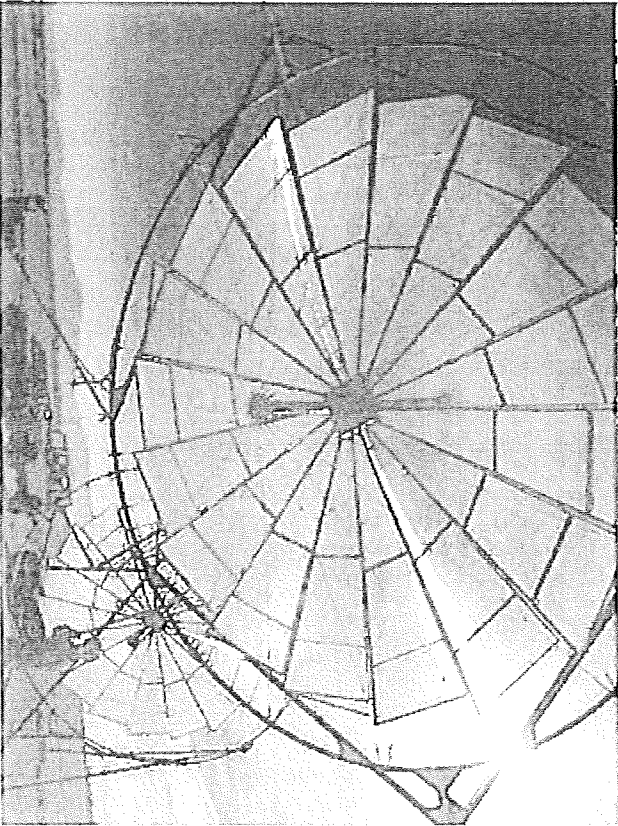
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3/3/2015

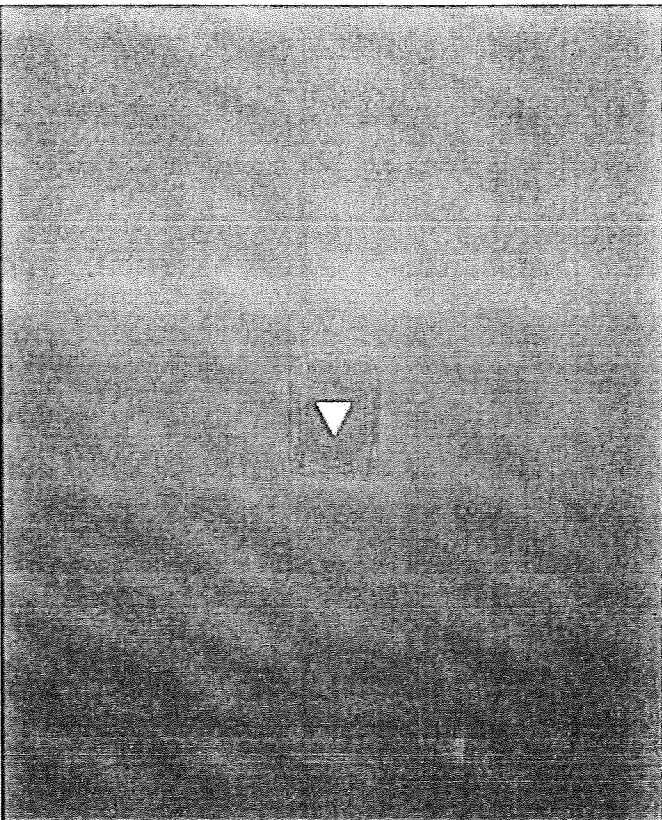
Solar Panels



Solar Panels- Ilaus's panel fabrication is a unique, patented, molding process never-before done with a radial Fresnel lens. This process allows for inexpensive, high-volume, mass production that can be expanded for ultra-high volumes in a comparatively short amount of time.



These thin solar panels focus the sun's energy to a small, high-temperature point. The energy generated can be used for both electricity production and thermal heat for manufacturing, water purification, chemical refinement, and other heat-based processes.



