

CPA CONTINGENT FEE AGREEMENT

This agreement is made and entered into this ____ day of _____, 20____, by and between Charles D. Ulrich, CPA, 1550 – 1st Street No., c/o Copperleaf Unit # 212, Willmar, MN, 56201, hereafter referred to as CPA, and

_____, of
name of client , both names if a joint tax return was filed

current complete address of client or clients (“Client”)

WHEREAS, Client desires to obtain refunds of federal and state income taxes paid in connection with Client’s receipt of cash in lieu of stock or upon the disposition of stock received in the demutualization of _____, a mutual life insurance co;

WHEREAS, Client has retained CPA to handle the filing of Client’s refund claim(s) in connection therewith, and any administrative matters arising in connection with such refund(s), (“the Project”);

WHEREAS, Client understands that CPA will engage such other professionals as he deems appropriate to handle various phases of the Project;

WHEREAS, Client understands that the position of the U.S. Internal Revenue Service (“IRS”) is contrary to the position that is being taken in such refund claim(s) and that there is thus a high probability that litigation will be necessary in order to obtain a refund, and Client further understands that the outcome of the administrative refund process or of any such litigation is uncertain and that CPA makes no representation as to such outcome;

WHEREAS, CPA is willing to provide Client with services in connection with the administrative handling of such refund claim, including the preparation and filing of such refund claim, the handling of any resulting contacts with the IRS, and the provision of litigation support services in connection with any litigation that may be appropriate to assert that refund claim in the event it is denied by the IRS or is not acted upon within six months of its filing, and

WHEREAS, Client understands that IRS may raise other issues in connection with the tax return involved and that CPA is undertaking to handle only the issue of the reportable gain on the demutualization cash or stock received,

NOW, THEREFORE, CPA and Client agree as follows:

1. CPA will prepare the refund claim for the client and handle the administrative processing of that claim, pursuant to a power of attorney on IRS Form 2848 that is being signed at the same time as this agreement and is intended to be an integral part of this agreement. In the event that this refund claim is allowed by IRS, then CPA will receive for his services and those of the other professionals pursuant to this agreement thirty-three and $\frac{1}{3}$ rd percent ($33 \frac{1}{3}$ %rd) of the gross amounts (including interest) ultimately received by Client.
2. If other issues are raised by IRS in connection with the tax year for which a refund is being sought, Client agrees that such issues will be handled by the Client, either directly or through a CPA, enrolled agent, or attorney engaged directly by the Client, and that any amounts of tax, interest, or penalty attributable to such other items which are offset against refunds that would otherwise be due Client on the demutualization issue shall be ignored in calculating the fee due CPA hereunder. Additionally, if Client owes any amounts to IRS as to other taxes or other years, and such amounts are offset by any refund otherwise due hereunder, such amounts shall be ignored in calculating the fee due CPA hereunder. Thus if Client was entitled to a refund of \$ 10,000 (tax plus interest), but the government actually issued a check for \$ 6,000 because of offsets, the fee due CPA would be calculated as though the refund was \$ 10,000.
3. Client agrees to bear a pro-rata share of the expenses incurred by CPA and other professionals in handling this Project on behalf of Client and other taxpayers similarly situated, but not to exceed five percent (5%) of the refund being sought - which expenses will be payable at the time the Client receives a refund check from the U.S. Treasury, or a final adverse court decision is entered. Client understands and accepts that in the event of the demutualization issue being settled after litigation has commenced, the total fees, plus expenses payable by Client could aggregate as much as thirty-eight and $\frac{1}{3}$ rd percent ($38 \frac{1}{3}$ %rd) of any refund obtained.
4. The Client shall pay nothing for services pursuant to this Agreement if Client obtains no refund.
5. Because of the number of taxpayers potentially involved:
 - a. CPA may as agent for Client settle Client's claim without the approval of Client, and Client agrees that CPA will have the absolute right to accept or reject any settlement on behalf of Client, whether such settlement is negotiated before, during or after litigation;

b. CPA may withdraw from this representation at any time, upon giving written notice to the Client, in the event that the number of taxpayers who engage CPA pursuant to agreements similar to this is insufficient, in the opinion of CPA, to justify the expense and effort necessary to carry this matter through to a final resolution.

c. CPA is hereby and herewith authorized by the Client as his, her, or their agent to retain other professionals, including legal counsel, to represent Client and others similarly situated, on such terms and conditions as CPA may agree to with such other professionals. Any fees CPA, as agent for the Client, agrees shall be paid by Client to such other professionals will reduce the fees to be paid to CPA by Client hereunder, it being understood, however that such agreement with such professionals will provide that no fees will be due from Client to such other professionals that would exceed the amounts due to CPA from Client hereunder and thus, for example, no amount will be due from Client to such other professionals if no refund is obtained by the Client.

d. CPA will perform the services called for under this Agreement, keep Client informed of progress and developments, and respond promptly to Client's inquiries and communications as to the progress of the case.

6. Client will cooperate with CPA in promptly providing upon request any relevant information and will keep CPA reasonably informed of any matters or developments affecting the case and of Client's address, telephone number and whereabouts from time to time.
7. Client authorizes all refunds relative to these claims to be sent to CPA, although payable to Client, and agrees that such checks shall not be released to Client until provision satisfactory to CPA has been made for payment of all fees and costs due hereunder, including fees to any other professionals that CPA may have engaged in Client's behalf.

This agreement contains the entire agreement of the parties. If any provision of this agreement is held in whole or in part to be unenforceable for any reason, the remainder of the agreement will be severable and remain in effect. This agreement may be modified by subsequent agreement of the parties only by an instrument in writing signed by all of them.

The prevailing party in any action or proceeding to enforce any provision of this agreement will be awarded reasonable attorney's fees and costs incurred in that action or proceeding or in efforts to negotiate the matter.

Date: _____ Client(s) signatures _____

Client(s) Names _____

Address _____

City, State, Zip _____, _____, _____

Date: _____ CPA signature _____

Charles D. Ulrich, CPA
1550 – 1st Street No.
c/o Copperleaf Unit # 212
Willmar, MN 56201