

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

THE UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	Case no. 4:10-cv-00612-RWS
v.)	
)	
PHILIP A. KAISER,)	
)	
Defendant.)	

STIPULATED ORDER AND JUDGMENT

Plaintiff, the United States of America, and defendant, Philip A. Kaiser (“Kaiser”), stipulate as follows:

1. The United States of America has filed a Complaint for Permanent Injunction and Other Relief under 26 U.S.C. §§ 7401, 7402 and 7408 of the Internal Revenue Code (“I.R.C.”) against Kaiser.
2. Kaiser admits that the Court has subject matter and personal jurisdiction over him but denies the wrongdoing alleged in the complaint.
3. The Parties stipulate to resolve this matter through a Stipulated Order and Judgment. This stipulation does not establish any fact other than the existence and the terms of the Permanent Injunction, nor does it constitute an admission of any kind by either party.
4. The Parties waive the entry of findings of fact and conclusions of law under Rules 52 and 65 of the Federal Rules of Civil Procedure.

5. The Parties understand and agree that the Order will be entered under Fed. R. Civ. P. 65 and will constitute the final judgment in this matter. The Parties waive the right to appeal from this judgment, and agree that they will bear their respective costs, including any attorneys' fees or other expenses of this litigation.

6. The Parties further understand and agree that the Court will retain jurisdiction over this matter for the purpose of implementing and enforcing the Injunction, and Kaiser understands that if the United States believes and affirmatively claims that Kaiser has violated the Injunction, Kaiser may be subject to civil and criminal sanctions for contempt. The United States agrees that if further action is brought in the matter, Kaiser retains all rights to contest such proceedings, including the right to assert any proper responses, affirmative defenses or counterclaims.

7. The United States may conduct post-judgment discovery, in accordance with the Federal Rules of Civil Procedure, for the purpose of monitoring good faith compliance with the Injunction.

8. On the above basis, and subject to the mutual protections herein, Kaiser consents to the entry of this Stipulated Order and Judgment without further notice and agrees to be bound by its terms.

ORDER

IT IS HEREBY ORDERED pursuant to I.R.C. §§ 7401, 7402, and 7408 that defendant Philip A. Kaiser and his employees, servants and/or the employees or servants of the Kaiser Law Firm and anyone acting in active concert or participation with him is **HEREBY PERMANENTLY ENJOINED** from directly or indirectly, by use of any means or instrumentalities:

A. organizing, promoting or advising with respect to (or helping others to organize, promote or advise with respect to):

- i. the PIRAC, Char-FLP, Real Estate Purchase Option(s) and Derivium Tax arrangements described in the complaint; and/or
- ii. the establishment of any other Individual Retirement Account-based arrangement;

B. engaging in conduct that would be subject to I.R.C. § 6700, including making, in connection with the organization or sale of any plan or arrangement, any statements about the securing of any tax benefit that Kaiser knows or has reason to know is false or fraudulent as to any material matter;

C. engaging in conduct that would be subject to I.R.C. § 6701, including preparing or assisting in the preparation of, or advising with respect to a document related to a material matter under the internal revenue laws that includes a position that Kaiser knows will, if used, result in an understatement of another person's tax liability;

D. engaging in conduct subject to penalty under any provision of the Internal Revenue Code, or engaging in any other conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws;

IT IS FURTHER ORDERED that Kaiser or his attorneys shall provide a copy of the Stipulated Order and Judgment to all of his principals, officers, managers, employees, associates and independent contractors within 15 days of entry by the Court; and provide to counsel for the United States within 30 days a signed and dated acknowledgment of receipt of this Order for each person for whom Kasier or his attorneys provided a copy of this Order in compliance with this paragraph.

IT IS FURTHER ORDERED that Kaiser or his attorneys shall provide a copy of the Stipulated Order and Judgment to clients to whom he has previously rendered advice or who engaged his services with respect to the tax arrangements referred to in the complaint within 15 days of entry by the Court; and within 30 days Kasier or his attorneys shall file with the Court a declaration certifying that Kasier's clients were provided a copy of this Order in accordance with this paragraph.

IT IS FURTHER ORDERED that pursuant to I.R.C. § 7402, within 30 days of the date of this Stipulated Order and Judgment, Kaiser or his attorneys shall produce to counsel for the United States a list identifying (by name, address, e-mail address, phone number, and Social Security or other tax identification number) all of the clients who, for any of the tax years January 1, 2005 to the present, have engaged Kaiser to implement any of the tax arrangements described in the complaint. The list shall indicate which, if any, of the clients Kaiser currently is representing or advising in any capacity.

IT IS FURTHER ORDERED that nothing in this Order shall prohibit Kaiser from representing his current clients whose cases, as of the date of this order, are on appeal before the IRS.

Consented and agreed to:

/s/ Mark E. Goodman

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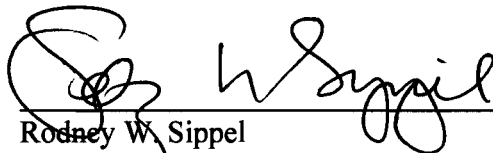
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SO ORDERED this 17th day of September, 2010.



Rodney W. Sippel
District Judge