



[CLICK HERE](#) to return to the home page

## **Internal Revenue Manual Section 4.10.13.2.4.3 (03-16-2015)**

### Contingencies

1. Accumulations have been justified as a result of various forms of contingencies including the following:
  - a. An actual or potential lawsuit
  - b. A possible liability arising out of some contractual obligation
  - c. A possible business reversal resulting from the loss of a customer
  - d. Accumulations to guard against competition has been justified in some cases
  - e. An accumulation to provide funds to finance a self-insurance plan. This includes key men/women, as well as the more common types of risk insurance
  - f. Accumulations to provide a retirement plan for employees