

1 Terry I. Major, Trustee  
 2 Fox Group Trust  
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5 IN THE UNITED STATES DISTRICT COURT  
 6 DISTRICT OF ARIZONA

7 UNITED STATES OF AMERICA,  
 8 Plaintiffs,

Civ. No. 11-0698-PHX-FJM

9 v.

10 JAMES LESLIE READING, CLARE L.  
 11 READING, FOX GROUP TRUST,  
 12 MIDFIRST BANK, CHASE,  
 13 FINANCIAL LEGAL SERVICES,  
 14 STATE OF ARIZONA,  
 Defendants.

REPLY TO UNITED STATES'  
 OPPOSITION TO TERRY MAJOR'S  
 EMERGENCY MOTION TO STAY  
 PROCEEDINGS PENDING  
 INTERLOCUTORY APPEAL

Hon. Frederick J. Martone

15 As has been previously stated, the case of *C.E. Pope Equity Trust* does not  
 16 apply in this case. In this case, the order precludes a defendant from defending  
 17 substantive rights and places defendant, Fox Group Trust, in a position where it's  
 18 only asset, the subject property in this case, is threatened. Thus, it is the  
 19 obligation of the Trustee to defend on behalf of the trust.

21 Indeed, Fox Group Trust has already been damaged by having been  
 22 precluded from filing an answer to the Government's Motion for Summary  
 23 Judgment as the Trustee was not permitted to represent the Trust and no  
 24 attorney has agreed to provide *Pro bono publico* representation.  
 25

1 The court has stated that Fox Group Trust must be represented by an  
2 attorney. Fox Group Trust has no means to hire an attorney, especially since  
3 Plaintiff in this case has encumbered the only asset of Fox Group Trust with  
4 notices of Federal Tax Lien so that obtaining a loan on the only asset in order to  
5 pay for legal counsel is impossible. It must be a nice position to be in, encumber a  
6 defendant so that hiring an attorney is not possible, and then require the  
7 defendant to hire an attorney. This does not exactly seem like a fair  
8 representation of justice. It is similar to putting Don Knotts in the ring with  
9 Muhammad Ali and tying Don's hands behind his back. There would be no  
10 defense, and the result would probably not result in many laughs.

12 This is clearly a Constitutional issue. For the courts to deny a Trustee the  
13 right to defend trust property when there are no means to hire legal counsel,  
14 leaves a defendant trust with no means of defense.

16 It should not be a matter of being "allowed" to represent the trust. It must  
17 be viewed as a substantive right to defend. The form of trust, in this case, is an  
18 irrevocable trust. The Trust is defined by a private contract between the parties to  
19 the contract. The Trustee is a party and is duty bound to defend the trust property  
20 when it is under attack. The references and rules cited by plaintiff's counsel and  
21 the court regarding representation of an "entity" simply do not apply to the  
22 instant case. In the case of an irrevocable, contractual form of trust, the Fox  
23 Group Trust and the Trustee must be considered inseparable for purposes of any  
24 legal action. The Trustee is the trust and may thus represent himself, as the  
25

1 Trust. Without this capability, the trust loses by default. The Trustee and the  
2 Trust must be considered one, and the Trustee is representing *pro se* and/or *pro*  
3 *per* as a matter of right.

4         What happens if this court's order stands? The case proceeds and Fox  
5 Group Trust, a named defendant in this case, goes unrepresented. Indeed, the  
6 Trustee is barred from representing. Thus, the position of Fox Group Trust is  
7 silenced. This would definitely create a reviewable situation where the Plaintiff  
8 and the court have effectively required the representative of one defendant to  
9 obtain "court approved" counsel yet did not require other defendants to do so. If  
10 Fox Group Trust was named as a defendant, it must be allowed representation.

11         It was never the intention of this nation's founders that the courts should  
12 be the exclusive jurisdiction of those designated as "lawyers" or "duly qualified  
13 counsel". The courts are supposed to be the people's courts and were to have been  
14 open to all citizens. To close the courts to all but "bar certified lawyers", removes  
15 the foundation stone of our liberty and makes the citizens of this great land the  
16 mere subjects to the whim of an oligarchy.

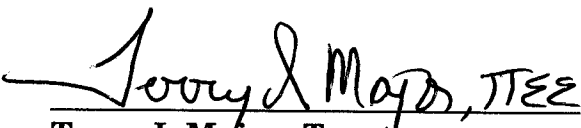
17         Statutorily defined entities must be represented by Attorneys. These would  
18 include: Corporations, Limited Liability Companies and Limited Partnerships.  
19 These entities are found within the statutory scheme and are thus regulated and  
20 required to have attorneys represent them.

21         Fox Group Trust, however, was not statutorily created nor defined. A trust  
22 and/or a contract in the form of a trust is not required to be filed with the state  
23  
24  
25

1 and not subject to the control of the state but is protected by Article One, Section  
2 Ten of the United States Constitution which supersedes and is superior to all the  
3 legal cites made by the government and the court in the instant case. Additionally,  
4 it would seem that justice dictates that courts may be barred from ruling upon  
5 documents the court has neither seen nor read. This Court has placed a label on  
6 Fox Group Trust without reading its controlling documents. "Designation of form  
7 of trust is not controlling; court will look to substance of circumstances and not  
8 labels placed on them by parties." *Johnson v. Hychyk* 517 P 2d 1079. How can the  
9 Court look to the substance of this case without reading the controlling  
10 documents? The contractual form of an irrevocable trust makes it a completely  
11 different form of entity. The one placing assets into the trust is no longer in  
12 control of the assets, the Trustee is in control. As such, the Trustee must be able to  
13 defend. The entity is defined by the contract and the Trustee and Trust are to be  
14 considered inseparable from the standpoint of legal action. The Trust and the  
15 Trustees are as one.

18 Terry I. Major, Trustee of Fox Group Trust, requests this honorable court  
19 stay these proceedings pending the outcome of the Appeal on the issue of  
20 representation of Fox Group Trust or in the alternative, simply permit the  
21 Trustees of Fox Group Trust to participate through *pro per* representation of the  
22 Fox Group Trust.

24 Submitted this 20<sup>th</sup> day of August, 2012

  
Terry I. Major, Trustee,  
in *Pro Per*  
Fox Group Trust

Cert No: 7011 1570 0003 6914 2614

**CERTIFICATE OF SERVICE**

On August 20<sup>th</sup>, 2012 the *original* of the **REPLY TO UNITED STATES' OPPOSITION TO TERRY MAJOR'S EMERGENCY MOTION TO STAY PROCEEDINGS PENDING INTERLOCUTORY APPEAL** was mailed by United States *Certified* Mail for filing to the Clerk of the District Court along with a copy to **Honorable Judge Frederick J. Martone**. In addition, copies were mailed by United States Mail to:

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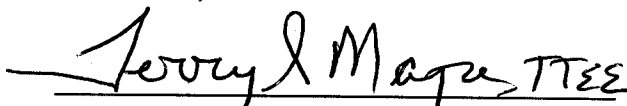
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