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IN THE UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF NEVADA

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
REINHOLD V. SOMMERSTEDT; DANIEL J.)
YOUNG; STEPHEN R. NESTOR; and)
LYNN A. LAKERS,)
)
Defendants.)

Case No. 2:06-CV-00273-BES-GWF

**ORDER OF
PERMANENT INJUNCTION
AS TO DEFENDANT LYNN A.
LAKERS**

Plaintiff United States has filed a complaint for permanent injunction against the defendants Reinhold V. Sommerstedt, Daniel J. Young, Stephen R. Nestor and Lynn A. Lakers. Defendant Lynn A. Lakers, without admitting any of the allegations in the complaint except as to jurisdiction, waives the entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure and consents to the entry of this permanent injunction under Rule 65 of the Federal Rules of Civil Procedure and 26 U.S.C. §§ 7402, 7407, and 7408. Defendant Lakers further waives any right she may have to appeal from this permanent injunction. The plaintiff and defendant Lakers agree that entry of this permanent injunction neither precludes the Internal Revenue Service from assessing penalties against defendant Lakers for asserted violations of the Internal Revenue Code nor precludes defendant Lakers from contesting any such penalties.

1 NOW, THEREFORE, it is accordingly ORDERED, ADJUDGED AND DECREED
2 that:

3 1. The Court has jurisdiction over this action under 28 U.S.C. §§ 1340 and 1345 and
4 under 26 U.S.C. §§ 7402, 7407, and 7408.

5 2. The Court finds that defendant Lakers has neither admitted nor denied the United
6 States' allegations that she has engaged in conduct subject to penalty under §§ 6700 and/or 6701
7 of the Internal Revenue Code.

8 3. Defendant Lakers and her agents, servants, employees, attorneys, and all persons in
9 active concert or participation with them who receive actual notice of this Order are permanently
10 enjoined under 26 U.S.C. §§ 7402 and 7408 from:

- 11 a) Organizing or selling or otherwise promoting the foreign trust conduit scheme
12 described in the complaint, or any substantially similar scheme;
- 13 b) Engaging in any other activity subject to penalty under IRC § 6700, including
14 organizing or selling any plan or arrangement and making in connection
15 therewith a statement regarding the allowance of a tax deduction, the
16 excludability of income, or the securing of any other tax benefit that defendant
17 Lakers knows or has reason to know is false or fraudulent as to any material
18 matter;
- 19 c) Engaging in activity subject to penalty under IRC § 6701, including preparing or
20 assisting in the preparation of a document relating to a matter material under the
21 internal revenue laws that includes a position that defendant Lakers knows will,
22 if used, result in understatement of another person's federal tax liability;
- 23 d) Engaging in any other conduct subject to penalty under the Internal Revenue
24 Code;
- 25 e) Engaging in any other conduct interfering with the administration and
26 enforcement of the internal revenue laws; and
- 27 f) misrepresenting any of the terms of this Order.

1 4. Defendant Lakers shall contact by mail all individuals and entities known to her to
2 have purchased defendant Sommerstedt's trust schemes, plans, arrangements or programs, and
3 enclose a copy of this permanent injunction, and defendant Lakers shall file with the Court,
4 within 30 days of the date this permanent injunction is entered, a certification signed under
5 penalty of perjury confirming that she has done so;

6 5. Defendant Lakers is permanently enjoined under IRC §§ 7402 and 7407 from:

7 (a) Preparing any federal income tax or informational return in accordance
8 with the foreign trust conduit scheme described in the complaint in this
9 civil action, or any substantially similar scheme;

10 (b) Preparing any federal income tax return or informational return for a
11 foreign trust;

12 (c) Engaging in any conduct subject to penalty under IRC §§ 6694, 6695 or
13 6701; and

14 (d) Preparing any tax return that defendant Lakers knows or has reason to
15 know contains a position for which there was not a realistic possibility of
16 being sustained on its merits or will result in the substantial
17 understatement of the tax liability of another person.

18 6. Defendant Lakers shall provide to counsel for the United States, within 14 days after
19 entry of this Order, a complete list of the persons for whom Lakers has prepared or assisted in
20 preparing any federal income tax return, amended return, or refund claim at any time from
21 January 1, 2000 through the present, such list to include for each such person the name, address,
22 phone number, e-mail address, social security number or employer identification number, and the
23 tax period(s) to which or for which each such return, amended return, or refund claim relates.

24 7. Defendant Lakers shall file with the Clerk of this Court, within 22 days after entry of
25 the Court's order or judgment of injunction a sworn certificate of compliance, signed under
26 penalty of perjury, stating that she has complied with the foregoing directive.

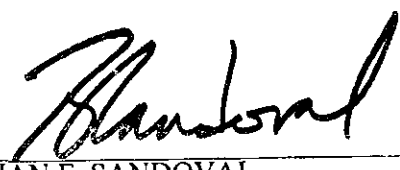
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8. The United States may engage in post-judgment discovery to ensure compliance with this permanent injunction.

IT IS SO ORDERED this 20 day of NOVEMBER, 2006.



BRIAN E. SANDOVAL
UNITED STATES DISTRICT JUDGE

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Prepared and submitted by:

DANIEL G. BOGDEN
United States Attorney

Date: June 16, 2006

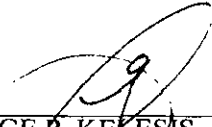


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Seen and agreed to:

Date: 6/2/06



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