

**EXHIBIT 26**



**DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224**

**SMALL BUSINESS/SELF-EMPLOYED DIVISION**

**AUG 19 2008**

The Bernfoft Law Firm, S.C.  
Robert G. Bernhoft  
207 East Buffalo Street  
Suite 600  
Milwaukee, WI 53202

Freedom of Information Act Request – [REDACTED]

Dear Mr. Bernhoft:

This letter further responds to your Freedom of Information Act (FOIA) request of May 5, 2009, received in our office on May 13, 2009.

You asked for two items a complete copy of the system of records identified as Treasury/IRS 26.006, Form 2209, Courtesy Investigations, OP:C-Treasury/IRS and records, documents maintained in a system of record, Case Management and Time Reporting System, Treasury/IRS 46.002 bearing Circle Industries' name and/ or account number for the years 1999 through 2008.

In reply to items 1 and 2 – I am withholding approximately 20 boxes of documents in full based on the following exemptions: (b)(7) (A), (b)(7)(E), (b)(7)(F) and (b)(3) in conjunction with 26 U.S.C. 6103(b)(2)(a).

The FOIA exemption (b) (7) (A) exempts from disclosure records or information compiled for law enforcement purposes, but only to the extent that production of such records could interfere with enforcement proceedings.

Disclosure of this information is also exempt under FOIA subsection (b) (3) supported by Internal Revenue Code section IRC Section 6103(e) (7), because release would impair federal tax administration.

FOIA exemption (b) (7) (E) exempts from disclosure records or information compiled for law enforcement purposes to the extent their production would reveal: Techniques and procedures for law enforcement investigations or prosecutions.

Guidelines for law enforcement investigations or prosecutions, if release could reasonably be expected to risk circumvention of the law.

The FOIA exemption (b) (7) (F) exempts from disclosure records or information that could reasonably be expected to endanger the life or physical safety of any individual.

FOIA exemption (b) (3) requires us to withhold information that is specifically exempted from disclosure by another law. The law supporting this exemption Title 26 United States Code section 6103(b) (2) (a).

This constitutes a full denial of your request. I have enclosed Notice 393 explaining your appeal rights.

If you have any questions you may contact Disclosure Specialist, V. Young, ID # 58-09008, at (404) 338-8539 or write to: Internal Revenue Service, Disclosure Office 8, 401 West Peachtree Street, NW, Stop 602-D, Atlanta, Georgia 30308. Please refer to case number 08-2009-02442.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. D. Christian', written in a cursive style.

Tim D. Christian  
Disclosure Manager  
Disclosure Office 08

Enclosures

Information on an IRS Determination to Withhold Records Exempt From  
The Freedom of Information Act – 5 U.S.C. 552

Appeal Rights

You may file an appeal with the Internal Revenue Service (IRS) within 35 days after we (1) deny you access to a record in whole or in part, (2) have made an adverse determination as to your category as a requester, (3) deny your request for a fee waiver or reduction, or (4) have advised you that no records responsive to your request exist. You may file an appeal within 10 days when a request for expedited processing has been denied.

Your appeal must be in writing, must be signed by you, and must contain:

Your name and address,  
Description of the requested records,  
Date of the request (and a copy, if possible),  
Identity of the office and contact on the response letter, and  
Date of the letter denying the request (and a copy, if possible)

Mail your appeal to: IRS Appeals  
Attention: FOIA Appeals  
M/Stop 55203  
5045 E. Butler Ave.  
Fresno, California 93727-5136

Judicial Review

If we deny your appeal, or do not address an issue raised in your appeal within 20 days (excluding Saturdays, Sundays, or legal public holidays) after the date we receive your appeal, you may file a complaint in United States District Court in the district in which (1) you reside; (2) your principal place of business is located; (3) the records are located, or (4) the District of Columbia. A complaint may be filed within 10 days (excluding Saturdays, Sundays, or legal public holidays) after the date we receive your appeal if your appeal is from an adverse determination of a request for expedited processing. If you choose to file suit before receipt of a final determination by the Appeals office, the administrative appeals process may cease.

The rule for effecting service of judicial process upon the Internal Revenue Service is set forth in Federal Rule of Civil Procedure 4(i). In addition to service upon the United States, as set forth in Rule 4(i)(1), service must be made upon the Internal Revenue Service by registered or certified mail as set forth in Rule 4(i)(2)(A). The address of the Internal Revenue Service is: Internal Revenue Service, Attention CC:PA, 1111 Constitution Avenue, N.W., Washington, D.C. 20224.

Exemptions

The Freedom of Information Act, 5 U.S.C. 552, does not apply to matters that are:

- (b)(1) • specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified under such executive order,
- (b)(2) • related solely to the internal personnel rules and practices of an agency,
- (b)(3) • specifically exempted from disclosure by statute (other than section 552b of this title), provided that the statute:

(A) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or

(B) establishes particular criteria for withholding or refers to particular types of matters to be withheld.

Note: Internal Revenue Code sections 6103 and 6105 are statutes which qualify for exemption 3 treatment. Section 6103 protects the confidentiality of tax returns and information pertaining to a taxpayer collected by the IRS. Section 6105 protects information obtained from a foreign country under a tax treaty.

- (b)(4) • trade secrets and commercial or financial information obtained from a person and privileged or confidential,
- (b)(5) • inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency,
- (b)(6) • personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy,
- (b)(7) • records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information:
  - (A) could reasonably be expected to interfere with enforcement proceedings,
  - (B) would deprive a person of a right to a fair trial or an impartial adjudication,
  - (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy,
  - (D) could reasonably be expected to disclose the identity of a confidential source, including a State, local or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of a record or information compiled by a criminal law enforcement authority in the course of a criminal investigation or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source,
  - (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or
  - (F) could reasonably be expected to endanger the life or physical safety of any individual.
- (b)(8) • contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions, or
- (b)(9) • geological and geophysical information and data, including maps, concerning wells