Technology

DVC Applications

DVC Applications

Company

<http://laus.com/solar-panels.html>

Plaintiff
Exhibit

2

US002856

1/2

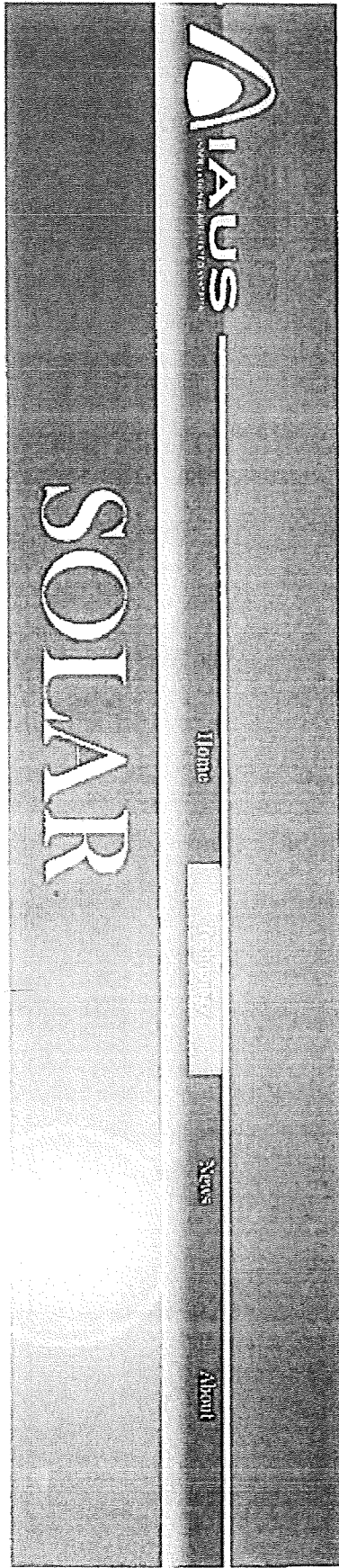
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Solar Panels

Solar Panels	Instant Charge Batteries	Electric Car Energy Capture	News / About
Bladeless Turbine	Wind Turbines	Electric Motors/Generators	
Dynamic Voltage Controller (DVC)	PV Solar	Smart Grid	
DVC Prototype Videos	CPV Solar	Lithium Batteries	
	Ocean Wave Energy Generation		
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3/3/2015

Technology



IAUS expects its unique solar power technology to be the first to compete with gas and coal. Two primary issues have prevented solar power from replacing fossil fuels: the high cost of solar power equipment, and limited-volume manufacturing capabilities. In fact, even if today's solar power technologies were competitively priced, the manufacturing capabilities are so low it would take decades to barely make a dent in replacing fossil fuels.

Because of IAUS's other proprietary components such as its bladeless turbine and dynamic voltage controller, the company's solar product can operate as both solar thermal and concentrated photo voltaic (CPV). Combining the two not only lowers the cost, and adds peak-power stability, but it creates a system that can potentially achieve efficiencies above 60%-70%.

Being a thermal based system also allows IAUS's solar plant to function as a hybrid with other fuels such as biomass, and natural gas. In addition, it is capable of producing electricity and desalinated water simultaneously. So coastal areas that are short of fresh water can produce both electricity and desalinated water from the sun.



IAUS's new solar technology presents a breakthrough on both fronts. The company has been achieving manufacturing costs competitive with fossil fuels, and its annual production scalability, both cost wise and time wise, is off the charts compared to today's technologies. These two

<http://iaus.com/technology.html>

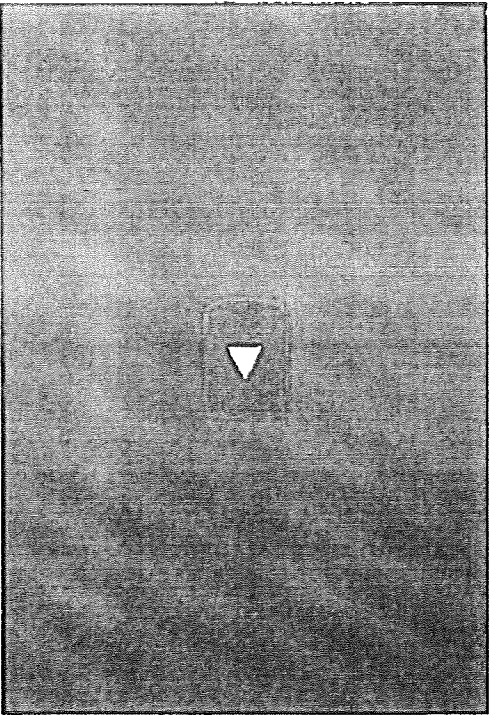
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3

US002858

3/3/2015

elements make it perhaps, the energy sector's holy grail in a market currently grossing more than \$3 trillion annually, but fueled by less than 1% solar.

Technology



Technology Solar Solar Panels Bladeless Turbine Dynamic Voltage Controller (DVC) DVC Prototype Videos	DVC Applications Instant Charge Batteries Wind Turbines PV/Solar CPV/Solar Ocean Wave Energy Generation	DVC Applications Electric Car Energy Capture Electric Motors/Generators Smart Grid Lithium Batteries	Company News About
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