

# FINANCIAL DISCLOSURE REPORT INITIAL FILING

Report Required by the Ethics  
in Government Act of 1978  
(5 U.S.C. app. §§ 101-111)

|                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                          |                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| <b>1. Person Reporting (last name, first, middle initial)</b><br><br>Sala, Paul                                                                                                                           | <b>2. Court or Organization</b><br><br>United States Bankruptcy Court, District of Arizona                                                                                                                                                                                               | <b>3. Date of Report</b><br><br>11/14/2014                       |
| <b>4. Title (Article III judges indicate active or senior status; magistrate judges indicate full- or part-time)</b><br><br>U.S. Bankruptcy Judge, full-time                                              | <b>5a. Report Type (check appropriate type)</b><br><input type="checkbox"/> Nomination <input type="checkbox"/> Date<br><input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Final<br><b>5b.</b> <input type="checkbox"/> Amended Report | <b>6. Reporting Period</b><br><br>01/01/2013<br>to<br>10/15/2014 |
| <b>7. Chambers or Office Address</b><br><br>230 N. First Avenue<br>Suite 101<br>Phoenix, AZ 85003                                                                                                         |                                                                                                                                                                                                                                                                                          |                                                                  |
| <p align="center"><b>IMPORTANT NOTES:</b> The instructions accompanying this form must be followed. Complete all parts, checking the NONE box for each part where you have no reportable information.</p> |                                                                                                                                                                                                                                                                                          |                                                                  |

## I. POSITIONS. (Reporting individual only; see pp. 9-13 of filing instructions.)

☐ NONE (No reportable positions.)

| <u>POSITION</u>   | <u>NAME OF ORGANIZATION/ENTITY</u>                                                                   |
|-------------------|------------------------------------------------------------------------------------------------------|
| 1. Member         | Allen, Sala & Bayne, PLC, an Arizona Professional Limited Liability Company (resigned June 30, 2014) |
| 2. Manager/Member | Codaco, LLC, an Arizona Limited Liability Company                                                    |
| 3.                |                                                                                                      |
| 4.                |                                                                                                      |
| 5.                |                                                                                                      |

## II. AGREEMENTS. (Reporting individual only; see pp. 14-16 of filing instructions.)

☐ NONE (No reportable agreements.)

| <u>DATE</u>   | <u>PARTIES AND TERMS</u>                                                                     |
|---------------|----------------------------------------------------------------------------------------------|
| 1. 06/30/2014 | Allen, Sala & Bayne, PLC, Termination Agreement with former law firm, no remaining ownership |
| 2. 12/31/1999 | Allen, Sala & Bayne, PLC Retirement Plan, no control                                         |
| 3.            |                                                                                              |

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**III. NON-INVESTMENT INCOME.** *(Reporting individual and spouse; see pp. 17-24 of filing instructions.)***A. Filer's Non-Investment Income**☐ NONE *(No reportable non-investment income.)*

| <u>DATE</u> | <u>SOURCE AND TYPE</u>                                         | <u>INCOME</u><br>(yours, not spouse's) |
|-------------|----------------------------------------------------------------|----------------------------------------|
| 1. 2012     | Allen, Sala & Bayne, PLC, K-1 income                           | \$298,448.00                           |
| 2. 2012     | Allen, Sala & Bayne, PLC, guaranteed payments appearing on K-1 | \$15,924.00                            |
| 3. 2013     | Allen, Sala & Bayne, PLC, K-1 income                           | \$308,431.00                           |
| 4. 2013     | Allen, Sala & Bayne, PLC, guaranteed payments appearing on K-1 | \$15,679.00                            |
| 5.          |                                                                |                                        |
| 6.          |                                                                |                                        |

**B. Spouse's Non-Investment Income -** *If you were married during any portion of the reporting year, complete this section.**(Dollar amount not required except for honoraria.)*☒ NONE *(No reportable non-investment income.)*

| <u>DATE</u> | <u>SOURCE AND TYPE</u> |
|-------------|------------------------|
| 1.          |                        |
| 2.          |                        |
| 3.          |                        |
| 4.          |                        |

