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3 Firm Bar No. 14000

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7 Phoenix, Arizona 85007-2926
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Attorney for Arizona Department of Revenue
BCE06-3404

10 IN THE UNITED STATES DISTRICT COURT FOR THE
11 DISTRICT OF ARIZONA (PHOENIX DIVISION)

12
13 United States of America,
14
15 Plaintiff,

Civil No. 2:11-cv-00698-FJM

16 v.
17 JAMES LESLIE READING; CLARE L.
18 READING; FOX GROUP TRUST;
19 MIDFIRST BANK; CHASE; FINANCIAL
LEGAL SERVICES; and STATE OF
ARIZONA,

STATE OF ARIZONA (DOR) INITIAL
DISCLOSURES UNDER FEDERAL
RULES OF CIVIL PROCEDURE 26(a)(1)

20 Defendants.

21
22 The State of Arizona ex rel. the Arizona Department of Revenue (“Defendant”),
23 by and through its undersigned counsel, hereby makes its initial disclosures under
24 Federal Rule of Civil Procedure 26 (a) (1):
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A. Individuals Likely to have Discoverable Information (Rule 26(a) (1)(A)(i))

Individuals likely to have information are the following:

- a. Personnel of the Arizona Department of Revenue involved in the filing of any liens. They would be made available through undersigned counsel.
- b. Individuals from the Recorders Office for Maricopa County as custodians of records. Their office is at 111 S. Third Ave., Phoenix, AZ 85003.
- c. Any of the individuals named by the Plaintiff, United States, in their Initial Disclosure Statement.

B. Disclosures Regarding Documents (Rule 26 (a) (1) (A) (ii))

- a. The State of Arizona ex rel. the Department of Revenue has filed liens with the County Recorder of Maricopa County Arizona. On May 25, 2000, the Defendant recorded with the County Recorder of Maricopa County, Arizona, a Notice of State Tax Lien with respect to an assessment against Defendant James L. Reading for tax years 1992, 1993, 1994, and 1995 (Attached hereto as Exhibit 1). On September 3, 2008, the Defendant recorded with the County Recorder of Maricopa County, Arizona, a Judgment with respect to an assessment against Defendants Clare L. Reading and James L. Reading for tax years 1994 and 1995 (Attached hereto as Exhibit 2).
- b. The State of Arizona ex rel. the Department of Revenue also has in its possession documents related to tax returns and calculation of liability.

C. Computation of Damages (Rule 26 (a) (1) (A) (iii))

- a. The State is merely asserting possible priority of liens in this case and is not claiming damages. However, as of June 13, 2011, the total amount of the

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Defendant's tax claim was computed as follows:

Lien No.	Tax	Penalty	Interest	Total
0001662	\$6,445.38	\$1,611.34	\$11,615.65	\$19,672.37

D. Disclosures Regarding Rule 26 (a) (1) (A) (iv))

This is not applicable.

Respectfully submitted this 26th day of August, 2011.

THOMAS C. HORNE
Attorney General

/s/ Robert P. Ventrella
ROBERT P. VENTRELLA
Assistant Attorney General

1 Copy of the foregoing hand-delivered
2 this ____ day of August, 2011, to:

3 Frederick J. Martone
4 401 E. Washington Street
5 Suite 130, SPC 1
6 Phoenix, AZ 85003-2118
7 Presiding Judge

8 Copy of the foregoing mailed
9 this ____ day of August, 2011, to:

10 Mr. Tommy K. Cryer
11 Cryer Law
12 7330 Fern Ave., Ste. 1102
13 Shreveport, LA 71105
14 Attorney for Co-Defendants, James Leslie Reading,
15 Clare L. Reading and Fox Group Trust

16 Mr. Paul Levine
17 McCarthy Holthus Levine
18 8502 E. Via de Ventura, Suite 200
19 Scottsdale, AZ 85258
20 Attorney for Defendant, MidFirst Bank

21 Mr. Charles Duffy
22 US Dept of Justice
23 Tax Division
24 P.O. Box 683
25 Ben Franklin Station
26 Washington, DC 20044 0683
Attorney for Plaintiff

/s/ Linda Lutz

#2267009:RPV/ll

EXHIBIT 1



ARIZONA DEPARTMENT OF REVENUE
P.O. BOX 29070 PHOENIX AZ 85038

Unofficial Document

00

READING
2425 E FOX
MESA

JAMES L
AZ 85213

ID NUMBER

NOTICE OF TAX LIEN

For additional information call: PHOENIX: (602) 542-5551 TUCSON: (520) 628-6442

Pursuant to the Arizona Revised Statutes Section 42-1152, Notice is hereby given that the above named taxpayer owes the Arizona Department of Revenue such unpaid amounts as are herein set forth and that pursuant to Section 42-1151 the Department has a lien against all the property or rights to property belonging to the taxpayer for such unpaid amount, plus accruing interest. Said lien shall continue in force until released by the Department.

