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IN THE UNITED STATES DISTRICT COURT FOR THE

DISTRICT OF NEVADA

UNITED STATES OF AMERICA,	
Plaintiff,	Case No. 2:06-CV-00273-BES-GWF
v.) REINHOLD V. SOMMERSTEDT; DANIEL J.) YOUNG; STEPHEN R. NESTOR; and) LYNN A. LAKERS,)	STIPULATED ORDER OF PERMANENT INJUNCTION AS TO DEFENDANT DANIEL J. YOUNG
Defendants.)	

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 Daniel J. Young, 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 and 7408. Defendant Young further waives any right that he may have to appeal from this permanent injunction. The plaintiff and defendant Young agree that entry of this permanent injunction neither precludes the Internal Revenue Service from assessing penalties against defendant Young for asserted violations of the Internal Revenue Code nor precludes defendant Young from contesting any such penalties.

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

- 1. The Court has jurisdiction over this action under 28 U.S.C. §§ 1340 and 1345 and under 26 U.S.C. §§ 7402 and 7408.
- 2. The Court finds that the defendant Young has neither admitted nor denied the United States' allegations that he has engaged in conduct subject to penalty under §§ 6700 and/or 6701 of the Internal Revenue Code.
- 3. Defendant Young and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Order are permanently enjoined under 26 U.S.C. §§ 7402 and 7408 from:
 - Organizing or selling or otherwise promoting the foreign trust conduit scheme a) described in the complaint, or any substantially similar scheme;
 - Engaging in any other activity subject to penalty under IRC § 6700, including b) organizing or selling any plan or arrangement and making in connection therewith a statement regarding the allowance of a tax deduction, the excludability of income, or the securing of any other tax benefit that defendant Young knows or has reason to know is false or fraudulent as to any material matter;
 - Engaging in activity subject to penalty under IRC § 6701, including preparing or c) assisting in the preparation of a document relating to a matter material under the internal revenue laws that includes a position that defendant Young knows will, if used, result in understatement of another person's federal tax liability;
 - d) Engaging in any other activity subject to penalty under any other penalty provision in the Internal Revenue Code;
 - Engaging in any other conduct interfering with the administration and e) enforcement of the internal revenue laws.
 - f) misrepresenting any of the terms of this Order.

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- 4. Defendant Young shall contact by mail all individuals and entities who have purchased his trust schemes, plans, arrangements or programs, and enclose a copy of this permanent injunction, and shall file with the Court, within 30 days of the date this permanent injunction is entered, a certification signed under penalty of perjury confirming that he has done so;
- 5. Defendant Young shall produce to counsel for the United States, within 30 days of the date this permanent injunction is entered, a list identifying by name, Social Security number, address, e-mail address, and telephone number all individuals or entities that have purchased any of defendants' tax schemes, plans, arrangements, or programs, and defendant Young shall file with the Court, within 30 days of the date this permanent injunction is entered, a certification signed under penalty of perjury confirming that he has done so.
- 6. The United States may engage in post-judgment discovery to ensure compliance with this permanent injunction.

IT IS SO ORDERED this _____ day of _____ 2006.

BRIAN E. SANDOVAL

UNITED STATES DISTRICT JUDGE

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Filed 05/23/2006

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