**IV. REIMBURSEMENTS** -- *transportation, lodging, food, entertainment.**(Includes those to spouse and dependent children; see pp. 25-27 of filing instructions.)*☐ NONE *(No reportable reimbursements.)*

| <u>SOURCE</u> | <u>DATES</u> | <u>LOCATION</u> | <u>PURPOSE</u> | <u>ITEMS PAID OR PROVIDED</u> |
|---------------|--------------|-----------------|----------------|-------------------------------|
| 1. exempt     | exempt       | exempt          | exempt         | exempt                        |
| 2.            |              |                 |                |                               |
| 3.            |              |                 |                |                               |
| 4.            |              |                 |                |                               |
| 5.            |              |                 |                |                               |

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**V. GIFTS.** *(Includes those to spouse and dependent children; see pp. 28-31 of filing instructions.)*☐

NONE (No reportable gifts.)

|    | <u>SOURCE</u> | <u>DESCRIPTION</u> | <u>VALUE</u> |
|----|---------------|--------------------|--------------|
| 1. | exempt        | exempt             |              |
| 2. |               |                    |              |
| 3. |               |                    |              |
| 4. |               |                    |              |
| 5. |               |                    |              |

**VI. LIABILITIES.** *(Includes those of spouse and dependent children; see pp. 32-33 of filing instructions.)*☐

NONE (No reportable liabilities.)

|    | <u>CREDITOR</u>                          | <u>DESCRIPTION</u>                                       | <u>VALUE CODE</u> |
|----|------------------------------------------|----------------------------------------------------------|-------------------|
| 1. | First Bank Mortgage                      | Mortgage loan on Oceanside, CA condo (Part VII, line 12) | M                 |
| 2. | Allen, Sala & Bayne, PLC Retirement Plan | 401k loan (Part VII, line 1)                             | K                 |
| 3. | Fedloan Servicing                        | Student loans [REDACTED]                                 | K                 |
| 4. | Fedloan Servicing                        | Student loans [REDACTED]                                 | K                 |
| 5. |                                          |                                                          |                   |

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## VII. INVESTMENTS and TRUSTS -- income, value, transactions (Includes those of spouse and dependent children; see pp. 34-60 of filing instructions.)

☐ NONE (No reportable income, assets, or transactions.)

