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

LARGE AND MID-SIZE
BUSINESS DIVISION

February 19, 2002

MEMORANDUM FOR LARGE AND MID-SIZE BUSINESS EXECUTIVES, MANAGERS AND EXAMINERS

FROM: Larry R. Langdon
Commissioner, Large and Mid-Size Business Division

SUBJECT: Agreement with Respect to Disclosure in Compliance with Announcement 2002-2

Some taxpayers have indicated that they want to make a disclosure under Announcement 2002-2 but are concerned that the production of certain documents and opinions may be a waiver of the attorney-client privilege. The Service has developed an agreement to address this concern. The agreement states that the IRS will not assert that the production of documents under the announcement causes a waiver of the privilege. Note, however, that the agreement is not a concession that the claimed privilege applies, and it explicitly leaves open the ability of the IRS to argue that the claimed privilege does not apply for another reason.

The attached document is the agreement the IRS will enter into with taxpayers that want to disclose under Announcement 2002-2. If a taxpayer wants to enter into the agreement, examiners must seek assistance from LMSB Counsel. LMSB Counsel attorneys have been instructed to provide assistance on these agreements. Only in exceptional circumstances will the IRS deviate from the language contained in this agreement. Any change to the language must be cleared through LMSB Division Counsel Headquarters and the Office of the Associate Chief Counsel (Procedure and Administration).

The LMSB Directors Field Operations and the Deputy Director, Pre-Filing and Technical Guidance are authorized to sign the agreement for the IRS.

If you have questions on this matter, please contact Frank Y. Ng, Acting Director, Pre-Filing and Technical Guidance at (202) 283-8461, or David G. Harris, Manager, Office of Tax Shelter Analysis, at (202) 283-8386.

Attachment

Cc: Joe Kehoe
Dan Black
Linda Burke

AGREEMENT WITH RESPECT TO DISCLOSURE IN COMPLIANCE WITH ANNOUNCEMENT 2002-2

This agreement confirms that the Internal Revenue Service will not assert that **[Taxpayer's]** production of the documents listed below constitutes a subject matter waiver of the attorney-client privilege or the work product doctrine with respect to other documents addressing the same subject matters as those discussed in the listed documents.

This agreement does not constitute a concession by the Service that the documents are subject to protection by the attorney-client privilege or the work product doctrine. This agreement is not intended to limit in any way the Service's right to contest any privilege claims that **[Taxpayer]** may assert with respect to any other documents.

In accordance with this agreement, unredacted copies of the documents will be provided to the Service.

LIST OF DOCUMENTS TO BE PRODUCED:

Commissioner of Internal Revenue

By:_____

Date:_____

Taxpayer:_____

TIN#:_____

By:_____

Date:_____