Place of filing: MARICOPA

Lien Number: 0001662

KIND OF TAX	TAX PERIOD	UNPAID BALANCE	PENALTY	INTEREST TO:	TOTAL
INCOME	01/92-12/92	3,062.16	1,837.30	06/30/2000 2,391.98	7,291.44
	01/93-12/93	3,174.34	1,904.61	2,110.40	7,189.35
	01/94-12/94	7,638.30	4,582.99	4,098.03	16,319.32
	01/95-12/95	5,096.30	3,057.79	2,074.77	10,228.86
TOTAL AMOUNT DUE					41,028.97

PAGE 1 OF 1

DATED AT PHOENIX, ARIZONA THIS 25 DAY OF MAY 2000

Signature

Title: Administrator

EXHIBIT 2

RETURN TO
HELP

Unofficial
Document

When recorded mail to:

TERRY GODDARD
Arizona Attorney General
Civil Division
Tax, Bankruptcy & Collection
Section
1275 W. Washington
Phoenix, AZ 85007-2926
ATTN: RLaTondress/TBC

DOCUMENT COVER SHEET

CAPTION HEADING: Judgment

DO NOT REMOVE

This is part of the official document.

BCE06-3404

289685.rl: Recorder Cover Sheet

20080786454

FILED

9-3-2008 4:40 P.M.
MICHAEL K. JEANES, Clerk

By S. Brown
S. Brown, Deputy

1 TERRY GODDARD
Attorney General
2 Firm Bar No. 14000

3 MARC A. D'AMORE / 019728
4 DAVID J. DIR / 003606
5 MIRAL A. SIGURANI / 022697
6 STEPHEN D. BALL / 021663
Assistant Attorneys General
1275 West Washington Street
7 Phoenix, AZ 85007-2926
Telephone 602-542-1719
8 Email: DebtCollection@azag.gov

9 Attorneys for Plaintiff

10 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

11 IN THE ARIZONA TAX COURT

12 STATE OF ARIZONA, ex rel., ARIZONA
13 DEPARTMENT OF REVENUE, Unofficial Document No. TX2007-000479

14 Plaintiff,

15 vs

16 CLARE L. READING and JAMES L.
17 READING, individually and as husband and
18 wife,

19 Defendants.

JUDGMENT

20 This matter having come before this Court pursuant to Plaintiff's Motion for
21 Summary Judgment, the response and reply thereto and argument thereon, if any, and
22 good cause appearing;

23 IT IS HEREBY ORDERED granting Plaintiff's Motion for Summary Judgment
24 against Clare L. Reading and James L. Reading, and each of them, as follows:
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1. For taxes in the amount of \$6,445.38;

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- 2. For penalties in the amount of \$1,611.34;
- 3. For interest through June 30, 2008 in the amount of \$9,531.26 pursuant to A.R.S. § 42-1123;
- 4. For interest from July 1, 2008, pursuant to A.R.S. § 42-1123 until paid in full; and,
- 5. For after accruing costs.

DONE IN OPEN COURT: September 2, 2008



JUDGE OF THE SUPERIOR COURT

BCE06-3404
236133:DC

Unofficial Document

The foregoing instrument is a full, true and correct copy of the original on file in this office.

Attest September 3 2008
MICHAEL K. JEANES, Clerk of the Superior Court of the State of Arizona, in and for the County of Maricopa.

By Sheryl Brown Deputy

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<p>When Recorded Return To:</p> <p>TERRY GODDARD Attorney General Civil Division/ Tax, Bankruptcy & Collection Section 1275 West Washington Phoenix, Arizona 85007- 2926 ATTN: RLATondress/TBC</p>	<p>Maricopa County Recorder 111 S. Third Avenue Phoenix, AZ 85003</p>
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JUDGMENT DEBTOR INFORMATION

<p>Judgment Debtor(s) last known address:</p> <p>Clare L. Reading 2425 E. Fox St. Mesa, AZ 85213-5320</p>	<p>Judgment Debtor(s) address of receipt of summons:</p> <p>N/A</p>
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Unofficial Document

Judgment Debtor(s) date of birth:	N/A
Judgment Debtor(s) Drivers License No.	N/A
Judgment Debtor(s) SS#:	N/A
Judgment Balance:	\$17,587.98

<p>Creditor Address:</p> <p>Terry Goddard Attorney General Marc A. D'Amore 019728 Assistant Attorney General 1275 West Washington Phoenix, Arizona 85007-1298 (602) 542-1719</p>

County Recorder
Information Statement
Pursuant to A.R.S. §33-967(A)