| A.<br>Description of Assets<br>(including trust assets)<br><br>Place "(X)" after each asset<br>exempt from prior disclosure | B.<br>Income during<br>reporting period |                                               | C.<br>Gross value at end<br>of reporting period |                                           | D.<br>Transactions during reporting period      |                         |                                 |                                |                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------------|-------------------------------------------------|-------------------------------------------|-------------------------------------------------|-------------------------|---------------------------------|--------------------------------|-------------------------------------------------------------------|
|                                                                                                                             | (1)<br>Amount<br>Code 1<br>(A-H)        | (2)<br>Type (e.g.,<br>div., rent,<br>or int.) | (1)<br>Value<br>Code 2<br>(J-P)                 | (2)<br>Value<br>Method<br>Code 3<br>(Q-W) | (1)<br>Type (e.g.,<br>buy, sell,<br>redemption) | (2)<br>Date<br>mm/dd/yy | (3)<br>Value<br>Code 2<br>(J-P) | (4)<br>Gain<br>Code 1<br>(A-H) | (5)<br>Identity of<br>buyer/seller<br>(if private<br>transaction) |
| 1. Allen, Sala & Bayne, PLC 401(k), loan receivable                                                                         | C                                       | Interest                                      | K                                               | U                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 2. Allen, Sala & Bayne 401(k), Vanguard Ext. Market Inx Adm.ind fund                                                        | A                                       | Int./Div.                                     | N                                               | T                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 3. Allen, Sala & Bayne, PLC 401(k), Vanguard Prime Money Market                                                             | A                                       | Interest                                      | J                                               | T                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 4. ETrade IRA, Apple Corp. common stock                                                                                     | B                                       | Dividend                                      | L                                               | T                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 5. ETrade IRA, GT Advanced Technologies, Inc. common stock                                                                  |                                         | None                                          | J                                               | T                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 6. ETrade IRA, STMicroelectronics N.V. common stock                                                                         |                                         | None                                          | J                                               | T                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 7. ETrade IRA, cash                                                                                                         |                                         | None                                          | J                                               | T                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 8. Terra Systems, Inc. (TSYI) common stock                                                                                  |                                         | None                                          | J                                               | T                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 9. Codaco, LLC, 12.5% membership in limited liability company                                                               | A                                       | Distribution                                  | K                                               | W                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 10. National Bank of Arizona, accounts                                                                                      |                                         | None                                          | K                                               | T                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 11. Allen, Sala & Bayne, PLC, Termination Agreement                                                                         | F                                       | Distribution                                  | M                                               | U                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 12. Oceanside, CA condo                                                                                                     |                                         | None                                          | M                                               | W                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 13. First Federal Credit Union account                                                                                      | A                                       | Int./Div.                                     | J                                               | T                                         | Exempt                                          |                         |                                 |                                |                                                                   |
| 14.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                         |                                 |                                |                                                                   |
| 15.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                         |                                 |                                |                                                                   |
| 16.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                         |                                 |                                |                                                                   |
| 17.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                         |                                 |                                |                                                                   |

|                                                  |                                                                                       |                                                        |                                                                                          |                                                              |                         |
|--------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------|-------------------------|
| 1. Income Gain Codes:<br>(See Columns B1 and D4) | A = \$1,000 or less<br>F = \$50,001 - \$100,000                                       | B = \$1,001 - \$2,500<br>G = \$100,001 - \$1,000,000   | C = \$2,501 - \$5,000<br>H1 = \$1,000,001 - \$5,000,000                                  | D = \$5,001 - \$15,000<br>H2 = More than \$5,000,000         | E = \$15,001 - \$50,000 |
| 2. Value Codes<br>(See Columns C1 and D3)        | J = \$15,000 or less<br>N = \$250,001 - \$500,000<br>P3 = \$25,000,001 - \$50,000,000 | K = \$15,001 - \$50,000<br>O = \$500,001 - \$1,000,000 | L = \$50,001 - \$100,000<br>P1 = \$1,000,001 - \$5,000,000<br>P4 = More than \$5,000,000 | M = \$100,001 - \$250,000<br>P2 = \$5,000,001 - \$25,000,000 |                         |
| 3. Value Method Codes<br>(See Column C2)         | Q = Appraisal<br>U = Book Value                                                       | R = Cost (Real Estate Only)<br>V = Other               | S = Assessment<br>W = Estimated                                                          | T = Cash Market                                              |                         |

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**VIII. ADDITIONAL INFORMATION OR EXPLANATIONS.** *(Indicate part of report.)*

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## IX. CERTIFICATION.

I certify that all information given above (including information pertaining to my spouse and minor or dependent children, if any) is accurate, true, and complete to the best of my knowledge and belief, and that any information not reported was withheld because it met applicable statutory provisions permitting non-disclosure.

I further certify that earned income from outside employment and honoraria and the acceptance of gifts which have been reported are in compliance with the provisions of 5 U.S.C. app. § 501 et. seq., 5 U.S.C. § 7353, and Judicial Conference regulations.

Signature: s/ **Paul Sala**

NOTE: ANY INDIVIDUAL WHO KNOWINGLY AND WILLFULLY FALSIFIES OR FAILS TO FILE THIS REPORT MAY BE SUBJECT TO CIVIL AND CRIMINAL SANCTIONS (5 U.S.C. app. § 104)

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