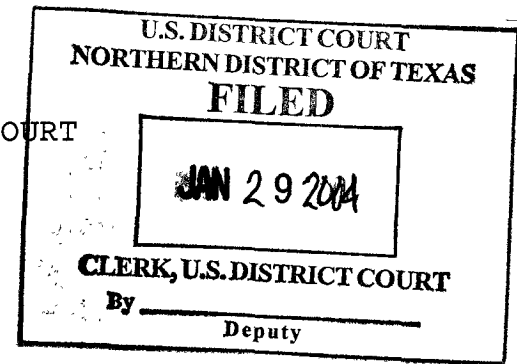


IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION



UNITED STATES OF AMERICA,

Plaintiff,

VS.

EBONY SCOTT, ET AL.,

Defendants.

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NO. 4:03-CV-1410-A

FINAL JUDGMENT AS TO CERTAIN CLAIMS

In accordance with the court's order of even date herewith,
The court ORDERS, ADJUDGES, and DECREES that Kelvin Bailey
("Bailey"), and all those in active concert or participation with
him, be, and are hereby, enjoined from directly or indirectly:

1. further acting as preparers of federal income tax returns;
2. preparing or assisting in the preparation of federal tax returns knowing that they will result in the understatement of any tax liability or the overstatement of federal tax credits or refunds;
3. engaging in any other activity subject to penalty under I.R.C. §§ 6694 or 6695;
4. organizing or selling abusive tax shelters, plans, or arrangements that advise or encourage taxpayers to attempt to evade the assessment or collection of their correct federal tax;
5. making or furnishing, in connection with the organization or sale of an abusive shelter, plan, or arrangement, a statement that they know or have reason to know to be false or fraudulent as to any material federal tax matter;
6. engaging in any other activity subject to penalty under I.R.C. §§ 6700 or 6701; and

7. engaging in other similar conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.

The court further ORDERS, ADJUDGES, and DECREES that Bailey, and all those in active concert or participation with him, within 10 days of service of this order, contact in writing all persons for whom he prepared and/or assisted in the preparation of any federal tax returns or tax-related documents and inform those persons of:

1. the signing and contents of the court's order of even date herewith and of this final judgment as to certain claims;
2. the possibility that the United States may seek to recover any erroneous payment those persons may have received; and
3. the possibility of the imposition of frivolous-return penalties against those persons.

Bailey shall file a sworn certificate certifying that he has complied with this requirement within 10 days of service of this order.

The court further ORDERS, ADJUDGES, and DECREES that Bailey, and all those in active concert or participation with him, provide counsel for the United States, within ten days of service of this order, all records in his possession or to which he has access, that identify the names, addresses and phone numbers of:

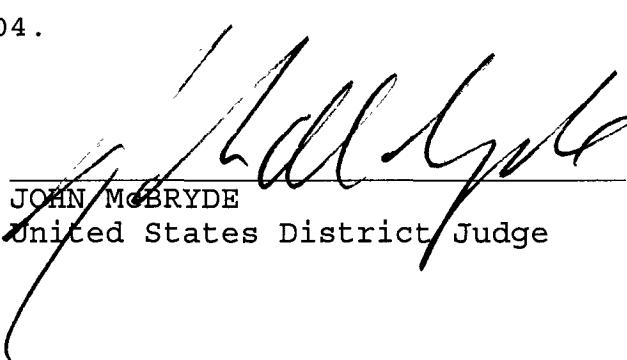
1. all persons or entities, including the taxpayer identification number, to whom Bailey gave or sold, directly or indirectly, any materials

related to the purported federal grant program for minority-owned businesses;

2. all persons or entities, including the taxpayer identification number, for whom Bailey or his associates prepared or assisted in preparing any tax return or other tax-related document;
3. all persons who assisted in the marketing or preparation of materials used by Bailey or written materials sent to potential customers;
4. all persons or entities, including the taxpayer identification number, who purchased or used any other tax shelter, plan, or arrangement that Bailey has promoted; and
5. all names, addresses, and phone numbers of all individuals of whom he is aware who currently promote or within the last five years have promoted the purported federal grant program for minority-owned businesses promoted by Bailey, including all those who have acted as promoters on behalf of S&K Enterprise.

Bailey shall file a sworn certificate certifying that he has complied with this requirement within 10 days of service of this order.

SIGNED January 29, 2004.



JOHN MCBRYDE
United States District Judge