

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

UNITED STATES OF AMERICA)	
)	
Plaintiff,)	
)	
v.)	
)	
CASH MANAGEMENT SYSTEMS,)	
INC., et al.,)	Civil No. 2:13-cv-02001EFM-KGG
)	
)	
Defendants.)	

Amended Stipulated Order for Permanent Injunction

The United States seeks a permanent injunction against defendants Cash Management Systems, Inc., Bruce Lemay, Richard Mills, Allen Davison, Xell Enterprises, Inc. (CMS et al) under Internal Revenue Code (I.R.C., 26 U.S.C.) §§ 7402, 7407, and 7408 to prevent CMS et al from further promoting unlawful tool reimbursement and tool rental tax schemes in violation of I.R.C. §§ 6700 and 6701.

Without admitting any of the allegations in the complaint, CMS et al, consents to the entry of this permanent injunction without further notice and agrees to be bound by its terms. CMS et al also understands that this permanent injunction will remain in place absent further court order. CMS et al further understands and agrees that the Court will retain jurisdiction over this matter for the purpose of implementing and enforcing this permanent injunction and

understands that if CMS et al violates this permanent injunction, CMS et al may be subject to civil and criminal sanctions for contempt of court. The parties agree that entry of this permanent injunction neither precludes the Internal Revenue Service from assessing penalties against CMS et al for asserted violations of the Internal Revenue Code nor precludes CMS et al from contesting any such penalties.

THEREFORE, the Court ORDERS that CMS et al, their agents, servants, employees, attorneys, and all persons in active concert or participation with them, are permanently enjoined from directly or indirectly:

- a. promoting a tool reimbursement plan, or any similar plan, whereby employers recharacterize a portion of their employees' wages as tool "reimbursements," thereby avoiding collection and payment of federal income taxes and federal employment (FICA) taxes;
- b. promoting a tool rental or "use" program, or any similar plan, through which employers recharacterize a portion of their employees' wages as tool rental payments, thereby avoiding collection and payment of federal income taxes and federal employment (FICA) taxes;

- c. advising customers that the tool reimbursement and tool rental plans described above, or any similar plan, are consistent with the internal revenue laws;
- d. engaging in any other tax scheme, plan, or device that involves the tool reimbursement and tool rental schemes, or a similar plan, described above; and
- e. misrepresenting any of the terms of this order.

The Court also ORDERS CMS et al, within 14 days of entry of this Order, to provide to counsel for the United States an acknowledgment of receipt of this Order signed and dated by a corporate officer of CMS et al under penalty of perjury.

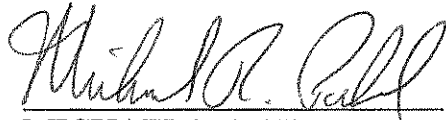
In order to monitor CMS et al's compliance with this permanent injunction, the United States may conduct formal discovery using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36, and 45 or as otherwise provided in the Federal Rules of Civil Procedure.

Dated: January 17, 2013

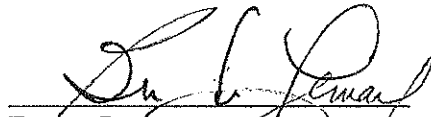

Eric F. Melgren
Judge of District Court

Prepared by:

Seen and Agreed:



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Dated: 1/4/13

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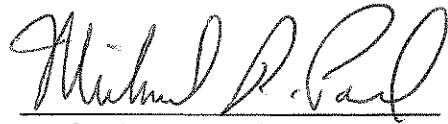
Seen and Agreed:



Allen Davison

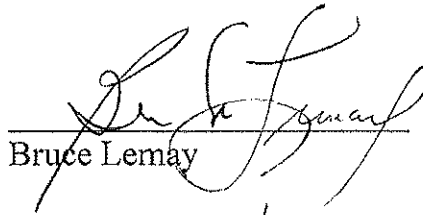
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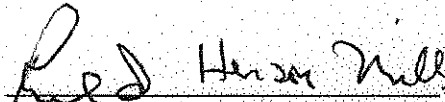
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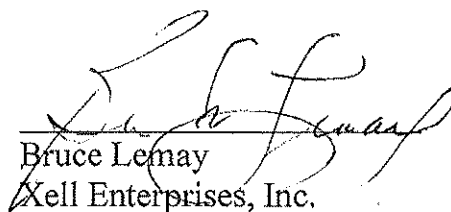
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