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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF WYOMING

IN RE:)
)
KENNETH RICHARD KEELER,) Case No. 02-21121
) Chapter 7
Debtor.)
)

JOINT STIPULATION OF FACT

The United States of America, by its attorneys, Carol A. Statkus, Assistant United States Attorney for the District of Wyoming, and August A. Imholtz III, Trial Attorney, Tax Division, United States Department of Justice, and the debtor Kenneth Richard Keeler (hereafter "Keeler"), by his attorney, Georg Jensen, respectfully submit this *Joint Stipulation of Fact* in the above-captioned action. This *Joint Stipulation of Fact* applies only to this action. The parties stipulate to the following:

PAYMENT TO THE CALIFORNIA FRANCHISE TAX BOARD

1. On or about March 15, 2002, Keeler submitted an Offer in Compromise to the California Franchise Tax Board with regard to his California tax liabilities for 1981, 1982, and 1983; a deposit of \$1,500,000.00 to the California Franchise Tax Board followed the offer on April 4, 2002.

2. On July 22, 2002, the California Franchise Tax Board sent Keeler a letter accepting his \$1,500,000.00 Offer in Compromise. A true and correct copy of the July 22, 2002 letter from the California Franchise Tax Board to Keeler is attached as Exhibit A.

PAYMENTS TO THE URANTIA FOUNDATION

3. Keeler is the President of the Urantia Foundation and is a member of the Foundation's Board of Trustees. Keeler has been a member of the Urantia Foundation's Board of Trustees since 1989 and has been the Foundation's President since 1997.

4. Keeler donated \$5,977,218.00 to the Urantia Foundation between December 31, 1993 and August 31, 2002. A true and correct record of Keeler's donations to the Urantia Foundation from April 30, 1964 through August 31, 2002 is attached as Exhibit B.

5. On October 20, 2002, Keeler made a \$100,000.00 donation to the Urantia Foundation by Check No. 1002 drawn on a Wells Fargo checking account. A true and correct copy of Check No. 1002 dated October 20, 2002 is attached as Exhibit C.

6. On November 26, 2002, Keeler transferred \$50,000.00 to the Urantia Foundation via a wire-transfer.

THE INTERNAL REVENUE SERVICE

7. Keeler's obligation to the IRS results from an examination of his 1981, 1982, and 1983 tax returns which, in 1993, resulted in a proposed adjustment of his income tax liability.

8. Keeler did not agree with the proposed adjustments and presented the issues to the United States Tax Court in 1993 which rendered a decision in favor of the IRS on January 28, 1999.

9. Keeler appealed the decision of the Tax Court to the Tenth Circuit Court of Appeals which affirmed the Tax Court on March 13, 2001.

10. Keeler did not submit an offer in compromise to the IRS with respect to his 1981, 1982, and 1983 federal tax liability.

11. Keeler has not made any voluntary payments to the IRS with respect to his 1981, 1982, and 1983 federal tax liability other than the original obligations reported on the returns.

12. Keeler and his attorney met and conferred with representatives of the IRS in 2001 and provided the IRS with documents and information including the attached Exhibit D and Exhibit E.

HAMILTON FAMILY LIMITED PARTNERSHIP

9. Keeler is a partner in the Hamilton Family Limited Partnership.

10. As of December 31, 2002, Keeler's capital account with the Hamilton Family Limited Partnership was worth \$338,894.00. A true and correct copy of the 2002 IRS Form 1065 *Partner's Share of Income, Credits, Deductions, Etc.* for Keeler for the Hamilton Family Limited Partnership is attached as Exhibit F.

11. A true and correct copy of the Agreement of Limited Partnership dated December 23, 1992 for the Hamilton Family Limited Partnership with attached Exhibit A and attached Memo Re Valuation of Hamilton Family Limited Partnership is attached hereto as Exhibit G.

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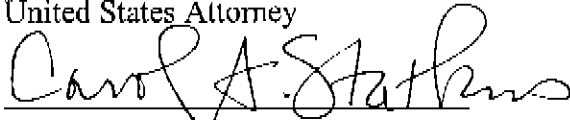
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In addition to the stipulations set forth above, the parties stipulate to the authenticity and admissibility of the documents attached hereto as Exhibits A, B, C, D, E, F, and G and waive any and all objections to the admission of these documents into evidence. To the extent that any of the above stipulations constitutes a matter of law, the parties stipulate to that matter of law.

Respectfully submitted this 15th day of April, 2003.

ROBERT S. WATKINS
Chief, Civil Trial Section
Western Region, Tax Division
United States Department of Justice

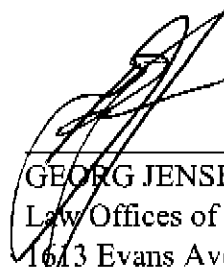
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